



## BANCO DE SABADELL, S.A.

*(incorporated with limited liability under the laws of the Kingdom of Spain)*

**€20,000,000,000**

### **Euro Medium Term Note Programme**

This base prospectus (the “**Base Prospectus**”) has been approved by the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (the “**CNMV**”), as competent authority for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of the EU of 14 June 2017 (as amended, the “**Prospectus Regulation**”) and constitutes a base prospectus for the purposes of Article 8 of the Prospectus Regulation. This Base Prospectus has been prepared in accordance with Annexes 7 and 15 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation (the “**Delegated Regulation 2019/980**”). The CNMV has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed under the Prospectus Regulation. Approval by the CNMV should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of any securities that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes (as defined below).

Application has been made for the notes (the “**Notes**”) issued under the Banco de Sabadell, S.A. €20,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) during the 12 months from the date of this Base Prospectus by Banco de Sabadell, S.A. (“**Banco Sabadell**”, the “**Issuer**” or the “**Bank**”) to be admitted to listing on the Spanish AIAF Fixed Income Market (*AIAF Mercado de Renta Fija*) (“**AIAF**”), which is operated by BME Markets & Exchanges, S.A. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, “**MiFID II**”) and/or which are to be offered to the public in any member state of the European Economic Area (the “**EEA**”) in circumstances that require the publication of a prospectus. AIAF is a regulated market for the purposes of MiFID II.

**This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date of approval in relation to Notes which are to be admitted to trading on a regulated market in the EEA. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.**

The Programme also permits Notes to be issued on the basis that they are admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

As of the date of this Base Prospectus, the Issuer's long term rating is A- with a Positive Outlook by S&P Global Ratings Europe Limited (“**S&P**”), Baa1 with a Stable Outlook by Moody's Investors Service España, S.A. (“**Moody's**”) for senior unsecured debt, A- with a Stable Outlook by Fitch Ratings Ireland Limited (“**Fitch**”) and A (low) with a Stable Outlook by DBRS Ratings GmbH (“**DBRS**”). As of the date of this Base Prospectus, each of S&P, Moody's, Fitch and DBRS is established in the EEA and is registered under Regulation (EC) No 1060/2009 (as amended, the “**CRA Regulation**”). Where a Series of Notes is rated, such rating will be disclosed in the relevant Final Terms or the relevant Drawdown Prospectus. Whether or not a rating in relation to any series of Notes (“**Series of Notes**”) will be treated as having been issued by a credit rating agency established in the EEA and registered under the CRA Regulation will be disclosed in the relevant Final Terms or the relevant Drawdown Prospectus. None of S&P, Moody's, Fitch or DBRS are established in the United Kingdom (the “**UK**”), however they are each part of a group in respect of which one of its undertakings is (i) established in the UK, and (ii) is registered in accordance with the CRA Regulation as it forms part of the domestic law of the UK by virtue of the EUWA (the “**UK CRA Regulation**”). The Issuer ratings issued by S&P, Moody's, Fitch and DBRS have been

endorsed by S&P Global Ratings UK Limited, Moody's Investors Service Limited, Fitch Ratings Limited and DBRS Ratings Limited, respectively, in accordance with the UK CRA Regulation and have not been withdrawn. As such, the ratings issued by S&P, Moody's, Fitch and DBRS may be used for regulatory purposes in the UK in accordance with the UK CRA Regulation.

Notes issued under the Programme may be unrated or may be rated by S&P, Moody's, Fitch, DBRS and/or other such credit rating agencies as may be specified in the relevant Final Terms.

**A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

The Notes have not been and will not be registered under the United States of America (the “United States” or the “U.S.”) Securities Act of 1933 (as amended, the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (the “Regulation S”)) except in certain transactions exempt from the registration requirements in the Securities Act.

**MiFID II product governance / target market** – The relevant Final Terms or the relevant Drawdown Prospectus (as defined below) in respect of any Notes may include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the relevant Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID II Product Governance Rules”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

**UK MiFIR product governance / target market** – The relevant Final Terms or the relevant Drawdown Prospectus (as defined below) in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the relevant Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “EU PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** - The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2 (1) of Regulation (EU) No 600/2014

as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (“POATRs”). Consequently no disclosure document required by the FCA Product Disclosure Sourcebook (“DISC”) for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

Amounts payable on Floating Rate Notes or Fixed Reset Notes may be calculated by reference to one of the Euro Interbank Offered Rate (“EURIBOR”), the Euro Short-Term Rate (“€STR”), the Sterling Overnight Index Average (“SONIA”) or the Secured Overnight Financing Rate (“SOFR”), as specified in the relevant Final Terms or the relevant Drawdown Prospectus (as defined below), which are administered by the European Money Markets Institutes (“EMMI”), the European Central Bank, the Bank of England and the Federal Reserve Bank of New York, respectively. As of the date of this Base Prospectus, EMMI is included in the European Securities and Markets Authority’s (“ESMA”) register of administrators and benchmarks under Article 36 of the Regulation (EU) No. 2016/1011 (as amended, the “EU Benchmarks Regulation”). The European Central Bank, the Bank of England and the Federal Reserve Bank of New York are not included in ESMA’s register of administrators and benchmarks under Article 36 of the EU Benchmarks Regulation. As far as the Issuer is aware, €STR, SONIA and SOFR do not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of the EU Benchmarks Regulation.

*Investing in Notes issued under the Programme involves certain risks that may affect the abilities of the Issuer to fulfil its obligations under the Notes. Prospective investors should have regard to the factors described under the section headed “Risk Factors” in this Base Prospectus, before deciding to invest in the Notes issued under the Programme.*

**Arranger**

**DEUTSCHE BANK**

**Dealers**

**BANCO SABADELL**

**BARCLAYS**

**BNP PARIBAS**

**BOFA SECURITIES**

**CITIGROUP**

**COMMERZBANK**

**CRÉDIT AGRICOLE CIB**

**DEUTSCHE BANK**

**GOLDMAN SACHS BANK EUROPE SE**

**HSBC**

**MORGAN STANLEY**

**NATIXIS**

**NOMURA**

**SOCIÉTÉ GÉNÉRALE CORPORATE &  
INVESTMENT BANKING**

**UBS INVESTMENT BANK**

**UNICREDIT**

This Base Prospectus is dated 28 May 2026

## IMPORTANT NOTICES

### *Responsibility for this Base Prospectus*

The Issuer accepts responsibility for the information contained in this Base Prospectus and any Final Terms or Drawdown Prospectus (as defined below) and declares that, to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and makes no omission likely to affect its import.

### *Final Terms/Drawdown Prospectus*

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes*” (the “**Conditions**”) as completed by a document specific to such Tranche called final terms (the “**Final Terms**”) or in a separate prospectus specific to such Tranche (the “**Drawdown Prospectus**”) as described under “*Final Terms and Drawdown Prospectuses*” below.

### *Other relevant information*

This Base Prospectus has been approved by the CNMV, as competent authority for the purposes of the Prospectus Regulation and constitutes a base prospectus for the purposes of Article 8 of the Prospectus Regulation. This Base Prospectus has been prepared in accordance with Annexes 7 and 15 of the Delegated Regulation 2019/980. The CNMV has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed under the Prospectus Regulation. Approval by the CNMV should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of any securities that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any tranche of Notes (“**Tranche of Notes**”) which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

For the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on any website referred to in this Base Prospectus does not form part of this Base Prospectus and has not been scrutinised or approved by the CNMV.

The Issuer has confirmed to the Dealers referred to in “*Subscription and Sale*” below that this Base Prospectus contains all information which is (in the context of the Programme or the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect in light of the circumstances under which they were made; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect in light of the circumstances then subsisting; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme or the issue, offering and sale of the Notes) not misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing.

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

### *Unauthorised information*

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any responsibility for any act or omission of the Issuer or any other person in connection with this Programme and the issue and offering of Notes thereunder. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true

subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

### ***Suitability***

The Notes may not be a suitable investment for all investors. Prospective investors must determine the suitability of that investment in light of their own circumstances. In particular, each prospective investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement, taking into account that the Notes may only be a suitable investment for professional or institutional investors;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) understands thoroughly the terms of the Notes (including the provisions relating to status) and is familiar with the behaviour of financial markets;
- (d) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's currency; and
- (e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply an amount equal to the net proceeds of the issue of those Notes (as at the date of issuance of such Notes) into Eligible Green Projects, Eligible Social Projects or a combination of both Eligible Green Projects and Eligible Social Projects (such Notes being Green Bonds, Social Bonds or Sustainability Bonds, respectively), as described in the Issuer's SDG Bond Framework (each as defined below) published on the website of the Issuer (see "*Use of Proceeds*").

Prospective investors should have regard to the information set out in the Issuer's SDG Bond Framework and the Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary.

The Dealers have not undertaken, nor are responsible for, any assessment of the eligibility criteria for selecting investments in Eligible Green Projects or Eligible Social Projects, any verification of whether such projects meet such eligibility criteria, or the monitoring of the use of proceeds. Investors should refer to the Issuer's website, the SDG Bond Framework and the Second-Party Opinion (each as defined below) for information. No assurance or representation is given by the Issuer or any of the Dealers or any other person as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer or any affiliate) on the SDG Bond Framework or on any Green Bonds, Social Bonds or Sustainability Bonds issued. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any such Notes.

None of the Dealers or any of their respective affiliates accepts any responsibility for any third party social, environmental and sustainability assessment of any Notes or makes any representation or warranty or assurance whether the Notes will meet any investor expectations or requirements regarding such “green” or similar denominations. The Dealers or any of their respective affiliates are not responsible for the monitoring of the use of proceeds for any Notes. No representation or assurance is given by the Dealers or any of their respective affiliates as to the suitability or reliability of the SDG Bond Framework (as defined herein) or any opinion or certification of any third party made available in connection with an issue of Notes, and any such opinion, review or certification is not a recommendation by any Dealer to buy, sell or hold any such Notes, and none of the SDG Bond Framework, any such opinion or certification or any other document related thereto is incorporated by reference and/or forms part of this Base Prospectus. Prospective investors must determine for themselves the relevance of any such opinion, review or certification, or post-issuance report and/or the information contained therein. In the event any such Notes are listed or admitted to trading on a dedicated “green” or other equivalently denominated segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

Any Green Bonds issued under the Programme will not be issued in accordance with Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the “**European Green Bond Regulation**”) which entered into force on 20 December 2023 and applies from 21 December 2024.

### **Restrictions on distribution**

The distribution of this Base Prospectus and any Final Terms or Drawdown Prospectus, as the case may be, and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms or Drawdown Prospectus, as the case may be, comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms or Drawdown Prospectus, as the case may be, and other offering material relating to the Notes, see “*Subscription and Sale*”. In particular, Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements in the Securities Act.

Neither this Base Prospectus nor any Final Terms or Drawdown Prospectus, as the case may be, constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms or Drawdown Prospectus, as the case may be, should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms or Drawdown Prospectus, as the case may be, shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

### ***Programme limit***

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €20,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into Euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement)). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement (as defined under “*Subscription and Sale*”) and the prior approval by the CNMV of a supplement to this Base Prospectus.

### ***Certain definitions***

In this Base Prospectus, unless otherwise specified, references to a “**Member State**” are references to a Member State of the European Economic Area, references to “**U.S.\$**”, “**U.S. dollars**” or “**dollars**” are to United States dollars, and references to “**EUR**” or “**euro**” or “**€**” are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

Certain figures included in this Base Prospectus have been subject to rounding adjustments: accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

## ***Ratings***

As of the date of this Base Prospectus, the Issuer's long term rating is A- with a Positive Outlook S&P, Baa1 with a Stable Outlook by Moody's for senior unsecured debt, A- with a Stable Outlook by Fitch and A (low) with a Stable Outlook by DBRS. As of the date of this Base Prospectus, each of S&P, Moody's, Fitch and DBRS is established in the EEA and is registered under the CRA Regulation. None of S&P, Moody's, Fitch or DBRS are established in the UK, however they are each part of a group in respect of which one of its undertakings is (i) established in the UK, and (ii) is registered in accordance with the UK CRA Regulation. The Issuer ratings issued by S&P, Moody's, Fitch and DBRS have been endorsed by S&P Global Ratings UK Limited, Moody's Investors Service Limited, Fitch Ratings Limited and DBRS Ratings Limited, respectively, in accordance with the UK CRA Regulation and have not been withdrawn. As such, the ratings issued by S&P, Moody's, Fitch and DBRS may be used for regulatory purposes in the UK in accordance with the UK CRA Regulation.

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) described above in relation to the Issuer or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms or Drawdown Prospectus. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency established in the EEA and registered under the CRA Regulation, or (2) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation or (4) issued by a credit rating agency neither established in the EEA nor certified under the CRA Regulation and will not be endorsed under the CRA Regulation or (5) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (6) issued by a credit rating agency established in a third country but endorsed by a credit rating agency which is established and registered under the UK CRA Regulation or (7) issued by a credit rating agency established in a third country but which is certified under the UK CRA Regulation, will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

## ***Stabilisation***

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the relevant Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

## **FORWARD-LOOKING STATEMENTS**

This Base Prospectus includes forward-looking statements that reflect the Issuer's intentions, beliefs or current expectations and projections about its future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends and the market in which it operates. The Issuer has tried to identify these and other forward-looking statements by using the words "may", "could", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "guidance", "project", "future", "potential", "believe", "seek", "plan", "aim", "expect", "objective", "goal", "project", "strategy", "target", "continue" and similar expressions or their negatives. These forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business and the environment in which it expects to operate in the future. Forward-looking statements may be found in the sections of this Base Prospectus entitled "*Risk Factors*" and "*Description of Banco Sabadell*" and elsewhere in this Base Prospectus.

The forward-looking events described in this Base Prospectus may not occur. Additional risks that the Issuer may currently deem immaterial or that are not presently known to the Issuer could also cause the forward-looking events discussed in this Base Prospectus not to occur or to occur in a different manner. These forward-looking statements

speaking only as of the date on which they are made. Except as otherwise required by applicable securities law and regulations and by any applicable stock exchange regulations, the Issuer undertakes no obligation to update publicly or revise publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this Base Prospectus. Given the uncertainty inherent in forward-looking statements, the Issuer cautions prospective investors not to place undue reliance on these statements.

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## KEY FEATURES OF THE PROGRAMME

The following must be read as an introduction to and is qualified in its entirety by the remainder of the Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms or Drawdown Prospectus, and any decision to invest in the Notes should be based on consideration of this Base Prospectus as a whole, including the information incorporated by reference and the relevant Final Terms or Drawdown Prospectus.

The following constitutes a general description of the Programme for the purposes of Article 25(1)(b) of Delegated Regulation 2019/980.

### Information relating to Banco de Sabadell, S.A.

**Issuer:** Banco de Sabadell, S.A.

**LEI Code:** SI5RG2M0WQQLZCXKRM20

**Corporate purpose:** The corporate purpose of Banco Sabadell is set forth in Article 4 of its Articles of Association (*Estatutos Sociales*) consisting of generally carrying out all banking operations capable of being undertaken by credit entities in accordance with current legislation.

**Directors:** The Directors of Banco Sabadell are as follows:

<u>Name</u>	<u>Current position in the Board</u>	<u>Director type</u>
Mr. Josep Oliu Creus	Chairman	Other External
Mr. Pedro Fontana García	Deputy-Chairman	Independent
Mr. Marc Armengol Dulcet	CEO	Executive
Mr. George Donald Johnston III	Director	Lead Independent
Ms. Aurora Catá Sala	Director	Independent
Mr. Lluís Deulofeu Fuguet	Director	Independent
Ms. Ana Colonques García-Planas	Director	Independent
Ms. María José García Beato	Director	Other External
Ms. Mireya Giné Torrens	Director	Independent
Mr. Manuel Valls Morató	Director	Independent
Mr. David Vegara Figueras	Director	Executive

Mr. Pedro Viñolas Serra	Director	Independent
Ms. María Gloria Hernández García	Director	Independent
Ms. Margarita Salvans Puigbò	Director	Independent
Mr. Carlos Ventura Santamans	Director	Executive

**The Bank and the Group:**

Banco Sabadell was incorporated on 31 December 1881 for an unlimited term as a public limited company (*Sociedad Anónima*).

It is registered with the Commercial Registry of Barcelona (Spain) under volume/company's single registration identifier (*identificador registral único de la sociedad (IRUS)*) 1000152932861, page 873 and sheet B-1561.

The Bank's registered office is at Sabadell, Plaça de Sant Roc, nº 20, PC 08201, Spain.

Banco Sabadell is the controlling company of the Group which comprised, as of 31 December 2025, a total of 79 companies that the Group fully consolidates. In addition, there were 21 associated companies.

As of the date of this Base Prospectus, Banco Sabadell's issued share capital of €627,959,716.50 is comprised of 5,023,677,732 shares of a single series and class, with a nominal value per ordinary share of €0.125 and its major shareholders are BlackRock Inc., David Martínez Guzmán and Zurich Insurance Group LTD with 8.46 per cent., 3.86 per cent. and 4.95 per cent., respectively.

**Business:**

Banco Sabadell is one of the largest banks in Spain's financial system, with total consolidated assets and total consolidated loans and advances to customers of €245,392 million and €120,770 million, respectively, as of 31 December 2025.

For each of the years ended 31 December 2025 and 2024 the Group's pre-provisions income (calculated as gross income less operating expenses and depreciation and amortisation) was €3,184 million and €3,254 million, respectively, including TSB, and the profit attributed to the Group was €1,775 million and €1,827 million, respectively.

The Group is organised in the following business segments: Banking Business in Spain, Banking Business in the United Kingdom and Banking Business in Mexico. Banking Business in Spain, in turn, includes Retail Banking, Business Banking and the Corporate and Investment Banking business units.

The Retail Banking business unit offers financial products and services to individual persons with a particular purpose. These include investment products and medium- and long-term finance, such as consumer loans and mortgages, as well as short-term finance. Funds come mainly from customer deposits and sight accounts, savings insurance, mutual funds and pension plans. The main services also include methods of payment such as cards and insurance products in their diverse modalities.

## **Description of the Programme**

<b>Description:</b>	Euro Medium Term Note Programme
<b>Arranger:</b>	Deutsche Bank Aktiengesellschaft
<b>Dealers:</b>	<p>Banco de Sabadell, S.A., Barclays Bank Ireland PLC, BNP PARIBAS, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, Goldman Sachs Bank Europe SE, HSBC Continental Europe, Morgan Stanley Europe SE, Natixis, Nomura Financial Products Europe GmbH, Société Générale, UBS Europe SE and UniCredit Bank GmbH.</p> <p>The Issuer may from time to time terminate the appointment of any Dealers under the Programme or appoint additional dealers either in respect of a single Tranche or in respect of the Programme.</p>
<b>Fiscal Agent:</b>	The Bank of New York Mellon, London Branch
<b>Size:</b>	Up to €20,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time.
<b>Distribution:</b>	Subject to applicable selling restrictions, Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
<b>Currencies:</b>	Notes may be denominated in Euro or U.S. dollars or in any other currency or currencies of an OECD country, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.
<b>Maturities:</b>	Any maturity greater than one year in the case of Ordinary Senior Notes and Senior Subordinated Notes and a minimum maturity of five years in the case of Tier 2 Subordinated Notes, as indicated in the relevant Final Terms or such other minimum or maximum maturity as may be allowed or required from time to time by the relevant Competent Authority or any applicable laws or regulations. Senior Non Preferred Notes will have an original maturity of at least one year from their date of effective disbursement or such minimum or maximum maturity as may be allowed or required from time to time by Applicable Banking Regulations.
<b>Denomination:</b>	No Notes may be issued under the Programme which have a minimum denomination of less than €100,000 (or equivalent in another currency). Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. No Notes will be issued with tradeable amounts less than the minimum denomination specified in the relevant Final Terms.
<b>Method of Issue:</b>	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in one or more Series (which may be issued on the same date or which may be issued in more than one Tranche on different dates). The Notes may be issued in Tranches on a continuous basis with no minimum issue size, subject to compliance with all applicable laws, regulations and directives. Further Notes may be issued as part of an existing Series.

**Use of Proceeds**

The relevant Final Terms may provide that an amount equal to the net proceeds of the issue of each Tranche of Notes will be used:

- (i) for the general corporate purpose of Banco Sabadell or as otherwise indicated in the relevant Final Terms;
- (ii) to finance, refinance or invest in, in whole or in part, Eligible Green Projects meeting the Eligibility Criteria, in which case the relevant Notes will be identified as Green Bonds (as defined below) in the relevant Final Terms;
- (iii) to finance, refinance or invest in, in whole or in part, Eligible Social Projects meeting the Eligibility Criteria, in which case the relevant Notes will be identified as Social Bonds (as defined below) in the relevant Final Terms; or
- (iv) to finance, refinance or invest in, in whole or in part, a combination of Eligible Green Projects and Eligible Social Projects, in each case, meeting the Eligibility Criteria, in which case the relevant Notes will be identified as Sustainability Bonds (as defined below) in the relevant Final Terms.

**Form of Notes:**

Notes will be issued in bearer form, with or without interest coupons (“**Bearer Notes**”). Bearer Notes will, unless otherwise specified, only be sold outside the United States to non-U.S. persons in reliance on Regulation S and will, unless otherwise specified in the relevant Final Terms, initially be represented by a Temporary Global Note without interest coupons attached, deposited: (a) in the case of a global note which is not intended to be issued in new global note form (a “**Classic Global Note**” or “**CGN**”), as specified in the relevant Final Terms, with or on behalf of a common depository located outside the United States for Euroclear and Clearstream, Luxembourg; or (b) in the case of a global note which is intended to be issued in new global note form (a “**New Global Note**” or “**NGN**”), as specified in the relevant Final Terms, with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Interests in a Temporary Global Note will be exchangeable for interests in a permanent global Note in bearer form, without coupons (a “**Permanent Global Note**”).

**Issue Price:**

Notes may be issued at their principal amount or at a discount or premium to their principal amount. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

**Interest:**

Notes may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate. The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. All such information will be set out in the relevant Final Terms.

**Fixed Rate Notes:**

Fixed interest will be payable in arrear on the date or dates in each year, specified in the relevant Final Terms.

**Fixed Reset Notes:**

Fixed Reset Notes will initially bear interest at a fixed rate up to but excluding the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate and the Reset Margin, as specified in the relevant Final Terms.

<b>Floating Rate Notes:</b>	Floating Rate Notes will bear interest set separately for each Series at a rate determined (i) on the same basis as the Floating Rate (as defined in the ISDA Definitions) under a notional interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions; or (ii) by reference to EURIBOR, €STR, SONIA or SOFR as specified in the relevant Final Terms, as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.
<b>Zero Coupon Notes:</b>	Zero Coupon Notes will be offered or sold at a discount to their original nominal amount and will not bear interest.
<b>Partial redemption:</b>	The Final Terms issued in respect of each issue of Notes which are redeemable in two or more instalments will set out the date on which, and the amounts in which, such Notes may be redeemed.
<b>Redemption:</b>	<p>The relevant Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default or, in the case of Subordinated Notes, Senior Non Preferred Notes, and if so specified in the relevant Final Terms, Ordinary Senior Notes, upon the occurrence of a Disqualification Event, or, in the case of Tier 2 Subordinated Notes, upon the occurrence of a Capital Event) or that such Notes will be redeemable at the option of the Issuer (either in whole or in part, including without limitation, pursuant to Condition 12(c) (<i>Redemption at the option of the Issuer</i>) or Condition 12(f) (<i>Redemption at the option of the Issuer (Clean-Up Redemption)</i>)) and/or the Noteholders, and if so the terms applicable to such redemption.</p> <p>Redemption for taxation reasons or redemption following a Capital Event or a Disqualification Event or redemption at the option of the Issuer (including without limitation, pursuant to Condition 12(f) (<i>Redemption at the option of the Issuer (Clean-Up Redemption)</i>)) may only take place in accordance with Applicable Banking Regulations and will be subject to the prior permission of the Competent Authority, if and as required therefor under Applicable Banking Regulations. In no circumstances may the Subordinated Notes, Senior Non Preferred Notes or Ordinary Senior Notes where the Disqualification Event has been specified as applicable in the relevant Final Terms be redeemed prior to their maturity at the option of the Noteholders.</p> <p>See Condition 12 (<i>Redemption and Purchase</i>).</p>
<b>Status of the Notes:</b>	Notes may be either Senior Notes (in which case they will be Ordinary Senior Notes or Senior Non Preferred Notes) or Subordinated Notes (in which case they will be Senior Subordinated Notes or Tier 2 Subordinated Notes) as more fully described in Condition 5 ( <i>Status of the Notes</i> ).
<b>Substitution and Variation:</b>	<p>If specified in the relevant Final Terms as being applicable to the Notes and a Capital Event, a Disqualification Event or a Tax Event occurs and is continuing, the Issuer may substitute all (but not some only) of the Notes or modify the terms of all (but not some only) of the Notes, including, in the case of English Law Notes by changing the governing law of the Notes from English law to Spanish law, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to become or remain, Qualifying Notes.</p> <p>See Condition 17 (<i>Substitution and Variation</i>).</p>
<b>Taxation:</b>	Payments of principal and interest in respect of Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever

nature imposed or levied by or on behalf of the Kingdom of Spain or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will (subject to certain exceptions described below and, in respect of Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments, only in respect of the payment of interest) pay such additional amounts as will result in the holders of Notes or Coupons receiving such amounts as they would have received in respect of such Notes or Coupons had no such withholding or deduction been required. No such additional amounts shall be payable in respect of any Note or Coupon:

- (i) held by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon;
- (ii) to, or to a third party on behalf of, a holder in respect of whom the Issuer (or the Fiscal Agent on its behalf) has not received such information (which may include a tax residence certificate) concerning such holder's identity and tax residence (or the identity or tax residence of the beneficial owner for whose benefit it holds such Notes) as may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Royal Decree 1065/2007 eventually made by the Spanish Tax Authorities; or
- (iii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the thirtieth such day;
- (iv) to, or to a third party on behalf of, individuals resident for tax purposes in Spain if the Spanish tax authorities determine payments made to such individuals are not exempt from withholding tax and require a withholding to be made; or
- (v) to, or to a third party on behalf of, a Spanish-resident corporate entity if the Spanish tax authorities determine that the Notes do not comply with exemption requirements including those specified in the Reply to Consultation of the General Directorate for Taxation (*Dirección General de Tributos*) dated 27 July 2004 and require a withholding to be made.

See Condition 14 (*Taxation*).

**Disclosure of Information in Connection with Payments:**

Under Spanish Law 10/2014 of 26 June on regulation, supervision and solvency of credit entities ("**Law 10/2014**"), and Royal Decree 1065/2007 of 27 July ("**Royal Decree 1065/2007**") as amended, the Issuer is required to provide to the Spanish tax authorities certain information relating to the Notes.

If the Fiscal Agent fails to provide the Issuer with the required information described under the Issuer may be required to withhold tax at the current rate of 19 per cent. In that event, the Issuer will pay such additional amounts as will result in receipt by the Noteholders of such amount as would have been received by them had no such withholding been required.

A summary of the procedures to collect the above referenced information is set out in “*Taxation – The Kingdom of Spain – Information about the Notes in connection with payments*”

None of the Arranger, the Dealers and the clearing systems assume any responsibility therefore.

**Negative Pledge:** The Ordinary Senior Notes will contain a negative pledge as more fully set out in Condition 6 (*Negative Pledge*) if indicated as applicable in the relevant Final Terms.

**Cross Default:** Applicable exclusively to Ordinary Senior Notes. Unless otherwise specified in the Final Terms in respect of the Events of Default, the Ordinary Senior Notes will contain a cross default in respect of Indebtedness of the Issuer and its Relevant Subsidiaries as more fully set out in Condition 15 (*Events of Default*).

**Governing Law:** English law or Spanish law, as specified in the relevant Final Terms. In the case of English law Notes, Condition 5 (*Status of the Notes*) will be governed by Spanish law.

**Jurisdiction:** The courts of England have exclusive jurisdiction to settle any dispute arising from or connected with the English Law Notes, Coupons and/or Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with them) (a “**Dispute**”) (such exclusive jurisdiction being for the benefit of the holders of the English Law Notes, Coupons and/or Talons only). Notwithstanding the above, the courts of the city of Madrid (Spain) have exclusive jurisdiction to settle any dispute that may arise from or in connection with the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority (a “**Bail-in Dispute**”) in respect of the English Law Notes.

The courts of the city of Madrid (Spain) have exclusive jurisdiction to settle any Dispute arising from or connected with the Spanish Law Notes, Coupons and/or Talons (including a Dispute relating to any non-contractual obligations arising out of or in connection with them) (such exclusive jurisdiction being for the benefit of the holders of the Spanish Law Notes, Coupons and/or Talons only). In addition, the courts of the city of Madrid (Spain) have exclusive jurisdiction to settle any Bail-in Dispute in respect of the Spanish Law Notes.

**Listing:** This Base Prospectus has been approved by the CNMV as competent authority under the Prospectus Regulation.

Application has been made for the Notes to be admitted to listing and trading on AIAF and may also be made to any other stock exchanges and/or quotations systems as may be agreed with the Issuer. Unlisted Notes will not be issued under the Programme.

**Selling Restrictions:** There are restrictions on the offer, sale and transfer of the Notes in the EEA, the United States, the UK, Spain, Belgium, Singapore and Switzerland. See “*Subscription and Sale*”.

In connection with the offering and sale of a particular Tranche of Notes, additional selling restrictions may be imposed which will be set out in the relevant Final Terms.

**Risk Factors:** Prospective investors should understand the risks of investing in any type of Note before they make their investment decision. They should make their own independent decision to invest in any type of Note and as to whether an investment in such Note is appropriate or proper for them

based upon their own judgment and upon advice from such advisers as they consider necessary.

For a description of certain risks involved in investing in the Notes, see “*Risk Factors*”.

Risk factors are designed both to protect investors from investments from which they are not suitable and to set out the financial risks associated with an investment in a particular type of Note.

**Representation of holders of the Notes:**

Condition 23 (*Meetings of Noteholders; Modification and Waiver*) and Schedule 5 (*Provisions for Meetings of Noteholders*) of the Agency Agreement contain provisions for convening meetings of holders of Notes to consider any matter affecting their interests.

**Rating:**

Tranches of Notes may be rated or unrated and if rated, such rating(s) will be specified in the relevant Final Terms and it shall also be specified if the relevant credit rating agency is or is not established in the EU and/or the UK (as applicable) and whether such agency is or is not registered under CRA Regulation and/or the UK CRA Regulation (as applicable).

**A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

## RISK FACTORS

*Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and the industry in which it operates together with all other information contained in this Base Prospectus, including, in particular the risk factors described below. Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Base Prospectus have the same meanings in this section. Prospective investors should note that the risks identified below relating to the Issuer and the industry in which it operates and the Notes are the ones that the Issuer believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Notes. Such risks appear below classified by categories and in order of decreasing materiality within each category, taking into account both the probability that they might occur as well as the expected magnitude of the negative impact.*

*However, the following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Issuer that are either not currently known to the Issuer or that it currently deems to be immaterial and which may become material as a result of the occurrence of events outside the Issuer's control, may individually or cumulatively also have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Issuer and, if any such risks were to occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.*

### 1. MACROECONOMIC AND GEOSTRATEGIC RISKS

#### 1.1 The Group could be adversely affected by economic, geopolitical and financial factors.

The Group has operated primarily in the markets of Spain, the UK (TSB (as defined below)) and Mexico. As of the end of the 2025 financial year, these markets accounted for 76 per cent., 21 per cent. and 3 per cent., respectively, of the Group's total balance sheet assets (74 per cent., 23 per cent. and 3 per cent. for the 2024 financial year). Similarly, the contribution of the business in Spain, the UK and Mexico to the profit attributed to the Group for the 2025 financial year was €1,394 million, €318 million and €64 million, respectively (€1,517 million, €253 million and €57 million in the 2024 financial year).

It should be noted that in the 2025 financial year, the Bank agreed to sell all the shares representing the share capital of TSB Banking Group plc (“**TSB**”) to Santander UK plc. (“**Santander UK**”), which effectively constitutes the divestment of the Group's business in the UK. The TSB Sale (as defined below) was completed on 30 April 2026. See “*Risk Factors — Strategic Risks — The sale of the subsidiary TSB could affect the Group's risk profile*” and “*Description of Banco Sabadell — Developments — Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)*” for information on the sale of TSB. Following the completion of the TSB Sale, the Group's business is primarily focused on Spain.

Geostrategic risks encompass a range of risks that are currently significant and could affect the Group. Within this category, one of the main risks is an escalation of ongoing armed conflicts, such as the one in the Middle East. Developments in the region to date have already triggered a significant rise in oil prices, to levels exceeding \$100 per barrel. That said, the changes to forecasts made by official bodies are, for the time being, modest. For example, the Bank of Spain's latest economic forecasts showed a 0.1 percentage point upward revision to the Spanish economic growth forecast for 2026, to 2.3 per cent.<sup>1</sup>, taking into account the latest available economic data, an initial assessment of the impact of the conflict on Iran, and the latest measures approved by the Spanish government. These measures comprise energy-related tax cuts and direct aid to the hardest-hit sectors, which the Bank of Spain estimates will add 0.3 percentage points to Spanish GDP in its latest forecast update. Similarly, the International Monetary Fund recently revised its economic forecasts, projecting growth in the Spanish economy of 2.1 per cent. for 2026<sup>2</sup>.

In any case, the potential implications of a further escalation of the conflict could be significant, particularly if they affect the following areas: structural damage to the region's energy infrastructure; a more persistent closure of the Strait of Hormuz; and the complete closure of the Red Sea and the Suez Canal as maritime routes. All these risks would have similar consequences and could result in a significant increase in the price of energy, goods transport and, consequently, inflation, with central banks being forced to raise their official interest rates once again. The economic shock would be negative, as it would directly impact various sectors and consumers through higher

<sup>1</sup> Source: Bank of Spain (March 2026, page 41): “Projections and quarterly report on the Spanish economy”.

<sup>2</sup> Source: International Monetary Fund (April 2026, page 25): “World Economic Outlook.Global Economy in the Shadow of War.”

energy costs, and could even lead to shortages of certain products due to potential disruptions in supply chains. In the case of Spain, its lower energy intensity, reduced dependence on imported energy, and economic policy measures would help to mitigate the impacts of this conflict. Despite this, certain sectors such as the chemical industry, agriculture, heavy industry, and road transport could be more severely affected. As for tourism, it could absorb visitor flows diverted from conflict-affected countries, although the price and/or scarcity of kerosene may act as a brake on tourist arrivals.

As for other armed conflicts, the conflict in Ukraine remains in the background, with no significant progress towards a potential agreement with Russia and no notable impact on the global economy. In early April 2026, Ukrainian President Zelensky suggested that talks could resume, although this is not currently a priority for the United States.

Another geopolitical risk is that of an intensification of the trade war, with significant and widespread increases in tariffs between countries. In recent months, there have been positive developments in this area, such as the conclusion of various trade agreements by the United States, including those signed with the European Union (the “EU”) and China. On the other hand, the recent ruling by the U.S. Supreme Court, which declared a large proportion of the implemented tariffs to be illegal, limits but does not prevent the use of this tool, meaning that uncertainty regarding the final level of tariffs going forward remains high. Furthermore, the Trump administration continues to use the threat of tariffs as its main bargaining tool with other countries, such as the threat it directed at the EU during debates about the future status of Greenland. A sharp and widespread increase in these tariffs across countries could cause a negative shock to global goods trade. Economies could enter into recession, not only due to the shock to the trade channel, but also because of increased uncertainty, a crisis of confidence and tighter financial conditions. For the Spanish economy, the tightening of the United States’ tariff policy would have a limited direct impact due to its low trade exposure to the United States, although sectors with greater exposure, such as food and automotive components, could be more severely affected.

Beyond geopolitical risks, there are risks related to the state of public finances. The deteriorating situation of public finances in various developed economies could lead to a crisis of confidence in the public debt of some countries, including the United States, the UK, France, Italy and Japan, particularly if new fiscal stimulus packages are approved in response to external shocks. In Europe, this risk is also linked to the increased defence spending the region plans to undertake in light of rising geopolitical threats, particularly those related to Russia. Should this risk materialise, it could lead to a disorderly surge in public debt yields and financial instability. In such a scenario, the European periphery would be particularly exposed and risk premiums could increase markedly, including in the case of Spain, which is not one of the countries at the forefront of initial fiscal concerns.

Furthermore, in the public debt market, episodes of volatility may become more frequent due to: (i) the presence of more highly leveraged investors who unwind their positions abruptly (i.e., hedge funds); (ii) portfolio reallocation by investors; and (iii) the growing importance of algorithmic trading and the limitations of primary dealers in intermediating public debt.

Finally, among the risks related to financial markets are those linked to the deployment of artificial intelligence. The emergence of new tools, such as that developed by Anthropic, has highlighted how disruptive innovation can arise unexpectedly, challenging established players and forcing entire industries to rethink their current cost, competitive and technological leadership models. The stock market declines among software companies in the early months of 2026 are a reflection of this. Another distinct risk, and to some extent the opposite of the foregoing, is that the expectations generated around this technology may not be met, which could act as a brake on the major investments currently being made and which have recently been supporting economic growth, particularly in the United States.

The materialisation of any of the risks associated with artificial intelligence has the potential to significantly deteriorate market sentiment and trigger a tightening of global financing conditions, due to the high market capitalisation and the drag effect that large technology firms currently hold. Furthermore, a potential amplifying factor are the problems that may arise in the private credit market, which is closely linked to the financing of the technology sector. In this segment, the main risks are high leverage, complex credit structures, the illiquidity of its investments and their opacity, and dependence on ratings issued by small rating agencies other than the traditional ones. There are doubts as to whether credit standards have been adequate following a decade of exponential expansion, while the lack of supervisory oversight makes it difficult to analyse risks and map interconnections with the rest of the financial system. A credit event in this segment could act as a catalyst or amplifier for a larger market correction. Spain would not be immune to the financial impact of such a shock, which could put pressure on financing conditions and affect credit conditions, particularly in technology-related sectors

Finally, Spain faces a significant structural idiosyncratic risk that could lead to social and economic problems linked to the real estate market. There is a structural imbalance between growing demand for housing and a rigid, inelastic supply, which is causing a market decoupling that is putting upward pressure on prices. In light of this situation, according to the Centre for Sociological Research (Centro de Investigaciones Sociológicas), housing has become the main social concern in Spain<sup>3</sup>.

## 2. RISKS RELATED TO THE GROUP'S BUSINESSES.

### 2.1 Credit risk.

***2.1.1 A deterioration in the quality of credit exposure could lead to an increase in non-performing loans and, consequently, higher losses due to insolvency and costs associated with managing non-performing loans, with a negative impact on the Group's business, results and financial and asset position.***

In the current geopolitical context, the Group's credit risk and non-performing loan ("NPL") levels may be affected by external factors, such as the introduction of new tariffs at a global level, the continuation of the conflict between Russia and Ukraine, the escalation of the conflict in the Middle East – recently marked by the U.S. and Israeli offensive against Iran – or U.S. interventionism in Latin America. These factors could lead to a deterioration in the economic environment, causing adverse effects on the economy that result in a decline in counterparties' repayment capacity. Furthermore, force majeure events, such as natural disasters or risks arising from climate change, may also lead to a deterioration in the credit quality of borrowers and/or counterparties, as well as to a deterioration in the value of the collateral provided.

As a financial institution, Banco Sabadell is exposed to credit risk due to the significant proportion of financial instruments within its assets. As of 31 December 2025, the Group had a maximum gross exposure to credit risk of €205,539 million\* (€251,865 million as of 31 December 2024). Loans and advances to customers, excluding advances not of a loan nature, amounted to €120,159 million\* as of 31 December 2025 (€158,521 million as of 31 December 2024). Loans secured by real estate represent 42.46 per cent.\* (€51,022 million\* as of 31 December 2025) of total loans and 57.24 per cent. at the end of the 2024 financial year (€90,745 million as of 31 December 2024). At the end of the 2025 financial year, the Group's loans and advances broken down by sector were: i) 39.78 per cent.\* for individuals, ii) 50.53 per cent.\* of financing allocated to the business sector, iii) 8.32 per cent. to the public sector, and iv) 1.37 per cent. of financing allocated to financial institutions (55.54 per cent., 37.75 per cent., 5.76 per cent., 0.96 per cent., respectively, in the 2024 financial year).

Lending to the construction and property development sector and the civil engineering sector, which form part of lending to the business sector, stood at €3,155 million as of 31 December 2025 (€3,373 million as of 31 December 2024), representing 2.63 per cent. of the balance sheet total of the Group's loans and advances to customers (at the end of 2024, this figure stood at 2.13 per cent.).

At the end of the 2025 financial year, the outstanding balance of refinancing, refinanced and restructured transactions amounted to €2,595 million\*, representing 1.26 per cent. of total credit risk exposure (€3,931 million, representing 1.56 per cent. at the end of 2024), with impairment allowances of €644 million\* (€847 million at the end of 2024), corresponding to a total of 43,655\* transactions (94,358 at the end of 2024). Of the total gross amount of refinanced exposure, 56.36 per cent. corresponded to exposures classified in Stage 3, with and without collateral, amounting to €1,462 million\* (€2,178 million at the end of 2024), which represented a decrease of €716 million in 2025 (a decrease of €512 million in 2024). With regard to the collateral associated with the refinancings, €713 million\* related to collateralised transactions classified in Stage 3 (€1,151 million at the end of 2024), representing 48.73 per cent. of the refinanced exposure in Stage 3 (52.85 per cent. at the end of 2024).

Furthermore, the Group also maintains off-balance-sheet exposures in the form of loan commitments, financial guarantees and other commitments granted, which are materialised through the provision of guarantees or commitments inherent in credit agreements up to an availability limit that ensures financing for the customer when required. The amount of these facilities as of 31 December 2025 stood at €33,127 million\* (€40,121 million at the end of 2024), of which €21,579 million related to loan commitments available to third parties, €1,835 million to financial guarantees and €9,714 million to other commitments granted (such as other guarantees and sureties provided, forward purchase commitments for financial assets or irrevocable letters of credit, amongst others). Total

<sup>3</sup> Source: Centre for Sociological Research (*Centro de Investigaciones Sociológicas*) (Survey No. 3557, page 28): "April 2026 Barometer".

\* The change is mainly due to the TSB Sale. For further information on the TSB Sale, see "*Risk Factors — Strategic Risks — The sale of the subsidiary TSB could affect the Group's risk profile*" and "*Description of Banco Sabadell — Developments — Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)*".

loan commitments available to third parties as of 31 December 2025 included mortgage-backed credit commitments amounting to €4,761 million, representing 14.37 per cent.\* of total off-balance-sheet exposures as of that date (11.47 per cent. at the end of 2024). These facilities also involve the assumption of credit risk and are subject to the same management and monitoring systems as the credit portfolio.

At the end of the 2025 and 2024 financial years, the Group held €4,803 million and €5,680 million of non-performing assets<sup>4</sup>, representing 1.96 per cent. and 2.37 per cent. of the Group's total assets at the respective year-ends. Out of these, €4,119 million corresponded to exposures classified as Stage 3 and €684 million to non-performing real estate assets, at the end of 2025 (€4,844 million as exposures classified as Stage 3 and €836 million as non-performing real estate assets, at the end of 2024).

The Group's NPL ratio<sup>5</sup> at the end of 2025 stood at 2.37 per cent., compared with 2.84 per cent. in 2024. The 47-basis-point decrease in the 2025 financial year is mainly due to a reduction of €725 million in Stage 3 risks, combined with an increase in the risk base of €3,189 million. The change in Stage 3 risks breaks down into new entries into non-performing status of €2,252 million, recoveries of €2,468 million and write-offs of €509 million (the decrease of €933 million in 2024 broke down into new entries into non-performing status of €2,292 million, recoveries of €2,769 million and write-offs of €457 million).

The Stage 3 coverage ratio with total provisions<sup>6</sup>, stood at 63.76 per cent. as of 31 December 2025 (61.73 per cent. at the end of 2024). The outstanding balance of the Group's Stage 3 risks amounted to €4,119 million and €4,844 million at the end of the 2025 and 2024 financial years, respectively.

Total loan loss provisions recorded by the Group in the 2025 financial year amounted to €481 million (€567 million in the 2024 financial year).

The availability of accurate and complete financial information, as well as general credit information, on which to base credit decisions is more limited for small-and-medium sized enterprises (“SMEs”) and retail operations than for large corporates. In this regard, despite the credit risk calculation procedures that the Group has in place, errors may occur in the accurate measurement of the credit risk of borrowers, particularly in the SME and retail sectors, which could lead to an increase in NPLs.

### ***2.1.2 The Group is exposed to concentration risk at individual, sectoral and geographical levels, and any deterioration in these areas could impact the Group's solvency.***

The following describes the Group's concentration in terms of geographical, sectoral and sovereign debt exposure.

#### **Geographical concentration**

From a geographical perspective, as of 31 December 2025, Spain accounts for 72.62 per cent.\* of the risk; the Americas, 9.79 per cent.\*; the rest of the EU, 15.37 per cent.\*; and the rest of the world, 2.22 per cent. (as of 31 December 2024, Spain accounted for 56.37 per cent., the UK for 24.50 per cent., the Americas for 7.73 per cent., the rest of the EU for 10.37 per cent., and the rest of the world for 1.03 per cent., respectively). The basis on which concentration risk is calculated, comprising virtually all financial assets on the consolidated balance sheet and financial guarantees, amounted to €184,148 million\* as of 31 December 2025 (€229,068 million as of 31 December 2024).

#### **Sectoral concentration**

The sectors with the greatest weight in the Group's activity, measured by loans and advances to non-financial corporations, are manufacturing, wholesale and retail trade, and real estate activities, which, at the end of 2025 and 2024, accounted for 40.69 per cent. and 41.38 per cent., respectively, of total loans and advances granted to non-

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<sup>4</sup> Non-performing assets is an APM (as defined below) – for further information on its definition and reconciliation, please see section “Description of Banco Sabadell – Alternative Performance Measures” below in this Base Prospectus.

<sup>5</sup> The NPL ratio is an APM (as defined below) – for further information on its definition and reconciliation, please see section “Description of Banco Sabadell – Alternative Performance Measures” below in this Base Prospectus.

<sup>6</sup> The Stage 3 coverage ratio with total provisions is an APM (as defined below) – for further information on its definition and reconciliation, please see section “Description of Banco Sabadell – Alternative Performance Measures” below in this Base Prospectus.

\* The change is mainly due to the TSB Sale. For further information on the TSB Sale, see “Risk Factors – Strategic Risks – The sale of the subsidiary TSB could affect the Group's risk profile” and “Description of Banco Sabadell – Developments – Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)”.

financial corporations (not including TSB for 2025). In 2024, TSB's weighting represented less than 3 per cent. in the aforementioned business sectors.

Furthermore, the Group is exposed to construction and real estate development risk, with this exposure being vulnerable to fluctuations in real estate market prices in Spain. In the case of the retail sector, which has a high level of indebtedness, it is more likely that borrowers will face difficulties in meeting their debt obligations due to adverse economic conditions.

At a national level, as of 31 December 2025, the Group had an exposure of €1,725 million in financing allocated to construction and real estate development, representing 1.09 per cent. of total loans and advances to customers, excluding advances not of a loan nature. Out of these €1,725 million, €1,106 million (64.12 per cent.) corresponded to risks secured by real estate (€584 million for exposures secured by buildings and other completed structures, €443 million for properties under construction and €79 million for land), while the remaining 35.88 per cent. (€619 million) corresponded to risks not secured by property. Furthermore, €91 million out of the €1,725 million corresponded to exposures classified in Stage 3. The exposure as of 31 December 2024 was €1,898 million (of which exposures classified in Stage 3 amounted to €141 million at the end of 2024).

Furthermore, as of 31 December 2025, the Group had a gross carrying amount of €38,669 million in home loans for the acquisition of residential property in Spain. Out of these, 97.41 per cent. were secured by real estate and 1.50 per cent. were classified as Stage 3. As of 31 December 2024, the gross carrying amount was €36,451 million (of which 98.25 per cent. were secured by real estate at the end of 2024, and 1.96 per cent. were classified as Stage 3).

As of 31 December 2025, 13.72 per cent. of the total financing granted in Spain for the acquisition of residential property secured by real estate had a loan-to-value ratio exceeding 80 per cent. (10.62 per cent. as of 31 December 2024).

### **Sovereign debt concentration**

The Group's exposure to sovereign risk stood at €42,440 million as of 31 December 2025 (€38,059 million as of 31 December 2024). The Group's exposure to sovereign risk in Spain stood at €30,587 million, €27,523 million as of 31 December 2025 and 2024, respectively. Similarly, the Group's exposure to Italy stood at €5,500 million and €4,573 million as of 31 December 2025 and 2024, respectively, and for other regions, mainly the United States, Portugal, Mexico and the UK, stood at €6,353 million and €5,962 million as of 31 December 2025 and 2024, respectively.

## **2.2. Financial risks.**

### ***2.2.1 The Group's business is sensitive to changes in interest rates and credit spreads.***

Structural balance sheet risk is any risk arising from the composition of a financial institution's balance sheet. Given its potential impact on both the income statement and the asset structure, the management and control of structural balance sheet risks constitute one of the fundamental pillars for ensuring financial robustness, whether under normal or adverse economic conditions. Different structural risks are distinguished according to their nature and risk factors, including structural interest rate risk and structural credit spread risk.

#### **Structural interest rate risk**

Structural interest rate risk ("**Interest Rate Risk in the Banking Book**" or "**IRRBB**") is defined as the current or future risk to both the income statement (income and expenses) and economic value (present value of assets, liabilities and off-balance sheet positions), arising from adverse fluctuations in interest rates affecting interest rate-sensitive instruments in non-trading activities.

At the end of 2025, Banco Sabadell had reduced the sensitivity of its net interest margin to interest rate increases and estimates that, assuming an instantaneous and parallel increase of 100 basis points, this sensitivity for the Group's main currencies has been an impact on the net interest margin of 0.5 per cent., broken down as follows: -1.0 per cent. for EUR (euros), 1.3 per cent. for GBP (British pounds sterling), 0.1 per cent. for USD (U.S. dollars) and 0.1 per cent. for MXN (Mexican pesos). Similarly, it is estimated that this sensitivity for the Group's main currencies, assuming an instantaneous and parallel decrease of 100 basis points, has resulted in an impact on net interest income of -1.3 per cent., broken down as follows: -0.2 per cent. for EUR, -0.9 per cent. for GBP, -0.1 per cent. for USD and -0.1 per cent. for MXN.

The impact on the economic value of equity, assuming an instantaneous and parallel increase in interest rates of 200 basis points, has been -5.4 per cent., broken down as follows: -4.0 per cent. for EUR, -1.1 per cent. for GBP, -0.2 per cent. for USD and -0.1 per cent. for MXN, while the impact on the economic value of equity, assuming an instantaneous and parallel decrease of 200 basis points, would be -3.0 per cent., broken down as follows: -3.8 per cent. for EUR, 0.5 per cent. for GBP, 0.2 per cent. for USD and 0.1 per cent. for MXN.

During the 2025 financial year, the Bank's gross lending, excluding temporary asset acquisitions, continued to shift towards a higher proportion of fixed-rate transactions (primarily in mortgages and corporate loans), while on the liabilities side, balances in current accounts increased, with a higher balance in interest-bearing accounts, and the cost reduced in line with the fall in interest rates throughout the year (primarily the 12-month EURIBOR). Additionally, other changes on the balance sheet in the 2025 financial year included an increase in the fixed-income portfolio on the asset side, which acts as a management lever and a natural balance sheet hedge, and the implementation of management actions to protect and optimise the net interest margin.

As regards interest rates, during the 2025 financial year there was a decline in short-term benchmark interest rates across all currencies, and in particular in the euro, with the 12-month EURIBOR standing at 2.25 per cent. at the end of 2025, 0.21 per cent. lower than at the end of 2024. Medium- and long-term interest rates in euros increased, with the 5-year rate standing at 2.57 per cent. and the 10-year rate at 2.93 per cent., representing year-on-year changes of 0.33 per cent. and 0.57 per cent. respectively, while medium- and long-term interest rates in pounds sterling and U.S. dollars fell, with year-on-year changes in the 5-year rate of -0.61 per cent. and -0.38 per cent. respectively. In this regard, the ECB's marginal deposit facility rate ended the year at 2 per cent. (a decrease of 100 basis points during the year), while the Bank of England's official policy rate ended the year at 3.75 per cent. (a decrease of 100 basis points during the year).

The outlook for the short and medium term is for the ECB policy rate to remain stable as persistent inflationary pressures have eased; as a result, EURIBOR levels are expected to remain at levels similar to those at the end of 2025, with slight increases in medium- and long-term rates. The recent conflict in Iran has had a limited impact to date on the official bodies' economic forecasts and eurozone interest rates. Currently, the market is pricing in an ECB key rate 50 basis points higher than the current level by the end of the year in response to the expected increase in inflation. Similarly, the 12-month EURIBOR is reflecting a similar movement.

As for rates in U.S. dollars and pounds sterling, decreases are expected in the short term and slight increases in the medium and long term. Overall, the cost of customer resources is expected to remain at contained levels, even as balances on interest-bearing products continue to grow.

Taking into account the balance sheet changes detailed above, as well as episodes of volatility and changes in benchmark interest rates across all relevant currencies, IRRBB metrics have been affected during the year, though these metrics have remained within the Group's risk appetite.

Furthermore, the Group continues to monitor customer behaviour in response to changes in interest rates or other variables with an economic component (unemployment rates, gross domestic product, etc.) in order to anticipate potential changes and their impacts on the behavioural assumptions used for the measurement and management of IRRBB. In particular, the behaviour of customers holding non-maturity items (changes in the stability of current accounts and potential migration to higher-yielding products) and those whose expected maturity may differ from the contractual maturity (due to early repayment of loans, early cancellation of term deposits or the recovery time and balance of non-performing exposures) is analysed and monitored.

### **Credit spread risk**

Credit spread risk (“**Credit Spread Risk in the Banking Book**” or “**CSRBB**”) refers to the potential losses in economic value and in the institution's results arising from changes in the market price of credit risk, liquidity and potentially other characteristics of instruments bearing credit risk, which are not captured within other existing prudential frameworks, such as the IRRBB, expected credit risk or immediate default risk. In other words, it reflects how the credit spread moves within a given credit rating/probability of default range.

During the 2025 financial year, the Group has been negatively exposed to a widening of credit spreads, due to the growth of the fixed-income portfolio, although the exposure has remained at low levels.

**2.2.2 The Group is exposed to liquidity and funding risk as risks inherent to its activities and business, which could have adverse effects on its financial position.**

Liquidity risk involves uncertainty regarding the Group's ability, under adverse conditions, to access the necessary resources to meet its obligations to customers and to service its debts when they fall due. This risk includes the possibility of an unforeseen increase in the cost of funding, the risk of a massive withdrawal of deposits, the risk of a mismatch between assets and liabilities at maturity, as well as the risk of being unable to meet payment obligations within the agreed timeframe and at a reasonable price.

This risk is inherent in any retail and commercial banking business, and may be aggravated by other factors such as excessive reliance on a single source of funding, changes in credit ratings or global market phenomena.

Historically, the Group's main source of funding is the customer deposit base (primarily current accounts and term deposits raised through the branch network), supplemented by funding via the interbank market and capital markets, where the Bank maintains various short- and long-term funding programmes with the aim of achieving an adequate level of diversification by product type, maturity and investor.

The balance sheet structure, measured by the Loan-to-Deposit ratio<sup>7</sup>, stood at 93.50 per cent. and 93.18 per cent. at the end of the 2025 and 2024 financial years, respectively.

In this regard, on-balance-sheet customer funds accounted for 74.47 per cent. and 75.50 per cent. of the Group's total liabilities at the end of the 2025 and 2024 financial years, respectively. These resources consist mainly of current accounts (which accounted for 83.24 per cent. and 81.59 per cent. in 2025 and 2024) and term deposits (16.52 per cent. and 18.11 per cent., respectively, in those financial years).

With regard to capital markets financing, as of 31 December 2025, 72.17 per cent. of maturities over the next three years relate to the Group's covered bonds: €1,390 million in 2026, €2,246 million in 2027 and €2,418 million in 2028 (in 2024 this figure was 52.38 per cent.), with the remaining maturities comprising senior preferred debt, non-preferred senior debt, subordinated debt and preference shares.

At the end of 2025, there was no outstanding balance on financing facilities with the ECB, while at the Bank of England, TSB had an outstanding balance of £593 million at the end of 2025, of which £588 million related to the term funding scheme with additional incentives for SMEs and £5 million to the indexed long term repo (£1,385 million at the end of 2024).

In addition to these sources of funding, the Group maintains a liquidity buffer in the form of liquid assets to meet any potential liquidity needs.

In 2025, available liquid assets (also referred to as the first line of liquidity) increased by €742 million, to €61,331 million (€60,589 million as of 31 December 2024). In 2025, the balance of reserves and the marginal deposit facility with central banks, together with the net interbank position, showed an increase of €604 million, while the volume of liquid assets eligible for use with the ECB decreased by €251 million and the volume of assets available but not eligible for use with the ECB increased by €389 million during 2025.

It is worth noting that the Group follows a decentralised liquidity management model. Under this model, the transfer of liquidity between the various subsidiaries involved in its management tends to be limited, thereby limiting intra-group exposures, beyond any potential restrictions imposed by the local regulators of each subsidiary. As such, the subsidiaries involved in liquidity management determine their liquidity position by considering only those assets they own that meet the eligibility, availability and liquidity criteria established both internally and at a regulatory level to comply with minimum regulatory requirements.

In addition to the first line of liquidity, each Liquidity Management Unit ("LMU") monitors its liquidity buffer by using an internal and conservative criterion, known as the counterbalancing capacity. In the case of the Banco Sabadell LMU (which includes Banco Sabadell, S.A., incorporating activity in overseas branches, as well as the Mexican operations of Banco de Sabadell, S.A.), this liquidity buffer comprises the first and second lines of liquidity. As of 31 December 2025, the second line of liquidity would add €14,665 million to the liquidity buffer, including the capacity to issue covered bonds based on the average valuation applied by the central bank to covered bonds held for own use to obtain funding, as well as deposits with other financial institutions that are immediately available for the Mexican business and not included in the first line of liquidity.

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<sup>7</sup> The Loan-to-Deposit ratio is an APM (as defined below) – for further information on its definition and reconciliation, please see section "Description of Banco Sabadell – Alternative Performance Measures" below in this Base Prospectus.

In the case of the TSB LMU, this metric is determined as the sum of the first line of liquidity and the loans pre-positioned with the Bank of England to obtain funding. As of 31 December 2025, the second line of liquidity, taking into account the amount of loans pre-positioned with the Bank of England, stood at €6,004 million.

The Group includes within its liquidity management the monitoring of the short-term liquidity coverage ratio (“LCR”) and the net stable funding ratio (“NSFR”), reporting the required information to the supervisor on a monthly and quarterly basis, respectively. Measuring liquidity based on these metrics forms part of the liquidity risk control across all LMUs.

With regard to the LCR, since 1 January 2018 the minimum regulatory requirement has been 100 per cent., a level comfortably exceeded by all the Group’s LMUs. At group level, the LCR remained consistently and stably well above 100 per cent. throughout the year. As of 31 December 2025, the LCR stood at 205 per cent. for the TSB LMU, at 209 per cent. for the Banking Business in Spain and at 186 per cent. for the Group (as of 31 December 2024, it stood at 200 per cent. for the TSB LMU, at 248 per cent. for the Banking Business in Spain and at 210 per cent. for the Group).

The decrease in the Group’s LCR during the year was mainly due to the decrease in high-quality liquid assets, resulting primarily from a net negative variation in wholesale issuances during the period, as well as an increase in net resource outflows, which is largely explained by the behaviour of deposits.

With regard to the NSFR, the minimum regulatory requirement is 100 per cent., a level comfortably exceeded by all the Group’s LMUs given the Group’s funding structure, which is heavily weighted towards customer deposits, with the majority of market funding focused on the medium to long term. As of 31 December 2025, the NSFR stood at 151 per cent. for the TSB LMU, 133 per cent. for the Banking Business in Spain and at 139 per cent. for the Group (as of 31 December 2024, it stood at 153 per cent. for the TSB LMU, at 137 per cent. for the Banking Business in Spain and at 142 per cent. for the Group).

### ***2.2.3 The Group is sensitive to exchange rate fluctuations***

Structural exchange rate risk arises from the possibility that changes in market exchange rates between different currencies may result in losses on the Group’s permanent investments in overseas branches and foreign subsidiaries with functional currencies other than the euro.

The euro equivalent value of the total foreign-currency assets and liabilities on the Group’s balance sheet as of 31 December 2025 was €69,937 million and €58,186 million, respectively, compared with €73,859 million and €61,522 million as of 31 December 2024. Out of the total foreign currency assets, as of 31 December 2025, 74.48 per cent. were denominated in pounds sterling, 18.16 per cent. in U.S. dollars and 7.36 per cent. in other currencies, mainly Mexican pesos (76.17 per cent., 17.76 per cent. and 6.08 per cent. at the end of 2024).

With regard to permanent investments, the most significant investments held in non-local currencies are denominated in U.S. dollars, pounds sterling and Mexican pesos.

The Group adopts a hedging policy for its equity aimed at minimising the sensitivity of its capital ratios to any adverse movements in these currencies against the euro. To this end, it monitors the performance of overseas businesses, as well as the political and macroeconomic variables that may have a significant impact on exchange rates.

With regard to permanent investments in U.S. dollars, the overall position in that currency as of 31 December 2025 amounted to \$1,594 million, corresponding to investments in overseas branches, with 46 per cent. of the investment hedged (\$1,414 million and 42 per cent. as of 31 December 2024).

With regard to permanent investments in Mexican pesos, the capital hedge in that currency as of 31 December 2025 amounted to MXN 10,178 million, corresponding to holdings in group companies, with 54 per cent. of the investment hedged (MXN 8,853 million and 50 per cent., as of 31 December 2024).

With regard to permanent investments in pounds sterling, as a result of the agreement to sell TSB entered into in 2025, the capital hedge has increased from £545 million as of 31 December 2024 to £2,261 million as of 31 December 2025, representing 94 per cent. of the total investment made (excluding intangibles)<sup>8</sup>. In addition, and with the aim of hedging the sale price of the TSB shares, a cash flow hedge of £701 million has been arranged. This has resulted in an increase in the Group’s equity of approximately €43 million and a cost of €40 million in the

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<sup>8</sup> As of 31 December 2025, the total exposure in pounds sterling was £2,395 million (£2,461 million as of 31 December 2024).

income statement for the 2025 financial year (in 2024 this resulted in a decrease in the Group's equity of approximately €18 million and a cost of €5 million in the income statement).

The net position of foreign currency assets and liabilities includes the Group's structural position, valued at €1,360 million as of 31 December 2025, of which €154 million relates to permanent investments in pounds sterling, €735 million to permanent investments in U.S. dollars and €418 million to investments in Mexican pesos. The net foreign currency assets and liabilities valued at historical exchange rates are hedged using currency forwards and options in accordance with the Group's policies.

As of 31 December 2025, the sensitivity of the asset exposure to a 7.38 per cent. depreciation in the exchange rates of the main currencies to which there is exposure against the euro, calculated on the basis of the quarterly exchange rate volatility over the last three years, amounted to €100 million, of which 11 per cent. relates to the pound sterling, 54 per cent. to the U.S. dollar and 31 per cent. to the Mexican peso. As of 31 December 2024, this sensitivity amounted to €89 million, with 65 per cent. relating to the pound sterling, 22 per cent. to the U.S. dollar and 11 per cent. to the Mexican peso. The year-on-year decline in the sensitivity of the asset exposure to a potential depreciation of the pound sterling is due to the increase in capital hedging in that currency, as described above.

During the 2025 financial year, the pound sterling and the U.S. dollar depreciated against the euro by 5.23 per cent. and 13.10 per cent. respectively. The Mexican peso appreciated by 2.01 per cent. against the euro. During 2024, the pound sterling and the U.S. dollar appreciated by 4.59 per cent. and 5.98 per cent., respectively, while the Mexican peso depreciated by 15.10 per cent. The Group's strategy, which consists of immunising the capital ratio against exchange rate movements, has remained unchanged from previous financial years.

#### ***2.2.4 The Group is exposed to potential market value losses on its financial asset positions, which could have a negative impact on its results.***

This risk is defined as that arising from the possibility of incurring market value losses on positions held in financial assets within the trading activities, due mainly to changes in interest rates, exchange rates, credit spreads and equities, which affect their prices or valuations, their volatilities or the correlations between them.

Value at Risk (“**VaR**”) provides an estimate of the maximum potential loss associated with a position due to an adverse, yet normal, movement in any of the identified parameters that influence market risk. This estimate is expressed in monetary terms and relates to a specific date, a given confidence level and a specified time horizon. The confidence level used is 99 per cent. Given the low complexity of the instruments and the high degree of liquidity of the positions, the time horizon used is 1 day.

Market risk from trading activities, measured in terms of aggregate 1-day VaR, taking into account the correlation between trading desks and at a 99 per cent. confidence level, averaged €0.70 million in the 2025 financial year (averaging €1.59 million in 2024), with a maximum of €2.54 million and a minimum of €0.38 million (in 2024 a maximum of €4.89 million and a minimum of €0.58 million).

In addition, specific simulation exercises are carried out using extreme market stress scenarios (stress testing). These exercises involve the revaluation of portfolios under certain assumptions, which can be broadly divided into two types: historical scenarios, constructed from historical market events that are relevant to the current portfolio positions (for example, the global financial crisis or the COVID-19 pandemic), and hypothetical scenarios, which correspond both to theoretical movements in risk factors, such as changes in interest rate curves, credit spreads or exchange rates, and to movements in these factors resulting from the application of different macroeconomic forecasts drawn up in the light of the current context. At the end of December 2025, the impact of the worst-case scenario would have been a loss of €14.4 million.

As of 31 December 2025, the trading portfolio accounted for 1.30 per cent. of the Group's total assets (compared with 1.09 per cent. in 2024). Risk weighted assets (“**RWAs**”) for market risk in the trading portfolio and for structural foreign exchange risk amounted to €447 million as of 31 December 2025 (€654 million at the end of the 2024 financial year). The €207 million decrease in RWAs during 2025 was primarily due to the change in the capital requirements for foreign exchange risk. In addition, regulatory capital requirements as of 31 December 2025 amounted to €36 million (€52 million at the end of 2024), representing 0.56 per cent. of total capital requirements at the end of the 2025 financial year (0.81 per cent. at the end of the 2024 financial year).

## 2.3 Strategic risks.

### *2.3.1 The Group is subject to demanding and strict capital, resolution and general regulatory standards, and may be adversely affected by any new requirements arising therefrom.*

Banco Sabadell operates in a highly regulated environment and is subject to strict and extensive regulations affecting the Group's solvency levels and own funds, as well as other areas or matters. The regulatory framework to which the Group is subject, and in particular banking and financial regulation, may change over time, as may its interpretation and practical application, and therefore this framework could have a substantial impact on the Group's business model and result in a significant loss of revenue, a limitation on the ability to capitalise on business opportunities, affect the value of the Group's assets, force an increase in product prices and entail additional regulatory compliance costs.

#### Capital requirements

The following table sets forth the minimum prudential requirements applicable to the Group resulting from the supervisory review and evaluation process ("SREP") for the 2026, 2025 and 2024 years:

	2026	2025	2024
<b>Date of the SREP communication</b>	30 October 2025	11 December 2024	30 November 2023
Pillar 1 CET1	4.50%	4.50%	4.50%
Pillar 2 (P2R)	1.18%	1.27%	1.27%
Capital conservation buffer	2.50%	2.50%	2.50%
O-SII buffer	0.25%	0.25%	0.25%
Counter-cyclical capital buffer <sup>1</sup>	0.75%	0.44%	0.42%
Common Equity Tier 1 (CET1) ratio	9.18%	8.95%	8.93%

<sup>1</sup>On 1 October 2025, the counter-cyclical buffer in Spain was raised to 0.5%, increasing the Group's Counter-cyclical capital buffer. The counter-cyclical capital buffer for 2026 has been calculated using data as of 31 December 2025; the counter-cyclical capital buffer for 2025 has been calculated using data as of 31 December 2024; and the counter-cyclical capital buffer for 2024 has been calculated using data as of 31 December 2023.

Having verified that cyclical systemic risks continue to remain at an intermediate level, on 1 October 2025, the Bank of Spain approved an increase in the counter-cyclical capital buffer rate from 0.5 per cent. to 1.0 per cent. This additional requirement will become effective on 1 October 2026.

As of 31 December 2025 and 2024, the Group's (phase-in) CET1 ratio stood at 13.16 per cent. and 13.03 per cent., respectively.

As of 31 December 2025 and 2024, the P2R of 2.25 per cent. was met with CET1 (1.27 per cent.), with AT1 instruments (0.42 per cent.) and with Tier 2 instruments (0.56 per cent.).

As of 31 December 2025 and 2024, the (phase-in) total capital ratio stood at (18.23 per cent.) and (17.62 per cent.), respectively.

CET1 own funds accounted for 72.19 per cent. of total eligible own funds as of 31 December 2025 (also known as the capital base) (73.94 per cent. as of 31 December 2024).

As for the leverage ratio, it has remained above the minimum requirement of 3 per cent., standing at 5.40 per cent. on a phase-in basis as of 31 December 2025. As of 31 December 2024, it stood at 5.20 per cent., on a phase-in basis.

## MREL requirement

On 7 April 2026, Banco Sabadell received notification via the Bank of Spain of the decision adopted by the Single Resolution Board (“SRB”) regarding the determination of the minimum requirement for own funds and eligible liabilities (“MREL”) and the subordination requirement on a consolidated basis applicable to it from that date. The requirements have been determined taking as a reference the balance sheet data as of the close of the 2024 financial year.

The following table sets forth the MREL and subordination requirements, distinguishing between previously applicable and new requirements, together with the ratios as of 31 December 2025:

	Requirements received on 17 December 2024		Requirements received on 7 April 2026		MREL as of 31 December 2025 <sup>1</sup>	
	% TREA	% LRE	% TREA	% LRE	% TREA	% LRE
MREL requirement	22.14%	6.39%	22.14%	6.26%	24.12%	9.00%
Subordination requirement	15.84%	6.39%	15.09%	6.26%	19.99%	7.65%

<sup>1</sup>The % TREA does not include the capital allocated to cover the “combined buffer requirement” (3.50% TREA). Including the “combined buffer requirement”, the MREL ratios over TREA amount to 27.62% and 23.49%, respectively.

<sup>2</sup>Risk exposure amount (“TREA”).

<sup>3</sup>Leverage ratio exposure (“LRE”).

The own funds that the Group uses to meet the “combined buffer requirement” shall not be eligible to meet the MREL and subordination requirements expressed as a percentage of the TREA.

In calibrating the minimum MREL requirement, the Group has obtained the maximum possible reduction of 20 per cent. of the market confidence buffer (MCC), taking into account the progress demonstrated in its resolvability, and in accordance with Article 12 d(3) of Regulation (EU) 2019/877, which establishes that the SRB has the authority to set a lower amount for that component in the MREL requirement calibration process.

Although Banco Sabadell complies with the required levels of solvency and own funds described above, there can be no assurance that the implementation of current capital requirements, standards or recommendations will not require Banco Sabadell to issue additional securities qualifying as own funds or eligible liabilities, maintain a higher proportion of its assets in liquid but lower-yielding financial instruments, liquidate assets, reduce its operations or adopt any other measures, any of which could have a potentially negative impact on the business, results or financial and asset position of the Group.

### ***2.3.2 The Group could be adversely affected by the entry of new competitors into the market.***

At a sectoral level, the industry in which the Group operates is currently highly competitive. In this regard, reforms in the financial sector and technological innovation, amongst other factors, have fuelled competition between domestic and foreign institutions. Following almost two decades of intense change, consolidation within the Spanish banking sector has been significant, with a marked increase in banking concentration in terms of total assets.

Currently, the banking sector, particularly in the retail banking segment, faces competition from non-banking entities (such as brokerage firms, crypto-asset providers, investment funds, insurers, factoring and leasing companies), as well as from providers of banking services via electronic, internet or mobile phone platforms, which enjoy competitive advantages as they are not subject to the same regulatory requirements as traditional banks. Specifically, credit institutions are subject to the Basel III prudential framework at a consolidated level, which represents a cost disadvantage (in terms of capital and liquidity) and a higher supervisory intensity when offering the same financial and technological services as a fintech or bigtech firm. Bigtechs, in addition to their regulatory advantages, have a global user base, well-known and prestigious brands, as well as a significant financial capacity, which could enable them to rapidly gain a large market share in the retail banking sector and threaten the viability of their business models.

Furthermore, bigtechs, fintechs and crypto-asset providers are expected to grow due to the EU digital finance strategy promoted by the European Commission, which encourages the entry of new competitors into the sector. Among the key initiatives are the regulation of access to financial data (FiDA, standing for Financial Data Access),

the digital euro, the artificial intelligence regulation, digital identity wallets and blockchain-based stablecoins that offer programmable payments 24/7/365 at a lower cost than traditional banking payments.

It is worth noting that the Group's technology investment in 2025 amounted to €404 million (€346 million in 2024). The objectives of these investments are as follows: i) to keep the Group's technological systems up to date to combat threats and optimise their efficiency, ii) to improve the services offered to the Bank's customers, iii) to incorporate new technologies and services that improve the business, and iv) to adapt systems to new regulatory requirements.

### ***2.3.3 Business results may be affected by adverse reputational effects at both an individual level and across the financial sector as a whole.***

Reputational risk is defined as the current or future risk that the Group's competitive capacity may be adversely affected due to: (i) acts or omissions, whether committed or attributed to the Group, its senior management or its governing bodies, or (ii) maintaining business relationships with counterparties of inadequate reputation, which generate a negative perception among its stakeholders (regulators, employees, customers, shareholders, investors and society in general).

The Group is exposed to reputational risk inherent in the sector in which it operates, characterised by significant visibility to both customers and the general public. In recent years, a series of events have led to a change in the relationship model between financial institutions and their customers and investors, with a shift towards less face-to-face interaction in retail banking, which has heightened the relevance of this risk. This has led to greater sensitivity, both on the part of the affected customers and society as a whole, with respect to the service offered by banking institutions.

In this context, governments and regulators have increased customer protection through new regulations, particularly in respect of vulnerable customers, who have gained greater visibility, with their specific needs being addressed.

Thus, in terms of conduct, particular focus has been placed on meeting the needs of vulnerable customers, reassessing the suitability of fees and charges, and on reviewing the customer complaints and claims handling process, taking into account the new context of Spain's new financial ombudsman service (*Autoridad Administrativa Independiente de Defensa del Cliente Financiero*) (which is not yet operational as it still needs to pass through the pending parliamentary procedures).

The Bank closely monitors various indicators, including satisfaction surveys and market research studies, relating to brand awareness, market evolution and trends, and the Bank's competitive position. It also evaluates the results of surveys measuring commercial quality and satisfaction with account opening and product contracting processes, using qualitative tools such as mystery shopping, in-depth interviews and focus groups. Finally, there is a specific top-level metric within the risk appetite statement, which measures public discourse about the Group (the level of positive versus negative mentions expressed by users on social media, based on their direct experience as customers or on the contents and experiences shared on social networks).

Furthermore, there may be external factors beyond the control of the Group, such as improper conduct by entities or individuals, being the victim of false information being circulated, or scandals in the financial sector in general, which could foster the spread of a poor image or a negative perception in the minds of customers, leading to a loss of confidence in the Group linked to a loss of credibility within the sector.

Although the Group bases its business model on corporate values such as ethics, professionalism, rigour, transparency, quality and long-term business relationships that are beneficial both to the Group and to its counterparties, should reputational risks arise, these could have a material adverse effect on the Group's business, financial and patrimonial position and results of operations.

### ***2.3.4 The Group is exposed to environmental and climate risk factors that could adversely affect its financial position.***

Environmental risk is defined as the risk of incurring a loss arising from the impacts — both present and potential future — of environmental risk factors on counterparties or invested assets, as well as on those aspects affecting financial institutions as legal entities. These factors may materialise primarily in physical and transition-related aspects.

Banco Sabadell has mechanisms in place for the identification, management, control and governance of environmental risk. The Group views this as a cross-cutting risk that could affect the Group as an additional risk factor to traditional banking risks (e.g. credit, market, liquidity and operational risk), areas in which environmental risk is identified, managed and controlled. The Group considers that the main impacts of environmental risk are concentrated in the credit portfolios.

In this regard, Banco Sabadell has a range of tools that enable it to integrate environmental risks into credit risk management and control, the most notable being the ESG (Environmental, Social and Governance) credit risk management guidelines, which form the framework that consolidates the ESG commitments and standards currently applied in the approval of credit transactions, encompassing:

- Environmental and social risk framework at client level: which enables the Group to identify from the outset whether a new transaction may be associated with any of the restricted activities within it.
- Advanced Climate and Environmental Risk Indicator (“**IRCA**”): a numerical indicator that enables the Group to assess the ESG risk of the companies it finances, also considering their performance in managing climate risks, environmental degradation risks, environmental controversies, as well as social and governance risks. It is used to define ESG credit risk management policies, as well as to identify potential investment opportunities to support emissions-intensive companies in their transition towards more sustainable activities. The advanced IRCA is applied to large companies subject to non-financial reporting obligations. The Group also has a simplified and more automated approach that is applied to companies not subject to non-financial reporting obligations or that do not currently have an advanced IRCA analysis.
- Decarbonisation pathways: for borrowers operating in sectors affected by the decarbonisation pathways defined by the Group, the Group assesses the suitability and alignment of these pathways from the point of admission.

The Group’s transition risk<sup>9</sup> is concentrated primarily in five industries (oil and extractive industries, metallurgy, transport, electricity, gas and water, and construction), with transition risk exposure accounting for 30 per cent. of the total corporate loan portfolio as of 31 December 2025 (31 per cent. as of 31 December 2024). Out of the total corporate credit portfolio, as of 31 December 2025, 3 per cent. of the exposure had a ‘moderately high’ transition risk indicator; 12 per cent., ‘moderate’; 19 per cent., ‘moderately low’; 19 per cent. “low”; and 46 per cent. “no risk” (3 per cent., 13 per cent., 18 per cent., 19 per cent. and 47 per cent. at the end of 2024, respectively).

With regard to physical risk<sup>10</sup>, out of the total corporate credit portfolio as of 31 December 2025, 0.1 per cent. of the portfolio had a “very high” risk indicator and 7 per cent. a “high” risk indicator (1.7 per cent. and 8.5 per cent. at the end of 2024, respectively). As for the collateral portfolio, the exposure with an expected annual impact on the appraised value of more than 5 per cent., and therefore classified as “high” risk, stood at 3.3 per cent. of the total at the end of December 2025 (5 per cent. at the end of 2024). The percentage of the portfolio deemed unaffected by this risk as of 31 December 2025 was 69 per cent. (70 per cent. at the end of 2024).

Furthermore, as part of its commitment to promoting the transition towards a more sustainable model and a low-carbon economy, the Group promotes sustainable financing and investment, offering solutions to customers and investors.

In this regard, the Group has channelled €76,000 million in sustainable finance solutions during the 2021–2025 period, exceeding the Group’s period target of €65,000 million — by 17 per cent. Specifically, the Group has channelled more than €18,000 million in 2025 and more than €19,000 million in 2024.

In addition, in the area of sustainable debt, Banco Sabadell issues green bonds aimed at financing eligible green categories, focusing on projects with environmental benefit factors; the interest rate on these instruments is not linked to the environmental performance or environmental objectives of such projects. As of 31 December 2025, the Group had eight outstanding green bond series totalling €3,695 million, representing 15.76 per cent. of total capital markets issuances as of that date.

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<sup>9</sup> Environmental risk factors in counterparties or invested assets that may materialise in transition-related aspects (arising from the adjustment processes towards an environmentally sustainable economy – lower emissions, greater energy efficiency and reduced consumption of natural resources, amongst others).

<sup>10</sup> Environmental risk factors in counterparties or invested assets that may materialise in physical terms (impacts arising from climate change and environmental degradation, including more frequent extreme weather events and gradual changes in climate patterns and ecosystem balances).

### 2.3.5 The sale of the subsidiary TSB could affect the Group's risk profile.

On 30 April 2026, after obtaining the necessary regulatory authorisations, the Bank transferred 100 per cent. of the share capital of TSB (the “**TSB Share Capital**”) to Santander UK for £2,863 million (the “**TSB Share Capital Sale**”). The transaction also includes the transfer to Santander UK of certain other unmatured capital instruments and securities issued by TSB and subscribed by the Bank (“**TSB Securities**”), for £1,217 million (the “**TSB Securities Sale**” and together with the TSB Share Capital Sale, the “**TSB Sale**”).

It is estimated that the TSB Sale will result in a capital gain slightly above €300 million for the Bank and a capital generation of more than 400 basis points in the fully loaded CET1 ratio, of which 369 basis points are expected to be recognised in 2026, and 36 basis points associated with lower operational risk-weighted assets are expected to be recognised between 2027 and 2028.

As a result, and in execution of the resolutions adopted by the extraordinary general shareholders' meeting held on 6 August 2025, an extraordinary cash dividend will be distributed on 29 May 2026, charged against freely distributable voluntary reserves, in the amount of €0.50 gross per share entitled to receive it (the “**Extraordinary Dividend**”).

The TSB Sale entails a reduction in the Group's geographical diversification and a greater concentration of the business on the Spanish market, with a consequent reduction in its international footprint. In this regard, it should be noted that, as of 31 December 2025, the Group's activity in the UK represented approximately 21 per cent. of its total balance sheet assets, contributing €318 million to the profit attributed to the Group. In this context, it should be highlighted, first, that banks with greater geographical diversification demonstrate greater resilience to local idiosyncratic risks, but not necessarily to global systemic risks, which are currently predominant. Secondly, the growing regulatory divergence between the UK and the EU since Brexit has called into question certain diversification benefits derived from the investment in TSB. Thirdly, conduct regulation and ring-fencing changes, together with the market dynamics observed in the country over the last decade, have similarly undermined those diversification benefits, with a notable impact on the narrowing of margins in the market in which TSB operates. Finally, the Spanish economy is in a favourable position with better economic growth prospects compared with other European countries, which justifies a reorientation of the business towards the domestic market.

On the other hand, the TSB Sale impacts the composition of the Group's loan portfolio, since TSB's lending business is mainly focused on granting residential mortgage loans to individuals. As a result, the divestment reduces the relative weight of loans to individuals secured by real estate within the overall portfolio, while increasing the relative weight of loans to the corporate sector. In this regard, in terms of credit risk management metrics, as of 31 December 2025, the Group's NPL ratio stood at 2.37 per cent., compared to the 2.65 per cent NPL ratio exTSB<sup>11</sup>. Moreover, the credit cost of risk<sup>12</sup> as of that date amounted to 21 basis points (compared to 24 basis points credit cost of risk exTSB<sup>13</sup>), while the total cost of risk<sup>14</sup> stood at 31 basis points (compared to 37 basis points total cost of risk exTSB<sup>15</sup>). Meanwhile, the Stage 3 coverage ratio with total provisions reached 63.76 per cent as of 31 December 2025, compared to a 69.46 per cent Stage 3 coverage ratio with total provisions exTSB<sup>16</sup>.

In light of the above, the TSB Sale affects the Group's risk profile by altering the composition of its loan portfolio and increasing the dependence of the Group's business performance on the future performance of the Spanish economy.

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<sup>11</sup> The NPL ratio exTSB is an APM (as defined below) – for further information on its definition and reconciliation, please see section “*Description of Banco Sabadell – Alternative Performance Measures*” below in this Base Prospectus.

<sup>12</sup> The credit cost of risk is an APM (as defined below) – for further information on its definition and reconciliation, please see section “*Description of Banco Sabadell – Alternative Performance Measures*” below in this Base Prospectus.

<sup>13</sup> The credit cost of risk exTSB is an APM (as defined below) – for further information on its definition and reconciliation, please see section “*Description of Banco Sabadell – Alternative Performance Measures*” below in this Base Prospectus.

<sup>14</sup> The total cost of risk is an APM (as defined below) – for further information on its definition and reconciliation, please see section “*Description of Banco Sabadell – Alternative Performance Measures*” below in this Base Prospectus.

<sup>15</sup> The credit cost of risk exTSB is an APM (as defined below) – for further information on its definition and reconciliation, please see section “*Description of Banco Sabadell – Alternative Performance Measures*” below in this Base Prospectus.

<sup>16</sup> The Stage 3 coverage ratio with total provisions exTSB is an APM (as defined below) – for further information on its definition and reconciliation, please see section “*Description of Banco Sabadell – Alternative Performance Measures*” below in this Base Prospectus.

## 2.4 Operational risks.

### 2.4.1 The Group is exposed to the risk of litigation and tax risks that could adversely affect its financial position.

#### Litigation risk and other contingencies

The entities within the Group are exposed to administrative and legal proceedings arising from the conduct of their activities and business, the scope, content or outcome of which cannot be predicted. All significant contingencies are analysed periodically, with the assistance of external professionals where required, and provisions are recorded, where applicable, under the line items “Pending tax proceedings and litigation” and “Other provisions” in the consolidated balance sheet.

As of 31 December 2025, the balance of provisions recorded by the Group amounted to €225 million\* (€281 million as of 31 December 2024).

These provisions cover, amongst other things: i) legal contingencies (€163 million and €166 million as of 31 December 2025 and 2024, respectively) relating to claims concerning so-called floor rate clauses (€54 million and €71 million as of 31 December 2025 and 2024, respectively), customer claims relating to the reimbursement of mortgage arrangement costs, advance payments to developers and excessive interest on deferred credit card payments (€80 million and €81 million as of 31 December 2025 and 2024, respectively) and other legal claims (€29 million and €14 million as of 31 December 2025 and 2024, respectively); and ii) provisions to cover the expected costs of restructuring plans announced in previous financial years and pending settlement (€56 million as of 31 December 2025 and 2024).

In any event, the final amount of the disbursement, as well as the payment schedule for the various contingencies to which the Group is exposed, is uncertain due to the inherent difficulties in estimating the factors used to determine the amount of the provisions; consequently, should these prove to be insufficient, this could have an adverse effect on the Group's business, financial position and results of operations.

#### Tax risk

Tax risk is the probability of failing to meet the objectives set out in the Group's tax strategy from a dual perspective, whether due to internal or external factors. On the one hand, it is the probability of incurring a breach of tax obligations that may result in non-payment, or the occurrence of any other event that could cause potential harm to the Group in the fulfilment of its objectives. On the other hand, it is the probability of incurring an over-payment in the fulfilment of tax obligations, thereby causing harm to the shareholders or other stakeholders.

As of 31 December 2025, deferred tax assets totalled €5,607 million\* (€5,900 million at the end of 2024), of which €4,349 million related to monetisable assets (€4,444 million as of 31 December 2024), €1,108 million\* to non-monetisable assets (€1,208 million as of 31 December 2024) and €149 million to tax credits for tax loss carry-forwards and deductions not applied (€248 million as of 31 December 2024).

Based on the information available at the end of the 2025 financial year and the projections derived from the Group's business forecasts for the coming financial years, the Group estimates that it will be able to generate sufficient taxable income to offset the tax loss carry-forwards within a period of two years and the non-monetisable deferred tax assets, when they become deductible under applicable tax regulations, within a period of ten years. Monetisable deferred tax assets are guaranteed by the Spanish State; therefore, their recoverability does not depend on the generation of future taxable profits.

However, should sufficient profits not be generated in the future within the maximum periods provided for by law to offset the non-monetisable deferred tax assets, should the tax rate be reduced, or should there be changes to applicable regulations or their interpretation, the Group could find itself partially or totally unable to recover the value of these deferred tax assets, with a potential consequent negative impact on the Group's business, results and/or financial position.

Law 38/2022 of 27 December established, among others, a temporary levy for credit institutions and financial credit establishments payable during the 2023 and 2024 financial years. The payment amount of the levy was set

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\* The change is mainly due to the TSB Sale. For further information on the TSB Sale, see “Risk Factors — Strategic Risks — The sale of the subsidiary TSB could affect the Group's risk profile” and “Description of Banco Sabadell — Developments — Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)”.

at 4.8 per cent. of the sum of net interest income plus net fees and commissions stemming from their activities in Spain recognised on the income statement for the calendar year immediately preceding the year in which the payment obligation arose. The amount of this levy, which was recorded under the heading “Other operating expenses” in the Group’s consolidated income statement for the 2024 financial year, amounted to €192 million.

In addition, the ninth final provision of Spanish Law 7/2024 of 20 December 2024 established the Tax on the Interest Margin and Commissions of Certain Financial Institutions (“**IMIC**”). This tax, which is of a direct and progressive nature, is levied on the net interest margin and commissions income derived from the activities carried out in Spain by credit institutions, credit finance companies (*establecimientos financieros de crédito*, “**EFCs**”) and branches of foreign credit institutions. The IMIC is a temporary tax, applicable solely to the three consecutive tax periods commencing on or after 1 January 2024, that is, the tax periods commencing in the years 2024, 2025 and 2026, unless extended by subsequent legislation. As regards the tax rate, a progressive scale is established which, after reducing the tax base by €100 million, comprises five brackets: 1 per cent., 3.5 per cent., 4.8 per cent., 6 per cent. and 7 per cent. (the maximum rate applicable to the portion of the taxable base exceeding €5,000 million). From the gross tax liability resulting from the above tax scale, 25 per cent. of the net Corporation Income Tax liability or the applicable Non-Resident Income Tax for the same tax period shall be deducted to give the net tax liability, which may not be negative. An extraordinary deduction is also applied to the net tax liability, based on the taxpayer’s return on total assets, in the event that this falls below 0.7 per cent.

In the 2025 financial year, the Group recorded an expense of €123 million under the line item “*Tax expense or income on the results of continuing operations*” in the consolidated income statement relating to the IMIC for that financial year.

### 3. RISKS IN RELATION TO THE NOTES

#### 3.1 Risks related to Early Intervention and Resolution

**3.1.1 The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes**

As further explained in “*Regulation—Loss absorbing powers*”, the Notes may be subject to the Statutory Loss-Absorption Power and in general to the powers that may be exercised by the Relevant Resolution Authority (as defined in the Conditions) under Directive 2014/59/EU, of 15 May 2014, establishing a framework for the recovery and resolution of credit institutions and investment firms (“**BRRD I**”) as amended by Directive (EU) 2019/879 of the European Parliament and of the Council, of 20 May 2019, amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EU (“**BRRD II**” and together with BRRD I, the “**BRRD**”), Law 11/2015, of 18 June, on the recovery and resolution of credit institutions and investment firms, which implements the BRRD I in Spain (“**Law 11/2015**”), Regulation (EU) No 806/2014, of 15 July, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the “**SRM Regulation I**”) as amended by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 (“**SRM Regulation II**” together with the SRM Regulation I, the “**SRM Regulation**”) and any implementing measures.

The powers set out in the BRRD, as implemented in Spain, and the SRM Regulation will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. Pursuant to Law 11/2015 in the event that the Relevant Resolution Authority considers that the Bank or the Group is in a situation of early action or resolution, holders of the Notes (the “**Noteholders**”) may be subject on any application of the Spanish Bail-in-Power to, among other things, a write-down (including to zero) or conversion into equity or other securities or obligations of amounts due under the Notes and additionally may be subject to any Non-Viability Loss Absorption in the event that the Relevant Resolution Authority determines that the Bank or the Group meets the conditions for its resolution or that it will no longer be viable unless such mechanism is applied. The exercise of any such powers (or any other resolution powers and tools) may result in such Noteholders losing some or all of their investment or otherwise having their rights under the Notes adversely affected, including by a different security, which may be worth significantly less than the Notes.

Condition 18 (*Statutory Loss-Absorption Power*) provides for the contractual recognition by the Noteholders of the Statutory Loss-Absorption Power.

Under Article 281 of the restated text of the Spanish Insolvency Law approved by Legislative Royal Decree 1/2020, of 5 May (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley*

*Concursal*) (as amended, the “**Insolvency Law**”) read in conjunction with Additional Provision 14.3 of Law 11/2015, the Issuer will meet subordinated obligations after payment in full of unsubordinated obligations, but before distributions to shareholders, in the following order and pro-rata within each class: (i) late or incorrect obligations; (ii) contractually subordinated obligations in respect of principal under instruments that do not constitute Additional Tier 1 Instruments or Tier 2 Instruments (as defined in the Conditions), in accordance with Additional Provision 14.3.1° of Law 11/2015; (iii) interest (except for accrued and unpaid interest due on instruments that constitute Additional Tier 1 Instruments or Tier 2 Instruments); (iv) fines; (v) claims of creditors which are specially related to the Issuer (if applicable) as provided for under the Insolvency Law; (vi) detrimental claims against the Issuer where a Spanish Court has determined that the relevant creditor has acted in bad faith (*rescisión concursal*); (vii) claims arising from contracts with reciprocal obligations as referred to in Articles 156 and 158 and 160 to 167 of the Insolvency Law, wherever the court rules, after the insolvency administrator (*administración concursal*) has issued a report on that matter, that the creditor repeatedly impedes the fulfilment of the contract against the interest of the insolvency; (viii) subordinated obligations (*créditos subordinados*) of the Issuer under Tier 2 Instruments, in accordance with Additional Provision 14.3.2° of Law 11/2015, and (ix) subordinated obligations (*créditos subordinados*) of the Issuer under Additional Tier 1 Instruments, in accordance with Additional Provision 14.3.3° of Law 11/2015.

In addition, second paragraph of Article 48(7) of BRRD, as implemented in Spain through Additional Provision 14.3 of Law 11/2015, clarified that if an instrument is only partly recognised as an own funds instrument, the whole instrument shall be treated in insolvency as a claim resulting from an own funds instrument and shall rank lower than any claim that does not result from an own funds instrument as set out in limbs (viii) and (ix) above. Therefore, instruments being fully disqualified as own funds instruments in the future would cease to be treated as claims resulting from own funds instruments in insolvency and would, consequently, improve their ranking vis-à-vis any claim that results from an own funds instrument (such as the Tier 2 Subordinated Notes for so long as these qualify as Tier 2 Instruments).

Any application of the Statutory Loss-Absorption Power shall be in accordance with the hierarchy of claims in normal insolvency proceedings (unless otherwise provided by Applicable Banking Regulations (as defined in the Conditions)). Accordingly, the impact of such application on Noteholders will depend on the ranking of the relevant Notes in accordance with such hierarchy, including any priority given to other creditors such as depositors. In this respect, as indicated under “*Regulation Capital, liquidity and funding requirements - Overview*” below, the CMDI Reform (as defined below) provides for a general depositor preference in insolvency that will result in the Ordinary Senior Notes ranking junior to the claims of all depositors, including deposits of large corporates and other deposits that currently are not privileged claims (subject to certain exceptions, including deposits that qualify as eligible liabilities for MREL purposes). Any such general depositor preference will also affect any application of the Spanish Bail-in Power, as such application is to be carried out in the order of the hierarchy of claims in normal insolvency proceedings and any resulting write-down or conversion of the Ordinary Senior Notes by the Relevant Resolution Authority would be carried out before any write-down or conversion of the claims of depositors, including those of large corporates, that would currently be written-down or converted alongside the Ordinary Senior Notes, thereby reducing the likelihood of deposits generally being affected in any such write-down or conversion upon the application of the Spanish Bail-in Power. This change may increase the risk of investors in Ordinary Senior Notes bearing a greater proportion of losses in the event of insolvency and upon any application of the Spanish Bail-in Power, as a result of a smaller proportion of losses being absorbed by deposits. The CMDI Reform was published in the Official Journal of the European Union on 20 April 2026 and entered into force on the twentieth day following its publication, applying (with some exceptions) from 24 months from its date of entry into force. Furthermore, the directives forming part of the CMDI Reform will require transposition into the national laws of each Member State of the European Union, a process that may result in differences in implementation across jurisdictions and the timing of which remains uncertain. Accordingly, as of the date of this Base Prospectus, there remains uncertainty as to the specific impacts arising from the CMDI Reform.

To the extent that any resulting treatment of a Noteholder pursuant to the exercise of the Statutory Loss-Absorption Power (except as indicated below with respect to the Non-Viability Loss Absorption) is less favourable than would have been the case under such hierarchy in normal insolvency proceedings, such Noteholder may have a right to compensation under the BRRD and the SRM Regulation based on an independent valuation of the institution, in accordance with Article 10 of RD 1012/2015 and the SRM Regulation. Any such compensation, together with any other compensation provided by any Applicable Banking Regulations (including, among any such compensation, in accordance with Article 36.5 of Law 11/2015) is unlikely to compensate that Noteholder for the losses it has actually incurred and there is likely to be a considerable delay in the recovery of such compensation. Compensation payments (if any) are also likely to be made considerably later than when amounts may otherwise have been due under the affected Notes. In addition, in the case of Non-Viability Loss Absorption effected prior to entry into resolution, there is uncertainty as to whether Noteholders would have a right to compensation under the BRRD

and the SRM Regulation if any resulting treatment of such Noteholder pursuant to the exercise of Non-Viability Loss Absorption was less favourable than would have been the case under such hierarchy in normal insolvency proceedings.

Further, the exercise of any power under Law 11/2015 with respect to the Notes or the taking by the Relevant Resolution Authority of any other action, or any suggestion that the exercise or taking of any such action may happen, could materially adversely affect the rights of Noteholders, the market price or value or trading behaviour of any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes. There may be limited protections, if any, that will be available to holders of securities subject to the Statutory Loss-Absorption Power (including the Notes) of the Relevant Resolution Authority. Accordingly, Noteholders may have limited or circumscribed rights to challenge any decision of the Relevant Resolution Authority to exercise its Statutory Loss-Absorption Power.

Although the European Banking Authority (the “EBA”) has issued guidelines on the treatment of shareholders in bail-in or the write-down and conversion of capital instruments and on the rate of conversion of debt to equity in bail-in, the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority with respect to the Notes is likely to be inherently unpredictable and may depend on a number of factors which may also be outside of the Issuer's control. In addition, as the Relevant Resolution Authority will retain an element of discretion, Noteholders may not be able to refer to publicly available criteria in order to anticipate any potential exercise of any such Statutory Loss-Absorption Power. Because of this inherent uncertainty, it will be difficult to predict when, if at all, the exercise of any such powers by the Relevant Resolution Authority may occur.

This uncertainty may adversely affect the value of the Notes. The price and trading behaviour of the Notes may be affected by the threat of a possible exercise of any power under Law 11/2015 (including any early intervention measure before any resolution) or any suggestion of such exercise, even if the likelihood of such exercise is remote. Moreover, the Relevant Resolution Authority may exercise any such powers without providing any advance notice to the Noteholders.

### ***3.1.2 Noteholders may not be able to exercise their rights on an event of default in the event of the adoption of any early intervention or resolution measure under Law 11/2015***

The Issuer may be subject to a procedure of early intervention or resolution pursuant to the BRRD as implemented through Law 11/2015 and RD 1012/2015 (as amended by virtue of Royal Decree 1041/2021, of 23 November, amending Royal Decree 1012/2015 (“**Royal Decree 1041/2021**”) and as amended or replaced from time to time) if the Issuer or its Group is in breach (or due, among other things, to a rapidly deteriorating financial condition, it is likely in the near future to be in breach) of applicable regulatory requirements relating to solvency, liquidity, internal structure or internal controls or the conditions for resolution referred to above are met (see “3.1.1 *The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes*”).

Pursuant to Law 11/2015 the adoption of any early intervention or resolution procedure, shall not itself constitute an event of default or entitle any counterparty of the Issuer to exercise any rights it may otherwise have in respect thereof and any provision providing for such rights shall further be deemed not to apply. However, this does not limit the ability of a counterparty to declare any event of default and exercise its rights accordingly where an event of default arises either before or after the exercise of any such early intervention or resolution procedure and does not necessarily relate to the exercise of any relevant measure or power which has been applied pursuant to Law 11/2015.

Any enforcement by a Noteholder of its rights under the Notes upon the occurrence of an Event of Default following the adoption of any early intervention or resolution procedure will, therefore, be subject to the relevant provisions of the BRRD as implemented through Law 11/2015 and RD 1012/2015 in relation to the exercise of the relevant measures and powers pursuant to such procedure, including the resolution tools and powers referred to above (see “3.1.1 *The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes*”). Any claims on the occurrence of an Event of Default will consequently be limited by the application of any measures pursuant to the provisions of Law 11/2015 and RD 1012/2015. There can be no assurance that the taking of any such action would not adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes and the enforcement by a holder of any rights it may otherwise have on the occurrence of any Event of Default may be limited in these circumstances.

### **3.2 Risks related to the Structure of a Particular Issue of Notes**

*A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features including factors which may occur in relation to any Notes*

#### **3.2.1 The Notes may be redeemed prior to maturity at the Issuer's option, including for taxation reasons or upon the occurrence of a Capital Event or a Disqualification Event, and subject to certain conditions**

If so specified in the Final Terms, the Notes may be redeemed prior to maturity at the Issuer's option, as further described in the Conditions.

Likewise, if the relevant Final Terms specify the "Clean-Up Redemption Option" as being applicable to the Notes, the Issuer may have the option to redeem (in whole but not in part) a specific Series of Notes if a specific percentage, as stated in the applicable Final Terms, of the initial aggregate nominal amount of the Notes of such Series have been previously redeemed or purchased by, or on behalf of, the Issuer and cancelled, as further described in Condition 12(f) (*Redemption at the option of the Issuer (Clean-Up Redemption)*).

In addition, the Issuer may redeem all outstanding Notes in accordance with the Conditions if (i) the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Spain or any political subdivision thereof or any authority therein having power to tax and (ii) the Issuer would not be entitled to claim a deduction in computing taxation liabilities in Spain in respect of any payment of interest to be made on the next Interest Payment Date or the value of such deduction to the Issuer would be materially reduced, in each case as a result of any change in, or amendment to, the laws or regulations of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes. See Condition 12(b) (*Redemption for taxation reasons*).

Furthermore, (i) if a Capital Event occurs, the Issuer may redeem in whole, but not in part, any Series of Tier 2 Subordinated Notes, as further described in Condition 12(d) (*Redemption at the option of the Issuer (Capital Event)*) and (ii) if a Disqualification Event occurs, the Tier 2 Subordinated Notes, the Senior Subordinated Notes, the Senior Non Preferred Notes and/or the Ordinary Senior Notes where the Disqualification Event has been specified as applicable in the relevant Final Terms, as applicable, may be redeemed at the option of the Issuer in whole, but not in part, as further described in Condition 12(e) (*Redemption at the option of the Issuer (Disqualification Event)*) *Redemption at the option of the Issuer (Disqualification Event)*).

An optional redemption feature including any redemption of the Notes at the option of the Issuer pursuant to Condition 12(c) (*Redemption at the option of the Issuer*) or Condition 12(f) (*Redemption at the option of the Issuer (Clean-Up Redemption)*); for taxation reasons pursuant to Condition 12(b) (*Redemption for taxation reasons*); in the case of Tier 2 Subordinated Notes only, upon the occurrence of a Capital Event, as defined in Condition 12(d) (*Redemption at the option of the Issuer (Capital Event)*) *Redemption at the option of the Issuer (Capital Event)*); and in the case of Tier 2 Subordinated Notes, Senior Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes (where the Disqualification Event has been specified as applicable in the relevant Final Terms), upon the occurrence of a Disqualification Event, as defined in Condition 12(e) (*Redemption at the option of the Issuer (Disqualification Event)*) *Redemption at the option of the Issuer (Disqualification Event)*) is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, or during which there is an actual or perceived increased likelihood that the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed.

It is not possible to predict whether or not any further change in the laws or regulations of Spain, Applicable Banking Regulations or, in the case of a redemption of the Notes for taxation reasons, the application and official interpretation thereof, or any of the other events referred to above, will occur and so lead to the circumstances in which the Issuer is able to elect to redeem the Notes, and if so whether or not the Issuer will elect to exercise such option to redeem the Notes.

The Issuer may redeem its Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor would generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The redemption or purchase by or on behalf of the Issuer of Tier 2 Subordinated Notes that qualify as Tier 2 capital of the Issuer at the option of the Issuer is subject to compliance with Applicable Banking Regulations then in force and to the Competent Authority's and/or Relevant Resolution Authority's prior permission and such permission will be given only if either of the following conditions is met:

- (a) on or before such redemption or purchase of the Tier 2 Subordinated Notes, the Issuer replaces the Tier 2 Subordinated Notes with instruments equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
- (b) the Issuer has demonstrated to the satisfaction of the Competent Authority that its own funds and eligible liabilities would, following such action, exceed the requirements laid down in the Capital Requirements Regulations and the BRRD by a margin that the Competent Authority considers necessary.

In addition, for the redemption or purchase of Tier 2 Subordinated Notes during the five years following their date of issuance the permission of the Competent Authority may be given only if, besides the above mentioned conditions, one of the following, among others, is also met:

- (a) in the case of redemption due to the occurrence of a Capital Event, (i) the Competent Authority considers the change that would cause such Capital Event to be sufficiently certain and (ii) the institution demonstrates to the satisfaction of the Competent Authority that the Capital Event was not reasonably foreseeable at the time of the issuance of the relevant Tier 2 Subordinated Notes; or
- (b) in the case of redemption for taxation reasons, the institution demonstrates to the satisfaction of the Competent Authority that the change is material and was not reasonably foreseeable at the time of issuance of the relevant Tier 2 Subordinated Notes; or
- (c) before or at the same time of such redemption or purchase, the institution replaces the relevant Tier 2 Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the Competent Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances.

In the case of Senior Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments, compliance with Applicable Banking Regulations then in force and obtention of prior permission of the Competent Authority and/or the Relevant Resolution Authority is also required for any optional redemption or purchase, and there can be no assurances that such permission will be given. According to the CRR (as defined in the Conditions), such permission will be given only if any of the following conditions is met:

- (a) on or before such redemption or purchase, the institution replaces the eligible liabilities instruments with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer;
- (b) the institution has demonstrated to the satisfaction of the resolution authority that the own funds and eligible liabilities of the institution would, following such action, exceed the requirements laid down in the Capital Requirements Regulations and the BRRD by a margin that the resolution authority in agreement with the competent authority considers necessary; or
- (c) the institution has demonstrated to the satisfaction of the resolution authority that the partial or full replacement of the eligible liabilities with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in the Capital Requirements Regulations for continuing authorisation.

### ***3.2.2 The Notes may be subject to substitution and/or variation without Noteholders' consent***

Subject as provided in the Conditions of the relevant Notes, if a Capital Event, a Disqualification Event or an event giving rise to the Issuer being entitled to redeem the Notes under Condition 12(b) (*Redemption for taxation reasons*) occurs, the Issuer may, at its option, and without the consent or approval of the Noteholders, elect either (i) to substitute all (but not some only) of the relevant Notes or (ii) to modify the terms of all (but not some only) of such Notes, in each case so that they are substituted for, or varied to, become, or remain, Qualifying Notes (as defined in the Conditions). While Qualifying Notes must contain terms that are materially not less favourable to Noteholders as the original terms of the relevant Notes (other than in respect of the effectiveness and enforceability

of Condition 18 (*Statutory Loss-Absorption Power*)), there can be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally favourable, or that the Qualifying Notes will trade at prices that are equal to the prices at which the Notes would have traded on the basis of their original terms. In the case of Notes where the relevant Final Terms specify English law as the governing law (the “**English Law Notes**”), any change in the governing law of such Notes from English law to Spanish law, so that the Notes become or remain Qualifying Notes, shall not be subject to the requirement not to be materially less favourable to the interests of the Noteholders.

Further, prior to the making of any such substitution or variation, the Issuer shall not be obliged to have regard to the tax position of individual Noteholders or to the tax, regulatory or other consequences of any such substitution or variation for individual Noteholders. No Noteholder shall be entitled to claim, whether from the Issuer or any other person, any indemnification or payment in respect of any tax, regulatory or other consequence of any such substitution or variation upon individual Noteholders.

***3.2.3 If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned***

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

***3.2.4 The interest rate on Fixed Reset Notes will reset on each Reset Date, which can be expected to affect interest payments on an investment in Fixed Reset Notes and could affect the market value of Fixed Reset Notes***

Fixed Reset Notes will initially bear interest at the Initial Interest Rate until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate and the Reset Margin as determined by the Fiscal Agent on the relevant Reset Determination Date (each such interest rate, a Subsequent Reset Rate). The Subsequent Reset Rate for any Reset Period could be less than the Initial Interest Rate or the Subsequent Reset Rate for prior Reset Periods and could affect the market value of an investment in the Fixed Reset Notes.

***3.2.5 Risks relating to Floating Rate Notes***

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate. Should the reference rate be at any time negative, it could, notwithstanding the existence of the relevant margin, result in the actual floating rate be lower than the relevant margin.

***3.2.6 Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates***

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their original nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

***3.2.7 The value of and return on any Notes linked to a benchmark may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks or future discontinuance of benchmarks***

Amounts payable on Floating Rate Notes or Fixed Reset Notes may be calculated by reference to EURIBOR, €STR, SONIA or SOFR as specified in the relevant Final Terms or the relevant Drawdown Prospectus. Reference

rates and indices such as EURIBOR, €STR, SONIA and SOFR and other interest rate or other types of rates and indices which are deemed to be “benchmarks” (each a “**Benchmark**” and together, the “**Benchmarks**”), to which the interest on securities may be linked, have become the subject of regulatory scrutiny and national and international regulatory guidance and reform aimed at supporting the transition to robust Benchmarks, whilst reforms have now reached their planned conclusion (including the transition away from London Interbank Offered Rate (**LIBOR**)), Benchmarks remain subject to ongoing monitoring.

The EU Benchmarks Regulation and Regulation (EU) 2016/1011 as it forms part of the domestic law of the UK by virtue of the EUWA (as amended, the “**UK Benchmarks Regulation**”, and together with the EU Benchmarks Regulation, the “**Benchmarks Regulations**”) apply among other things, to the provision of in-scope Benchmarks, the contribution of input data on a Benchmark and the use of an in-scope Benchmark within the EU and UK, as applicable. Among other things, they (i) require in-scope Benchmark administrators to be authorised or registered (or, if non-EU-based or UK-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU or UK supervised entities of in-scope Benchmarks where the administrator is not appropriately authorised or registered (or, if non-EU-based or non-UK-based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulations (and other regulations applicable to Benchmarks) could have a material impact on any Notes linked to or referencing a Benchmark, in particular, if the methodology or other terms of the Benchmark are changed in order to comply with the requirements of the Benchmarks Regulations or are eliminated. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant Benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of Benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have (without limitation) the following effects on certain Benchmarks (i) discouraging market participants from continuing to administer or contribute to the Benchmark; (ii) triggering changes in the rules or methodologies used in the Benchmark; and/or (iii) leading to the disappearance of the Benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value or liquidity of, and/or return on, any Notes linked to or referencing a Benchmark, or otherwise dependent (in whole or in part) upon, a Benchmark.

The working group on euro risk free-rates has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the working group on euro risk-free rates published its recommendations on EURIBOR fallback trigger events and fallback rates. On 4 December 2023, the working group issued its final statement, announcing completion of its mandate.

In addition, EMMI as administrator of EURIBOR has launched a forward-looking term rate EFTERM as alternative to and as new fallback rate for EURIBOR. It is therefore currently not foreseeable whether EURIBOR will continue exist permanently and beyond 2025.

EMMI, as administrator of EURIBOR, has developed a hybrid methodology for the determination of EURIBOR that takes into account current transaction data, historical transaction data and modelled data based on expert opinions and has obtained regulatory authorisation under the EU Benchmarks Regulation for EURIBOR so calculated. However, since reference rates relying on expert opinion and modelled data are widely regarded as potentially less representative than reference rates determined in a fully transaction-based approach and because central-banks, supervisory authorities, expert groups and relevant markets tend to prefer the use of risk-free overnight interest rates with a broad and active underlying market as reference rates, there is a risk that the use or provision of EURIBOR may come to an end in the medium or long term.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms in making any investment decision with respect to any Notes linked to or referencing a Benchmark.

### ***3.2.8 Fallback arrangements in respect of Benchmarks may have a material adverse effect on the value and liquidity of and return on affected Notes***

Investors should be aware that in the case of Floating Rate Notes and Fixed Reset Notes, the Conditions provide for certain fallback arrangements in the event that a published Benchmark, including an inter-bank offered rate such as EURIBOR or other relevant reference rates ceases to exist or be published or another Benchmark Event (as defined in the Conditions) occurs. These fallback arrangements include (for reference rates other than SOFR) the possibility that the Rate of Interest could be determined by the Issuer, following consultation with an Independent Adviser (acting in good faith and in a commercially reasonable manner), without any separate consent or approval of the Noteholders, by reference to a Successor Rate or an Alternative Rate (each as defined in the Conditions) and that an Adjustment Spread (as defined in the Conditions) may be applied to such Successor Rate or Alternative Rate, together with the making of certain Benchmark Amendments (as defined in the Conditions) to the Conditions of such Notes. In certain circumstances, an Adjustment Spread may be applied. The Adjustment Spread is the spread, formula or methodology which the Issuer, following consultation with the Independent Adviser, determines to be appropriate to reduce or eliminate any economic prejudice or benefit (as the case may be) to the Noteholders as a result of the replacement of the relevant Benchmark or screen rate (as applicable) originally specified with the Successor Rate or the Alternative Rate (as the case may be). However, such Adjustment Spread may not be effective to reduce or eliminate economic prejudice to Noteholders. The use of a Successor Rate or an Alternative Rate may result in interest payments that are lower than, or otherwise do not correlate over time with, the payments that could have been made on the Notes if the relevant Benchmark continued to be available in its current form.

In respect of SOFR, the fallback arrangements include the possibility that the Rate of Interest could be determined by a replacement rate determination agent appointed by the Issuer to that effect. The replacement rate determination agent may determine the SOFR Replacement (as defined in the Conditions) without any separate consent or approval of the Noteholders, by reference to the Relevant Governmental Body Replacement, the ISDA Fallback Replacement or the Industry Replacement (each as defined in the Conditions) and that a SOFR Replacement Adjustment (as defined in the Conditions) may be applied to such SOFR Replacement, together with the making of certain SOFR Replacement Conforming Changes (as defined in the Conditions) to the Conditions of such Notes. In certain circumstances, the SOFR Replacement Adjustment may not be effective to reduce or eliminate economic prejudice to Noteholders. The use of a SOFR Replacement may result in interest payments that are lower than, or otherwise do not correlate over time with, the payments that could have been made on the Notes if the SOFR continued to be available in its current form.

Further, no Successor Rate or Alternative Rate (or SOFR Replacement) will be adopted, nor any Adjustment Spread (or SOFR Replacement Adjustment) be applied, nor will any Benchmark Amendments (or SOFR Replacement Conforming Changes) be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Tier 2 Instruments or TLAC/MREL-Eligible Instruments (as applicable) for the purposes of the Applicable Banking Regulations, or could reasonably result in the Relevant Resolution Authority treating any future Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

Moreover, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser in certain circumstances, the relevant fallback provisions may not operate as intended at the relevant time. In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period or Reset Period (as the case may be) may result in the Rate of Interest for the last preceding Interest Period or Reset Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page or, in the case of Fixed Reset Notes, the Fixed Reset Rate Relevant Screen Page after the most recent Interest Determination Date or Reset Determination Date, as applicable. In addition, due to the uncertainty concerning the availability of any Successor Rate or Alternative Rate, the relevant fallback provisions may not operate as intended at the relevant time.

Any such factors or consequences could have a material adverse effect on the value or liquidity of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or Fixed Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Fixed Reset Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes or Fixed Reset Notes.

**3.2.9 €STR, SONIA and SOFR are risk-free rates that may differ from inter-bank offered rates and have limited history. The market continues to develop in relation to €STR, SONIA and SOFR as reference rates for Floating Rate Notes, investors may not be able to estimate reliably the amount of interest which will be payable on the relevant Notes and any failure of €STR, SONIA and SOFR to gain acceptance could adversely affect Noteholders. The relevant administrator of €STR, SONIA and SOFR may make changes that could change the value of €STR, SONIA and SOFR or discontinue €STR, SONIA and SOFR**

Where the relevant Final Terms for Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to €STR, SONIA or SOFR, the Rate of Interest will be determined by reference to Compounded Daily €STR, Compounded Daily €STR Index, Weighted Average €STR, Compounded Daily SONIA, Compounded Daily SONIA Index or Compounded Daily SOFR (including SOFR Compound with Lookback, SOFR Compound with Observation Period Shift, SOFR Compound with Payment Delay and SOFR Index with Observation Shift, the latter on the basis of the SOFR Index published on the NY Federal Reserve's Website) or SOFR Arithmetic Mean.

Risk-free rates may differ from EURIBOR and other inter-bank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

A screen rate based on an observable publicly available average rate or index may evolve over time but there is no guarantee of this. Interest on Floating Rate Notes which reference backwards-looking risk free rates are only capable of being determined at the end of the relevant observation period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in such Floating Rate Notes to estimate reliably the amount of interest which will be payable on such Notes. Further, if the Floating Rate Notes become due and payable, the Rate of Interest payable shall be determined on the date such Floating Rate Notes became due and payable. Investors should consider these matters when making their investment decision with respect to any such Floating Rate Notes.

Investors should be aware that the market continues to develop in relation to €STR, SONIA and SOFR as reference rates in the capital markets and their adoption as an alternative to interbank offered rates. In particular, market participants and relevant working groups continue to explore alternative reference rates based on €STR, SONIA and SOFR including various ways to produce term versions of €STR, SONIA and SOFR (which seek to measure the market's forward expectation of an average €STR, SONIA and SOFR rates over a designated term, as it is an overnight rate). The market or a significant part thereof may adopt an application of €STR, SONIA and SOFR that differs significantly from that set out in the Conditions and used in relation to Floating Rate Notes that reference €STR, SONIA or SOFR rates issued under this Base Prospectus. In addition, the methodology for determining any overnight rate index by reference to which the Rate of Interest in respect of certain Notes may be calculated could change during the life of the Notes. Furthermore, the Issuer may in future issue Notes referencing €STR, SONIA or SOFR that differ materially in terms of interest determination when compared with any previous €STR, SONIA and SOFR -referenced Notes issued under the Programme. The nascent development of €STR, SONIA and SOFR as interest reference rates for the Eurobond markets, as well as continued development of €STR, SONIA and SOFR -based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any €STR, SONIA and SOFR -referenced Notes issued under the Programme from time to time.

The European Central Bank (or a successor) as administrator of €STR, the Bank of England (or a successor), as administrator of SONIA and the Federal Reserve Bank of New York (or a successor), as administrator of SOFR may make methodological or other changes that could change the value of €STR, SONIA and SOFR, respectively,

including changes related to the method by which €STR, SONIA and SOFR is calculated, eligibility criteria applicable to the transactions used to calculate €STR, SONIA and SOFR, or timing related to the publication of €STR, SONIA and SOFR. In addition, the administrator may alter, discontinue or suspend the calculation or dissemination of €STR, SONIA or SOFR (in which case the fallback methods of determining the interest rate on the relevant Notes will apply). The administrators have no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing €STR, SONIA or SOFR.

In addition, the manner of adoption or application of €STR, SONIA and SOFR reference rates in the Eurobond markets may differ materially compared with the application and adoption of €STR, SONIA and SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of €STR, SONIA and SOFR reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing €STR, SONIA and SOFR.

Further, if €STR, SONIA and SOFR do not prove to be widely used in securities such as the Notes, the trading price of such Notes linked to €STR, SONIA and SOFR may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

Investors should consider these matters when making their investment decision with respect to any such relevant Notes.

***3.2.10 Any failure of SOFR to gain market acceptance could adversely affect holders of Notes that pay a floating rate of interest referencing SOFR***

Holders of Notes that reference SOFR are exposed to the risk that such Floating Rate may not be widely accepted in the market. The risk of this occurring is mitigated by the fact that SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to LIBOR in part because it is considered to be a good representation of general funding conditions in the overnight U.S. Treasury repo market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR to be a suitable substitute or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen its market acceptance. Any failure of SOFR to gain or maintain market acceptance could adversely affect the return on, value of and market for instruments that pay a floating rate of interest referencing SOFR.

***3.2.11 The Tier 2 Subordinated Notes, the Senior Subordinated Notes, the Senior Non Preferred Notes and, to the extent so specified in the relevant Final Terms, the Ordinary Senior Notes, provide for limited events of default, and may not be redeemed prior to maturity at the option of Noteholders in the event of non-payment of principal or interest***

Noteholders have no ability to accelerate the maturity of their Tier 2 Subordinated Notes, Senior Subordinated Notes, Senior Non Preferred Notes and, to the extent so specified in the relevant Final Terms, the Ordinary Senior Notes. The Conditions of the Tier 2 Subordinated Notes, the Senior Subordinated Notes, the Senior Non Preferred Notes and, to the extent so specified in the relevant Final Terms, the Ordinary Senior Notes do not provide for any events of default, except in the case that an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against the Issuer, or an order is made by any competent court or a resolution is passed for the liquidation (*liquidación*) of the Issuer. Accordingly, in the event that any payment on the Tier 2 Subordinated Notes, the Senior Subordinated Notes, the Senior Non Preferred Notes or, to the extent so specified in the relevant Final Terms, the Ordinary Senior Notes, as the case may be, is not made when due, each Noteholder will have a claim only for amounts then due and payable on their relevant Notes and a right to institute proceedings for the insolvency or liquidation (*liquidación*) of the Issuer.

Pursuant to the CRR, the Issuer is prohibited from including in the Conditions of any Tier 2 Subordinated Notes that qualify as Tier 2 capital of the Issuer terms that would oblige it to redeem such Tier 2 Subordinated Notes prior to their stated maturity at the option or request of Noteholders. As a result, the Conditions of the Tier 2 Subordinated Notes and Senior Subordinated Notes do not include provisions allowing for early redemption of Subordinated Notes at the option of Noteholders other than in case of insolvency or liquidation (*liquidación*) of the Issuer.

Likewise, pursuant to the CRR the Issuer is prohibited from including in the terms of any Tier 2 Subordinated Notes, Senior Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes that qualify as TLAC/MREL Eligible Instruments provisions that give the Noteholder the right to accelerate the future scheduled payment of interest or principal other than in case of insolvency or liquidation (*liquidación*) of the Issuer.

### **3.2.12 The terms of the Notes contain a waiver of set-off rights**

The Conditions provide that, if so specified in the Final Terms, Noteholders waive any set-off, netting or compensation rights against any right, claim, or liability the Issuer has, may have or acquire against any Noteholder, directly or indirectly, howsoever arising. As a result, Noteholders will not at any time be entitled to set-off the Issuer's obligations under the Notes against obligations owed by them to the Issuer.

### **3.2.13 The rights of Noteholders may be compromised following application of the Insolvency Law and other insolvency related procedures**

The Insolvency Law was amended by Law 16/2022, of 5 September (*Ley 16/2022, de 5 de septiembre, de reforma del texto refundido de la Ley Concursal*) with the aim of implementing the restructuring framework required by Directive (EU) 2019/1023 of the European Parliament and of the Council, of 20 June 2019, on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132. Pursuant to Article 583 of the Insolvency Law, credit institutions are not able to file for restructuring plans.

The Insolvency Law provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrators (*administradores concursales*) within one month from the last official publication of the court order declaring the insolvency in the Spanish Official Gazette, (ii) provisions in a contract granting one party the right to suspend, modify or terminate by reason only of the other's insolvency declaration or opening of the liquidation phase may not be enforceable, and (iii) interest (other than ordinary interest (i.e. not default interest) accruing under secured obligations up to an amount equal to the value of the asset subject to the security and provided that a contingent claim for the interest that may accrue after the insolvency declaration was reported to the insolvency administrator within the one month term) shall cease to accrue as from the date of the declaration of insolvency and any amount of interest accrued up to such date (other than any interest accruing under secured obligations up to an amount equal to the value of the asset subject to the security) shall become subordinated. Any payments of interest in respect of debt securities will be subject to the subordination provisions of Article 281.1.3° of the Insolvency Law read in conjunction with Additional Provision 14.3 of Law 11/2015. Any accrued but unpaid interest in respect of debt securities under Tier 2 instruments and AT1 instruments (as well as the principal), as of commencement of insolvency proceedings, shall constitute subordinated obligations (*créditos subordinados*) which will rank after the rest of the subordinated obligations included in Article 281 of the Spanish Insolvency Law in the order of priority of payment and, thus, will be satisfied subsequent to them in accordance with Additional Provision Fourteenth of Law 11/2015.

The Insolvency Law, in certain instances, also has the effect of modifying or impairing creditors' rights even if the creditor, either secured or unsecured, does not consent to the amendment. Secured and unsecured dissenting creditors may, among others, be written down or stayed (for up to 10 years in case of composition proposals), converted into a different financial instrument or equity of the refinanced or insolvent debtor as well as any other company, converted into participating loans (*préstamos participativos*), exchanged for assets or rights of the insolvent or refinanced debtor, no longer benefit from security interests guaranteeing them and even the applicable law to the relevant claims may be changed not only once the insolvency has been declared by the judge as a result of the approval of a creditors' agreement (*convenio concursal*), but also as a result of a restructuring plan (*plan de reestructuración*) that has been judicially sanctioned (*homologado*) without insolvency proceedings having been previously opened (e.g. restructuring plans which satisfy certain requirements and are judicially sanctioned), in both scenarios, (i) to the extent that certain qualified majorities are achieved and (ii) unless some exceptions in relation to the kind of claims or creditor apply (which would not be the case for the Notes).

The Insolvency Law contains great flexibility in terms of measures that can be imposed as a consequence of the judicial sanction of a restructuring plan. It allows, among others, (i) for the cross-class cram-down of creditors (i.e. a restructuring plan that has not been approved by all classes of creditors can eventually bind dissenting creditors provided that certain conditions are met), or (ii) a cram-down for dissenting equity-holders if certain conditions are met. Once a restructuring plan is judicially sanctioned, it may also allow, among others, to terminate certain contracts with reciprocal pending obligations in the interest of the restructuring with the possibility of the termination claim being also subject to the effects of the restructuring.

The majorities legal regime envisaged for the purposes of approving a composition with creditors or a restructuring plan also hinges on (i) the type of the specific restructuring measure which is intended to be imposed (e.g., extensions, debt reductions, debt for equity swaps, etc.) as well as (ii) on the type of claims to be crammed-down (i.e. secured or unsecured, depending on the value of the collateral as calculated pursuant to the rules established in the Insolvency Law). Additionally, it must be noted that when voting the approval of a restructuring plan affected creditors are grouped in classes of creditors (i.e. creditors of the same ranking which are deemed to share a common interest in the context of the eventual restructuring).

In no case shall subordinated creditors be entitled to adhere to a creditors' agreement during the insolvency proceedings, and accordingly, shall be always subject to the measures contained therein, if passed by the relevant majorities. For these purposes, liabilities held by those creditors considered specially related persons (*personas especialmente relacionadas*) with the insolvent debtor would not be taken into account for the approval of a composition agreement. However, subordinated creditors would be entitled to vote when deciding the approval of a restructuring plan.

As such, certain provisions of the Insolvency Law could affect the ranking of the Notes or claims relating to the Notes on an insolvency of the Issuer or in case of approval of a restructuring plan. Additionally, other restructuring regimes which may apply were the Issuer to be in financial difficulties (including under the UK's Companies Act 2006) may also impact claims of holders of Notes against the Issuer.

### ***3.2.14 Claims in respect of Ordinary Senior Notes are effectively junior to those of certain other creditors***

Upon the insolvency of the Issuer, Ordinary Senior Notes will be effectively subordinated to all of the Issuer's secured indebtedness, to the extent of the value of the assets securing such indebtedness, and other obligations that rank senior under Spanish law. In particular, the payment obligations of the Issuer under the Ordinary Senior Notes will be effectively subordinated to all of the Issuer's obligations that are preferred under the Insolvency Law such as the deposits obligations qualifying as preferred liabilities (*créditos con privilegio general*) under Additional Provision 14.1 of Law 11/2015. However, as indicated in “*The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes*” above, the CMDI Reform provides for a general depositor preference in insolvency, among others. In particular, CMDI Reform provides for the introduction of a new tier of preferred deposits, with the result that all deposits (subject to certain exceptions) that currently are not privileged claims under Article 108.1 of BRRD (including certain deposits of large corporates and deposits by other banks) would rank above unsecured creditors but below covered deposits and other preferred deposits under current Article 108.1 BRRD. If the CMDI Reform is transposed into Spanish insolvency legislation in its current form, deposits will be granted a three-tier preference in the following order: (i) covered deposits and claims of deposit guarantee schemes, which will rank highest in the depositor preference hierarchy, (ii) that part of eligible deposits from natural persons, micro, small and medium sized enterprises and from public authorities which exceeds the coverage level, which will rank above deposits referred to in limbs (iii), and (iii) subject to certain exceptions, other deposits not covered in (i) and (ii), which will rank above claims of unsecured creditors. As a result, the implementation of the CMDI Reform would mean that the Ordinary Senior Notes would rank junior to the claims of all depositors (subject to certain exceptions), including deposits of large corporates and other deposits that are currently excluded from the above privileged claims. The implementation of the CMDI Reform may also lead to a rating downgrade for Ordinary Senior Notes.

In addition, the payment obligations of the Issuer in respect of interest accrued but unpaid under the Ordinary Senior Notes as of the commencement of any insolvency procedure in respect of the Issuer will constitute subordinated obligations (*créditos subordinados*) ranking in accordance with the provisions of Article 281.1.3° of the Insolvency Law and no further interest shall accrue from the date of the declaration of insolvency of the Issuer. The Ordinary Senior Notes are also structurally subordinated to all indebtedness of subsidiaries of the Issuer insofar as any right of the Issuer to receive any assets of such companies upon their winding-up will be effectively subordinated to the claims of the creditors of those companies in the winding-up.

Moreover, the BRRD and Law 11/2015 contemplate that Ordinary Senior Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. This may involve the variation of the terms of the Ordinary Senior Notes or a change in their form, if necessary, to give effect to, the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. See “*3.1 Risks related to Early Intervention and Resolution – 3.1.1 The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution*

*Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes”.*

### **3.2.15 An investor in Tier 2 Subordinated Notes and Senior Subordinated Notes assumes an enhanced risk of loss in the event of the Issuer's insolvency or resolution**

The Issuer's payment obligations under Tier 2 Subordinated Notes and Senior Subordinated Notes will be unsecured and subordinated obligations (*créditos subordinados*) of the Issuer and will rank junior to all unsubordinated and unsecured obligations (*créditos ordinarios*), including non preferred ordinary obligations (*créditos ordinarios no preferentes*) of the Issuer (the Senior Non Preferred Liabilities, as defined in the Conditions), which would include the payment obligations in respect of principal only under any Senior Non Preferred Notes in the case of Senior Subordinated Notes and all payment obligations under any Senior Non Preferred Notes in the case of Tier 2 Subordinated Notes, respectively. Although Tier 2 Subordinated Notes and Senior Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a greater risk that an investor in Tier 2 Subordinated Notes and Senior Subordinated Notes will lose all or some of its investment should the Issuer become (i) subject to resolution under the BRRD (as implemented through Law 11/2015 and RD 1012/2015) and the Tier 2 Subordinated Notes and Senior Subordinated Notes become subject to the application of the Spanish Bail-in Power (and, in case they constitute Tier 2 Instruments, the Non-Viability Loss Absorption) or (ii) insolvent.

In the case of any exercise of the Spanish Bail-in Power by the Relevant Resolution Authority, the sequence of any resulting write-down or conversion of eligible instruments under Article 48 of the BRRD and Article 48 of Law 11/2015 provides for the principal amount of Tier 2 Instruments (such as the Tier 2 Subordinated Notes if they qualify as such as it is expected) to be written-down or converted into equity or other securities or obligations prior to the principal amount of subordinated debt that does not qualify as Additional Tier 1 or Tier 2 capital (which is expected to be the case of debt arising from Senior Subordinated Notes) in accordance with the hierarchy of claims provided in the Insolvency Law and for the latter to be written-down or converted into equity or other securities or obligations prior to any write-down or conversion of the principal amount or outstanding amount of the rest of bail-inable liabilities (such as the Ordinary Senior Notes and Senior Non Preferred Notes), in accordance with the hierarchy of claims provided in the applicable insolvency legislation. Subordinated Notes which constitute Tier 2 Instruments may be subject to Non-Viability Loss Absorption, which may be imposed prior to or in combination with any exercise of the Spanish Bail-in Power. See “3.1 Risks related to Early Intervention and Resolution – 3.1.1 The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes”.

In the event of insolvency, after payment in full of unsubordinated and unsecured obligations (*créditos ordinarios*) (including any senior non preferred obligations (*créditos ordinarios no preferentes*)), but before distributions to shareholders, under Article 281.1 of the Insolvency Law read in conjunction with Additional Provision 14.3 of Law 11/2015, the Issuer will meet subordinated obligations in the following order and pro-rata within each class: (i) late or incorrect obligations; (ii) contractually subordinated obligations of the Issuer in respect of principal under instruments that do not constitute Additional Tier 1 Instruments or Tier 2 Instruments, in accordance with Additional Provision 14.3.1<sup>o</sup> of Law 11/2015 – which is expected to be the case of Senior Subordinated Notes; (iii) interest (including accrued and unpaid interest due on the Notes, except for interest under Additional Tier 1 Instruments and Tier 2 Instruments); (iv) fines; (v) claims of creditors which are specially related to the Issuer (if applicable) as provided for under the Insolvency Law; (vi) detrimental claims against the Issuer where a Spanish Court has determined that the relevant creditor has acted in bad faith (*rescisión concursal*); (vii) claims arising from contracts with reciprocal obligations as referred to in Articles 156 to 158 and 160 to 167 of the Insolvency Law, wherever the court rules, after the insolvency administrator (*administración concursal*) has issued a report on that matter, that the creditor repeatedly impedes the fulfilment of the contract against the interest of the insolvency; (viii) subordinated obligations (*créditos subordinados*) of the Issuer under Tier 2 Instruments, in accordance with Additional Provision 14.3.2<sup>o</sup> of Law 11/2015 – which is expected to be the case of Tier 2 Subordinated Notes; and (ix) subordinated obligations (*créditos subordinados*) of the Issuer under Additional Tier 1 Instruments, in accordance with Additional Provision 14.3.3<sup>o</sup> of Law 11/2015.

### **3.2.16 The Senior Non Preferred Notes are senior non preferred claims and are junior to certain obligations**

The Senior Non Preferred Notes constitute direct, unconditional, unsubordinated and unsecured senior non preferred obligations (*créditos ordinarios no preferentes*) of the Issuer in accordance with Additional Provision 14.2 of Law 11/2015, as amended by RDL 11/2017. Upon the insolvency (*concurso*) of the Issuer, the payment obligations of the Issuer in respect of principal under the Senior Non Preferred Notes would rank, subject to any

other ranking that may apply as a result of any mandatory provision of law (or otherwise) (and unless they qualify as subordinated obligations (*créditos subordinados*) in accordance Articles 281.1.1º or 281.1.3º to 281.1.7º of the Insolvency Law), (a) *pari passu* among themselves and with any Senior Non Preferred Liabilities (as defined in the Conditions), (b) junior to the Senior Higher Priority Liabilities (as defined in the Conditions) of the Issuer and, accordingly, upon the insolvency of the Issuer the payment obligations of the Issuer in respect of principal under the Senior Non Preferred Notes will be met after payment in full of the Senior Higher Priority Liabilities (including any excluded liabilities under Article 72(a)2 of CRR (as defined below), and (c) senior to any present and future subordinated obligations (*créditos subordinados*) of the Issuer in accordance with Article 281.1 of the Insolvency Law. In addition, the payment obligations of the Issuer in respect of interests accrued but unpaid under the Senior Non Preferred Notes as of the commencement of any insolvency procedure in respect of the Issuer will constitute subordinated obligations (*créditos subordinados*) ranking in accordance with Article 281.1.3º of the Insolvency Law. No further interest shall accrue on any Notes from the date of the declaration of insolvency of the Issuer.

The Issuer's Senior Higher Priority Liabilities would include, among other liabilities, its deposit obligations (other than the deposit obligations qualifying as preferred liabilities (*créditos con privilegio general*) under Additional Provision 14.1 of Law 11/2015 which will rank senior), its obligations in respect of derivatives and other financial contracts and its unsecured and unsubordinated debt securities that are not Senior Non Preferred Liabilities. If the Issuer were wound up or liquidated, the liquidator would apply the assets which are available to satisfy all claims in respect of its unsubordinated and unsecured liabilities, first to satisfy claims of all other creditors ranking ahead of Noteholders, including holders of Senior Higher Priority Liabilities, and then to satisfy claims in respect of the principal of the Senior Non Preferred Notes (and other Senior Non Preferred Liabilities). If the Issuer does not have sufficient assets to settle the claims of higher ranking creditors in full, the claims of the Noteholders under the Senior Non Preferred Notes will not be satisfied. Noteholders will share equally in any distribution of assets available to satisfy all claims in respect of its unsubordinated and unsecured liabilities with the creditors under any other Senior Non Preferred Liabilities if the Issuer does not have sufficient funds to make full payment to all of them.

In addition, if the Issuer enters into resolution, its bail-inable liabilities (including the Senior Non Preferred Notes or Ordinary Senior Notes) may be subject to the Spanish Bail-in Power, meaning potential write-down or conversion into equity securities or other instruments. The sequence of any resulting write-down or conversion of bail-inable liabilities under Article 48 of the BRRD and Article 48 of Law 11/2015 provides for claims to be written-down or converted into equity in accordance with the hierarchy of claims provided in the applicable insolvency legislation. Due to the Senior Non Preferred Notes being senior non preferred obligations (*créditos ordinarios no preferentes*) the Issuer expects them to be written down or converted in full after any subordinated obligations of the Issuer under Article 281.1 of the Insolvency Law and before any of the Issuer's Senior Higher Priority Liabilities are written down or converted. See “3.1 Risks related to Early Intervention and Resolution – 3.1.1 The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes”.

As a consequence, Noteholders of the Senior Non Preferred Notes would bear significantly more risk than creditors of the Issuer's Senior Higher Priority Liabilities and could lose all or a significant part of their investment if the Issuer were to become (i) subject to resolution under the BRRD (as implemented through Law 11/2015 and RD 1012/2015) and the Senior Non Preferred Notes become subject to the application of the Spanish Bail-in Power or (ii) insolvent.

***3.2.17 Notes issued as Green Bonds, Social Bonds or Sustainability Bonds, as described in “Use of Proceeds”, may not be suitable for an investor's investment criteria***

The relevant Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply an amount equal to the net proceeds of the issue of those Notes to finance, refinance or invest in Eligible Green Projects, Eligible Social Projects or a combination of both Eligible Green Projects and Eligible Social Projects (such Notes being Green Bonds, Social Bonds or Sustainability Bonds, respectively), as described in the Issuer's SDG Bond Framework (each as defined below) published on the website of the Issuer (see “Use of Proceeds”).

While it is the intention of the Issuer to apply an amount equal to the proceeds of any Green Bonds, Social Bonds or Sustainability Bonds so specified for the relevant project, in, or substantially in, the manner described in the Issuer's SDG Bond Framework and the relevant Final Terms and publish the relevant reports, assessments, opinions and certifications, there is no contractual obligation to do so. There can be no assurance that the relevant project or use(s) the subject of, or related to, any project, will be capable of being implemented in or substantially

in such manner and/or in accordance with any timing schedule and accordingly an amount equal to such proceeds may not be totally or partially disbursed for such project nor can there be any assurance that the Issuer can obtain and publish the relevant reports, assessments, opinions or certifications. In addition, the duration of an eligible green, social or sustainable asset or project may not match the term of any such Green Bonds, Social Bonds or Sustainability Bonds. Moreover, the Issuer's SDG Bond Framework may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from the one in force as of the date of this Base Prospectus.

Despite the fact that a basis for the determination of "green" project definition in the EU has been established in the EU Taxonomy Regulation (as defined below), there is still no market consensus as to what constitutes, a "green", "social" or "sustainable" or an equivalently-denominated project, since the EU Taxonomy (as defined below) remains subject to the implementation of further delegated regulations by the European Commission. Assurance cannot be given that such a clear consensus will develop over time or that any prevailing market consensus will not significantly change. In addition, the requirements of any such denomination may evolve from time to time. In the event that any Green Bonds, Social Bonds or Sustainability Bonds are listed or admitted to trading on any dedicated "green", "environmental", "social" or "sustainable" or other equivalently-denominated segment of any stock exchange or securities market (whether or not regulated), such listing or admission may not satisfy, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. Furthermore, the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Listing or admission to trading may not be sought in respect of certain Green Bonds, Social Bonds or Sustainability Bonds or, if obtained, such listing or admission to trading may not be maintained during the life of the Notes.

Therefore, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any eligible projects will meet any or all investor expectations or any other requirements regarding such "green", "social" or "sustainable" or other equivalently-denominated performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any eligible projects, which contravene whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations (including, amongst others, Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "EU Taxonomy"), the EU Taxonomy Climate Delegated Act adopted by the EU Commission on 21 April 2021, the EU Taxonomy Environmental Delegated Act adopted by the EU Commission on 27 June 2023 (jointly, the "EU Taxonomy Regulation") and the European Green Bond Regulation, or Regulation (EU) 2020/852 as it forms part of domestic law in the UK by virtue of the EUWA, or any further regulations, guidance or standards that may be approved or created or by its own by-laws or governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental or sustainability impact of any project or uses, the subject of or related to, the Issuer's SDG Bond Framework.

In addition, the European Green Bond Regulation entered into force on 20 December 2023 and is applicable from 21 December 2024. This regulation includes a set of requirements that securities shall comply with in order to be labelled as "European Green Bonds" or "EUGB", in particular the full allocation (before the maturity of any European Green Bond) of the proceeds of such bonds to economic activities aligned with the EU Taxonomy Regulation in accordance with the categories set forth in Article 4 of the European Green Bond Regulation. Additionally, the European Green Bond Regulation establishes specific transparency requirements, with which issuers shall comply with prior and post an issuance of bonds labelled as "European Green Bonds" or "EUGB". Any Green Bonds issued under this Programme will not be compliant with the European Green Bond Regulation<sup>17</sup> and are only intended to comply with the requirements and processes in the Issuer's SDG Bond Framework. It is not clear at this stage if the establishment of the "EUGB" label and the optional disclosures regime for bonds issued as "environmentally sustainable" will have an impact on investor demand for, and pricing of, green bonds that do not comply with the requirements of the European Green Bond Regulation, such as the Green Bonds issued under this Programme. This could result in reduced liquidity or lower demand or could otherwise affect the market price of any Green Bonds issued under this Programme that do not comply with the European Green Bond Regulation.

The Issuer has appointed Sustainalytics B.V. to provide a Second-Party Opinion on the SDG Bond Framework. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight and prospective investors should determine for themselves the suitability or reliability of such

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<sup>17</sup> The Issuer will not make use of the optional disclosure templates provided for in Articles 20 and 21 of the European Green Bond Regulation.

Second-Party Opinion, or any other opinion or certification of any third party (whether or not solicited by the Issuer), as to the fulfilment of any environmental, social and/or other criteria or for any other purpose.

As a consequence of the above, Notes issued as Green Bonds, Social Bonds or Sustainability Bonds, may not meet investor expectations or be suitable for an investor's investment criteria. In addition, withdrawal of any such opinion, limited assurance or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion, limited assurance or certification is opining or certifying on may have a material adverse effect on the value of such Notes and also potentially the value of any other similar Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Any such event or failure to apply the net proceeds of any issue of Green Bonds, Social Bonds or Sustainability Bonds for any eligible projects or to obtain and publish any such reports, assessments, opinions and certifications, or the fact that the duration of an eligible green or social asset or project may not match the term of any Green Bonds, Social Bonds or Sustainability Bonds, or a failure of any Notes to meet investor expectations or requirements as to their “green”, “sustainable”, “social” or equivalent characteristics, or the Notes ceasing to be listed or admitted to trading on any dedicated stock exchange or securities market as aforesaid will not (i) constitute a breach of or an event of default under the relevant Green Bonds, Social Bonds or Sustainability Bonds; or (ii) give rise to any other claim or right (including, for the avoidance of doubt, the right to accelerate the Notes) of a holder of such Green Bonds, Social Bonds or Sustainability Bonds against, or any other liability of, the Issuer, or (iii) lead to an obligation of the Issuer to redeem or repay such Notes or be a relevant factor for the Issuer in determining whether or not to exercise any optional redemption rights in respect of any Notes, or (iv) affect the regulatory treatment of such Notes as Tier 2 capital or eligible liabilities for the purposes of MREL (as applicable) if such Notes are also Tier 2 Subordinated Notes, Senior Subordinated Notes, Senior Non Preferred Notes or Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments. For the avoidance of doubt, payments of principal and interest (as the case may be) on the relevant Green Bonds, Social Bonds or Sustainability Bonds shall not depend on the performance of the relevant project nor have any preferred right against such assets. There will be no segregation of assets and liabilities in respect of the Green Bonds, Social Bonds and Sustainability Notes and the relevant projects. Consequently, neither payments of principal and/or interest on the Green Bonds, Social Bonds and Sustainability Notes nor any rights of Noteholders shall depend on the performance of the relevant projects. Holders of any Green Bonds, Social Bonds and Sustainability Notes shall have no preferential rights or priority against the assets of any relevant project nor benefit from any arrangements to enhance the performance of the Notes.

Green Bonds, Social Bonds or Sustainability Bonds issued in the form of Tier 2 Subordinated Notes, Senior Subordinated Notes, Senior Non Preferred Notes or Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments and, as such, proceeds from Green Bonds, Social Bonds or Sustainability Bonds qualifying as own funds or eligible liabilities should absorb losses of the Issuer regardless of their “green”, “social” or “sustainable” denomination. Additionally, their denomination as Green Bonds, Social Bonds or Sustainability Bonds (i) will not affect the regulatory treatment of such Notes as Tier 2 Capital or, as the case may be, eligible liabilities should the relevant Notes be intended to qualify as TLAC/MREL Eligibility Instruments; and (ii) will not have an impact on their status.

Finally, Green, Social or Sustainability Bonds may be subject to the application of the Spanish Bail-in Power and (in the case of Tier 2 Subordinated Notes) the Non-Viability Loss Absorption, to the same extent and with the same ranking as any other *pari passu* Note which is not a Green Bond, Social Bond or Sustainability Bond (i.e. regardless of their “green”, “social” or “sustainable” denomination).

### **3.3 Risks related to Notes Generally**

#### ***3.3.1 The terms of the Notes contain very limited covenants and restrictions on the amount or type of further securities or indebtedness which the Bank may incur***

The Conditions place no restrictions on the amount or type of securities that the Issuer may issue that rank senior to the Notes, or on the amount or type of securities it may issue that rank *pari passu* with the Notes. The issue of any such debt or securities may reduce the amount recoverable by Noteholders upon liquidation (*liquidación*), dissolution or winding-up of the Issuer and may limit the ability of the Bank to meet its obligations in respect of the Notes, and result in a Noteholder losing all or some of its investment in the Notes.

In addition, the Notes do not require the Issuer to comply with financial ratios or otherwise limit its ability or that of its subsidiaries to incur additional debt, nor do they limit the Issuer's ability to use cash to make investments or acquisitions, or the ability of the Issuer or its subsidiaries to pay dividends, repurchase shares or otherwise

distribute cash to shareholders. Such actions could potentially affect the Issuer's ability to service its debt obligations, including those under the Notes.

### ***3.3.2 The Conditions of the Notes contain provisions which may permit their modification without the consent of all investors***

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

### ***3.3.3 The Notes may be subject to withholding taxes in circumstances where the Issuer is not obliged to make gross up payments and this would result in holders receiving less interest than expected and could significantly adversely affect their return on the Notes***

#### *Spanish withholding tax regime*

The Issuer considers that, pursuant to the provisions of the Royal Decree 1065/2007, as amended, it is not obliged to withhold taxes in Spain on any interest paid on the Notes to any Noteholder, irrespective of whether such Noteholder is tax resident in Spain. The foregoing is subject to the Fiscal Agent complying with certain information procedures described in "*Taxation – The Kingdom of Spain – Information about the Notes in connection with payments*" below.

The Fiscal Agent will, to the extent applicable, comply with the relevant procedures to facilitate the collection of information concerning the Notes. The procedures may be modified, amended or supplemented to, among other reasons, reflect a change in applicable Spanish law, regulation, ruling or interpretation thereof. Under Royal Decree 1065/2007, as amended, it is no longer necessary to provide an issuer with information regarding the identity and the tax residence of an investor or the amount of interest paid to it in order for the Issuer to make payments free from Spanish withholding tax, provided that the securities: (i) are regarded as listed debt securities issued under Law 10/2014; and (ii) are initially registered at a foreign clearing and settlement entity that is recognised under Spanish regulations or under those of another OECD member state. The Issuer expects that the Notes will meet the requirements referred to in (i) and (ii) above and that, consequently, payments made by the Issuer to Noteholders should be paid free of Spanish withholding tax, provided the Fiscal Agent complies with the procedural requirements referred to above. In the event a payment in respect of the Notes is subject to Spanish withholding tax, the Issuer will pay the relevant Noteholder such additional amounts as may be necessary in order that the net amount received by such Noteholder after such withholding equals the sum of the respective amounts of principal and interest, if any, which would otherwise have been receivable in respect of the Notes in the absence of such withholding.

If the Spanish Tax Authorities maintain a different opinion as to the application by the Issuer of withholding to payments made to Spanish tax residents (individuals and entities subject to Corporate Income Tax (*Impuesto sobre Sociedades*)), the Issuer will be bound by the opinion and, with immediate effect, will make the appropriate withholding. If this is the case, identification of Noteholders may be required and the procedures, if any, for the collection of relevant information will be applied by the Issuer (to the extent required) so that it can comply with its obligations under the applicable legislation as interpreted by the Spanish Tax Authorities. If procedures for the collection of the Noteholders information are to apply, the Noteholders will be informed of such new procedures and their implications.

Notwithstanding the above, in the case of Notes held by Spanish tax resident individuals and, under certain circumstances, by Spanish entities subject to Corporate Income Tax and deposited with a Spanish resident entity acting as depositary or custodian, payments in respect of such Notes may be subject to withholding by such depositary or custodian (currently 19 per cent.) and the Issuer may not be required to pay the relevant Noteholder additional amounts (as described above, please see "*Terms and Conditions of the Notes – Taxation*").

In particular, with regard to Spanish entities subject to Corporate Income Tax, withholding could be made if it is concluded that the Notes do not comply with the relevant exemption requirements and those specified in the ruling issued by the Spanish Tax Authorities (*Dirección General de Tributos*) dated 27 July 2004 are deemed included among such requirements. According to said 2004 ruling, application of the exemption requires that, in addition to being traded on an organized market in an OECD country, the Notes are placed outside Spain in another OECD country. In the event that it was determined that the exemption from withholding tax on payments to Spanish

corporate Noteholders does not apply to any of the Notes on the basis that they were placed, totally or partially, in Spain, the Issuer would be required to make a withholding at the applicable rate, and no additional amounts will be payable by the Issuer in such circumstances as set out above.

Noteholders must seek their own advice to ensure that they comply with all procedures to ensure the correct tax treatment of their Notes. None of the Issuer, the Dealers, the Fiscal Agent or any clearing system (including Euroclear and Clearstream Luxembourg) assume any responsibility therefor.

The procedure described in this Base Prospectus for the provision of information required by Spanish laws and regulations is a summary only and neither the Issuer nor the Dealers assumes any responsibility therefor.

### **3.4 Risks related to the Market Generally**

*Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:*

#### ***3.4.1 An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, are being issued to a single investor or a limited number of investors or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. In addition, should the Issuer be in financial distress, this is likely to have a significant impact on the secondary market for the Notes and investors may have to sell their Notes at a substantial discount to their principal amount.

#### ***3.4.2 If an investor holds Notes which are not denominated in the investor's home currency, that investor will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes***

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### ***3.4.3 The value of Fixed Rate Notes may be adversely affected by movements in market interest rates and inflation***

Investment in Fixed Rate Notes involves the risk that if inflation and/or market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this may adversely affect the value of the Fixed Rate Notes and their yield may fall below that offered by other available fixed-income investments. Investors should be aware that this could lead to losses for the Noteholders if they sell the Fixed Rate Notes.

#### ***3.4.4 The Notes may have a negative yield***

Notes issued under this Base Prospectus may have a negative yield, depending on the issue or acquisition price and the redemption or disposal price, as well as the periodic coupons they pay, and, consequently, investors could lose all or part of their investment.

***3.4.5 Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes, and a downgrade in credit ratings or unfavorable coverage or recommendations from third-party securities analysts could adversely affect the trading prices of Notes***

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes (including on an unsolicited basis). The ratings may not reflect the potential impact of all the risks related to structure, market, additional factors discussed above and do not address the price, if any, at which the Notes may be resold prior to maturity (which may be substantially less than the original offering prices of the Notes), and other factors that may affect the value of the Notes. However, real or anticipated changes in the Issuer's credit rating will generally affect the market value of the Notes. In general terms, any ratings downgrade will adversely affect the trading prices of the Notes or the trading markets for such Notes to the extent trading markets for such Notes develop, and any ratings improvement will not necessarily increase the value of the Notes and will not reduce market risk and other investment risks related to the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Similar ratings assigned to different types of securities do not necessarily mean the same thing, and credit ratings also do not address the marketability or market price of securities. Potential investors should not rely on any rating of Notes issued under the Programme.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered or UK-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provision that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market.

Additionally, the trading market for the Notes may be affected by research reports that third-party securities analysts publish about the Issuer and the industry and the countries in which the Issuer operates. Unfavorable coverage or recommendations in any such research reports could cause the trading price of the Notes to decline.

## INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

1. the Quarterly Financial Report of the Issuer for the three-month period ended 31 March 2026 which is available on:

[https://www.grupbancsabadell.com/corp/files/6000346012538/1q26\\_quarterly\\_financial\\_report.pdf?bsb=RmlsZV9DLTYwMDAzNDYwMTI1MzgtMTM3NDA5ODA3OTg5NQ](https://www.grupbancsabadell.com/corp/files/6000346012538/1q26_quarterly_financial_report.pdf?bsb=RmlsZV9DLTYwMDAzNDYwMTI1MzgtMTM3NDA5ODA3OTg5NQ)

2. an English language translation of the audited consolidated annual financial statements (including the English translation of the independent auditors' report thereon, notes thereto and the consolidated directors' report) of the Issuer in respect of the year ended 31 December 2025 which is available on:

[https://www.grupbancsabadell.com/corp/files/6000333945830/annual\\_accounts\\_banco\\_sabadell\\_group\\_2025.pdf?bsb=RmlsZV9DLTYwMDAzMzM5NDU4MzAtMTM3NDA5ODA3OTg5NQ](https://www.grupbancsabadell.com/corp/files/6000333945830/annual_accounts_banco_sabadell_group_2025.pdf?bsb=RmlsZV9DLTYwMDAzMzM5NDU4MzAtMTM3NDA5ODA3OTg5NQ)

including the information set out at the following pages in particular:

Independent auditors' report on the consolidated annual financial statements for the year ended 31 December 2025	Pages 1 to 8 of the AR <sup>(1)</sup>
Consolidated balance sheets as of 31 December 2025 and 2024	Pages 6 to 8 of the CAFS <sup>(2)</sup>
Consolidated income statements for the years ended 31 December 2025 and 2024	Page 9 of the CAFS <sup>(2)</sup>
Consolidated statements of recognised income and expenses for the years ended 31 December 2025 and 2024	Page 10 of the CAFS <sup>(2)</sup>
Consolidated statements of total changes in equity for the years ended 31 December 2025 and 2024	Pages 11 to 12 of the CAFS <sup>(2)</sup>
Consolidated cash flow statements for the years ended 31 December 2025 and 2024	Page 13 of the CAFS <sup>(2)</sup>
Notes to the consolidated annual financial statements for the year ended 31 December 2025	Pages 14 to 233 of the CAFS <sup>(2)</sup>
Consolidated directors' report for the year ended 31 December 2025	Pages 234 to 383 of the CAFS <sup>(2)</sup>
Alternative performance measures in the Group	Pages 368 to 383 of the CAFS <sup>(2)</sup>

Notes:

- (1) “AR” corresponds to the independent auditors' report on the consolidated annual financial statements of the Issuer for the year ended 31 December 2025.
  - (2) “CAFS” corresponds to the consolidated annual financial statements of the Issuer for the year ended 31 December 2025, incorporating the consolidated directors' report.
3. an English language translation of the audited consolidated annual financial statements (including the English translation of the independent auditors' report thereon, notes thereto and the consolidated directors' report) of the Issuer in respect of the year ended 31 December 2024 which is available on:

[https://www.grupbancsabadell.com/corp/files/6000238696777/annual\\_accounts\\_banco\\_sabadell\\_group\\_2024.pdf?bsb=RmlsZV9DLTYwMDAyMzg2OTY3NzctMTM3NDA5ODA3OTg5NQ](https://www.grupbancsabadell.com/corp/files/6000238696777/annual_accounts_banco_sabadell_group_2024.pdf?bsb=RmlsZV9DLTYwMDAyMzg2OTY3NzctMTM3NDA5ODA3OTg5NQ)

including the information set out at the following pages in particular:

Independent auditors' report on the consolidated annual financial statements for the year ended 31 December 2024	Pages 1 to 7 of the AR <sup>(1)</sup>
Consolidated balance sheets as of 31 December 2024 and 2023	Pages 6 to 8 of the CAFS <sup>(2)</sup>
Consolidated income statements for the years ended 31 December 2024 and 2023	Pages 9 to 10 of the CAFS <sup>(2)</sup>
Consolidated statements of recognised income and expenses for the years ended 31 December 2024 and 2023	Page 11 of the CAFS <sup>(2)</sup>
Consolidated statements of total changes in equity for the years ended 31 December 2024 and 2023	Pages 12 to 13 of the CAFS <sup>(2)</sup>
Consolidated cash flow statements for the years ended 31 December 2024 and 2023	Pages 14 to 15 of the CAFS <sup>(2)</sup>
Notes to the consolidated annual financial statements for the year ended 31 December 2024	Pages 16 to 231 of the CAFS <sup>(2)</sup>
Consolidated directors' report for the year ended 31 December 2024	Pages 232 to 368 of the CAFS <sup>(2)</sup>
Glossary of terms on alternative performance measures	Pages 358 to 368 of the CAFS <sup>(2)</sup>

Notes:

- (1) “AR” corresponds to the independent auditors' report on the consolidated annual financial statements of the Issuer for the year ended 31 December 2024.
  - (2) “CAFS” corresponds to the consolidated annual financial statements of the Issuer for the year ended 31 December 2024, incorporating the consolidated directors' report.
4. an English language translation of any future audited consolidated annual financial statements (including the English translation of the independent auditor's report thereon, notes thereto and the consolidated

directors' report) of the Issuer in respect of the year ended 31 December, which will be available for viewing on:

<https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/economic-and-financial-information.html>

5. an English language translation of any future audited condensed consolidated interim financial statements (including the English translation of the independent auditors' report thereon, notes thereto or interim consolidated directors' report) of the Issuer in respect of the six-month period ended 30 June, which will be available for viewing on:

<https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/economic-and-financial-information.html>

6. an English language translation of any future quarterly financial report of the Issuer, which will be available for viewing on:

<https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/economic-and-financial-information.html>

7. The terms and conditions of the Notes contained in:

- (a) the previous Base Prospectus dated 12 May 2025, pages 61 to 121 (inclusive), prepared by the Issuer in connection with the Programme and available at:

<https://www.grupbancsabadell.com/corp/files/6000263942051/sabadellemtn2025-baseprospectus.pdf>

- (b) the previous Base Prospectus dated 14 May 2024, pages 60 to 119 (inclusive), prepared by the Issuer in connection with the Programme and available at:

[https://www.grupbancsabadell.com/corp/files/6000189146256/sabadell\\_emtn2024\\_baseprospectus.pdf](https://www.grupbancsabadell.com/corp/files/6000189146256/sabadell_emtn2024_baseprospectus.pdf)

- (c) the previous Base Prospectus dated 19 May 2023, pages 59 to 118 (inclusive), prepared by the Issuer in connection with the Programme and available at:

[https://www.grupbancsabadell.com/corp/files/6000132629397/sabadell\\_emtn\\_2023\\_-\\_base\\_prospectus.pdf](https://www.grupbancsabadell.com/corp/files/6000132629397/sabadell_emtn_2023_-_base_prospectus.pdf)

- (d) the previous Base Prospectus dated 1 June 2022, pages 58 to 118 (inclusive), prepared by the Issuer in connection with the Programme and available at:

[https://www.grupbancsabadell.com/corp/files/6000074934561/sabadell\\_emtn\\_2022\\_-\\_base\\_prospectus.pdf](https://www.grupbancsabadell.com/corp/files/6000074934561/sabadell_emtn_2022_-_base_prospectus.pdf)

- (e) the previous Base Prospectus dated 31 May 2021, pages 56 to 99 (inclusive), prepared by the Issuer in connection with the Programme and available at:

[https://www.grupbancsabadell.com/corp/files/1454352050714/sabadell\\_emtn\\_2021\\_-\\_base\\_prospectus\\_-\\_31\\_may\\_2021.pdf](https://www.grupbancsabadell.com/corp/files/1454352050714/sabadell_emtn_2021_-_base_prospectus_-_31_may_2021.pdf)

- (f) the previous Base Prospectus dated 26 May 2020, pages 51 to 91 (inclusive), prepared by the Issuer in connection with the Programme and available at:

[https://www.grupbancsabadell.com/corp/files/1454348747828/sabadell\\_emtn\\_2020\\_-\\_base\\_prospectus\\_-\\_26\\_may\\_2020.pdf](https://www.grupbancsabadell.com/corp/files/1454348747828/sabadell_emtn_2020_-_base_prospectus_-_26_may_2020.pdf)

- (g) the previous Base Prospectus dated 29 April 2019, pages 57 to 96 (inclusive), prepared by the Issuer in connection with the Programme and available at:

[https://www.grupbancsabadell.com/corp/files/1454342210658/sabadell\\_emtn\\_-\\_base\\_prospectus\\_dated\\_29\\_april\\_2019.pdf](https://www.grupbancsabadell.com/corp/files/1454342210658/sabadell_emtn_-_base_prospectus_dated_29_april_2019.pdf)

- (h) the previous Base Prospectus dated 23 March 2018, pages 55 to 85 (inclusive), prepared by the Issuer in connection with the Programme and available at:

[https://www.grupbancsabadell.com/corp/files/6000144595835/sabadell\\_emtn\\_2018\\_-\\_base\\_prospectus.pdf](https://www.grupbancsabadell.com/corp/files/6000144595835/sabadell_emtn_2018_-_base_prospectus.pdf)

The documents listed in 1 to 6 above are (or will be, as the case may be) also available for viewing in the original Spanish language on the Issuer's corporate website. The audited consolidated annual financial statements and the audited condensed consolidated interim financial statements have been prepared (or will be prepared, as the case may be) in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS"), considering Circular 4/2017 of the Bank of Spain and subsequent amendments, or in accordance with IAS 34 "Interim financial reporting", as set out in IFRS, as applicable.

Any information incorporated by reference shall, to the extent applicable, be deemed to modify or supersede statements and information contained in this Base Prospectus. Any information contained on the Issuer's corporate website ([www.grupbancsabadell.com](http://www.grupbancsabadell.com)) or in any of the documents specified above which is not expressly incorporated by reference in this Base Prospectus does not form part of this Base Prospectus and is either not relevant to investors or is covered elsewhere in this Base Prospectus.

Any documents themselves incorporated by reference in the information incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus either and has not been scrutinised or approved by the CNMV.

## FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression “necessary information” means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the rights attaching to the Notes and the reasons for the issuance and its impact on the Issuer. In relation to the different types of Notes which may be issued under the Programme the Issuer has included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known as of the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche of Notes only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as completed to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the relevant Notes or (2) by a registration document (the “**Registration Document**”) containing the necessary information relating to the Issuer, a securities note (the “**Securities Note**”) containing the necessary information relating to the relevant Notes and, if necessary, a summary note.

## FORMS OF THE NOTES

Each Tranche of Notes will initially be in the form of either a temporary global note (the “**Temporary Global Note**”), without interest coupons, or a permanent global note (the “**Permanent Global Note**”), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) which is not intended to be issued in new global note (“**NGN**”) form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank SA/NV as operator of the Euroclear System (“**Euroclear**”) and/or Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006, the ECB announced that Notes in NGN form are in compliance with the “Standards for the use of EU securities settlement systems in ESCB credit operations” of the central banking system for the euro (the “**Eurosystem**”), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”)) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163 5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### **Temporary Global Note exchangeable for Permanent Global Notes**

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership provided, however, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If:

- (a) the Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of the Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has

not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then, as at the time specified in the Temporary Global Note, Accountholders shall acquire Direct Rights under Condition 4 (*Direct Rights*), and, as applicable, under the Deed of Covenant (in respect of English Law Notes), or under the provisions of the Temporary Global Note (in respect of Spanish Law Notes).

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form (“**Definitive Notes**”) when the Final Terms specify “in the limited circumstances described in the Permanent Global Note”, then if either of the following events occurs:

- (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business;
- (ii) any of the circumstances described in Condition 15 (*Events of Default*) occurs; or
- (iii) where indicated in the Permanent Global Note, if by reason of any change in the laws of the Kingdom of Spain, the Issuer is or will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes were in definitive form.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes and such Temporary Global Note becomes void and/or the Accountholder acquires Direct Rights, as applicable, in accordance with its terms; or
- (c) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then, as at the time specified in the Permanent Global Note, Accountholders shall acquire Direct Rights under Condition 4 (*Direct Rights*), and, as applicable, under the Deed of Covenant (in respect of English Law Notes), or under the provisions of the Permanent Global Note (in respect of Spanish Law Notes).

#### **Temporary Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the

Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Temporary Global Note for Definitive Notes; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment,

then, as at the time specified in the Temporary Global Note, Accountholders shall acquire Direct Rights under Condition 4 (*Direct Rights*), and, as applicable, under the Deed of Covenant (in respect of English Law Notes), or under the provisions of the Temporary Global Note (in respect of Spanish Law Notes).

#### **Permanent Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes when the relevant Final Terms specify “in the limited circumstances described in the Permanent Global Note”, then if either of the following events occurs:

- (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business;
- (ii) any of the circumstances described in Condition 15 (*Events of Default*) occurs; or
- (iii) where indicated in the Permanent Global Note, if by reason of any change in the laws of the Kingdom of Spain, the Issuer is or will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes were in definitive form.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then, as at the time specified in the Permanent Global Note, Accountholders shall acquire Direct Rights under Condition 4 (*Direct Rights*), and, as applicable, under the Deed of Covenant (in respect of English Law Notes), or under the provisions of the Permanent Global Note (in respect of Spanish Law Notes).

#### **Euroclear and Clearstream, Luxembourg procedures**

Except in the circumstances described in the Global Notes, investors will not be entitled to receive Notes in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global

Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Notes are represented by the Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in either Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Similarly, holders of beneficial interests in the Global Notes will not have a direct right under such Notes to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon Condition 4 (*Direct Rights*) of the Conditions and, in addition, (i) in the case of English Law Notes, upon their rights under the Deed of Covenant and, (ii) in the case of Spanish Law Notes, under the provisions of the Global Notes (see "*Direct Rights*" below).

### **Direct Rights**

In the case of English Law Notes, under the provisions of Condition 4 (*Direct Rights*) and the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note or a Permanent Global Note which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Determination Date in relation to that Temporary Global Note or Permanent Global Note, as applicable, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

In the case of Spanish Law Notes, under the provisions of Condition 4 (*Direct Rights*) and the Temporary Global Note or the Permanent Global Note, as applicable, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note or a Permanent Global Note will, in the circumstances set out in the Temporary Global Note or Permanent Global Note, acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Determination Date in relation to that Temporary Global Note or Permanent Global Note, as applicable, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

### **Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions relating to the Notes while in Global Form*" below.

### **Legend concerning United States persons**

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form (other than Temporary Global Notes), the Notes in definitive form and any Coupons and Talons appertaining thereto, where TEFRA D is specified in the Final Terms, will bear a legend to the following effect:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.”

The sections referred to in the above legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment or principal in respect of such Notes or any related Coupons.

Notwithstanding any other provision herein, Bearer Notes with maturities of one year or less may be issued.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the Conditions of the Notes (save for the paragraphs in italics which are for disclosure purposes only) which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. In the case of any Tranche of Notes which are being (a) offered to the public in a Member State (other than pursuant to one or more of the exemptions set out in Article 1(4) of the Prospectus Regulation) or (b) admitted to trading on a regulated market in a Member State, the relevant Final Terms shall not amend or replace any information in this Base Prospectus. Subject to this, to the extent permitted by applicable law and/or regulation, the Final Terms in respect of any Tranche of Notes may complete any information in this Base Prospectus.*

*The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “Summary of Provisions relating to the Notes while in Global Form” below.*

### 1. Introduction

- (a) *Programme:* Banco de Sabadell, S.A. (the “**Issuer**”) has established a Euro Medium Term Note Programme (the “**Programme**”) for the issuance of up to €20,000,000,000 in aggregate principal amount of notes (the “**Notes**”).
- (b) *Final Terms:* Notes issued under the Programme are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of a final terms (the “**Final Terms**”) which completes these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) *Deed of Covenant:* The English Law Notes have the benefit of a deed of covenant (as amended, the “**Deed of Covenant**”) dated 28 May 2026 and made by the Issuer.
- (d) *Agency Agreement:* The Notes are the subject of an amended and restated issue and paying agency agreement dated 28 May 2026 (as amended, the “**Agency Agreement**”) between the Issuer, The Bank of New York Mellon, London Branch as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agents (if any) named therein (together with the Fiscal Agent, the “**Paying Agents**”, which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes). The holders of the Notes (the “**Noteholders**”) and the holders of the related interest coupons, if any, (the “**Couponholders**” and the “**Coupons**”, respectively) are deemed to have notice of all the provisions of the Agency Agreement applicable to them. Copies of the Agency Agreement, the Deed of Covenant and the programme manual signed for the purposes of identification by the Issuer and the Fiscal Agent and dated 28 May 2026 (to which the forms of the Global Notes are attached) (the “**Programme Manual**”) (i) are available for inspection or collection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below or (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agent or the Issuer and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent or the Issuer, as the case may be).
- (e) *The Notes:* All subsequent references in these Conditions to “Notes” are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for viewing at Banco de Sabadell, S.A. at Plaça de Sant Roc, nº 20, PC 08201, Spain, and copies may be obtained from The Bank of New York Mellon, London Branch's offices at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.

## 2. Interpretation

(a) *Definitions:* In these Conditions the following expressions have the following meanings:

“**2006 ISDA Definitions**” means, in relation to a Series of Notes, the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended, updated or supplemented as at the Issue Date of the first Tranche of Notes of the relevant Series;

“**2021 ISDA Definitions**” means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of Notes of the relevant Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org));

“**24 hours**” means a period of 24 hours including all or part of a day upon which banks are open for business in the places where the relevant Meeting is to be held and in respect of a Meeting of Noteholders, each of the places where the Paying Agents have their Specified Offices (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid;

“**48 hours**” means two consecutive periods of 24 hours;

“**Accountholder**” means any accountholder with a Clearing System which at the Determination Date has credited to its securities account with such Clearing System one or more Entries in respect of a Global Note, except for any Clearing System or Depository in its capacity as an accountholder of another Clearing System;

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Tier 1 capital**” means Additional Tier 1 capital (*capital de nivel 1 adicional*) pursuant to Applicable Banking Regulations;

“**Additional Tier 1 Instrument**” means any instrument of the Issuer qualifying as Additional Tier 1 capital in whole or in part from time to time;

“**Agents**” means the Fiscal Agent, the Paying Agents, the Calculation Agent or any of them and shall include such other Agent or Agents as may be appointed from time to time under the Agency Agreement;

“**AIAF**” means the Spanish AIAF Fixed Income Market (AIAF Mercado de Renta Fija), which is operated by BME Markets & Exchanges, S.A.;

“**Applicable Banking Regulations**” means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency (including, among others, those giving effect to the MREL and the TLAC or any equivalent and successor principles) then applicable to the Issuer and/or the Group including, without limitation to the generality of the foregoing, the Capital Requirements Regulations, the BRRD, the SRM Regulation and those regulations, requirements, guidelines and policies (including, among others, those giving effect to the MREL and the TLAC or any equivalent and successor principles) of the Competent Authority and/or the Relevant Resolution Authority relating to capital adequacy, resolution and/or solvency then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group);

“**Block Voting Instruction**” means, in relation to any Meeting, a document in the English language issued by a Paying Agent for holders of Notes:

(a) certifying that certain specified Notes (the “**deposited Notes**”) have been deposited with such Paying Agent (or to the order of such Paying Agent) or blocked in an account with a clearing system and will not be released until the earlier of:

- (i) the conclusion of the Meeting; and
  - (ii) the surrender to such Paying Agent not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the deposited or blocked Notes and notification thereof by such Paying Agent to the Issuer;
- (b) certifying that the depositor of each deposited Note or a duly authorised person on its behalf has instructed the relevant Paying Agent that the votes attributable to such deposited Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;
  - (c) listing the total number and (if in definitive form) the certificate numbers of the deposited Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
  - (d) authorising a named individual or individuals to vote in respect of the deposited Notes in accordance with such instructions;

“**BRRD**” means Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 (“**BRRD II**”), as implemented into Spanish law, as amended or replaced from time to time and including any other relevant implementing provisions;

“**Business Day**” means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
  - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the

next calendar month, in which case it will be the first preceding day which is a Business Day; and

- (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

“**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Calculation Agent**” means Banco Sabadell or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

“**Calculation Amount**” has the meaning given in the relevant Final Terms;

A “**Capital Event**” occurs if as a result of a change (or any pending change which the Competent Authority considers sufficiently certain) in Spanish law, Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the Notes, there is a change in the regulatory classification of the Tier 2 Subordinated Notes that results (or would be likely to result) in (i) the exclusion of the Tier 2 Subordinated Notes in whole or, to the extent not prohibited by Applicable Banking Regulations, in part, from the Tier 2 capital of the Issuer and/or the Group; or (ii) their reclassification, in whole or, to the extent not prohibited by Applicable Banking Regulations, in part, as a lower quality form of regulatory capital of the Issuer and/or the Group;

“**Capital Requirements Regulations**” means any or any combination of the CRD Directive, the CRR, and any CRD Implementing Measures;

“**Chairperson**” means, in relation to any Meeting, the individual who takes the chair in accordance with Condition 23(d) (*Chairperson*);

“**Clearing System**” means Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”), Euroclear Bank SA/NV (“**Euroclear**”) or any clearing system referred to in these Conditions;

“**CNMV**” means the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*);

“**Competent Authority**” means the European Central Bank or the Bank of Spain, as applicable, or such other successor authority having primary bank supervisory authority from time to time, with respect to prudential oversight and supervision of the Issuer and/or the Group;

“**Coupon Sheet**” means, in respect of a Note, a coupon sheet relating to the Note;

“**CRD Directive**” means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (“**CRD V Directive**”), as implemented into Spanish law, as amended or replaced from time to time and including any other relevant implementing provisions;

“**CRD Implementing Measures**” means any regulatory capital rules implementing the CRD Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Competent Authority, the European Banking Authority or any other relevant authority, which are applicable to the Issuer (on a stand alone basis) or the Group (on a consolidated basis) and which prescribe the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer (on a stand alone basis) or the Group (on a consolidated basis);

“**CRR**” means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on the prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended by Regulation (EU) 2019/876 of the European Parliament and of the

Council of 20 May 2019 (“**CRR II**”) or such other regulation as may come into effect in place thereof, as amended or replaced from time to time;

“**DBRS**” means DBRS Ratings Ltd.;

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or selected in the relevant Final Terms and:

- (a) if “**Actual/Actual (ICMA)**” is so specified, means:
- (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) if “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D<sub>1</sub>** is greater than 29, in which case **D<sub>2</sub>** will be 30”;

- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30; and

- (g) if “**30E/360 (ISDA)**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30,

**provided, however, that** in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

“**Definitive Note**” means a bearer Note in definitive form;

**“Depository”** means a person who acknowledges directly or indirectly to a Clearing System that it holds securities, or rights in respect of securities, for the account or benefit of that Clearing System;

**“Determination Date”** means in relation to any Global Note, (i) in respect of English Law Notes, the date on which such Global Note becomes void in accordance with its terms, and (ii) in respect of Spanish Law Notes, the date on which Direct Rights (as defined in such Global Note) are acquired under such Global Note in accordance with its terms;

A **“Disqualification Event”** occurs in respect of Subordinated Notes, Senior Non Preferred Notes or Ordinary Senior Notes where the Disqualification Event has been specified as applicable in the relevant Final Terms, if all or part of the outstanding nominal amount of the relevant Notes does not fully qualify as TLAC/MREL Eligible Instruments of the Issuer and/or the Group, except where such non-qualification (a) is due solely to the remaining maturity of the relevant Notes being less than any period required for such Notes to be considered TLAC/MREL Eligible Instruments by Applicable Banking Regulations then in force, (b) is as a result of the relevant Notes being bought back by (or on behalf of) the Issuer or by a third party funded by the Issuer, or (c) in the case of Ordinary Senior Notes where the Disqualification Event has been specified as applicable in the relevant Final Terms, is due to any limitation on the amount of such Notes that may be eligible for the inclusion in the amount of TLAC/MREL Eligible Instruments of the Issuer and/or the Group.

A Disqualification Event shall, without limitation, be deemed to have occurred where any non-qualification of the Notes as TLAC/MREL Eligible Instruments arises as a result of the official interpretation or application of the EU Banking Reforms and/or any legislation which gives effect to the same in the Kingdom of Spain existing as at the relevant Issue Date (including any interpretation or pronouncement by any relevant court, tribunal or authority) differing in any respect from the manner in which the same has been reflected in the Conditions of the Notes.

**“Early Redemption Amount”** means, in respect of any Note, its principal amount or such other amount (expressed as a percentage of the Calculation Amount) as may be specified in the relevant Final Terms;

**“English Law Notes”** means Notes where the relevant Final Terms specify English law as the governing law of the Notes;

**“Entry”** means, in relation to a Global Note, any entry which is made in the securities account of any Accountholder with a Clearing System in respect of Notes represented by such Global Note (and **“Entries”** shall be construed accordingly);

**“EU Banking Reforms”** means the CRD V Directive, the BRRD II, the CRR II and the SRM Regulation II;

**“Extraordinary Resolution”** means a resolution passed at a Meeting duly convened and held in accordance with these Conditions and the provisions of the Agency Agreement by a majority of not less than two thirds or, at any adjourned meeting, not less than one third of the aggregate principal amount of the outstanding Notes represented or held by Voters actually present at the Meeting;

**“Final Redemption Amount”** means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

**“First Interest Payment Date”** means the date specified in the relevant Final Terms;

**“First Reset Date”** has the meaning given in the relevant Final Terms;

**“First Reset Rate”** means the sum of the Reset Margin and the Mid-Swap Rate for the First Reset Period, adjusted as necessary;

**“Fitch”** means Fitch Ratings Ireland Limited;

**“Fixed Coupon Amount”** has the meaning given in the relevant Final Terms;

**“Fixed Reset Note”** means Notes to which the Fixed Reset Note Provisions are specified in the relevant Final Terms as being applicable;

**“Fixed Reset Rate Relevant Screen Page”** means the display page on the relevant service (including, without limitation, Reuters) as specified in the relevant Final Terms or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Fiscal Agent, for the purpose of displaying the relevant swap rates for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period;

**“Global Note”** means a Global Note (whether in temporary or permanent form) issued pursuant to the Agency Agreement;

**“Guarantee”** means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

- (a) any obligation to purchase such Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (d) any other agreement to be responsible for such Indebtedness;

**“Group”** means the Issuer and its consolidated subsidiaries;

**“Indebtedness”** means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (a) amounts raised by acceptance under any acceptance credit facility;
- (b) amounts raised under any note purchase facility;
- (c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

**“Initial Interest Rate”** has the meaning given in the relevant Final Terms;

**“Initial Mid-Swap Rate”** has the meaning given in the relevant Final Terms;

**“Insolvency Law”** means the restated text of the Spanish Insolvency Law approved by Legislative Royal Decree 1/2020, of 5 May (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*) as amended or replaced from time to time;

**“Interest Amount”** means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

**“Interest Commencement Date”** means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

**“Interest Determination Date”** has the meaning given in the relevant Final Terms;

**“Interest Payment Date”** means the First Interest Payment Date and any other date or dates specified as such in the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or

- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**ISDA Definitions**” means the 2006 ISDA Definitions or the 2021 ISDA Definitions, as applicable in accordance with the relevant Final Terms;

“**Issue Date**” has the meaning given in the relevant Final Terms;

“**Law 11/2015**” means Law 11/2015, of June 18, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*), as amended or replaced from time to time;

“**Margin**” has the meaning given in the relevant Final Terms;

“**Maturity Date**” has the meaning given in the relevant Final Terms;

“**Meeting**” means a meeting of Noteholders, whether originally convened or resumed following an adjournment, and whether it is to be held as a physical meeting attended by persons present in person or as a virtual meeting to be held via an electronic platform (including, without limitation, telephone and video conference call and application technology systems);

“**Maximum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Mid-Swap Rate**” means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the rate for the relevant Reset Determination Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency maturing on the last day of such Reset Period, expressed as a percentage, which appears on the Fixed Reset Rate Relevant Screen Page as of approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date. If such rate does not appear on the Fixed Reset Rate Relevant Screen Page, the Mid-Swap Rate for the Reset Date will be the Reset Reference Bank Rate for the Reset Period;

“**Minimum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Moody's**” means Moody's Investors Service Limited;

“**MREL**” means the “minimum requirement for own funds and eligible liabilities” for credit institutions under the BRRD, set in accordance with Article 45 of the BRRD (as transposed in Spain), Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016, supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities and any other Applicable Banking Regulations;

“**Optional Redemption Amount (Call)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Amount (Put)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**Optional Redemption Date (Call)**” has the meaning given in the relevant Final Terms;

“**outstanding**” means, in relation to the Notes, all the Notes issued other than (a) those which have been redeemed in accordance with these Conditions; (b) those in respect of which the date for redemption in accordance with these Conditions has occurred and the redemption moneys (including all interest accrued

on such Notes to the date for such redemption and any interest payable after such date) have been duly paid to the Fiscal Agent as provided in the Agency Agreement and remain available for payment against presentation and surrender of Notes and/or Coupons, as the case may be, (c) those in respect of which claims have become prescribed under Condition 20 (*Prescription*), surrendered in exchange for replacement Notes pursuant to Condition 21 (*Replacement of Notes and Coupons*), (d) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued pursuant to Condition 21 (*Replacement of Notes and Coupons*); and (e) any Temporary Global Note to the extent that it shall have been exchanged for a Permanent Global Note or, as the case may be, any Global Note to the extent that it shall have been exchanged for one or more Definitive Notes, in either case pursuant to its provisions; **provided that**, for the purposes of (a), ascertaining the right to attend and vote at any Meeting and (b), the determination of how many Notes are outstanding for the purposes of Conditions 15 (*Events of Default*) and 23 (*Meetings of Noteholders; Modification and Waiver*) to this Agreement, those Notes which are beneficially held by, or are held on behalf of, the Issuer, or any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding;

“**Optional Redemption Date (Put)**” has the meaning given in the relevant Final Terms;

“**Participating Member State**” means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

“**Payment Business Day**” means:

- (a) if the currency of payment is euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Principal Amount**” means, in respect of any Entry, the aggregate principal amount of the Notes to which such Entry relates;

“**Principal Financial Centre**” means, in relation to any currency, the principal financial centre for that currency **provided, however, that**:

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

“**Proxy**” means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction by a holder of a Note other than:

- (a) any such person whose appointment has been revoked and in relation to whom the Fiscal Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and
- (b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

**“Put Option Notice”** means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**“Put Option Receipt”** means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

**“Rate of Interest”** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions;

**“Redemption Amount”** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put) or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

**“Reference Price”** has the meaning given in the relevant Final Terms;

**“Reference Rate”** means EURIBOR, €STR, SONIA or SOFR as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms;

**“Regular Period”** means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **“Regular Date”** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **“Regular Date”** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

**“Relevant Date”** means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

**“Relevant Financial Centre”** has the meaning given in the relevant Final Terms;

**“Relevant Fraction”** means:

- (a) for all business other than voting on an Extraordinary Resolution, one tenth of the aggregate principal amount of the outstanding Notes;
- (b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, one more than half of the aggregate principal amount of the outstanding Notes; and

- (c) for voting on any Extraordinary Resolution relating to a Reserved Matter, not less than two thirds of the aggregate principal amount of the outstanding Notes;

*provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum it means:*

- (i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the Voters actually present at the Meeting; and
- (ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, not less than one third of the aggregate principal amount of the outstanding Notes;

**“Relevant Indebtedness”** means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

**“Relevant Resolution Authority”** means the FROB (*Autoridad de Resolución Ejecutiva*, formerly known as Spanish Fund for Orderly Bank Restructuring or *Fondo de Reestructuración Ordenada Bancaria*) (**FROB**), the Single Resolution Board (**SRB**) and/or any other entity with the authority to exercise any of the resolution tools and powers contained in the Applicable Banking Regulations;

**“Relevant Screen Page”** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

**“Relevant Subsidiary”** means, at any particular time, any Subsidiary of the Issuer:

- (a) whose net assets represent not less than 10 per cent. of the net consolidated assets of the Group as calculated by reference to the then latest audited accounts (or consolidated accounts as the case may be) of such Subsidiary and the most recently published audited consolidated accounts of the Issuer; or
- (b) whose gross revenues represent not less than 10 per cent. of the gross consolidated revenues of the Group, all as calculated by reference to the then latest audited accounts (or consolidated accounts as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer.

*For the purposes of this definition:*

- (i) *if there shall not at any time be any relevant audited consolidated accounts of the Issuer, references thereto herein shall be deemed to be references to a consolidation (which need not be audited) by the Issuer of the relevant audited accounts of the Issuer and its Subsidiaries;*
- (ii) *if, in the case of a Subsidiary which itself has Subsidiaries and where such Subsidiary is obliged by applicable law to prepare consolidated accounts, the consolidated net assets and consolidated gross revenues shall be compared to net consolidated assets and gross consolidated revenues of the Group; if, in the case of a Subsidiary which itself has Subsidiaries, no consolidated accounts are prepared and audited, its consolidated net assets and consolidated gross revenues shall be determined on the basis of pro forma consolidated accounts (which need not be audited) of the relevant Subsidiary and its Subsidiaries prepared for this purpose by the Issuer;*
- (iii) *if (A) any Subsidiary shall not in respect of any relevant financial period for whatever reason produce audited accounts or (B) any Subsidiary shall not have produced at the relevant time for the calculations required pursuant to this definition audited accounts for the same period as the period to which the latest audited consolidated accounts of the Issuer relate, then there shall be*

*substituted for the purposes of this definition the management accounts of such Subsidiary for such period;*

- (iv) *where any Subsidiary is not wholly owned by the Issuer there shall be excluded from all calculations all amounts attributable to minority interests;*
- (v) *in calculating any amount all amounts owing by or to the Issuer and any Subsidiary to or by the Issuer and any Subsidiary shall be excluded; and*
- (vi) *in the event that accounts of any companies being compared are prepared on the basis of different generally accepted accounting principles, there shall be made such adjustments to any relevant financial items as are necessary to achieve a true and fair comparison of such financial items;*

**“Relevant Time”** has the meaning given in the relevant Final Terms;

**“Representative Amount”** means an amount that is representative for a single transaction in the relevant market at the relevant time;

**“Reserved Matter”** means any proposal:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (b) to change the currency in which amounts due in respect of the Notes are payable;
- (c) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (d) to amend this definition;

**“Reset Date”** means the First Reset Date, the Second Reset Date and each Subsequent Reset Date, as applicable;

**“Reset Determination Date”** means the second Business Day immediately preceding the relevant Reset Date;

**“Reset Margin”** has the meaning given in the relevant Final Terms;

**“Reset Period”** means the First Reset Period or any Subsequent Reset Period, as the case may be;

**“Reset Period Mid-Swap Rate Quotations”** means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on the day count basis customary for fixed rate payments in the Specified Currency), of a fixed-for-floating interest rate swap transaction in the Specified Currency with a term equal to the Reset Period commencing on the Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg (in each case calculated on the day count basis customary for floating rate payments in the Specified Currency), is equivalent to the Rate of Interest that would apply in respect of the Notes if (a) Screen Rate Determination was specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, (b) the Reference Rate was the Floating Leg Reference Rate and (c) the Fixed Reset Rate Relevant Screen Page was the Floating Leg Screen Page;

**“Reset Reference Banks”** means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Issuer;

**“Reset Reference Bank Rate”** means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the percentage determined on the basis of the Reset Period Mid-Swap Rate Quotations provided by the Reset Reference Banks at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date. The Fiscal Agent will request the principal office of each of the Reset Reference Banks to provide a quotation of its rate. If at least three quotations

are provided, the rate for the Reset Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Mid-Swap Rate will be the last observable Mid-Swap Rate which appears on the Fixed Reset Rate Relevant Screen Page at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on any date falling after the most recent Reset Determination Date or, if none, the Issue Date, as determined by the Issuer. If no such Mid-Swap Rate is observable on the Fixed Reset Rate Relevant Screen Page on any day falling on or after the Issue Date, the Mid-Swap Rate will be the Initial Mid-Swap Rate;

“**Royal Decree 1012/2015**” means Royal Decree 1012/2015, of 6 November, implementing Law 11/2015, of 18 June (*Real Decreto 1012/2015, de 6 de noviembre, por el que se desarrolla la Ley 11/2015, de 18 de junio*), as amended or replaced from time to time;

“**S&P**” means S&P Global Ratings Europe Limited;

“**Senior Higher Priority Liabilities**” means any payment obligations in respect of principal of the Issuer under any Ordinary Senior Notes and any other unsecured and unsubordinated obligations (*créditos ordinarios*) of the Issuer, other than the Senior Non Preferred Liabilities;

“**Senior Non Preferred Liabilities**” means any unsubordinated and unsecured senior non preferred obligations (*créditos ordinarios no preferentes*) of the Issuer under Additional Provision 14.2 of Law 11/2015, as amended from time to time, (including any Senior Non Preferred Notes) and any other obligations which, by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with the Senior Non Preferred Liabilities;

“**Second Reset Date**” has the meaning given in the relevant Final Terms;

“**Security Interest**” means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

“**Spanish Companies Act**” means the Restated Spanish Companies Act approved by the Royal Legislative Decree 1/2010, of 2 July (*Texto Refundido de la Ley de Sociedades de Capital, aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio*), as amended or replaced from time to time;

“**Specified Currency**” has the meaning given in the relevant Final Terms;

“**Specified Denomination(s)**” has the meaning given in the relevant Final Terms;

“**Spanish Law Notes**” means Notes where the relevant Final Terms specify Spanish law as the governing law of the Notes;

“**Specified Office**” means the offices of the Agents specified in this Base Prospectus and shall include such other office or offices as may be specified from time to time;

“**Specified Period**” has the meaning given in the relevant Final Terms;

“**SRM Regulation**” means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 (“**SRM Regulation II**”), as amended or replaced from time to time;

“**Subsequent Reset Date**” has the meaning given in the relevant Final Terms;

“**Subsequent Reset Rate**” means the sum of the applicable Mid-Swap Rate and the Reset Margin for any Subsequent Reset Period, adjusted as necessary;

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

“**Talon**” means a talon for further Coupons;

“**T2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer System which was launched on 20 March 2023 or any successor thereto;

“**TARGET Settlement Day**” means any day on which T2 is open for the settlement of payments in euro;

“**Tier 2 capital**” means tier 2 capital (*capital de nivel 2*) pursuant to Applicable Banking Regulations;

“**Tier 2 Instrument**” means any instrument of the Issuer qualifying as Tier 2 capital in whole or in part from time to time;

“**TLAC**” means the “total loss-absorbing capacity” requirement for global systemically important institutions under the CRR, set in accordance with Article 92a of the CRR and any other Applicable Banking Regulations;

“**TLAC/MREL Eligible Instruments**” means any instrument that complies with the TLAC and/or MREL requirements applicable to the Issuer and/or the Group under Applicable Banking Regulations.

“**Treaty**” means the Treaty establishing the European Communities, as amended;

“**Voter**” means in relation to any Meeting, the bearer of a Voting Certificate, the bearer of a Definitive Note who produces such Definitive Note at the Meeting, or a Proxy;

“**Voting Certificate**” means, in relation to any Meeting a certificate in the English language issued by a Paying Agent for Noteholders and dated in which it is stated:

- (a) that certain specified Notes (the “deposited Notes”) have been deposited with such Paying Agent (or to its order at a bank or other depository) or blocked in an account with a clearing system and will not be released until the earlier of:
  - (i) the conclusion of the Meeting; and
  - (ii) the surrender of such certificate to such Paying Agent; and
- (b) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the deposited Notes;

“**Written Resolution**” means a resolution in writing signed by or on behalf of Noteholders holding not less than two thirds of the aggregate principal amount of the outstanding Notes and who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of these Conditions and Schedule 5 to the Agency Agreement, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 14 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 14 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes; and
- (vii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes.

### 3. **Form, Denomination and Title**

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes, Coupons and Talons will pass by delivery. The holder of any Note, Coupon or Talon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder.

### 4. **Direct Rights**

For so long as the Notes are in global form, the Issuer and each Noteholder have agreed that, in the circumstances set out in the Global Notes, each Accountholder shall have against the Issuer under this Condition 4 and, as applicable, the provisions of the Global Notes with regard to the Spanish Law Notes and the Deed of Covenant with regard to the English Law Notes, all rights which such Accountholder would have had in respect of the Notes if, immediately before the Determination Date in relation to that Global Note, it had been the holder of Definitive Notes of that Tranche, duly executed, authenticated and issued, in an aggregate principal amount equal to the Principal Amount of such Accountholder's Entries relating to the Global Note including (without limitation) the right to receive all payments due at any time in respect of such Definitive Notes as if such Definitive Notes had (where required by the Conditions) been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions.

### 5. **Status of the Notes**

- (a) **Senior Notes:** If this Condition 5(a) is specified in the Final Terms as being applicable, the Notes shall be Ordinary Senior Notes (“**Ordinary Senior Notes**”) or Senior Non Preferred Notes (“**Senior Non Preferred Notes**”) and, together with Ordinary Senior Notes, “**Senior Notes**”), as specified in the relevant Final Terms. The payment obligations of the Issuer in respect of principal under the Senior Notes constitute direct, unconditional, unsubordinated and unsecured (without prejudice to the provisions of Condition 6, in the case of Ordinary Senior Notes only) obligations (*créditos ordinarios*) of the Issuer and, in accordance with the Insolvency Law and Additional Provision 14.2 of Law 11/2015, but subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon the insolvency (*concurso*) of the Issuer (unless they qualify as subordinated obligations (*créditos subordinados*) in accordance with Article 281.1.1<sup>o</sup> or 281.1.3<sup>o</sup> to 281.1.7<sup>o</sup> of the Insolvency Law or any equivalent legal provision which replaces it in the future), such payment obligations of the Issuer under the Senior Notes would rank:
  - (i) if the Senior Notes are Ordinary Senior Notes:

- (A) **senior** to (i) Senior Non Preferred Liabilities and (ii) any present and future subordinated obligations (*créditos subordinados*) of the Issuer in accordance with Article 281.1 of the Insolvency Law; and
  - (B) **pari passu** among themselves and with any Senior Higher Priority Liabilities; and
- (ii) if the Senior Notes are Senior Non Preferred Notes:
- (A) **senior** to any present and future subordinated obligations (*créditos subordinados*) of the Issuer in accordance with Article 281.1 of the Insolvency Law;
  - (B) **pari passu** among themselves and with any Senior Non Preferred Liabilities; and
  - (C) **junior** to the Senior Higher Priority Liabilities of the Issuer (and, accordingly, upon the insolvency of the Issuer, payment obligations of the Issuer in respect of principal under the Senior Non Preferred Notes will be met after payment in full of the Senior Higher Priority Liabilities).

*Claims of Noteholders of Senior Notes in respect of interest accrued but unpaid as of the commencement of any insolvency procedure in respect of the Issuer shall constitute subordinated obligations (créditos subordinados) against the Issuer ranking in accordance with the provisions of Article 281.1.3° of the Insolvency Law and no further interest shall accrue from the date of the declaration of insolvency of the Issuer.*

- (b) **Subordinated Notes:** If this Condition 5(b) is specified in the Final Terms as being applicable, the Notes shall be Senior Subordinated Notes (“**Senior Subordinated Notes**”) or Tier 2 Subordinated Notes (“**Tier 2 Subordinated Notes**”) and, together with Senior Subordinated Notes, “**Subordinated Notes**”), as specified in the relevant Final Terms. The payment obligations of the Issuer under the Subordinated Notes constitute direct, unconditional and subordinated obligations (*créditos subordinados*) of the Issuer in accordance with the Insolvency Law and, in accordance with Additional Provision 14.3 of Law 11/2015, but subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon the insolvency (*concurso*) of the Issuer,
- (i) for so long as the relevant Subordinated Notes do not constitute Additional Tier 1 Instruments or Tier 2 Instruments of the Issuer, such payment obligations of the Issuer in respect of principal under the relevant Subordinated Notes would rank:
    - (A) **senior** to (i) any subordinated obligations (*créditos subordinados*) of the Issuer under Articles 281.1.3° to 281.1.7° of the Insolvency Law, (ii) any subordinated obligations (*créditos subordinados*) under Additional Tier 1 Instruments or Tier 2 Instruments of the Issuer, and (iii) any other subordinated obligations (*créditos subordinados*) of the Issuer which by law and/or by their terms, and to the extent permitted by Spanish law, rank junior to such payment obligations of the Issuer under the relevant Subordinated Notes;
    - (B) **pari passu** among themselves and with (i) all other contractually subordinated obligations (*créditos subordinados*) of the Issuer under Article 281.1.2° of the Insolvency Law in respect of principal under instruments which do not constitute Additional Tier 1 Instruments or Tier 2 Instruments of the Issuer and which are not subordinated obligations (*créditos subordinados*) under Articles 281.1.3° to 281.1.7° of the Insolvency Law, and (ii) any other subordinated obligations (*créditos subordinados*) of the Issuer which by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* to such payment obligations of the Issuer under the relevant Subordinated Notes; and
    - (C) **junior** to (i) any unsubordinated and unsecured obligations (*créditos ordinarios*) of the Issuer (including any payment obligations of the Issuer in respect of principal under any Senior Non Preferred Liabilities), (ii) any subordinated obligations (*créditos subordinados*) of the Issuer under Article 281.1.1° of the Insolvency Law, and (iii) any other subordinated obligations (*créditos subordinados*) which by law and/or by their terms, and to the extent permitted by Spanish law, rank senior to such payment obligations of the Issuer under the relevant Subordinated Notes.

*Senior Subordinated Notes are expected to rank as provided in paragraph (i) above on the basis that such Notes are not intended to qualify as Tier 2 capital of the Issuer.*

*Claims of Noteholders of Subordinated Notes (for so long as they do not qualify as Tier 2 Instruments of the Issuer) in respect of interest accrued but unpaid as of the commencement of any insolvency procedure in respect of the Issuer shall constitute subordinated obligations (créditos subordinados) against the Issuer ranking in accordance with the provisions of Article 281.1.3° of the Insolvency Law and no further interest shall accrue from the date of the declaration of insolvency of the Issuer.*

- (ii) for so long as the relevant Subordinated Notes constitute Tier 2 Instruments of the Issuer, such payment obligations of the Issuer under the relevant Subordinated Notes would rank:
  - (A) **senior** to (i) any subordinated obligations (*créditos subordinados*) of the Issuer under Additional Tier 1 Instruments, and (ii) any other subordinated obligations (*créditos subordinados*) of the Issuer which by law and/or by their terms, and to the extent permitted by Spanish law, rank junior to such payment obligations of the Issuer under the relevant Subordinated Notes;
  - (B) **pari passu** among themselves and with (i) all other subordinated obligations (*créditos subordinados*) of the Issuer under Tier 2 Instruments, and (ii) any other subordinated obligations (*créditos subordinados*) of the Issuer which by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with such payment obligations of the Issuer under the relevant Subordinated Notes; and
  - (C) **junior** to (i) any unsubordinated and unsecured obligations (*créditos ordinarios*) of the Issuer (including any payment obligations of the Issuer in respect of Senior Non Preferred Liabilities); (ii) any subordinated obligations (*créditos subordinados*) of the Issuer under instruments which do not constitute Additional Tier 1 Instruments or Tier 2 Instruments (such as any claims in respect of Senior Subordinated Notes, if and as applicable), and (iii) any other subordinated obligations (*créditos subordinados*) which by law and/or by their terms, and to the extent permitted by Spanish law, rank senior to such payment obligations of the Issuer under the relevant Subordinated Notes.

*Tier 2 Subordinated Notes are expected to rank as provided in paragraph (ii) above on the basis that such Notes are intended to qualify as Tier 2 capital of the Issuer.*

## 6. **Negative Pledge**

If this Condition 6 is specified as applicable in the relevant Final Terms, so long as any Ordinary Senior Note remains outstanding, the Issuer shall, and shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

## 7. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 7 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 13 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

## 8. Fixed Reset Note Provisions

- (a) *Application:* This Condition 8 is applicable to the Notes only if the Fixed Reset Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of Interest:* Subject to Condition 10 (*Interest – Benchmark Discontinuation*), each Fixed Reset Note bears interest:
  - (i) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Interest Rate;
  - (ii) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, the Maturity Date (the “**First Reset Period**”) at the rate per annum equal to the First Reset Rate; and
  - (iii) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or, if none, the Maturity Date (each a “**Subsequent Reset Period**”) at the rate per annum equal to the relevant Subsequent Reset Rate,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a “**Rate of Interest**”) payable, in each case, in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

The provisions of this Condition 8 shall apply, as applicable, in respect of any determination by Banco Sabadell of the Rate of Interest for a Reset Period in accordance with this Condition 8 as if the Fixed Reset Notes were Floating Rate Notes. The Rate of Interest for each Reset Period shall otherwise be determined by the Fiscal Agent on the relevant Reset Determination Date in accordance with the provisions of this Condition 8. Once the Rate of Interest is determined for a Reset Period, the provisions of Condition 7 (*Fixed Rate Note Provisions*) shall apply to Fixed Reset Notes, as applicable, as if the Fixed Reset Notes were Fixed Rate Notes.

- (c) *Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amount:* The Fiscal Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date falling in such Reset Period to be notified to the Issuer, the other Paying Agents and any stock exchange or other relevant authority on which the relevant Fixed Reset Notes are for the time being listed or by which they have been admitted to listing and notice thereof to be published in accordance with Condition 25 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day (where a “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London) thereafter.
- (d) *Certificates to be final:* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8 by the Fiscal Agent shall (in the absence of negligence, wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, the Paying Agent and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the

Couponholders shall attach the Fiscal Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

- (e) *Minimum Rate of Interest:* If any Minimum Rate of Interest is specified in the relevant Final Terms, then the First Reset Rate or any Subsequent Reset Rate shall in no event be less than the minimum so specified. Unless otherwise stated in the relevant Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

## 9. Floating Rate Note Provisions

- (a) *Application:* This Condition 9 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 13 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination for Notes referencing EURIBOR:* Subject to Condition 10 (*Interest – Benchmark Discontinuation*), if Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and the relevant Final Terms specify that the Reference Rate is EURIBOR, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:
  - (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
    - (A) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
    - (B) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

*provided, however, that* if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate;
  - (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (iv) if, in the case of Condition 9(c)(i) above, such rate does not appear on that page or, in the case of Condition 9(c)(ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Rate of Interest applicable to the Notes during such

Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

- (d) *Screen Rate Determination for Notes referencing €STR*: Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the Final Terms specify that the Reference Rate is €STR, the Rate of Interest for each Interest Period will be calculated in accordance with Condition 9(d)(i), Condition 9(d)(ii) or Condition 9(d)(iii) below, subject to the provisions of Condition 9(d)(v) and Condition 9(d)(v) below, as applicable:
- (i) Where the Calculation Method is specified in the relevant Final Terms as being “€STR Compounded Daily”, the Rate of Interest for each Interest Period will be the Compounded Daily €STR plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.
  - (ii) Where the Calculation Method is specified in the relevant Final Terms as being “€STR Index Compounded Daily”, the Rate of Interest for each Interest Period will be the Compounded Daily €STR Index plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.
  - (iii) Where the Calculation Method is specified in the relevant Final Terms as being “€STR Weighted Average”, the Rate of Interest for each Interest Period will be the Weighted Average €STR plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.
  - (iv) The following definitions shall apply for the purpose of this Condition 9(d):

“**Compounded Daily €STR**” means with respect to an Interest Period, the rate of return of a daily compound interest investment in euro (with the daily euro short-term rate (“€STR”) as reference rate for the calculation of interest) and will be calculated as follows:

- (A) If “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in accordance with the following formula:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{€STR}_{i-pTBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

- (B) If “Shift” is specified as the Observation Method in the relevant Final Terms, in accordance with the following formula:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

Where, in each case:

“**d**” is the number of calendar days in (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period, or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

“**d<sub>0</sub>**” means (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in respect of an Interest Period, the number of TARGET Business Days in the relevant Interest Period, or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, in respect of an Observation Period, the number of TARGET Business Days in the relevant Observation Period;

“**€STR Reference Rate**” means, in respect of any TARGET Business Day, and subject to as provided in Condition 9(d)(vi) below, a reference rate equal to the daily €STR for such TARGET Business Day as provided by the European Central Bank, as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (the “**ECB's Website**”) (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Business Day immediately following such TARGET Business Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

“**€STR<sub>i</sub>**” means, in respect of any TARGET Business Day<sub>i</sub>:

- (y) if “Lock-out” is specified as the Observation Method in the relevant Final Terms:
  - (1) in respect of any TARGET Business Day<sub>i</sub> that is a Reference Day, the €STR Reference Rate in respect of the TARGET Business Day immediately preceding such Reference Day; otherwise
  - (2) the €STR Reference Rate in respect of the TARGET Business Day immediately preceding the Interest Determination Date for the relevant Interest Period; or
- (z) if “Shift” is specified as the Observation Method in the relevant Final Terms, the €STR Reference Rate for such TARGET Business Day<sub>i</sub>;

“**€STR<sub>i</sub>-pTBD**” means:

- (x) if “Lag” is specified as the Observation Method in the relevant Final Terms, in respect of a TARGET Business Day<sub>i</sub>, the €STR Reference Rate in respect of the TARGET Business Day falling p TARGET Business Days prior to such TARGET Business Day<sub>i</sub>; or
- (y) if “Lock-out” is specified as the Observation Method in the relevant Final Terms, in respect of a TARGET Business Day<sub>i</sub>, €STR<sub>i</sub> in respect of such TARGET Business Day<sub>i</sub>;

“**i**” is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant TARGET Business Day in chronological order from, and including, the first TARGET Business Day (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in the relevant Interest Period or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, in the relevant Observation Period;

“**Interest Period End Date**” shall have the meaning specified in the relevant Final Terms (or, if not so specified, the Interest Payment Date for such Interest Period);

“**Lock-out Period**” means, in respect of an Interest Period, the period from and including the day following the Interest Determination Date to, but excluding, the Interest Period End Date falling at the end of such Interest Period;

“**n<sub>i</sub>**”, for any TARGET Business Day<sub>i</sub>, means the number of calendar days from and including such TARGET Business Day<sub>i</sub> up to but excluding the following TARGET Business Day;

“**Observation Period**” means the period from and including the date falling “p” TARGET Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling “p” TARGET Business Days prior to the Interest Period End Date for such Interest Period (or the date falling “p” TARGET Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“**p**” means, in respect of an Interest Period (i) where “Lag” or “Shift” is specified as the Observation Method in the relevant Final Terms, two TARGET Business Days or such larger number of days as specified in the relevant Final Terms; and (ii) where “Lock-out” is specified as the Observation Method in the relevant Final Terms, zero;

“**Reference Day**” means each TARGET Business Day in the relevant Interest Period that is not a TARGET Business Day falling in the Lock-out Period;

“**TARGET Business Day**” or “**TBD**” means any day on which T2 is open; and

“**T2**” means the Trans-European Automated Real-time Gross Settlement Express Transfer System which was launched on 20 March 2023 or any successor thereto;

“**Compounded Daily €STR Index**” means with respect to an Interest Period, the rate of return of a daily compound interest investment in euro (with the €STR as a reference rate for the calculation of interest) by reference to the screen rate or index for compounded daily €STR rates administered by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) that is published or displayed on the website of the European Central Bank (or any successor administrator of such rate) or any successor source from time to time on the relevant Interest Determination Date (the “**€STR Compounded Index**”) and will be calculated as follows:

$$\left( \frac{\text{€STR Compounded Index}_{End}}{\text{€STR Compounded Index}_{Start}} - 1 \right) \times \frac{360}{d}$$

Where, in each case:

“**d**” is the number of calendar days from (and including) the day in relation to which €STR Compounded Index<sub>Start</sub> is determined to (but excluding) the day in relation to which €STR Compounded Index<sub>End</sub> is determined;

“**p**” means two TARGET Business Days or such larger number of days as specified in the relevant Final Terms;

“**€STR Compounded Index<sub>Start</sub>**” means, with respect to an Interest Period, the €STR Compounded Index determined in relation to the day falling “p” TARGET Business Days prior to the first day of such Interest Period;

“**€STR Compounded Index<sub>End</sub>**” means with respect to an Interest Period, the €STR Compounded Index determined in relation to the day falling “p” TARGET Business Days prior to the Interest Period End Date for such Interest Period (or the date falling “p” TARGET Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“**Interest Period End Date**” shall have the meaning specified in the relevant Final Terms (or, if not so specified, the Interest Payment Date for such Interest Period);

“**TARGET Business Day**” or “**TBD**” means any day on which T2 is open; and

“**T2**” means the Trans-European Automated Real-time Gross Settlement Express Transfer System which was launched on 20 March 2023 or any successor thereto;

“**Weighted Average €STR**” means:

- (A) where “Lag” is specified as the Observation Method in the relevant Final Terms, the sum of the €STR Reference Rate in respect of each calendar day during the relevant Observation Period divided by the number of calendar days during such Observation Period. For these purposes, the €STR Reference Rate in respect of any calendar day which is not a TARGET Business Day shall be deemed to be the €STR Reference Rate in respect of the TARGET Business immediately preceding such calendar day; or

- (B) where “Lock-out” is specified as the Observation Method in the relevant Final Terms, the sum of the €STR Reference Rate in respect of each calendar day during the relevant Interest Period divided by the number of calendar days in the relevant Interest Period, provided that, for any calendar day of such Interest Period falling in the Lock-out Period for the relevant Interest Period, the €STR Reference Rate for such calendar day will be deemed to be the €STR Reference Rate in respect of the TARGET Business Day immediately preceding the first day of such Lock-out Period. For these purposes, the €STR Reference Rate in respect of any calendar day which is not a TARGET Business Day shall, subject to the preceding proviso, be deemed to be the €STR Reference Rate in respect of the TARGET Business Day immediately preceding such calendar day.

Where, in each case:

“**Observation Period**” means the period from and including the date falling “p” TARGET Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling “p” TARGET Business Days prior to the Interest Period End Date for such Interest Period (or the date falling “p” TARGET Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“p” means, in respect of an Interest Period (i) where “Lag” is specified as the Observation Method in the relevant Final Terms, two TARGET Business Days or such larger number of days as specified in the relevant Final Terms; and (ii) where “Lock-out” is specified as the Observation Method in the relevant Final Terms, zero;

“**€STR Reference Rate**” means, in respect of any TARGET Business Day, and subject to as provided in Condition 9(d)(vi) below, a reference rate equal to the daily €STR for such TARGET Business Day as provided by the European Central Bank, as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (the “**ECB's Website**”) (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Business Day immediately following such TARGET Business Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

“**TARGET Business Day**” or “**TBD**” means any day on which T2 is open; and

“**T2**” means the Trans-European Automated Real-time Gross Settlement Express Transfer System which was launched on 20 March 2023 or any successor thereto.

- (v) Where the Rate of Interest for each Interest Period is calculated in accordance with Condition 9(d)(ii), if the relevant €STR Compounded Index is not published or displayed by the European Central Bank (or any successor administrator of such rate) reference rate or other information service by 5.00 p.m. (Frankfurt time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the European Central Bank (or any successor administrator of €STR) on the relevant Interest Determination Date, the Rate of Interest shall be calculated for the Interest Period for which the €STR Compounded Index is not available in accordance with Condition 9(d)(i) above and for these purposes the “Observation Method” shall be deemed to be “Shift”.
- (vi) If the €STR Reference Rate does not appear on a TARGET Business Day, unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the €STR Reference Rate shall be a rate equal to €STR in respect of the last TARGET Business Day for which such rate was published on the ECB's Website.

If the €STR Reference Rate does not appear on a TARGET Business Day, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each TARGET Business Day in the relevant Interest Period or Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR

were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) (the “**ECB Recommended Rate**”), provided that:

- (A) if no such rate has been recommended before the end of the first TARGET Business Day following the €STR Index Cessation Effective Date, then the rate for each TARGET Business Day in the relevant Interest Period or Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to “€STR” were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility that banks may use to make overnight deposits with the Eurosystem, as published on the ECB’s Website (the “**EDFR**”) on such TARGET Business Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 TARGET Business Days immediately preceding the date on which the €STR Index Cessation Event occurs (the “**EDFR Spread**”); and
- (B) if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each TARGET Business Day in the relevant Interest Period or Observation Period occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to “€STR” were references to the EDFR on such TARGET Business Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions (i) the Rate of Interest shall be that determined at the last preceding €STR Interest Determination Date or (ii) if there is no such preceding €STR Interest Determination Date, the Rate of Interest shall be determined as if references to €STR for each TARGET Business Day in the relevant Interest Period or Observation Period occurring on or after the €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if EDFR is published on a later date than the latest published ECB Recommended Rate, the latest published EDFR plus the EDFR Spread.

As used in this Condition 9(d)(vi):

- (A) “**€STR Index Cessation Event**” means the occurrence of one or more of the following events:
  - (x) a public statement or publication of information by or on behalf of the European Central Bank (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or
  - (y) a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;
- (B) “**€STR Index Cessation Effective Date**” means, in respect of an €STR Index Cessation Event, the first date on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR);

- (C) **“ECB Recommended Rate Index Cessation Event”** means the occurrence of one or more of the following events:
- (x) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or
  - (y) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; and
- (D) **“ECB Recommended Rate Index Cessation Effective Date”** means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided.
- (vii) If the relevant Series of Notes become due and payable in accordance with Condition 15 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.
- (e) *Screen Rate Determination for Notes referencing SONIA*: Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the relevant Final Terms specify that the Reference Rate is SONIA, the Rate of Interest for each Interest Period will be calculated in accordance with Condition 9(e)(i) or Condition 9(e)(ii), subject to the provisions of Condition 9(e)(iii) and Condition 9(e)(iv) below, as applicable.
- (i) Where the Calculation Method is specified in the relevant Final Terms as being “SONIA Compounded Daily”, the Rate of Interest for each Interest Period will be the Compounded Daily SONIA plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent as at the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

The following definitions shall apply for the purpose of the Conditions:

**“Compounded Daily SONIA”** means with respect to an Interest Period, the rate of return of a daily compound interest investment in Sterling (with the daily Sterling Overnight Index Average (SONIA) as reference rate for the calculation of interest) and will be calculated as follows:

- (A) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in accordance with the following formula:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SONIA}_{i-\text{PLBD}} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}; \text{ or}$$

- (B) if “Shift” is specified as the Observation Method in the relevant Final Terms, in accordance with the following formula:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where, in each case:

“**d**” is the number of calendar days in (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period, or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

“**d<sub>0</sub>**” means (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in respect of an Interest Period, the number of London Banking Days in the relevant Interest Period, or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, in respect of an Observation Period, the number of London Banking Days in the relevant Observation Period;

“**i**” is a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day (x) if “Lag” or “Lock-out” is specified as the Observation Method in the relevant Final Terms, in the relevant Interest Period or (y) if “Shift” is specified as the Observation Method in the relevant Final Terms, in the relevant Observation Period;

“**Interest Period End Date**” shall have the meaning specified in the relevant Final Terms (or, if not so specified, the Interest Payment Date for such Interest Period);

“**Lock-out Period**” means, in respect of an Interest Period, the period from and including the day following the Interest Determination Date to, but excluding, the Interest Period End Date falling at the end of such Interest Period;

“**London Banking Day**” or “**LBD**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**n<sub>i</sub>**”, for any London Banking Day<sub>i</sub>, means the number of calendar days from and including such London Banking Day<sub>i</sub> up to but excluding the following London Banking Day;

“**Observation Period**” means the period from and including the date falling “p” London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling “p” London Banking Days prior to the Interest Period End Date for such Interest Period (or the date falling “p” London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

“**p**” means, in respect of an Interest Period (i) where “Lag” or “Shift” is specified as the Observation Method in the relevant Final Terms, two London Banking Days or such greater number of days as specified in the relevant Final Terms; and (ii) where “Lock-out” is specified as the Observation Method in the relevant Final Terms, zero;

“**Reference Day**” means each London Banking Day in the relevant Interest Period that is not a London Banking Day falling in the Lock-out Period;

“**SONIA reference rate**”, means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average (SONIA) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by

such authorised distributors (in each case on the London Banking Day immediately following such London Banking Day);

“SONIA<sub>i</sub>” means, in respect of any London Banking Day<sub>i</sub>:

- (y) if “Lock-out” is specified as the Observation Method in the relevant Final Terms:
  - (1) in respect of any London Banking Day<sub>i</sub> that is a Reference Day, the SONIA reference rate in respect of the London Banking Day immediately preceding such Reference Day; otherwise
  - (2) the SONIA reference rate in respect of the London Banking Day immediately preceding the Interest Determination Date for the relevant Interest Period;
- (z) if “Shift” is specified as the Observation Method in the relevant Final Terms, the SONIA reference rate for such London Banking Day<sub>i</sub>; and

“SONIA<sub>i-pLBD</sub>” means:

- (x) if “Lag” is specified as the Observation Method in the relevant Final Terms, in respect of a London Banking Day<sub>i</sub>, SONIA reference rate in respect of the London Banking Day falling “p” London Banking Days prior to such London Banking Day<sub>i</sub>; or
- (y) if “Lock-out” is specified as the Observation Method in the relevant Final Terms, in respect of a London Banking Day<sub>i</sub>, SONIA<sub>i</sub> in respect of such London Banking Day<sub>i</sub>.

- (ii) Where the Calculation Method is specified in the relevant Final Terms as being “SONIA Index Compounded Daily”, the Rate of Interest for each Interest Period will be the Compounded Daily SONIA Index plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent as at the Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

The following definitions shall apply for the purpose of the Conditions:

“**Compounded Daily SONIA Index**” means with respect to an Interest Period, the rate of return of a daily compound interest investment in Sterling (with the daily Sterling Overnight Index Average (SONIA) as a reference rate for the calculation of interest) by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time on the relevant Interest Determination Date, as further specified in the relevant Final Terms (the “**SONIA Compounded Index**”) and will be calculated as follows:

$$\left( \frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{365}{d}$$

where, in each case:

“**d**” is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index<sub>Start</sub> is determined to (but excluding) the day in relation to which SONIA Compounded Index<sub>End</sub> is determined;

“**London Banking Day**” or “**LBD**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**p**” means two London Banking Days or such other number of days as specified in the relevant Final Terms;

“**SONIA Compounded Index<sub>Start</sub>**” means, with respect to an Interest Period, the SONIA Compounded Index determined in relation to the day falling “p” London Banking Days prior to the first day of such Interest Period; and

“**SONIA Compounded Index<sub>End</sub>**” means, with respect to an Interest Period, the SONIA Compounded Index determined in relation to the day falling “p” London Banking Days prior to the Interest Period End Date for such Interest Period (or the date falling “p” London Banking Days prior to such earlier date, if any, on which the Notes become due and payable).

- (iii) Where the Rate of Interest for each Interest Period is calculated in accordance with Condition 9(e)(ii) above, if the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Rate of Interest shall be calculated for the Interest Period for which the SONIA Compounded Index is not available in accordance with Condition 9(e)(i) above and for these purposes the “Observation Method” shall be deemed to be “Shift”.
- (iv) If, in respect of any London Banking Day, the Calculation Agent determines that the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be:
  - (A) the Bank of England's Bank Rate (the “**Bank Rate**”) prevailing at close of business on the relevant London Banking Day; plus (b) the arithmetic mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate, or
  - (B) if such Bank Rate is not available, the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Notwithstanding the foregoing, in the event of the Bank of England publishing guidance as to (a) how the SONIA reference rate is to be determined or (b) any rate that is to replace the SONIA reference rate, the Calculation Agent, as applicable, shall follow such guidance to determine the SONIA reference rate for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 9(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Minimum Rate of Interest specified in the relevant Final Terms is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Minimum Rate of Interest relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to

the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Minimum Rate of Interest applicable to the first Interest Period).

If the relevant Series of Notes become due and payable in accordance with Condition 15 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(f) *Screen Rate Determination for Floating Rate Notes referencing SOFR*: Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the relevant Final Terms specify that the Reference Rate is SOFR, the Rate of Interest for each Interest Period will be calculated in accordance with Condition 9(f)(i) below or Condition 9(f)(ii) below, subject to the provisions of Condition 9(f)(iv) below:

- (i) Where the Calculation Method is specified in the relevant Final Terms as being “SOFR Arithmetic Mean”, the Rate of Interest for each Interest Period will be the SOFR Arithmetic Mean plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent as at the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards.
- (ii) Where the Calculation Method is specified in the relevant Final Terms as being “SOFR Compound”, the Rate of Interest for each Interest Period will be the Compounded Daily SOFR on the relevant Interest Determination Date plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.
- (iii) The following definitions shall apply for the purpose of the Conditions:

“**Bloomberg Screen SOFRRATE**” Page means the Bloomberg screen designated “SOFRRATE” or any successor page or service;

“**Compounded Daily SOFR**” means with respect to an Interest Period, an amount equal to the rate of return for each calendar day during the Interest Period, compounded daily, calculated by the Calculation Agent on the Interest Determination Date, as follows:

(A) if “SOFR Compound with Lookback” is specified in the relevant Final Terms:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SOFR}_{i-\text{pUSBD}} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

Where:

“**d**” means, in respect of an Interest Period, the number of calendar days in such Interest Period;

“**d<sub>0</sub>**” means, in respect of an Interest Period, the number of U.S. Government Securities Business Days in the relevant Interest Period;

“**i**” means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period;

“**Lookback Period**” or “**p**” means two U.S. Government Securities Business Days or such other number of days as specified as “p” in the relevant Final Terms;

“**n<sub>i</sub>**” means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, the number of calendar days from, and including, such U.S. Government Securities Business Day<sub>i</sub> up to, but excluding, the following U.S. Government Securities Business Day;

“**SOFR<sub>i</sub>**” means, in respect of each U.S. Government Securities Business Day<sub>i</sub>, the SOFR in respect of such U.S. Government Securities Business Day; and

“**SOFR<sub>i-pUSBD</sub>**” means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, SOFR<sub>i</sub> in respect of the U.S. Government Securities Business Day falling the number of U.S. Government Securities Business Days equal to the Lookback Period prior to such U.S. Government Securities Business Day<sub>i</sub> (“**pUSBD**”), provided that, unless SOFR Cut-Off Date is specified as not applicable in the relevant Final Terms, SOFR<sub>i</sub> in respect of each U.S. Government Securities Business Day<sub>i</sub> in the period from, and including, the SOFR Cut-Off Date to, but excluding, the next occurring Interest Period End Date, will be SOFR<sub>i</sub> in respect of the SOFR Cut-Off Date for such Interest Period;

- (B) if “SOFR Compound with Observation Period Shift” is specified in the relevant Final Terms:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SOFR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“**d**” means, in respect of an Observation Period, the number of calendar days in such Observation Period;

“**d<sub>0</sub>**” means, in respect of an Observation Period, the number of U.S. Government Securities Business Days in the relevant Observation Period;

“**i**” means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

“**n<sub>i</sub>**” means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, the number of calendar days from, and including, such U.S. Government Securities Business Day<sub>i</sub> up to, but excluding, the following U.S. Government Securities Business Day;

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, the date falling the number of Observation Shift Days prior to the first day of such Interest Period and ending on, but excluding, the date that is the number of Observation Shift Days prior to the next occurring Interest Period End Date for such Interest Period;

“**Observation Shift Days**” means two U.S. Government Securities Business Days or such other number of days as specified in the relevant Final Terms; and

“**SOFR<sub>i</sub>**” means, in respect of each U.S. Government Securities Business Day<sub>i</sub>, the SOFR in respect of such U.S. Government Securities Business Day;

- (C) if “SOFR Compound with Payment Delay” is specified in the relevant Final Terms:

$$\left[ \left( \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SOFR}_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d} \right]$$

where:

“**d**” means, in respect of an Interest Period, the number of calendar days in such Interest Period;

“**d<sub>0</sub>**” means, in respect of an Interest Period, the number of U.S. Government Securities Business Days in the relevant Interest Period;

“**i**” means a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period;

“**Interest Period End Dates**” shall have the meaning specified in the relevant Final Terms (or, if not so specified, the Interest Payment Date for such Interest Period);

“**Interest Payment Dates**” shall be the dates occurring the number of Business Days equal to the Interest Payment Delay following each Interest Period End Date; provided that the Interest Payment Date with respect to the final Interest Period will be the Maturity Date or, if the Notes are to be redeemed prior to the Maturity Date, such earlier date on which the Notes become due and payable;

“**Interest Payment Delay**” means the number of U.S. Government Securities Business Days specified in the relevant Final Terms;

“**Interest Determination Date**” shall be the Interest Period End Date at the end of each Interest Period; provided that the Interest Determination Date with respect to the final Interest Period will be the SOFR Cut-Off Date;

“**n<sub>i</sub>**” means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, the number of calendar days from, and including, such U.S. Government Securities Business Day<sub>i</sub> up to, but excluding, the following U.S. Government Securities Business Day<sub>i</sub>; and

“**SOFR<sub>i</sub>**” means, for any U.S. Government Securities Business Day<sub>i</sub> in the relevant Interest Period, the SOFR in respect of such U.S. Government Securities Business Day<sub>i</sub>;

For purposes of calculating SOFR Compound with Payment Delay with respect to the final Interest Period, the level of SOFR for each U.S. Government Securities Business Day in the period from and including the SOFR Cut-Off Date to but excluding the Maturity Date or any earlier date on which the Notes become due and payable, as applicable, shall be the level of SOFR in respect of such SOFR Cut-Off Date.

(D) if “SOFR Index with Observation Shift” is specified in the relevant Final Terms:

$$\left( \frac{\text{SOFR Index}_{\text{Final}}}{\text{SOFR Index}_{\text{Initial}}} - 1 \right) \times \frac{360}{d_c}$$

where:

“**d<sub>c</sub>**” means, in respect of each Interest Period, the number of calendar days in the relevant Interest Period;

“**Interest Period End Dates**” shall have the meaning specified in the relevant Final Terms (or, if not so specified, the Interest Payment Date for such Interest Period);

“**Observation Shift Days**” means two U.S. Government Securities Business Days or such other number of days as specified in the relevant Final Terms;

“**SOFR Index**” means with respect to any U.S. Government Securities Business Day, (i) the SOFR Index value as published by the NY Federal Reserve as such index appears on the NY Federal Reserve's Website at the SOFR Determination Time; or (ii) if the

SOFR Index specified in (i) above does not so appear, unless both a SOFR Transition Event and its related SOFR Replacement Date have occurred, the SOFR Index as published in respect of the first preceding U.S. Government Securities Business Day for which the SOFR Index was published on the NY Federal Reserve's Website;

“**SOFR Index<sub>Final</sub>**” means, in respect of an Interest Period, the value of the SOFR Index on the date falling the number of U.S. Government Securities Business Days equal to the Observation Shift Days prior to the next occurring Interest Period End Date for such Interest Period;

“**SOFR Index<sub>Initial</sub>**” means, in respect of an Interest Period, the value of the SOFR Index on the date falling the number of U.S. Government Securities Business Days equal to the Observation Shift Days prior to the first day of such Interest Period (or, in the case of the first Interest Period, the Interest Commencement Date);

“**NY Federal Reserve**” means the Federal Reserve Bank of New York;

“**NY Federal Reserve's Website**” means the website of the NY Federal Reserve currently at [www.newyorkfed.org](http://www.newyorkfed.org), or any successor website of the NY Federal Reserve or the website of any successor administrator of SOFR;

“**Reuters Page USDSOFR=**” means the Reuters page designated “USDSOFR=” or any successor page or service;

“**SOFR**” means the rate determined by the Calculation Agent in respect of a U.S. Government Securities Business Day, in accordance with the following provisions:

- (x) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day that appears at approximately 3:00 p.m. (New York City time) (the “**SOFR Determination Time**”) on the NY Federal Reserve's Website on the immediately following U.S. Government Securities Business Day, as such rate is reported on the Bloomberg Screen SOFRRATE Page for such U.S. Government Securities Business Day or, if no such rate is reported on the Bloomberg Screen SOFRRATE Page, then the Secured Overnight Financing Rate that is reported on the Reuters Page USDSOFR= or, if no such rate is reported on the Reuters Page USDSOFR=, then the Secured Overnight Financing Rate that appears at approximately 3:00 p.m. (New York City time) on the NY Federal Reserve's Website on such U.S. Government Securities Business Day (the “**SOFR Screen Page**”); or
- (y) if the rate specified in (x) above does not so appear and the Calculation Agent determines that a SOFR Transition Event has not occurred, the Secured Overnight Financing Rate published on the NY Federal Reserve's Website for the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the NY Federal Reserve's Website;

“**SOFR Arithmetic Mean**” means, with respect to an Interest Period, the arithmetic mean of SOFR for each calendar day during such Interest Period, as calculated by the Calculation Agent, provided that, SOFR in respect of each calendar day during the period from, and including, the SOFR Cut-Off Date to, but excluding, the next occurring Interest Period End Date will be SOFR on the SOFR Cut-Off Date. For these purposes, SOFR in respect of any calendar day which is not a U.S. Government Securities Business Day shall, subject to the preceding proviso, be deemed to be SOFR in respect of the U.S. Government Securities Business Day immediately preceding such calendar day;

“**SOFR Cut-Off Date**” means, unless specified as not applicable in the relevant Final Terms, in respect of an Interest Period, the fourth U.S. Government Securities Business

Day prior to the next occurring Interest Period End Date for such Interest Period (or such other number of U.S. Government Securities Business Days specified in the relevant Final Terms); and

“**U.S. Government Securities Business Day**” means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (SIFMA) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Notwithstanding Conditions 9(f)(i) to 9(f)(ii), if the Calculation Agent determines on or prior to the SOFR Determination Time, that a SOFR Transition Event and its related SOFR Replacement Date have occurred with respect to the relevant SOFR Benchmark (as defined below), then the provisions set forth in Condition 9(f)(iv) (*SOFR Replacement Provisions*) below will apply to all determinations of the Rate of Interest for each Interest Period thereafter.

(iv) SOFR Replacement Provisions

If the Issuer (in consultation with the Calculation Agent) determines at any time prior to the SOFR Determination Time on any U.S. Government Securities Business Day that a SOFR Transition Event and the related SOFR Replacement Date have occurred, the Issuer will appoint an agent (the “**Replacement Rate Determination Agent**”) which will determine the SOFR Replacement. The Replacement Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the Specified Currency as appointed by the Issuer, (y) the Issuer, (z) an affiliate of the Issuer or the Calculation Agent or (zz) such other entity that the Issuer determines to be competent to carry out such role.

In connection with the determination of the SOFR Replacement, the Replacement Rate Determination Agent will determine appropriate SOFR Replacement Conforming Changes.

Any determination, decision or election that may be made by the Issuer (in consultation with the Calculation Agent) or Replacement Rate Determination Agent (as the case may be) pursuant to these provisions, will (in the absence of manifest error) be conclusive and binding on the Issuer, the Calculation Agent, the Agent and the Noteholders.

Following the designation of a SOFR Replacement, the Issuer (in consultation with the Calculation Agent) may subsequently determine that a SOFR Transition Event and a related SOFR Replacement Date have occurred in respect of such SOFR Replacement, provided that the SOFR Benchmark has already been substituted by the SOFR Replacement and any SOFR Replacement Conforming Changes in connection with such substitution have been applied. In such circumstances, the SOFR Replacement shall be deemed to be the SOFR Benchmark and all relevant definitions shall be construed accordingly.

For the avoidance of doubt, no SOFR Replacement will be adopted, nor any SOFR Replacement Adjustment be applied, nor will any SOFR Replacement Conforming Changes be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Tier 2 Subordinated Notes as Tier 2 capital or Subordinated Notes, Senior Non Preferred Notes and (where applicable) Ordinary Senior Notes as TLAC/MREL-Eligible Instruments for the purposes of the Applicable Banking Regulations, or could reasonably result in the Relevant Resolution Authority treating any future Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

In connection with the SOFR Replacement Provisions above, the following definitions shall apply:

“**ISDA Fallback Adjustment**” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to SOFR for the applicable tenor;

“**ISDA Fallback Rate**” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of a SOFR Transition Event with respect to SOFR for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“**Relevant Governmental Body**” means the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or any successor thereto;

“**SOFR Benchmark**” means (a) (unless “SOFR Index with Observation Shift” is specified in the relevant Terms) SOFR or (b) SOFR Index (each as defined in Condition 9(f)(iii) above);

“**SOFR Replacement**” means any one (or more) of the SOFR Replacement Alternatives to be determined by the Replacement Rate Determination Agent as of the SOFR Replacement Date if the Issuer (in consultation with the Calculation Agent), determines that a SOFR Transition Event and its related SOFR Replacement Date have occurred on or prior to the SOFR Determination Time in respect of any determination of the SOFR Benchmark on any U.S. Government Securities Business Day in accordance with:

- (x) the order of priority specified SOFR Replacement Alternatives Priority in the relevant Final Terms; or
- (y) if no such order of priority is specified, in accordance with the priority set forth below:
  - (1) Relevant Governmental Body Replacement;
  - (2) ISDA Fallback Replacement; and
  - (3) Industry Replacement,

provided that, in each case, if the Replacement Rate Determination Agent is unable to determine the SOFR Replacement in accordance with the first SOFR Replacement Alternative listed, it shall attempt to determine the SOFR Replacement in accordance with each subsequent SOFR Replacement Alternative until a SOFR Replacement is determined. The SOFR Replacement will replace the then-current SOFR Benchmark for the purpose of determining the relevant Rate of Interest in respect of the relevant Interest Period and each subsequent Interest Period, subject to the occurrence of a subsequent SOFR Transition Event and related SOFR Replacement Date;

“**SOFR Replacement Alternatives**” means:

- (x) the sum of: (i) the alternative rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the relevant Interest Period and (ii) the SOFR Replacement Adjustment (the “**Relevant Governmental Body Replacement**”);
- (y) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment (the “**ISDA Fallback Replacement**”); or
- (z) the sum of: (i) the alternative rate that has been selected by the Replacement Rate Determination Agent as the replacement for the then-current SOFR Benchmark for the relevant Interest Period giving due consideration to any industry-accepted rate as a replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating rate securities at such time and (ii) the SOFR Replacement Adjustment (the “**Industry Replacement**”);

“**SOFR Replacement Adjustment**” means the first alternative set forth in the order below that can be determined by the Replacement Rate Determination Agent as of the applicable SOFR Replacement Date:

- (x) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;
- (y) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (z) the spread adjustment (which may be a positive or negative value or zero) determined by the Replacement Rate Determination Agent giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Benchmark with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate securities at such time;

**“SOFR Replacement Conforming Changes”** means, with respect to any SOFR Replacement, any technical, administrative or operational changes (including, but not limited to, changes to timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day convention and other administrative matters) that the Replacement Rate Determination Agent decides may be appropriate to reflect the adoption of such SOFR Replacement in a manner substantially consistent with market practice (or, if the Replacement Rate Determination Agent determines that adoption of any portion of such market practice is not administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the SOFR Replacement exists, in such other manner as the Replacement Rate Determination Agent or the Calculation Agent, as the case may be, determines is reasonably necessary, acting in good faith and in a commercially reasonable manner);

**“SOFR Replacement Date”** means the earliest to occur of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

- (x) in the case of sub-paragraph (x) or (y) of the definition of “SOFR Transition Event” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark (or such component); or
- (y) in the case of sub-paragraph (z) of the definition of “SOFR Transition Event” the date of the public statement or publication of information referenced therein; or
- (z) in the case of sub-paragraph (aa) the last such consecutive U.S. Government Securities Business Day on which the SOFR Benchmark has not been published,

provided that, in the event of any public statements or publications of information as referenced in sub-paragraph (x) or (y) above, should such event or circumstance referred to in such a public statement or publication occur on a date falling later than three months after the relevant public statement or publication, the SOFR Transition Event shall be deemed to occur on the date falling three months prior to such specified date (and not the date of the relevant public statement or publication).

For the avoidance of doubt, if the event giving rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the SOFR Determination Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the SOFR Determination Time for such determination.

**“SOFR Transition Event”** means the occurrence of any one or more of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

- (x) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark (or such component, if relevant) announcing that such administrator has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);
- (y) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component, if relevant), the central bank for the currency of the SOFR Benchmark (or such component, if relevant), an insolvency official with jurisdiction over the administrator for the SOFR Benchmark (or such component, if relevant), a resolution authority with jurisdiction over the administrator for SOFR Benchmark (or such component, if relevant) or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark (or such component, if relevant), which states that the administrator of the SOFR Benchmark (or such component, if relevant) has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);
- (z) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark (or such component, if relevant) announcing that the SOFR Benchmark (or such component, if relevant) is no longer representative, the SOFR Benchmark (or such component, if relevant) has been or will be prohibited from being used or that its use has been or will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (aa) the SOFR Benchmark is not published by its administrator (or a successor administrator) for six consecutive U.S. Government Securities Business Days; and

“**Unadjusted SOFR Replacement**” means the SOFR Replacement prior to the application of any SOFR Replacement Adjustment

- (v) If the relevant Series of Notes become due and payable in accordance with Condition 15 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Notes remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.
- (g) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating (i) if “2006 ISDA Definitions” is specified in the relevant Final Terms, the 2006 ISDA Definitions or (ii) if “2021 ISDA Definitions” is specified in the relevant Final Terms, the 2021 ISDA Definitions (in each case, the **ISDA Definitions**) and under which:
  - (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
  - (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;
  - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is the day specified in the relevant Final Terms; and

- (iv) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
- (A) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
  - (B) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;
- provided, however, that* if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate;
- (v) if the Floating Rate Option (as defined in the ISDA Definitions) is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Compounding is specified to be applicable in the relevant Final Terms and:
- (A) Compounding with Lookback is specified as the Overnight Rate Compounding Method in the relevant Final Terms, then (I) Compounding with Lookback is the Overnight Rate Compounding Method and (II) Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms;
  - (B) Compounding with Observation Period Shift is specified as the Overnight Rate Compounding Method in the relevant Final Terms, then (I) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (II) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (III) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms; or
  - (C) Compounding with Lockout is specified as the Overnight Rate Compounding Method in the relevant Final Terms, then (I) Compounding with Lockout is the Overnight Rate Compounding Method, (II) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (III) Lockout Period Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; and
- (vi) if the specified Floating Rate Option (as defined in the ISDA Definitions) is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms and:
- (A) Averaging with Lookback is specified as the Overnight Rate Averaging Method in the relevant Final Terms, then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) as specified in the relevant Final Terms;
  - (B) Averaging with Observation Period Shift is specified as the Overnight Rate Averaging Method in the relevant Final Terms, then (a) Averaging with Observation Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (c) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or
  - (C) Averaging with Lockout is specified as the Overnight Rate Averaging Method in the relevant Final Terms, then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the

relevant Final Terms, and (c) Lockout Period Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; and

- (vii) if the Floating Rate Option is an Index Floating Rate Option (as defined in the ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms.
- (viii) in connection with any Compounding Method, Averaging Method or Index Method specified in the relevant Final Terms (each as determined in accordance with paragraphs (v), (vi) and (vii) above), references in the ISDA Definitions to:
  - (A) “Confirmation” shall be references to the relevant Final Terms;
  - (B) “Calculation Period” shall be references to the relevant Interest Period;
  - (C) “Termination Date” shall be references to the Maturity Date; and
  - (D) “Effective Date” shall be references to the Interest Commencement Date.
- (ix) if the Final Terms specify “2021 ISDA Definitions” as the applicable ISDA Definitions,
  - (A) “Administrator/ Benchmark Event” shall be disappplied; and
  - (B) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be “Temporary Non-Publication Fallback – Alternative Rate” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “Calculation Agent Alternative Rate Determination” in the definition of “Temporary Non-Publication Fallback – Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day’s Rate”.

In connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers or other items specified in the relevant confirmation shall be deemed to be references to the numbers or other items specified for such purpose in the relevant Final Terms.

For the purposes of this Condition 9(g), “**Floating Rate**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**”, “**Overnight Floating Rate Option**”, “**Overnight Rate Compounding Method**”, “**Compounding with Lookback**”, “**Compounding with Observation Period Shift**”, “**Compounding with Lockout**”, “**Applicable Business Days**”, “**Observation Period Shift Business Days**”, “**Observation Period Shift Additional Business Days**”, “**Lockout Period Business Days**”, “**Overnight Rate Averaging Method**”, “**Averaging with Lookback**”, “**Averaging with Observation Period Shift**”, “**Averaging with Lockout**”, “**Compounded Index Floating Rate Option**”, “**Index Method and Compounded Index Method with Observation Period Shift**” have the meanings given to those terms in the ISDA Definitions.

- (h) *Minimum Rate of Interest*: If any Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be less than the minimum so specified. Unless otherwise stated in the relevant Final Terms, the Minimum Rate of Interest shall be deemed to be zero.
- (i) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

- (j) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (k) *Notifications:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## 10. Interest – Benchmark Discontinuation

(a) *Independent Adviser:*

- (i) Unless ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, if a Benchmark Event occurs in relation to an Original Reference Rate (other than SOFR) when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate (subject to the terms of this Condition 10), failing which an Alternative Rate (in accordance with Condition 10(b) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 10(c) (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 10(d) (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 10 shall act in good faith and in a commercially reasonable manner. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, or the Noteholders for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 10(a).

- (ii) If:
- (A) the Issuer is unable to appoint an Independent Adviser; or
  - (B) the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 10(a) prior to the relevant Reset Determination Date or Interest Determination Date, as applicable,

the Rate of Interest applicable to the next succeeding Reset Period or Interest Period, as applicable, shall be determined by reference to the last observable Original Reference Rate which appears on the Relevant Screen Page or Fixed Reset Rate Relevant Screen Page after the most recent Reset Determination Date or Interest Determination Date, as applicable, or, if none, shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Reset Period or Interest Period, respectively. If there has not been a first Interest Payment Date, the Rate of Interest shall be the Initial Interest Rate. Where a different Margin or Reset Margin is to be applied to the relevant Reset Period or Interest Period, as applicable, from that which applied to the last preceding Reset Period or Interest Period, respectively, the Margin or Reset Margin relating to the relevant Reset Period or Interest Period, respectively, shall be substituted in place of the Margin or Reset Margin relating to that last preceding Reset Period or Interest Period, respectively.

For the avoidance of doubt, this Condition 10(a)(ii) shall apply to the relevant next succeeding Reset Period or Interest Period only and any subsequent Reset Periods or Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 10(a).

- (b) *Successor Rate or Alternative Rate:* If the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines that:
- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 10(c) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof), as applicable, for all future payments of interest on the Notes (subject to the operation of this Condition 10); or
  - (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 10(c) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof), as applicable, for all future payments of interest on the Notes (subject to the operation of this Condition 10).
- (c) *Adjustment Spread:* The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread), if any, shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer, following consultation with the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or the Alternative Rate (as applicable) will apply without an Adjustment Spread.
- (d) *Benchmark Amendments:* If any Successor Rate, Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 10 and the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 10(e) (*Notices, etc.*), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

Notwithstanding any other provision of this Condition 10, the Calculation Agent or any Paying Agent is not obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 10(d) to which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Agency Agreement and/or these Conditions.

In connection with any such variation in accordance with this Condition 10(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 10, no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Tier 2 Subordinated Notes as Tier 2 capital or Subordinated Notes, Senior Non Preferred Notes and (where applicable) Ordinary Senior Notes as TLAC/MREL-Eligible Instruments for the purposes of the Applicable Banking Regulations, or could reasonably result in the Relevant Resolution Authority treating any future Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

- (e) *Notices, etc.:* Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 10 will be notified promptly by the Issuer to the Calculation Agent, the Paying Agents and, in accordance with Condition 25 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than the date on which the Issuer notifies the Noteholders of the same, the Issuer shall deliver to the Calculation Agent and the Paying Agents a certificate signed by two authorised signatories of the Issuer:

- (i) confirming (A) that a Benchmark Event has occurred, (B) the Successor Rate or, as the case may be, the Alternative Rate, (C) the applicable Adjustment Spread (if any) and (D) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 10; and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Fiscal Agent shall display such certificate at its offices, for inspection by the Noteholders, at all reasonable times during normal business hours.

Each of the Fiscal Agent, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Fiscal Agent's, the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

Notwithstanding any other provision of this Condition 10, if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 10, the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

- (f) *Survival of Original Reference Rate*: Without prejudice to the obligations of the Issuer under Conditions 10(a) (*Independent Adviser*), 10(b) (*Successor Rate or Alternative Rate*), 10(c) (*Adjustment Spread*) and 10(d) (*Benchmark Amendments*), the Original Reference Rate and the fallback provisions provided for in Conditions 8 (*Fixed Reset Note Provisions*) and/or 9(c) (*Screen Rate Determination for Notes referencing EURIBOR*) will continue to apply unless and until a Benchmark Event has occurred. Upon the occurrence of a Benchmark Event, this Condition 10 shall prevail.

- (g) *Definitions*: As used in this Condition 10:

“**Adjustment Spread**” means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (ii) (if no such recommendation has been made, or in the case of an Alternative Rate) the Issuer, following consultation with the Independent Adviser, determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- (iii) (if the Issuer determines that no such spread is customarily applied) the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where

such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

- (iv) (if the Issuer determines that no such industry standard is recognised or acknowledged) if no such spread, formula or methodology can be determined in accordance with (i) to (iii) above, the Issuer, in its discretion, following consultation with the Independent Adviser, and acting in good faith and in a commercially reasonable manner, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this subclause (iv) only, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders.

**“Alternative Rate”** means an alternative benchmark or screen rate which the Issuer following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines in accordance with Condition 10(b) (*Successor Rate or Alternative Rate*) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate period in the same Specified Currency as the Notes.

**“Benchmark Amendments”** has the meaning given to it in Condition 10(d) (*Benchmark Amendments*).

**“Benchmark Event”** means:

- (i) the Original Reference Rate ceasing to exist or ceasing to be published for a period of at least 5 Business Days; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (v) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Fiscal Agent, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Fiscal Agent, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 10(a) (*Independent Adviser*).

**“Original Reference Rate”** means:

- (i) the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof), as applicable, on the Notes; or
- (ii) any Successor Rate or Alternative Rate which has been determined in relation to such benchmark or screen rate (as applicable) pursuant to the operation of this Condition 10,

as applicable.

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

#### 11. **Zero Coupon Note Provisions**

- (a) *Application:* This Condition 11 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

#### 12. **Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 13 (*Payments*).
- (b) *Redemption for taxation reasons:* Subject, in the case of Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments, to compliance with Applicable Banking Regulations (including, in particular, Articles 77, 78 and 78a of the CRR) then in force and permission of the Competent Authority and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations, the Notes may be redeemed at the option of the Issuer in whole, but not in part:
  - (i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 15 nor more than 60 calendar days' notice to the Noteholders, or such other period(s) as may be specified in the relevant final terms, (which notice shall be irrevocable), at their Early Redemption Amount, together with interest accrued (if any) to the date fixed for redemption, if:

- (A) (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 14 (*Taxation*), or (ii) the Issuer would not be entitled to claim a deduction in computing taxation liabilities in Spain in respect of any payment of interest to be made on the next Interest Payment Date or the value of such deduction to the Issuer would be materially reduced, in each case as a result of any change in, or amendment to, the laws or regulations of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and
- (B) in the case of Condition 12(b)(ii)(A) above, such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

**provided, however, that** no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 calendar days (or such other period as may be specified in the relevant final terms) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or would no longer be entitled to claim a deduction or the value of such deduction would be materially reduced; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 calendar days (or such other period as may be specified in the relevant final terms) prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or would no longer be entitled to claim a deduction or the value of such deduction would be materially reduced.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall (A) deliver to the Fiscal Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred of and (B) use its best efforts to deliver to the Fiscal Agent an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 12(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 12(b).

- (c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 15 nor more than 60 calendar days' notice to the Noteholders, or such other period(s) as may be specified in the relevant final terms (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

In the case of Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments, redemption at the option of the Issuer (a) shall be in whole, (b) shall be subject to compliance with Applicable Banking Regulations (including, in particular, Articles 77, 78 and 78a of the CRR) then in force and permission of the Competent Authority and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations and (c) in the case of Tier 2 Subordinated Notes, may not take place within a period of five years from their date of issue or such other minimum or maximum length as may be permitted or required from time to time by Applicable Banking Regulations or the requirements of the Competent Authority in force at the relevant time.

- (d) *Redemption at the option of the Issuer (Capital Event):* If a Capital Event occurs, the Tier 2 Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, subject to compliance with

the Applicable Banking Regulations (including, in particular, Articles 77, 78 and 78a of the CRR) then in force and permission of the Competent Authority and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations, at any time, on giving not less than 15 nor more than 60 calendar days' notice to the Fiscal Agent and, in accordance with Condition 25 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), at their Early Redemption Amount, (together with interest accrued, if applicable, to (but excluding) the date fixed for redemption).

- (e) *Redemption at the option of the Issuer (Disqualification Event)*: If a Disqualification Event occurs, the Subordinated Notes, the Senior Non Preferred Notes and the Ordinary Senior Notes where the Disqualification Event has been specified as applicable in the relevant Final Terms, may be redeemed at the option of the Issuer in whole, but not in part, subject to such redemption being permitted by Applicable Banking Regulations (including, in particular, Articles 77, 78 and 78a of the CRR) then in force and permission of the Competent Authority and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations, at any time, on giving not less than 15 nor more than 60 calendar days' notice to the Fiscal Agent and, in accordance with Condition 25 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) at the Early Redemption Amount (together with interest accrued to (but excluding) the date fixed for redemption).
- (f) *Redemption at the option of the Issuer (Clean-Up Redemption)*: If the Clean-Up Redemption Option is specified in the relevant Final Terms as being applicable, and if 75 per cent. or any higher percentage specified in the relevant Final Terms (the “**Clean-Up Percentage**”) of the initial aggregate nominal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may, subject in the case of Subordinated Notes, Senior Non-Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments, to compliance with the Applicable Banking Regulations then in force and subject to the prior permission of the Competent Authority and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations at its option on the Issuer giving not less than 15 nor more than 60 calendar days' notice (the “**Clean-Up Redemption Notice**”), in accordance with Condition 25 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), to the Noteholders, redeem such outstanding Notes, in whole but not in part, at their Optional Redemption Amount (Call) plus accrued interest (if any) to (but excluding) the date of redemption, on the date fixed for redemption identified in the Clean-Up Redemption Notice.

Tier 2 Subordinated Notes, Senior Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments where the Clean-Up Redemption Option has been specified as being applicable in the relevant Final Terms may be redeemed pursuant this Condition 12(f) subject to permission of the Competent Authority and/or the Relevant Resolution Authority and may only take place in compliance with Applicable Banking Regulations (including, in particular, Articles 77, 78 and 78a of the CRR) or the requirements of the Competent Authority in force at the relevant time.

- (g) *Purchase*: The Issuer or any of its Subsidiaries may purchase Senior Notes and/or Subordinated Notes (provided that all unmatured Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price. Any purchases of Subordinated Notes, Senior Non Preferred Notes or Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments will be made in compliance with Applicable Banking Regulations (including, in particular, Articles 77, 78 and 78a of the CRR) in force at the time of such purchase and subject to the permission of the Competent Authority and/or the Relevant Resolution Authority, if and as applicable, if required.
- (h) *Partial redemption*: If the Notes are to be redeemed in part only on any date in accordance with Condition 12(c) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 12(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

- (i) *Redemption at the option of Noteholders:* If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 12(i), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant final terms), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 12(i), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 12(i), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes. No such redemption option will be applicable to any Subordinated Notes, Senior Non Preferred Notes or Ordinary Senior Notes where the Disqualification Event has been specified as applicable in the relevant Final Terms, unless permitted under Applicable Banking Regulations.
- (j) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 12(a) (*Scheduled redemption*) to 12(h) (*Partial redemption*).
- (k) *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
- (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 12(k) or, if none is so specified, a Day Count Fraction of 30E/360.

- (l) *Cancellation:* All Notes redeemed by the Issuer in accordance with Conditions 12(b) (*Redemption for taxation reasons*), 12(c) (*Redemption at the option of the Issuer*), 12(d) (*Redemption at the option of the Issuer (Capital Event)*), 12(e) (*Redemption at the option of the Issuer (Disqualification Event)*), 12(f) (*Redemption at the option of the Issuer (Clean-Up Redemption)*) and 12(i) (*Redemption at the option of Noteholders*), and any unmatured Coupons and unexchanged Talons attached thereto or surrendered with them at the time of redemption, shall be cancelled and may not be reissued or resold.

### 13. **Payments**

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Notes (in the case of all other payments of principal) at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 13(a) (*Principal*).

- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 14 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (such withholding or deduction, a “**FATCA Withholding**”).
- (e) *No commissions or expenses:* No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (f) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:
  - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
  - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
    - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
    - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (i) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (g) *Unmatured Coupons void:* If the relevant Final Terms specifies that this Condition 13(g) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 12(b) (*Redemption for taxation reasons*), Condition 12(c) (*Redemption at the option of the Issuer*), Condition 12(d) (*Redemption at the option of the Issuer (Capital Event)*), Condition 12(e) (*Redemption at the option of the Issuer (Disqualification Event)*), Condition 12(f), Condition 12(i) (*Redemption at the option of Noteholders*), or Condition 15 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (h) *Payments on business days:* If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in

such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

- (i) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 13(c) (*Payments in New York City*)).
- (j) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (k) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 20 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

#### 14. **Taxation**

- (a) *Gross up*: All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Spain or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts (in the case of Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments and/or Coupons of Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes qualifying as TLAC/MREL Eligible Instruments, in respect of the payment of any interest only (but not in respect of the payment of any principal)) as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:
  - (i) held by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
  - (ii) to, or to a third party on behalf of, a holder in respect of whom the Issuer (or the Fiscal Agent on its behalf) has not received such information (which may include a tax residence certificate) concerning such holder's identity and tax residence (or the identity or tax residence of the beneficial owner for whose benefit it holds such Notes) as it may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Royal Decree 1065/2007 eventually made by the Spanish Tax Authorities; or
  - (iii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on the thirtieth such day; or
  - (iv) to, or to a third party on behalf of, individuals resident for tax purposes in Spain if the Spanish tax authorities determine payments made to such individuals are not exempt from withholding tax and require a withholding to be made; or
  - (v) to, or to a third party on behalf of, a Spanish-resident corporate entity if the Spanish tax authorities determine that the Notes do not comply with exemption requirements including those specified in the Reply to Consultation of the General Directorate for Taxation (*Dirección General de Tributos*) dated 27 July 2004 and require a withholding to be made.

Notwithstanding any other provision of the Conditions, all payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer will be paid net of any FATCA Withholding. Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 12 (*Redemption and Purchase*), (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Conditions 7 (*Fixed Rate Note Provisions*) and 8 (*Fixed Reset Note Provisions*) and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts which may be payable under this Condition.

*See “Taxation“ for a fuller description of certain tax considerations (particularly in relation to Noteholders which are resident in Spain) relating to the Notes.*

- (b) *Taxing jurisdiction:* If the Issuer becomes subject at any time to any taxing jurisdiction other than the Kingdom of Spain, references in these Conditions to the Kingdom of Spain shall be construed as references to the Kingdom of Spain and/or such other jurisdiction.

## 15. **Events of Default**

- (a) This Condition 15(a) only applies to Ordinary Senior Notes unless otherwise specified in the relevant Final Terms and references to “Notes” shall be construed accordingly.

If any of the following events (each an “**Event of Default**”) occurs and is continuing, then any Note may, unless there has been an Extraordinary Resolution to the contrary at a meeting of Noteholders, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon the Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable without further action or formality:

- (i) *Non-payment:* the Issuer fails to pay any amount of principal or interest in respect of the Notes within 14 days of the due date for payment thereof; or
- (ii) *Breach of other obligations:* the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Fiscal Agent; or
- (iii) *Cross-default of Issuer or Relevant Subsidiary:*
- (A) any Indebtedness of the Issuer or any of its Relevant Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period; or
- (B) any such Indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Issuer or any of its Relevant Subsidiaries or (**provided that** no event of default, howsoever described, has occurred) any Person entitled to such Indebtedness; or
- (C) the Issuer or any of its Relevant Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness;

**provided that** the amount of Indebtedness referred to in sub-paragraph (A) and/or sub-paragraph (B) above and/or the amount payable under any Guarantee referred to in sub-paragraph (C) above individually or in the aggregate exceeds €50,000,000 (or its equivalent in any other currency or currencies); or

- (iv) *Cessation of Business:* the Issuer or any of the Issuer’s Relevant Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (save for the purpose of an amalgamation, reorganisation restructuring while solvent); or

- (v) *Unsatisfied judgment*: one or more final judgment(s) or order(s) for the payment of an aggregate amount in excess of €50,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer or any of its respective Subsidiaries and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment; or
- (vi) *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any substantial part of the undertaking, assets and revenues of the Issuer or any of its Relevant Subsidiaries provided that the amount of security enforced equals or exceeds €50,000,000 (or its equivalent in any other currency or currencies); or
- (vii) *Insolvency*: (A)(1) in respect of the Issuer, an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against it or an order is made or a resolution is passed for the dissolution, winding up or liquidation (*liquidación*) of the Issuer, and in respect of any of the Issuer's Relevant Subsidiaries, proceedings are initiated against any such Relevant Subsidiary under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (except in any such case for the purpose of a Permitted Reorganisation); or (2) an application made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer (or any of its Relevant Subsidiaries) or in relation to the whole or any substantial part of the undertaking or assets of any of them; or (3) an encumbrance takes possession of the whole or any substantial part of the undertaking or assets of the Issuer (or any of its Relevant Subsidiaries); or (4) a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or any substantial part of the undertaking or assets of the Issuer (or any of its Relevant Subsidiaries); and (B) in any case is or are not discharged within 30 days; or
- (viii) *Winding up*: an order is made or an effective resolution is passed for the winding up, liquidation (*liquidación*) or dissolution of the Issuer or any of its Relevant Subsidiaries (except in any such case for the purpose of a Permitted Reorganisation); or
- (ix) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes.

For the purpose of this Condition 15(a):

“**Permitted Reorganisation**” means:

- (a) with respect to the Issuer, a reconstruction, merger or amalgamation (i) which has been approved by an Extraordinary Resolution at a meeting of Noteholders and is on a solvent basis; or (ii) where the entity resulting from any such reconstruction, merger or amalgamation is (A) a credit institution (*entidad de crédito*) under article 1 of Law 10/2014 and (B) has a rating for long-term senior debt assigned by S&P, Moody's, Fitch or DBRS equivalent to or higher than the rating for long-term senior debt of the Issuer immediately prior to such reconstruction, merger or amalgamation; and
  - (b) with respect to a Relevant Subsidiary, a reconstruction, merger or amalgamation (i) which has been approved by an Extraordinary Resolution at a meeting of Noteholders; and (ii) is on a solvent basis.
- (b) This Condition 15(b) only applies to Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes if so specified in the relevant Final Terms, and references to “Notes” shall be construed accordingly.

Save as provided below, there are no events of default under the Subordinated Notes, the Senior Non Preferred Notes and, to the extent so specified in the relevant Final Terms, the Ordinary Senior Notes, which could lead to an acceleration of the relevant Subordinated Notes, Senior Non Preferred Notes or Ordinary Senior Notes.

If an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against the Issuer or if any order is made by any competent court or resolution passed for the liquidation (*liquidación*) of the Issuer and such order or resolution is continuing, then any Note may,

unless there has been an Extraordinary Resolution to the contrary at a meeting of Noteholders, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon the Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable without further action or formality.

Neither a cancellation of the Notes, a reduction, in part or in full, of the principal amount of the Notes or any accrued and unpaid interest on the Notes, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Statutory Loss-Absorption Power by the Relevant Resolution Authority with respect to the Notes will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholders to any remedies (including equitable remedies), which are hereby expressly waived.

16. **Waiver of set-off rights**

This Condition 16 applies to Notes if the relevant Final Terms so specifies and references to “Notes” shall be construed accordingly.

- (i) No Noteholder may at any time exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort, whether or not relating to such Note) and each Noteholder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer and accordingly any such discharge shall be deemed not to have taken place.

For the avoidance of doubt, nothing in this Condition is intended to provide, or shall be construed as acknowledging, any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder of any Note but for this Condition.

- (ii) In this Condition 16:

“**Waived Set-Off Rights**” means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Note.

17. **Substitution and Variation**

This Condition 17 applies to Subordinated Notes, Senior Non Preferred Notes and Ordinary Senior Notes if so specified in the relevant Final Terms, and references to “Notes” shall be construed accordingly.

- (i) If a Capital Event, a Disqualification Event or an event giving rise to the Issuer being entitled to redeem the Notes under Condition 12(b) (*Redemption for taxation reasons*) (a “**Tax Event**”) occurs and is continuing, the Issuer may substitute all (but not some only) of the Notes or modify the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to, become, or remain, Qualifying Notes, subject to having given not less than 15 nor more than 60 days' notice to the Noteholders in accordance with Condition 25 (*Notices*) (which notice shall be irrevocable and shall specify the date for substitution or, as applicable, variation), and subject to obtaining permission of the Competent Authority and/or the Relevant Resolution Authority, if and as applicable, thereto, if required. Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

(ii) Noteholders shall, by virtue of subscribing and/or purchasing and holding any Notes, be deemed to accept the substitution or variation of the terms of the Notes and to grant to the Issuer full power and authority to take any action and/or to execute and deliver any document in the name and/or on behalf of the Noteholders which is necessary or convenient to complete the substitution or variation of the terms of the Notes, as applicable.

(iii) In this Condition 17:

“**Qualifying Notes**” means, at any time, any securities denominated in a Specified Currency and issued directly by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 18 (*Statutory Loss-Absorption Power*), have terms not otherwise materially less favourable to the Noteholder than the terms of the Notes provided that the Issuer shall have delivered a certificate signed by two directors of the Issuer to that effect to the Fiscal Agent not less than five Business Days prior to (x) in the case of a substitution of the Notes, the issue date of the relevant securities or (y) in the case of a variation of the Notes, the date such variation becomes effective, provided that such securities shall:

- In the case of Notes qualifying as TLAC/MREL Eligible Instruments contain terms which comply with the then current requirements for TLAC/MREL Eligible Instruments as embodied in the Applicable Banking Regulations and in the case of Tier 2 Subordinated Notes, contain terms which comply with the current requirements for their inclusion on the Tier 2 capital of the Issuer and/or the Group pursuant to Applicable Banking Regulations; and
- carry the same rate of interest as the Notes prior to the relevant substitution or variation; and
- have the same denomination and aggregate outstanding principal amount as the Notes prior to the relevant substitution or variation; and
- have the same date of maturity and the same dates for payment of interest as the Notes prior to the relevant substitution or variation; and
- have at least the same ranking as set out in Condition 5 (*Status of the Notes*); and
- not, immediately following such substitution or variation, be subject to a Capital Event, Disqualification Event and/or a Tax Event (as defined above); and
- be listed or admitted to trading on any stock exchange as selected by the Issuer, if the Notes were listed or admitted to trading on a stock exchange immediately prior to the relevant substitution or variation,

and provided that (i) any change in the governing law of the Notes from English law to Spanish law so that the Notes become or remain Qualifying Notes shall not be subject to the requirement not to be materially less favourable to the interests of the Noteholders; and (ii) any variation in the ranking of the relevant Notes as set out in Condition 5 (*Status of the Notes*) resulting from such substitution or modification shall be deemed to be not materially less favourable to the interests of the Noteholders where the ranking of such Notes following such substitution or modification is at least the same ranking as was applicable to such Notes under Condition 5 (*Status of the Notes*) on the Issue Date of such Notes.

## 18. **Statutory Loss-Absorption Power**

(a) *Acknowledgement*: Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder (which for the purposes of this Condition 18, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees:

(i) to be bound by the effect of the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:

- the reduction of all, or a portion, of the Amounts Due on a permanent basis;
  - the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
  - the cancellation of the Notes or Amounts Due;
  - the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and
- (ii) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority.
- (b) *Payment of Interest and Other Outstanding Amounts Due:* No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in the Kingdom of Spain and the EU applicable to the Issuer or other members of the Group.
- (c) *Notice to Noteholders:* Upon the exercise of any Statutory Loss-Absorption Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will make available a written notice to the Noteholders as soon as practicable regarding such exercise of the Statutory Loss-Absorption Power. The Issuer will also deliver a copy of such notice to the Agents for information purposes. No failure or delay by the Issuer to deliver a notice to the Noteholders shall affect the validity or enforceability of the exercise of the Statutory Loss-Absorption Power.
- (d) *Duties of the Agents:* Upon the exercise of any Statutory Loss-Absorption Power by the Relevant Resolution Authority, (a) the Agent shall not be required to take any directions from Noteholders, and (b) the Issue and Paying Agency Agreement shall impose no duties upon any of the Agents whatsoever, in each case with respect to the exercise of any Statutory Loss-Absorption Power by the Relevant Resolution Authority.
- (e) *Proration:* If the Relevant Resolution Authority exercises the Statutory Loss-Absorption Power with respect to less than the total Amounts Due, unless any of the Agents is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Statutory Loss-Absorption Power will be made on a pro-rata basis.
- (f) *Conditions Exhaustive:* The matters set forth in this Condition 18 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any holder of a Note.
- (g) *Definitions:* In this Condition 18:

“**Amounts Due**” means the principal amount, together with any accrued but unpaid interest, and additional amounts, if any, due on the Notes under Condition 14 (*Taxation*). References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority;

“**Regulated Entity**” means any entity to which BRRD, as implemented in Spain (including but not limited to, Law 11/2015, Royal Decree 1012/2015 and any other implementing regulations) and as amended or superseded from time to time, or any other Spanish piece of legislation relating to the Statutory Loss-Absorption Power, applies, which includes, certain credit institutions, investment firms, and certain of their parent or holding companies;

“**Statutory Loss-Absorption Power**” means any power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Kingdom of Spain,

relating to (i) the transposition of the BRRD (including but not limited to, Law 11/2015, Royal Decree 1012/2015, and any other implementing regulations) as amended or superseded from time to time, (ii) the SRM Regulation, and (iii) the instruments, rules and standards created thereunder, pursuant to which any obligation of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced, cancelled, suspended, modified, or converted into shares, other securities, or other obligations of such Regulated Entity (or affiliate of such Regulated Entity).

*Please see the risk factor “3.1.1 The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 could materially affect the rights of the Noteholders under, and the value of, any Notes” for further information.*

#### 19. **Recognition of Stay Powers**

Notwithstanding any other term of the Notes or any other agreements, arrangements, or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder (which for the purposes of this Condition 19, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees that it may be subject to the exercise of Stay Powers by the Relevant Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

- (a) the effect of the exercise of Stay Powers by the Relevant Resolution Authority in relation to an obligation of the Issuer to each of the Noteholders and/or a right of the Issuer and the Noteholders, as applicable, under the Notes, that (without limitation) may include and result in any of the following, or some combination thereof:
- the suspension of any payment or delivery obligation if the Issuer is failing or likely to fail or under resolution;
  - the restriction of enforcement of security interests if the Issuer is under resolution; and
  - the temporary suspension of termination rights if the Issuer is under resolution.
- (b) the fact that the exercise of Stay Powers by the Relevant Resolution Authority shall not constitute non-performance of a contractual obligation and therefore deemed to be an enforcement event within the meaning of Directive 2002/47/EC or as insolvency proceedings within the meaning of Directive 98/26/EC implemented in Spain through Royal Decree-law 5/2005 and Law 41/1999, respectively.

For the purposes of this Condition 19:

“**Stay Powers**” means any suspension of obligations or restriction of rights in accordance with Articles 33a, 69, 70 and 71 of BRRD, implemented in Spain through Articles 66 and 70 to 70 ter of Law 11/2015.

#### 20. **Prescription**

If English law is specified as the governing law of the Notes, claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date and claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. If Spanish law is specified as the governing law of the Notes, claims against the Issuer for payment in respect of the Notes will become void unless made within three years of the appropriate Relevant Date.

#### 21. **Replacement of Notes and Coupons**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

22. **Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; **provided, however, that:**

- (a) the Issuer shall at all times maintain a Fiscal Agent; and
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

23. **Meetings of Noteholders; Modification and Waiver**

- (a) *Interpretation:* References in this Condition to the Notes are to the Series of Notes in respect of which Meeting is, or is proposed to be, convened.
- (b) *Convening of Meeting:* The Issuer may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than one tenth of the aggregate principal amount of the outstanding Notes.
- (c) *Notice:* At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting (or, in the case of virtual meetings, the details of the electronic platform to be used and the means to attend and participate in it) shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer). The notice shall set out the full text of any resolutions to be proposed and shall state that the Notes may be deposited with, or to the order of any Paying Agent for the purpose of obtaining Voting Certificates not later than 48 hours before the time fixed for the Meeting.
- (d) *Chairperson:* An individual (who may, but need not, be a Noteholder) nominated in writing by the Issuer may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairperson. The Chairperson of an adjourned Meeting need not be the same person as was the Chairperson of the original Meeting.
- (e) *Quorum:* The quorum at any Meeting shall be one or more Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes; *provided, however, that*, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding Notes is represented by a Global Note, a single Proxy representing the holder thereof shall be deemed to be one or more Voters for the purpose of forming a quorum.
- (f) *Adjournment for want of quorum:* If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:
  - (a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and
  - (b) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairperson determines; *provided, however, that:*

- (i) the Meeting shall be dissolved if the Issuer so decides; and
    - (ii) no Meeting may be adjourned more than once for want of a quorum.
  - (g) *Adjourned Meeting:* The Chairperson may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place (including prescribe the holding of the Meeting by conference call, including by use of a videoconference platform in circumstances where it may be impractical or inadvisable to hold a physical Meeting), but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.
  - (h) *Notice following adjournment:* Condition 23(c) (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:
    - (a) ten days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
    - (b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.
  - (i) *Participation:* The following may attend and speak at a Meeting:
    - (a) Voters;
    - (b) representatives of the Issuer and the Fiscal Agent;
    - (c) the financial advisers of the Issuer;
    - (d) the legal counsel to the Issuer and the Fiscal Agent; and
    - (e) any other person approved by the Meeting.
  - (j) *Show of hands:* Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairperson's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.
  - (k) *Poll:* A demand for a poll shall be valid if it is made by the Chairperson, the Issuer or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairperson directs, but any poll demanded on the election of the Chairperson or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairperson directs.
  - (l) *Votes:* Every Voter shall have:
    - (a) on a show of hands, one vote; and
    - (b) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Note(s) represented or held by him by the unit of currency in which the Notes are denominated.
- In the case of a voting tie the Chairperson shall have a casting vote.
- Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.
- (m) *Powers:* A Meeting shall have power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:
    - (a) to approve any Reserved Matter;

- (b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any of these Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
  - (c) to approve any proposal by the Issuer for any modification of any provision of the Deed of Covenant insofar as it relates to the Deed of Covenant or any arrangement in respect of the obligations of the Issuer thereunder;
  - (d) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes and the Deed of Covenant;
  - (e) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or the Deed of Covenant, or any act or omission which might otherwise constitute an event of default under the Notes;
  - (f) to authorise the Fiscal Agent or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
  - (g) to give any other authorisation or approval which is required to be given by Extraordinary Resolution; and
  - (h) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.
- (n) *Resolutions bind all holders:* A resolution shall be binding upon all Noteholders and holders of Coupons and Talons whether or not present at such Meeting and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer) within 14 days of the conclusion of the Meeting.
- (o) *Minutes:* Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairperson shall sign the minutes, which shall be prima facie evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
- (p) *Written Resolution:* A Written Resolution shall take effect as if it were an Extraordinary Resolution.
- (q) *Modification:* The Notes and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error or to make any modification that is of a minor, formal or technical nature or to comply with a mandatory provision of law. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the sole opinion of the Issuer, not materially prejudicial to the interests of the Noteholders. By its acquisition of the Notes, each Noteholder and Couponholder (which for these purposes includes each holder of a beneficial interest in the Notes or the Coupons) will be deemed to have expressly consented to a modification of the Notes, these Conditions or the Agency Agreement pursuant to this Condition 23.

#### 24. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

#### 25. **Notices**

Notices to the Noteholders shall be valid if published (a) if the rules of the exchange on which the Notes are listed so required, in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe or (b) if and for so long as the Notes are admitted

to trading on AIAF, on the CNMV's website, www.cnmv.es. The Issuer shall also ensure that notices to the Noteholders are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

26. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms) (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) unless stated otherwise, all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

27. **Governing Law and Jurisdiction**

The governing law and jurisdiction of the Notes will be specified in Part A of the relevant Final Terms.

27.1 English law

If English law is specified as the governing law of the Notes in the relevant Final Terms, the provisions of this Condition 27.1 shall apply to the Notes.

- (a) *Governing law:* Condition 5 (*Status of the Notes*) is governed by Spanish law. Save as mentioned above, the Notes, Coupons and Talons and all matters arising from or connected with the Notes, Coupons and Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, English law.
- (b) *English Courts:* The courts of England have exclusive jurisdiction to settle any dispute arising from or connected with the Notes, Coupons and/or Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with them) (a “**Dispute**”).
- (c) *Appropriate Forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) Condition 27.1(b) (*English Courts*) is for the benefit of the holders of the Notes, Coupons and/or Talons only. As a result, nothing in this Condition 27.1 prevents any holder of a Note, Coupon or Talon from bringing (i) proceedings relating to a Dispute (“**Proceedings**”) in (a) any other court of Member States of the European Union to the extent that they would be competent to hear the Dispute according to the rules of the Brussels Ia Regulation or (b) any other court of states that are parties to the Lugano II Convention to the extent that they would be competent to hear the Dispute according to the rules thereof; and (ii) concurrent Proceedings in any number of such jurisdictions.

In this Condition 27.1(d):

“**Brussels Ia Regulation**” means Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, as amended; and

“**Lugano II Convention**” means the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, signed on 30 October 2007.

- (e) Notwithstanding the above Conditions 27.1(b) to (d), the courts of the city of Madrid (Spain) have exclusive jurisdiction to settle any dispute that may arise from or in connection with the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority (a “**Bail-in Dispute**”) and accordingly, each of the Issuer and holders of Notes, Coupons and/or Talons in relation to any Bail-in Dispute submits to the exclusive jurisdiction of such courts and waives any objection to the courts of the city of Madrid (Spain) on the ground that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.
- (f) *Service of process*: The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Banco de Sabadell, S.A., London Branch at 10th Floor, 30 St Mary Axe, London EC3A 8EP, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law.
- (g) *Rights of Third Parties*: No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

## 27.2 Spanish Law

If Spanish law is specified as the governing law of the Notes in the relevant Final Terms, the provisions of this Condition 27.2 shall apply to the Notes.

- (a) *Governing law*: The Notes, Coupons and Talons and all matters arising from or connected with the Notes, Coupons, and Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with them) and the exercise of the Statutory Loss-Absorption Power by the Relevant Resolution Authority (a “**Bail-in Dispute**”) shall be governed by, and construed in accordance with, Spanish law.
- (b) *Madrid Courts*: The Issuer hereby irrevocably agrees for the benefit of the holders of the Notes, Coupons or Talons that the courts of the city of Madrid (Spain) have exclusive jurisdiction to settle any dispute arising from or connected with the Notes, Coupons and/or Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with them) (a “**Dispute**”).
- (c) *Appropriate Forum*: The Issuer agrees that the courts of the city of Madrid are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) Condition 27.2(b) (*Madrid Courts*) is for the benefit of the holders of the Notes, Coupons and/or Talons only. As a result, nothing in this Condition 27.2 prevents any holder of a Note, Coupon or Talon from bringing (i) proceedings relating to a Dispute (“**Proceedings**”) in (a) any other court of Member States of the European Union to the extent that they would be competent to hear the Dispute according to the rules of the Brussels Ia Regulation or (b) any other court of states that are parties to the Lugano II Convention to the extent that they would be competent to hear the Dispute according to the rules thereof; and (ii) concurrent Proceedings in any number of such jurisdictions.

In this Condition 27.2(d):

“**Brussels Ia Regulation**” means Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, as amended; and

**“Lugano II Convention”** means the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, signed on 30 October 2007.

- (e) In addition, the courts of the city of Madrid (Spain) have exclusive jurisdiction to settle any Bail-in Dispute and accordingly each of the Issuer and holders of Notes, Coupons and/or Talons in relation to any Bail-in Dispute submits to the exclusive jurisdiction of such courts and waives any objection to the courts of the city of Madrid (Spain) on the ground that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

## PRO FORMA FINAL TERMS

### PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (“**POATRs**”). Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook (“**DISC**”), for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

**[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>18</sup>

**[UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>19</sup>

[In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations**”)]

<sup>18</sup> Legend to be included if the product governance requirements under MiFID II apply to the relevant Tranche in accordance with Directive (EU) 2021/338 (as implemented in the relevant Member States).

<sup>19</sup> Legend to be included if the product governance requirements under UK MiFIR apply to the relevant Tranche in accordance with Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.)<sup>20</sup>

*[In respect of any tranche of Notes issued in Singapore Dollars with a denomination of less than S\$200,000, the following information is provided pursuant to Regulation 6 of the Banking Regulations made under the Banking Act 1970 of Singapore:*

- (a) *the place of booking of the Notes is [●];*
- (b) *the branch or office of the Issuer at which the tranche of the Notes is booked is not subject to regulation or supervision in Singapore;*
- (c) *the tranche of Notes is [not secured by any means] OR [secured by [please describe the nature of the security, the name of the mortgagor, chargor or guarantor and whether such person is regulated by the Monetary Authority of Singapore]].]*

*[Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.]*

## **Final Terms dated [●]**

### **Banco de Sabadell, S.A. Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

#### **Euro Medium Term Note Programme**

#### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated 28 May 2026 [and the supplement[s] to it dated [insert date] [and [insert date]]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Regulation. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus [as so supplemented] in order to obtain all the relevant information on the Issuer and the offer of the Notes. [The Base Prospectus [and the supplement[s] to it dated [insert date] [and [insert date]]] has [have] been published on the website of the CNMV and is available for viewing at [www.cnmv.es/](http://www.cnmv.es/)]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [12 May 2025] / [14 May 2024] / [19 May 2023] / [1 June 2022] / [31 May 2021] / [26 May 2020] / [29 April 2019] / [23 March 2018] [and the supplement[s] to it dated [insert date] [and [insert date]]] which are incorporated by reference in the Base Prospectus dated 28 May 2026. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 28 May 2026 [and the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the “**Base Prospectus**”), including the Conditions incorporated by reference in the Base Prospectus in order to obtain all the relevant information on the Issuer and the offer of the Notes. The Base Prospectus [and the supplement[s] to it dated [insert date] [and [insert date]]] has [have] been published on the website of the CNMV and is available for viewing at [www.cnmv.es/](http://www.cnmv.es/)]

For the purposes of these Final Terms, the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended.

<sup>20</sup> To include the Section 309B notification where offers are made in Singapore to persons other than accredited investors and institutional investors (each as defined in the SFA).

[In accordance with the Prospectus Regulation, no prospectus is required in connection with the issuance of the Notes described herein.]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

- |    |  |   |
|----|--|---|
| 1. | (i) Issuer:                                      | Banco de Sabadell, S.A.   |
| 2. | (i) Series Number:                               | [•]   |
|    | (ii) [Tranche Number:]                           | [•]   |
|    | (iii) [Date on which the Notes become fungible:] | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [[•]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 27 below [which is expected to occur on or about [•]].] |
| 3. | Specified Currency or Currencies:                | [•]   |
| 4. | Aggregate Nominal Amount:                        | [•]   |
|    | (i) [Series]:                                    | [•]   |
|    | (ii) Tranche:                                    | [•]   |
| 5. | Issue Price:                                     | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•] (in the case of fungible issues only, if applicable)]   |
| 6. | (i) Specified Denominations:                     | [•]<br><br><i>No Notes may be issued which have a minimum denomination of less than €100,000 (or equivalent in another currency)</i>  |
|    | (ii) Calculation Amount:                         | [•]   |
| 7. | (i) Trade Date:                                  | [•]   |
|    | (ii) Issue Date:                                 | [•]   |
|    | (iii) Interest Commencement Date:                | [[•]/Issue Date/Not Applicable]   |
| 8. | Maturity Date:                                   | <i>[Specify date or (for Floating Rate Notes)- Interest Payment Date falling in or nearest to [specify relevant month and year]]</i>  |
| 9. | Interest Basis:                                  | [[•] per cent. Fixed Rate]<br><br>[Fixed Reset Notes]<br><br>[•] month [EURIBOR/€STR/SONIA/SOFR]+/- [•] per cent. Floating Rate] <i>[Note that the Reference Rate can only be EURIBOR, €STR, SONIA or SOFR]</i><br><br>[Zero Coupon]  |

(see paragraph [14/15/16/17] below)

10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [•]/[100] per cent. of their nominal amount.
11. Change of Interest or Redemption/Payment Basis: [*Specify the date when any fixed to floating rate change occurs or refer to paragraphs 14 and 16 below and identify there/Not Applicable*]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Capital Event (Tier 2 Subordinated Notes)]  
[Disqualification Event (Senior Notes – Ordinary Senior Notes/ Senior Notes – Senior Non Preferred Notes / Senior Subordinated Notes / Tier 2 Subordinated Notes)]  
[Issuer Call – Clean-Up Redemption Option]  
[See paragraphs 18/19/20/21/22 below]
13. (i) Status of the Notes: [Senior Notes - Ordinary Senior Notes / Senior Notes - Senior Non Preferred Notes / Subordinated Notes - Senior Subordinated Notes / Subordinated Notes - Tier 2 Subordinated Notes]
- (ii) [Date [Board] approval for issuance of Notes] obtained: [•] [and [•], respectively]  
*(N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [•] per cent. per annum payable in arrear on each Interest Payment Date / [payable [annually/ semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [•] in each year in each year [adjusted in accordance with [•]/[not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (iv) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•] [Not Applicable]  
*[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)]*

(v)	Day Count Fraction:	[30/360 / Actual/Actual (ICMA/ISDA) / Actual/365(Fixed) / [Actual/360]/[30/360]]
(vi)	[Ratings Step-up/Step down: [Step-up/Step-down Margin:	[Applicable/Not Applicable] [•] per cent. <i>per annum</i> ]]
15.	<b>Fixed Reset Note Provisions</b>	[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Initial Interest Rate:	[•] per cent. per annum payable in arrear on each Interest Payment Date / [payable [annually/ semi-annually/quarterly/monthly] in arrear]
(ii)	Interest Payment Date(s):	[•] in each year [adjusted in accordance with [•]]/[not adjusted]
(iii)	Fixed Coupon Amount to (but excluding) the First Reset Date:	[•] per Calculation Amount
(iv)	Broken Amount(s):	[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•][Not Applicable]
(v)	Day Count Fraction:	[30/360 / Actual/Actual (ICMA/ISDA) / Actual/365(Fixed) / [Actual/360]/[30/360]]
(vi)	First Reset Date:	[•]
(vii)	Second Reset Date:	[[•]/Not Applicable]
(viii)	Subsequent Reset Date(s):	[[•]/Not Applicable]
(ix)	Mid Swap Rate:	[•]
(x)	Reset Margin:	[+/-][•] per cent. <i>per annum</i>
(xi)	Relevant Screen Page:	[•]
(xii)	Floating Leg Reference Rate:	[•]
(xiii)	Floating Leg Screen Page:	[•]
(xiv)	Initial Mid-Swap Rate:	[•] per cent. <i>per annum</i> (quoted on a[n annual/semi-annual basis])
(xv)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not Banco de Sabadell, S.A.):	[•] shall be the Calculation Agent
(xvi)	Minimum Rate of Interest:	[•] per cent. per annum
16.	<b>Floating Rate Note Provisions</b>	[Applicable/Not Applicable]  <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Specified Period:	[•]
(ii)	Specified Interest Payment Dates:	[•]

- (iii) [First Interest Payment Date]: [•]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
- (v) Additional Business Centre(s): [Not Applicable/[•]]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not Banco de Sabadell, S.A.): [•] shall be the Calculation Agent
- (viii) Screen Rate Determination: [Applicable / Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- Reference Rate: [•] month [EURIBOR/€STR/SONIA/SOFR] [*Note that the Reference Rate can only be EURIBOR, €STR, SONIA or SOFR*]
  - Interest Determination Date(s): [•]
 

*(In the case of EURIBOR, the second day on which T2 is open prior to the start of each Interest Period)*

[[ ] London Banking Days prior to each Interest Payment Date]]

*(In the case of Notes where the Reference Rate is SONIA)*

[[ ] U.S. Government Securities Business Days prior to each Interest Payment Date]

*(In the case of Notes where the Reference Rate is SOFR)*

[[ ] TARGET Business Days prior to each Interest Payment Date]

*(In the case of Notes where the Reference Rate is €STR)*
  - Relevant Screen Page: [•] [*For example, Reuters/EURIBOR 01*]
  - Calculation Method: [*Include where the Reference Rate is SONIA: [SONIA Compounded Daily]/[SONIA Index Compounded Daily]*
- [Include where the Reference Rate is SOFR: [SOFR Arithmetic Mean]/[SOFR Compound: [SOFR Compound with Lookback]/[SOFR Compound with Observation Period Shift]/ ]/[SOFR Compound with Payment Delay]/[SOFR Index with Observation Shift]]]*

- [Include where the Reference Rate is €STR: [€STR Compounded Daily]/[€STR Index Compounded Daily]/[€STR Weighted Average]]
- Observation Method: [Include where the Calculation Method is SONIA/€STR Compounded Daily: [Lag]/[Lock-out]/[Shift]]
  - p: [[specify] [London Banking Days]/[U.S. Government Securities Business Days]/ [TARGET Business Days]//[As per the Conditions]/[Not applicable]]  
  
 (Include where the Reference Rate is SONIA, €STR, or SOFR (where the Calculation Method is SOFR Compound: SOFR Compound with Lookback))
  - Observation Shift Days: [[specify] U.S. Government Securities Business Days]/[As per the Conditions]/[Not Applicable]]  
  
 (Include where the Reference Rate is SOFR and the Calculation Method is SOFR Compound: SOFR with Observation Period Shift or SOFR Index with Observation Shift)
  - Interest Payment Delay: [Not Applicable / [ ] U.S. Government Securities Business Day(s)]  
  
 (Include where the Reference Rate is SOFR)
  - Interest Period End Dates: [As per Conditions] [specify] [Not Applicable]  
  
 (Include where the Reference Rate is SONIA or €STR and the Observation Method is “Lag”, “Shift” or “Lock-out” or SOFR and the Calculation Method is Compound with Observation Period Shift, Compound with Payment Delay or Index with Observation Shift)
  - [SOFR Cut-Off Date: [As per Conditions]/[[specify] U.S. Government Securities Business Days]/[ Not Applicable]]  
  
 (Include where the Reference Rate is SOFR. Must apply where the Calculation Method is SOFR Arithmetic Mean)
  - [SOFR Replacement Alternatives Priority: [As per Conditions]/[specify order of priority of SOFR Replacement Alternatives listed in Condition 9(f)(iv)]]
  - [ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]]  
  
 (Include where the Reference Rate is SOFR)
- (ix) ISDA Determination: [Applicable / Not Applicable]  
  
 (If not applicable, delete the remaining subparagraphs of this paragraph)
- ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]

	•	Designated Maturity:	[•]
	•	Reset Date:	[•]
	•	Floating Rate Option:	[•]
	•	Compounding:	[Applicable/Not Applicable] <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>
		- Overnight Rate Compounding Method:	[Compounding with Lookback: Lookback: [•] Applicable Business Days]
			[Compounding with Observation Period Shift: Observation Period Shift: [•] Observation Period Shift Business Days. Observation Period Shift Additional Business Days: [•]/[Not Applicable]]
			[Compounding with Lockout: Lockout: [•] Lockout Period Business Days. Lockout Period Business Days: [•]/[Applicable Business Days]]
	•	Averaging:	[Applicable/Not Applicable] <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>
		- Overnight Rate Averaging Method:	[Averaging with Lookback: Lookback: [•] Applicable Business Days][Averaging with Observation Period Shift: Observation Period Shift: [•] Observation Period Shift Business Days. Observation Period Shift Additional Business Days: [•]/[Not Applicable.]]
			[Averaging with Lockout: Lockout: [•] Lockout Period Business Days. Lockout Period Business Days: [•]/[Applicable Business Days.]]
	•	Index Provisions:	[Applicable/Not Applicable] <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>
		- Index Method:	Compounded Index Method with Observation Period Shift:
			Observation Period Shift: [•] Observation Period Shift Business Days.
			Observation Period Shift Additional Business Days: [•]/[Not Applicable]
(x)		Linear interpolation:	Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation ( <i>specify for each short or long interest period</i> )
(xi)		Margin(s):	[+/-][•] per cent. <i>per annum</i>
(xii)		Minimum Rate of Interest:	[•] per cent. <i>per annum</i>
(xiii)		Day Count Fraction:	[•]
(xiv)		[Ratings Step-up/Step-down:	[Applicable/Not Applicable]
		[Step-up/Step-down Margin:	[•] per cent. <i>per annum</i> ]]
17.		<b>[Zero Coupon Note Provisions]</b>	[Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) [Accrual Yield:] [•] per cent. per annum
- (ii) [Reference Price:] [•]
- (iii) [Day Count Fraction in relation to Early Redemption Amount:] [30/360 / Actual/Actual (ICMA/ISDA)]

#### **PROVISIONS RELATING TO REDEMPTION**

18. Call Option (Condition 12(c)): [Applicable/Not Applicable]

*(if not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Optional Redemption Date(s) (Call): [•]
- (ii) Optional Redemption Amount(s) (Call) of each Note: [•] per Calculation Amount
  - (a) [Reference Bond: [•]
  - (b) [Quotation Time: [•]
  - (c) [Redemption Margin: [•] per cent.
  - (d) [Determination Date: [•]
  - (e) [Reference Dealers: [•]
- (iii) If redeemable in part:
  - (a) Minimum Redemption Amount: [•] per Calculation Amount
  - (b) Maximum Redemption Amount: [•] per Calculation Amount
- (iv) Notice period: [•]

19. Capital Event (Condition 12(d)): [Applicable/Not Applicable]

*(May be applicable to Tier 2 Subordinated Notes)*

20. Disqualification Event (Condition 12(e)): [Applicable/Not Applicable]

*(May be applicable to Senior Notes/Subordinated Notes)*

21. Put Option (Condition 12(i)): [Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Optional Redemption Date(s) (Put): [•]
- (ii) Optional Redemption Amount(s) (Put) of each Note: [•] per Calculation Amount

- (iii) Notice period: [•]
22. Clean-Up Redemption Option (Condition 12(f)): [Applicable/Not Applicable]
- (i) Clean-Up Percentage: [[75] per cent. / [•] per cent.]
- (ii) Optional Redemption Amount(s) (Call) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount / [•]
23. Final Redemption Amount of each Note: [•] per Calculation Amount
24. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or upon the occurrence of a Capital Event or a Disqualification Event: [•] per Calculation Amount
25. [Ordinary Senior Notes - Events of Default (Condition 15)]: [Condition 15(a) Not Applicable and Condition 15(b) Applicable] *(Applicable only for Ordinary Senior Notes if the Ordinary Senior Notes are intended to qualify as eligible liabilities)*
26. [Ordinary Senior Notes – Negative Pledge (Condition 6)]: [Applicable/Not Applicable] *(Applicable only for Ordinary Senior Notes if the Ordinary Senior Notes are not intended to qualify as eligible liabilities)*

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

27. Form of Notes: Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005] *(Include for Notes that are to be offered in Belgium)*
28. New Global Note form: [Applicable/Not Applicable]
29. Additional Financial Centre(s): [Not Applicable/[•]] [Note that this paragraph relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 16(iv) relates]
30. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No]

31. Substitution and Variation: [Applicable /Not Applicable]  
32. Waiver of set-off rights (Condition 16): [Applicable /Not Applicable]  
33. Governing law (Condition 27): [English law /Spanish law]

**THIRD PARTY INFORMATION**

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of **Banco de Sabadell, S.A.**

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Admission to Listing: [Application [has been/will be] made by the Issuer (or on its behalf) for the Notes to be admitted to listing on [the Spanish AIAF Fixed Income Market (*AIAF Mercado de Renta Fija*) (“AIAF”)] with effect from [•].]
- (ii) Admission to Trading: Application [has been/will be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*AIAF*] with effect from [•].
- (When documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
- (iii) Estimate of total expenses related to admission to trading: [•]

### 2. RATINGS

The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

Ratings:

[S&P: [•]]

[Moody's: [•]]

[Fitch: [•]]

[DBRS: [•]]

[[Other]: [•]]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

#### ***Option 1 – Credit rating agency established in the EEA and registered under the CRA Regulation***

*[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “CRA Regulation”).*

#### ***Option 2 - Credit rating agency not established in the EEA but relevant rating is endorsed by a credit rating agency which is established and registered under the CRA Regulation***

*[Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA but the rating it has given to the Notes is endorsed by [insert legal name of credit rating agency], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “CRA Regulation”).*

***Option 3 - Credit rating agency is not established in the EEA and relevant rating is not endorsed under the CRA Regulation but credit rating agency is certified under the CRA Regulation***

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the “CRA Regulation”).

***Option 4 - Credit rating agency neither established in the EEA nor certified under the CRA Regulation and relevant rating is not endorsed under the CRA Regulation***

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA and is not certified under Regulation (EU) No 1060/2009, as amended (the “CRA Regulation”) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation.

***Option 5- Credit rating agency established in the UK and registered under the UK CRA Regulation***

[Insert legal name of particular credit rating agency entity providing rating] is established in the UK and registered under the UK CRA Regulation.

***Option 6 - Credit rating agency established in a third country but relevant rating is endorsed by a credit rating agency which is established and registered under the UK CRA Regulation***

[Insert legal name of particular credit rating agency entity providing rating] is established in a third country but the rating it has given to the Notes is endorsed by [insert legal name of credit rating agency], which is established in the UK and registered under Regulation the UK CRA Regulation.

***Option 7 - Credit rating agency is established in a third country and relevant rating is not endorsed under the UK CRA Regulation but credit rating agency is certified under the UK CRA Regulation***

[Insert legal name of particular credit rating agency entity providing rating] is established in a third country but is certified under the UK CRA Regulation.

**3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

*(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:)*

[Save for the fees [of] [insert relevant fee disclosure] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The

[Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. (*Amend as appropriate if there are other interests*)]

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 23 of the Prospectus Regulation.)]*

4. **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

(i) Reasons for the offer: [See item (a) of section “*Use of Proceeds*” in the Base Prospectus./The Notes are specified as being [“Green Bonds”][“Social Bonds”][“Sustainability Bonds”] and the net proceeds from the issuance of the Notes will be used as described in “*Use of Proceeds*” in the Base Prospectus./Give details, if reasons for offer are different from general corporate purposes or the Notes are not identified as “Green Bonds”, “Social Bonds” or “Sustainability Bonds”]

(ii) Estimated net proceeds: [•]

5. **[Fixed Rate Notes only – YIELD**

Indication of yield: [•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. **OPERATIONAL INFORMATION**

ISIN: [•]

Common Code: [•]

CFI: [See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

*The actual code should only be included where the Issuer is comfortable that it is correct.*

FISN: [See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

*The actual code should only be included where the Issuer is comfortable that it is correct.*

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [•]/[Not Applicable]

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does

not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

**7. DISTRIBUTION**

- (i) Method of Distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
  - (A) Names of Dealers: [Not Applicable/[•]]
  - (B) Stabilisation Manager(s), if any: [Not Applicable/[•]]
- (iii) If non-syndicated, name of Dealer: [Not Applicable/[•]]
- (iv) U.S. Selling Restrictions: Reg S Compliance Category 2; [TEFRA C/TEFRA D/TEFRA not applicable]

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

### Clearing System Accountholders

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Conditions of the Notes to “**Noteholder**” are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note (each an “**Accountholder**”) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the bearer of the Global Note.

### Conditions applicable to Global Notes

Each Global Note will contain provisions which modify the Conditions of the Notes as they apply to the Global Note. The following is a summary of certain of those provisions:

*Payments:* All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

*Payment Business Day:* In the case of a Global Note, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre (as may be specified in the relevant Final Terms).

*Exercise of put option:* In order to exercise the option contained in Condition 12(i) (*Redemption at the option of Noteholders*) the bearer of the Permanent Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 12(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

*Notices:* Notwithstanding Condition 25 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 25 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

*Purchase and Cancellation:* Cancellation of any Note surrendered for cancellation following its purchase will be effected by reduction in the principal amount of the relevant Global Note.

*Default:* Following the giving of a notice of an event of default by or through a common depository or, as the case may be, a common safekeeper for Euroclear and Clearstream, Luxembourg, accountholders with a clearing system will acquire direct enforcement rights against the Issuer under the terms of Condition 4 (*Direct Rights*) of the Conditions and, as applicable (i) in the case of English Law Notes, the Deed of Covenant and (ii) in the case of Spanish Law Notes, the provisions of the Global Notes.

*Prescription:* Claims against the Issuer in respect of Notes which are represented by a permanent Global Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date.

*Meetings:* The holder of a permanent Global Note will be treated as being two persons for the purposes of any quorum requirements of a meeting of holders and, at any such meeting, as having one vote in respect of each minimum Denomination of Notes for which such Global Note may be exchanged.

## DESCRIPTION OF BANCO SABADELL

### Incorporation and status

The Issuer and its consolidated subsidiaries compose the Group. The Issuer was incorporated on 31 December 1881 in the town of Sabadell, near Barcelona for an unlimited term and conducts its business under the commercial name “Banco Sabadell”.

The Issuer has its registered office in the city of Sabadell, Plaça de Sant Roc, nº 20, PC 08201, Spain (contact telephone number 0034 902 030 255) and is registered with the Commercial Registry of Barcelona (Spain) under volume/company’s single registration identifier (*identificador registral único de la sociedad (IRUS)*) 1000152932861, page 873 and sheet B-1561.

The Issuer is a Spanish company with legal status as a public limited company (*sociedad anónima*) and is governed by the Spanish Companies Law approved by Royal Legislative Decree 1/2010, of 2 July (*Texto Refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio*), as amended (the “**Spanish Companies Law**”). The Issuer is subject to special legislation applicable to credit entities in general, the supervision, control and regulation of the ECB, and, as a listed company, the regulatory oversight of the CNMV.

### Developments

*Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)*

On 16 June 2025, by way of the inside information announcement published on the CNMV website, the Bank confirmed, in relation to press reports published on that date, that it had received preliminary and non-binding expressions of interest regarding the acquisition of TSB Share Capital and that any binding offer received would be considered, subject to compliance with all applicable legal obligations.

On 1 July 2025, the Bank communicated, by means of an inside information announcement, that following receipt of a binding offer from Banco Santander, S.A. (“**Banco Santander**”) for the acquisition of TSB by its subsidiary Santander UK, the Board of Directors resolved to submit the TSB Sale to the extraordinary general shareholders’ meeting.

The TSB Sale does not include the sale of the technology platform providing services to TSB, owned by the wholly-owned subsidiary of the Group Sabadell Digital, S.A.U., which is expected to continue providing services to TSB until TSB migrates to another technology platform. Banco Sabadell has undertaken that no company within the Group will compete with Banco Santander in the UK banking market for the 24 months following the closing date of the TSB Sale, without prejudice to the continuation of the activities of Banco Sabadell’s branch in that country.

As a result of the foregoing, the operations carried out by TSB, which comprise the Group’s Banking Business in the United Kingdom, were reclassified as discontinued operations from an accounting perspective as from 1 July 2025.

On 6 August 2025, the first extraordinary general shareholders’ meeting of Banco Sabadell approved the TSB Sale, with the completion therefore remaining subject only to obtaining by no later than 1 July 2026 the regulatory authorisations from the PRA, the Competition and Markets Authority of the UK and the ECB.

Likewise, the second extraordinary general shareholders’ meeting of Banco Sabadell held on 6 August 2025 also approved the distribution of the Extraordinary Dividend subject to the completion of the TSB Sale.

On 30 April 2026, the TSB Sale was completed for £2,863 million after obtaining the necessary regulatory authorisations. In turn, the Extraordinary Dividend will be distributed on 29 May 2026.

*Strategic agreement to provide digital payment services entered into with Nexi S.p.A. (cancelled in October 2025)*

On 27 February 2023, Banco Sabadell and Nexi S.p.A. (“**Nexi**”) entered into a strategic agreement to provide digital payment services for a renewable 10-year period. The agreement involved the acquisition by Nexi of 80 per cent. of Paycomet, S.L.U. (“**Paycomet**”), Banco Sabadell’s payments subsidiary, for €280 million. Banco Sabadell would retain a 20 per cent. stake for a period of at least 3 years, after which Banco Sabadell would have an option to sell its 20 per cent. stake.

The total amount of the transaction was set at €350 million (including the abovementioned €280 million for the 80 per cent. of the shares in Paycomet), which could be increased depending on the achievement of certain objectives.

The necessary regulatory authorisations for this transaction were obtained, with the closing of the transaction remaining subject to the outcome of the tender offer launched by Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA”) to acquire all of the share capital of the Bank. In October 2025, once the BBVA tender offer was withdrawn by BBVA, Banco Sabadell and Nexi decided to terminate the strategic agreement, extinguishing the commitments undertaken by each of them.

## **Business Overview**

Banco Sabadell is one of the largest banks in Spain’s financial system, with total consolidated assets and total consolidated loans and advances to customers of €245,392 million and €120,770 million\*, respectively, as of 31 December 2025 (€239,598 million and €158,876 million, respectively, as of 31 December 2024). Banco de Sabadell, S.A. is the controlling company of the Group, which comprised, as of 31 December 2025, a total of 79 companies that the Group fully consolidates. In addition, there were 21 associated companies.

The main activity carried out by the Group in the different jurisdictions in which it operates is banking, and fundamentally commercial banking through a wide range of products and services for large and medium-sized companies, SMEs, retailers and self-employed workers, professional groups, other individuals and bancassurance. The main customers of the Group are SMEs and individual clients in Spain, with a total customer base that is now six times larger than it was in 2008. As of 31 December 2025, the Group operated a total of 1,336 branches (1,136 in Spain). The Group’s retail banking activities are conducted primarily through this branch network.

The Group’s primary source of liquidity is generated from its customer deposits. In addition, the Group has access to a variety of short and long-term funding sources in both the domestic and international markets as well as from the Eurosystem against eligible collateral. These funding programs provide the Group with a broad range of funding options, products, maturities and investors. Its total available pool of liquidity amounted to €61,331\* million as of 31 December 2025 (€60,589 million as of 31 December 2024).

The Group operates in Spain through the following brands: SabadellHerrero (commercial banking in Asturias and Leon), SabadellGuipuzcoano (commercial banking in the Basque Country, Navarre and La Rioja), SabadellUrquijo Private Banking (private banking), Solbank (commercial banking in the Canary Islands, the Balearic Islands and in the southern and eastern coastal areas of mainland Spain) and SabadellGallego (commercial banking in Galicia). The brands are supported by a variety of distribution channels, including the Group’s extensive branch network, telephone (both fixed line and mobile) banking and internet banking. The Group believes its multi-brand and multi-platform model is supported by one of the most advanced and scalable IT platforms in Spain. The Group also believes that its multi-brand and multi-channel market presence increases its appeal to existing and prospective customers and its state-of-the-art IT platform allows the Group to segment its customer base with a high degree of accuracy to best match its products and services to its customers’ needs.

For each of the years ended 31 December 2025 and 2024 the Group’s pre-provisions income (calculated as gross income less operating expenses and depreciation and amortisation) was €3,184 million and €3,254 million, respectively, including TSB, and the profit attributed to the Group was €1,775 million and €1,827 million, respectively.

## **Group’s Brands and Business**

The Group employs a multi-brand strategy, targeting through each brand a specific customer base and/or geographic segment and building on the goodwill associated with those of its brands that have a long history in the Spanish banking sector. In 2015, the Bank unified the Sabadell Atlántico and SabadellCAM brands to strengthen its image, with “Sabadell” being the flagship brand that operates throughout most of the Spanish market. The Group’s main banking brands are Sabadell, SabadellHerrero, SabadellGuipuzcoano, SabadellUrquijo Private Banking, Solbank and SabadellGallego.

The Group is organised in the following business segments: Banking Business in Spain, Banking Business in the United Kingdom and Banking Business in Mexico. However, as previously explained under “*Description of Banco*

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\* The change is mainly due to the TSB Sale. For further information on the TSB Sale, see “*Risk Factors — Strategic Risks — The sale of the subsidiary TSB could affect the Group’s risk profile*” and “*Description of Banco Sabadell — Developments — Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)*”.

*Sabadell — Developments — Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)*”, in the context of the TSB Sale, the operations carried out by TSB, which comprise the Group’s Banking Business in the United Kingdom, were reclassified as discontinued operations from an accounting perspective since 1 July 2025 – see “*Banking Business in the United Kingdom*” below for further information on the accounting treatment of TSB’s operations.

Banking Business in Spain, in turn, includes Retail Banking, Business Banking and the Corporate and Investment Banking business units.

### ***Banking Business in Spain***

The table below summarises the most recent performance of the Banking Business in Spain business segment:

	<b>As of and for the year ended 31 December</b>		
	<b>2025</b>	<b>2024</b>	<b>Change</b>
	<i>(million euro)</i>		<i>(per cent.)</i>
Net interest income	3,411	3,652	(6.6)
Gross income	4,755	4,836	(1.7)
Pre-provisions income	2,601	2,765	(5.9)
Profit/(loss) before tax	2,096	2,098	(0.1)
Other key figures			
Gross performing loans to customers	114,669	109,291	4.9
On-balance sheet customer funds	128,598	124,235	3.5

### **Retail Banking**

The Retail Banking business unit offers financial products and services to individual persons with a particular purpose. These include investment products and medium- and long-term finance, such as consumer loans and mortgages, as well as short-term finance. Funds come mainly from customer deposits and sight accounts, savings insurance, mutual funds and pension plans. The main services also include methods of payment such as cards and insurance products in their diverse modalities.

In 2025, the management focused their efforts on increasing the base of transactional customers, gaining market share in key products and providing first class service to customers, which entails a product based organisation to offer more specialised and personalised products and services, generating digital sales in self-service and remote channels, and, lastly, fostering a superior customer support model for products in which customers require more advice from experts, with a focus on mortgages, insurance and savings and investment products.

The Retail Banking business unit covers, among others, the activity of the Group’s subsidiary Sabadell Consumer Finance, which specialises in consumer finance by providing point-of-sale finance to purchasers of cars, computer hardware, domestic appliances, health accessories and other products through various channels by establishing collaboration agreements with retailers.

In 2025, Sabadell Consumer Finance executed more than 245,000 new transactions through more than 18,000 points of sale located throughout Spain, which translated into an inflow of new investments amounting to €1,797 million, placing the total outstanding exposure of Sabadell Consumer Finance at €2,860 million.

Moreover, in 2026, the Bank seeks to improve its brand attractiveness and customer experience across this business unit with the aim of achieving sustainable and profitable growth, whilst focusing on deepening customer engagement from the earliest stages of the relationship.

### **Business Banking**

The Business Banking business unit offers financial products and services to legal and individual persons with a business purpose, serving all types of companies with a turnover of up to €200 million as well as the institutional sector. The products and services offered to companies are based on short and long-term financing solutions, cash surplus treasury solutions, products and services to guarantee the daily operation of collections and payments through any channel and geographic area, as well as risk hedging and insurance banking products.

In 2025, the Business Banking business unit focused its management efforts on strengthening the strategic courses of action established for each division, in accordance with the Bank's strategic plan. This approach has resulted in a significant improvement in the profitability and specialisation of the large corporates and SMEs division, through specialised solutions tailored to customers, and in the framework's enhancement and the risk function's rapid optimisation of the portfolio's credit profile.

Furthermore, the development and enhancement of the sector's commercial offering aimed at small businesses and self-employed persons constituted another key management milestone during 2025 successfully consolidating the Bank's position in the market.

The Business Banking business unit covers, among others, the following:

#### *Corporates and SMEs*

The Group assists large corporates with a turnover above €10 million and companies with a turnover between €2 and €10 million through specialised relationship managers and solutions tailored to their specific business needs with a view to helping them make the best financial decisions.

In an economic environment marked by the complicated international geopolitical situation, the Group's end-to-end management of customers has made it possible to support customers by adapting to customers' own needs. Thus, for those customers with liquidity needs, Banco Sabadell has made available both basic financing solutions and complex solutions with holistic value propositions. And for those customers in a situation of growth, Banco Sabadell provides specialised financing solutions, typical of middle market, either acting alone or in pool with other credit institutions. In addition, Banco Sabadell proactively manages companies with cash surplus.

Through this division, in 2025 Banco Sabadell has continued to be by the side of corporates addressing their full range of needs to help them make informed financial decisions. The Bank aims to improve this sector-specific approach in 2026 by delivering in-depth sector and market knowledge to its corporate customers with the objective of becoming their primary financial partner.

#### *Small Businesses*

Banco Sabadell continues to support the daily activities and new projects of self-employed persons, retailers and small businesses, focusing on strengthening the Group's position as a specialist in this division, based on the promotion and consolidation of a business methodology whose key component is a differential offer, specifically designed for each activity sector. The current range of specific solutions includes 36 different activity sectors, prioritising those that offer a greater potential degree in the current economic environment.

During 2025, managers specialised in supporting self-employed persons, retailers and small businesses have become the largest and most representative management figure of the entire branch network, thus demonstrating the Bank's clear vocation for and commitment to a customer segment that especially values proximity and personalised assistance.

#### *Sabadell Urquijo Private Banking*

Banco Sabadell, through Sabadell Urquijo Private Banking, offers comprehensive solutions to high-net-worth customers who require specialised advice and attention.

In 2025, Banco Sabadell completed the consolidation of its new private banking model, initially launched in 2023, with a focus on steady growth and to that end has undertaken an in-depth review of the value proposition by making significant investments in technology, products and training. Such a revision in the value proposition has encompassed all products that are specific to the private banking division, such as alternative investment and discretionary portfolio management. This commercial strategy resulted in a large number of new customers being registered in the private banking division, thus contributing an increase in business volumes as compared to previous years, with the advisory proving to be a driver for Banco Sabadell's growth and helping towards Sabadell

Urquijo Private Banking's positioning as a leading institution in Spain in private banking in 2024 (*source: Global Private Banker, 2024*).

As for the Undertakings for Collective Investment in Transferable Securities (UCITS) management company, Urquijo Gestión, during 2025 it continued to solidify its business model following the implementation of the new organisational structure in 2024, which involved a clearer division of duties between the investment team and the customer management team, enabling greater specialisation and efficiency across teams and increasing the value proposition for customers.

Furthermore, due to the implementation of this new business model, the custom discretionary portfolio management service within Urquijo Gestión consolidated its position as the core component of the product offering for high-net-worth private banking clients by focusing on two main pillars: (i) active management, geared towards generating returns in the medium term; and (ii) a personalised, premium service led by an investment expert who adapts each portfolio to the specific profile of each client. Currently, Urquijo Gestión manages over 1,450 unique portfolios, reflecting its commitment to personalisation and service excellence.

#### *Institutional Businesses*

The Institutional Businesses division was created to enhance business related to public and private institutions and to position the Bank as a key player in this area, which comprises public institutions, financial institutions and insurers, religious institutions and third sector through a comprehensive and specialised range of products and services.

2025 was a very busy year for all institutional businesses, during which Banco Sabadell strengthened its position in these areas, with greater commercial activity, more proximity and a wider range of solutions proposed, all of which resulted in an increase in customer onboarding, in business volumes and in the margin generated through the offering of products with more added value for customers. In addition, in 2026, the Bank aims to increase the lending and customer funds volumes and improving the profitability of the division.

#### *Hotel and Tourism Business*

Business in this sector focuses mainly on offering specialised financial solutions to a diverse and fragmented group of customers, in three main aspects: expert advice, a catalogue of specialised products and rapid response. Banco Sabadell was the first financial institution to specialise in tourism business, one of the top contributors to Spain's GDP and received the "Q" seal of tourism quality, consolidating its position in the sector.

#### *Agriculture*

In 2025, Banco Sabadell's Agriculture division, which includes the agricultural, livestock, fisheries and forestry subsectors, and which has more than 300 specialised branches and a team of 14 specialists that provide comprehensive support to clients within the sector, has increased its portfolio of specific financial products and services with features tailored to the demands of customers in the sector.

#### *Real Estate Business*

The Real Estate division focuses on integrated services to the residential real estate development business by means of a mature specialised and highly consolidated business model. In 2025, approved applications exceeded the levels recorded in previous year, surpassing the volume of this product registered in 2024.

The main strategy is to maintain a market share above the level at which the Bank would naturally position itself, by prioritising the most promising sales opportunities through the identification of the most notable projects and financially sound clients, whilst minimising risk. In particular, efforts are focused on generating new business and monitoring finances development projects.

#### *BStartup*

BStartup is the pioneering and benchmark financial service in Spanish banking for startups and scaleups, providing specialised banking and equity investment. It is based on a team of relationship managers dedicated exclusively to startups and scaleups in the areas with the highest concentration of this type of companies, with their own risk management process and a team of specialists that drive the business throughout Spain.

As of December 2025, BStartup reached 70 start-up customers.

Equity investment is mainly aimed at early-stage tech companies with strong growth potential and scalable and innovative business models. BStartup invests in all types of sectors, mainly in digital companies, and it also has two specific verticals: (i) BStartup Green, for startups that use technology or digitalisation to facilitate the transition to a more sustainable world; and (ii) BStartup Health, for investments in early-stage healthcare industry startups.

During the year 2025 BStartup portfolio increased to approximately 6 companies.

### Corporate and Investment Banking

The Corporate and Investment Banking business unit offers financial solutions and advisory services to large corporates and financial institutions in Spain and abroad, through branches throughout Spain and in 11 other countries. Through this business unit, the Group covers, among others, the following:

#### *Corporate Banking Europe*

The Corporate Banking Europe division provides domestic and international products and services to large companies and enterprises which, as a result of their size, complexity and unique features, require a customised service in which transaction banking services are supplemented by specialised units. The business model is based on establishing close strategic relationships with its customers, providing them with global solutions that are tailored to their needs while also taking account of the specific features of their economic activity and the markets in which they operate. This division also includes a series of branches and offices abroad, notably in London, Paris, Casablanca and Lisbon, from where the international activity of the Group's domestic customers is supported and serviced, and the international business of the Corporate and Investment Banking business unit is developed.

2025 was marked by active customer support focused on the search for the best solutions and adapting them to their needs, in an environment of lower interest rates.

In 2025, due to such active customer support, volumes of lending in Corporate Banking Spain have increased by 10.36 per cent. compared to 2024. Similarly, at the international level, lending had increased by 10.29 per cent. in comparison to 2024.

#### *Corporate and Private Banking USA*

Banco Sabadell has been operating in the U.S. for 32 years through its branch managed from Miami and Sabadell Securities USA, Inc., set up in 2008. These divisions together manage the international corporate banking and private banking business in the U.S. and Latin America.

Sabadell Miami Branch is the largest international branch in Florida. It is one of the few financial institutions in the area with the capacity and experience to provide all types of banking and financial services, from the most complex and specialised services for large corporations to international private banking products, including those products and services that may be required by professionals and companies of any size. To supplement its structure in Miami, the Bank has representative offices in New York and the Dominican Republic.

On the other hand, Sabadell Securities USA, Inc. is a stockbroker and investment advisor in the securities market that complements and strengthens the business strategy aimed at private banking customers residing in the U.S., responding to their needs by providing investment advice in the capital markets.

The 2025 financial year was characterised by an uncertain macroeconomic environment in the U.S., further intensified by the current U.S. administration's domestic and foreign policies, with a clear focus on the evolution of inflation and levels of unemployment, which prompted the U.S. Federal Reserve to start bringing down the official interest rates. Within this environment, the volume of business for the year ended on 31 December 2025 represented an increase of 10 per cent. with respect to 2024.

Besides, the private banking business combined a slight reduction in deposits and a 10 per cent. increase in portfolios of investments in securities.

#### *BSCapital*

BSCapital is the unit that carries out the Group's venture capital and private equity activities. Its activity is instrumented through the acquisition of temporary stakes in companies and venture capital funds, with the aim of maximising the return on its investments. In addition, it offers support to companies through alternative financing (senior debt fund, venture debt and mezzanine loans).

BSCapital actively managed its portfolio, engaging in its traditional capital and debt-related activities, with the materialisation of investment and disinvestment operations and portfolio revaluations.

### *Treasury and Markets*

The Treasury and Markets division is responsible for structuring and selling treasury products to customers through the Group's units to which that task has been assigned, ranging from the branches through specialist distributors. In addition, it manages the Bank's short-term liquidity position and manages and oversees compliance with regulatory ratios. It also manages the risk in the proprietary trading book and interest rate and exchange rate risk, due to operational flows with both internal and external customers originated from the activity of the distribution units.

During 2025, the Treasury and Markets division continued to further develop the digitalisation and optimisation of its customer operations expanding its product catalogue and enhancing customer satisfaction. In particular, the range of products and solutions offered was increased to adapt to the changing market situation which has generated new customer needs. In addition, the division focused its efforts on optimising cost and capital consumption across the division.

### *Investment Banking*

Investment Banking is a division within Corporate and Investment Banking that coordinates the channelling of institutional investors' liquidity to the Bank's business customers. The division is currently organised into three units:

*Corporate Finance*: encompasses the activity of (i) M&A (Mergers & Acquisitions), (ii) ECM (Equity Capital Markets) and (iii) Alternative Financing. The activity of Mergers & Acquisitions consists of offering advice on company acquisitions and sales, corporate mergers and the incorporation of new shareholders, while the activities of Equity Capital Markets involve equity transactions and IPOs. Alternative Financing coordinates the channelling of liquidity of institutional investors wishing to take on risk in situations where banking institutions typically do not.

*Debt Capital Markets (DCM)*: encompasses activities involving the origination and structuring of public instruments in trading markets. In terms of transactions involving corporates, the Bank considers public sector and financial issuers, both long-term and short-term financial transactions, with a particular focus on sustainability label issuances, that are particularly noteworthy. One of the markets in which the Bank is most active is that of commercial paper programmes, participating in programmes of 50 different issuers.

*Syndicate and Sales (S&S)*: encompasses the distribution of private debt originated by Structured Finance teams among banking and institutional investors, both domestic and international.

### *Trading, Custody and Research*

Trading, Custody and Research is the division responsible for the Group's equities, as product manager. Its main services notably include the execution of transactions in organised markets, in both domestic markets, in which it acts as member, and international markets, in which it is an intermediary.

In addition, Trading, Custody and Research also provides guidance and recommendations for investors and creates and manages the offering of custodian and depository services.

In 2025, Banco Sabadell maintained a brokerage share on the Spanish stock exchange similar to 2024, standing at 8.5 per cent. compared to 8.3 per cent. in 2024.

In addition, in 2025, several initiatives and projects were implemented focused on improving the experience offered to customers, increasing the range of brokerage products, attracting new customers. Commercial activity with private banking customers who frequently trade in securities has continued to boost the exclusive direct access service through the trading desk, for both execution services and recommendations.

### *Structured Finance*

The Structured Finance division, with teams in Spain, the U.S., the UK, Mexico and France, encompasses the Structured Finance and Global Financial Institutions units.

The Structured Finance unit activity focuses on the study, design, origination and syndication of corporate finance products and operations, M&A, project and asset finance, global trade finance and commercial real estate, with the capacity to underwrite and syndicate deals in Spain and other countries. The Structured Finance unit is also involved in the syndicated loans market, both primary and secondary.

The Global Financial Institutions unit manages the commercial and operational relationship with the international banks with which Banco Sabadell has collaboration and correspondent agreements (i.e. 3,000 correspondent banks around the world), thus guaranteeing maximum coverage for the Group's customers in their international transactions. Thus, it ensures optimal support of customers in their internationalisation processes, in coordination with the Group's international network of branches, subsidiaries and investees.

### ***Banking Business in the United Kingdom***

As previously explained under “*Description of Banco Sabadell — Developments — Agreement with Banco Santander, S.A. for the sale of TSB Banking Group plc (completed in April 2026)*”, in the context of the TSB Sale transaction, the operations carried out by TSB, which comprise the Group's Banking Business in the United Kingdom, were reclassified with effect from 1 July 2025.

Therefore, the balances of the assets and liabilities relating to TSB and its subsidiaries were reclassified from their respective line items to the line items “Non-current assets and disposal groups classified as held for sale” and “Liabilities included in disposal groups classified as held for sale”, respectively, in the consolidated balance sheet as of 31 December 2025. Similarly, the profit or loss generated by TSB and its subsidiaries were reclassified, for both years ending 31 December 2025 and 31 December 2024, from their respective line items to the line items “Profit or loss after tax from discontinued operations” in the consolidated income statement and “Other comprehensive income – Items that may be reclassified to profit or loss – Non-current assets and disposal groups held for sale” in the consolidated statement of recognised income and expenses, in the case of income and expense recognised directly in consolidated equity.

Therefore, the changes in the Group's consolidated balance sheet as of 31 December 2025 compared with 31 December 2024 across the various line items are explained, in general terms, by the accounting treatment described above.

As of 31 December 2025, profit before tax amounted to €431 million as compared to a profit of €353 million for the year ended 31 December 2024, mainly due to improvement of net interest income, lower costs, and a positive impact of a settlement arrangement negotiated with a third party.

The table below shows the most recent performance of the Banking Business in the UK business segment (including TSB operations):

	<b>As of and for the year ended 31 December</b>		
	<b>2025</b>	<b>2024</b>	<b>Change</b>
	<i>(million euro)</i>		<i>(per cent.)</i>
Net interest income	1,232	1,163	5.9
Gross income	1,333	1,286	3.7
Pre-provisions income	484	399	21.3
Profit/(loss) before tax	431	353	22.1
Other key figures			
Gross performing loans to customers	41,093	43,380	(5.3)
On-balance sheet customer funds	40,229	42,123	(4.5)

### ***Banking Business in Mexico***

The Banking Business in Mexico is carried out through Banco Sabadell, S.A. Institución de Banca Múltiple (a Mexican bank) and SabCapital, S.A. de C.V., SOFOM, E.R. (a Mexican multi-purpose financial company). On 1 January 2025, after obtaining the relevant authorisation from the Mexican regulator, the companies Banco Sabadell, Institución de Banca Múltiple and Sabcapital, S.A. de C.V., SOFOM, E.R. merged into one single entity. The purpose of such merger was to streamline operational, administrative, and regulatory processes by consolidating them into a single company and enhance the market visibility of the resulting company's performance and indicators.

Banking Business in Mexico comprises the following business lines: (i) Corporate Banking (with the focus on companies and major corporations), (ii) Business Banking (which reproduces the Group's original business relationship model) and (iii) Retail Banking (with a digital product aimed to attract new customers, offering attractive interest rates and ability to withdraw funds at any time).

As of 31 December 2025, pre-tax result was a profit of €76 million, as compared to €62 million for the year ended 31 December 2024, due to reduced costs and lower provisions.

The table below shows the most recent performance of the Banking Business in Mexico business segment:

	<b>As of and for the year ended 31 December</b>		
	<b>2025</b>	<b>2024</b>	<b>Change</b>
	<i>(million euro)</i>		<i>(per cent.)</i>
Net interest income	193	206	(6.3)
Gross income	195	216	(9.7)
Pre-provisions income	98	90	8.9
Profit/(loss) before tax	76	62	22.6
Other key figures			
Gross performing loans to customers	4,946	4,242	16.6
On-balance sheet customer funds	3,439	3,199	7.5

### ***Branches and Distribution Channels***

As of 31 December 2025, the Group had a total of 1,336 branches, of which 1,136 branches were located throughout Spain (compared with 1,139 branches as of 31 December 2024) and 200 branches comprised the international network (compared with 211 branches as of 31 December 2024). As of 31 December 2025, the Group had 175 branches of TSB (186 branches as of 31 December 2024).

The Group continually evaluates its branch network, opening new branches only where it believes that each branch will be profitable on a stand-alone basis, and closing, consolidating or relocating branches to maximize efficiency and profitability.

Approximately 14 branches closed during 2025 (compared to the closure of 70 branches during 2024) as part of the implementation of the Group's strategy and to achieve its targeted cost synergies.

The table below sets out the distribution of its banking and private banking branches in Spain by brand as of 31 December 2025 and 2024, respectively:

<b>Brand</b>	<b>Number of Branches 31 December</b>	
	<b>2025</b>	<b>2024</b>

Sabadell	841	842
SabadellHerrero	85	85
SabadellGuipuzcoano	61	62
Solbank	80	81
SabadellGallego	62	62
SabadellUrquijo	7	7
<b>Total (Spain)</b>	<b>1,136</b>	<b>1,139</b>

The geographical distribution of these branches across various autonomous regions and autonomous cities of Spain as of 31 December 2025 and 2024, respectively, was as follows:

<b>Autonomous Region</b>	<b>Number of Branches 31 December</b>	
	<b>2025</b>	<b>2024</b>
Andalusia	87	89
Aragon	24	24
Principality of Asturias	67	67
Balearic Islands	36	36
Basque Country	49	49
Canary Islands	22	22
Cantabria	4	4
Castile-La Mancha	17	17
Castile and León	36	37
Catalonia	337	336
Extremadura	4	4
Ceuta y Melilla	2	2
Galicia	62	62
La Rioja	6	6
Madrid	99	99
Murcia	68	68
Navarre	7	8
Valencian Community	209	209
<b>Total (Spain)</b>	<b>1,136</b>	<b>1,139</b>

Banco Sabadell has a set of communication channels with its customers, both physical (national and international branch network and ATM network) and digital (Sabadell Online, Sabadell Móvil, Direct Branch and Business Customer Care and Direct Channels), which responds to current customer demand.

The Bank continues to seek combining the best of traditional banking, such as the personal relationship, with the best of the digital world. The office has ceased to be the focal point of operations and now integrates a wide range of points of contact where the customer is the protagonist. This requires simplifying processes as much as possible and changing the distribution model, something to which the Bank has devoted in the last couple of years a great deal of effort in order to respond to the ubiquity of its customers and offer them the best experiences.

In this regard, the Group has developed a number of distribution channels to improve customer service and increase efficiency, including the following:

ATMs. As of 31 December 2025, the Group had in Spain 2,346 self-service cash machines, 1,736 in branches and 610 mobile ATMs.

In 2025, the Group has continued its efforts to ensure consistent maximum operational availability of its ATMs, investing in new ATMs technologies and software and enhancing customer satisfaction.

Internet Banking. In 2025, Banco Sabadell continued to advance its digital transformation by enhancing its online onboarding capabilities. Key developments included the extension of the digital onboarding process to self-employed customers, enabling online account opening, loan applications and digital operations for this segment, as well as the activation of a unified digital access point integrating retail and business banking for corporate clients. The Group is further expanding the scope of its digital onboarding process to include credit cards, with rollout anticipated in the first half of 2026. These developments are a further boost to continue leveraging its digital channel to drive commercial efficiency, reduce operating costs and enhance its customer value proposition, supporting the Group's long-term competitiveness and sustainable growth.

Direct Branch.

Telephone helpline. In 2025, efforts were focused on ensuring that the telephone service is accessible and on the customer experience offered, pursuing two key goals: firstly, to resolve issues on the first call, and secondly, to obtain the customer's recommendation of the customer care service.

The Group received 3.36 million calls, of which 3.18 million were handled, indicating a service level agreement (SLA) fulfilment rate of 95 per cent..

In terms of the perceived customer experience, actions were taken to improve the first call resolution (FCR) indicator, as a result of which the resolution rate at year-end was 83 per cent., having improved by 2 percentage points compared to 2024.

With regard to customer recommendations of the telephone service, in 2025 these have reached an annual cumulative percentage of 60 per cent. in terms customer experience index (CXI), 7 percentage points higher than 2024.

Text-based customer care. Banco Sabadell is active on five social media channels: X, Facebook, LinkedIn, YouTube and Instagram, with 20 different profiles at the national level. In terms of global social media SLA fulfilment rate, in 2025 it reached 99 per cent.

Another text-based customer care service that Banco Sabadell offers is its web chat service, which in 2025 recorded increased usage of 27 per cent. in the number of chats and 14 per cent. in the number of customers compared to 2024.

Some of the most notable improvements introduced in the chat channel include the simplification of processes, quality responses, personalised attention and the incorporation of new chatbot autonomy features. All these actions have resulted in an improved query resolution rate (100 per cent. increase compared to 2024) and an improved NPS (10 percentage points increase compared to 2024). The resolution capacity is expected to continue improving throughout 2026.

Business Customer Care and Direct Channels.

Business customer care. In 2025, the customer care unit for self-employed persons, small businesses and SMEs was consolidated as the specialist unit. The volume of calls received levelled out at an average of 77,000 calls per month.

In terms of customer care level, 94 per cent. was reached in 2025, having increased by 2 percentage points compared to 2024. One of the priorities in 2025 was to improve the NPS of the telephone channel. In this respect, improvement is also reflected in CXI having increased by more than 20 percentage points compared to 2024 and the resolution of queries having improved by 8 percentage points.

The Customer Care Space, launched in November 2024, was consolidated in 2025 as the written-format channel for self-employed customers, small businesses, SMEs and corporates (841,000 customers) with around 500,000 visits. From January 2025, the monthly volume of tickets grew from 1,800 to 14,000 and remained stable throughout the year, with issue resolution in excess of 96 per cent.

*Direct channels.* This service manages files via four communication channels: Editran, SFTP, EBICS and Swiftnet. These channels make it possible to perform secure and standardised transactions, optimising customer management time without need for direct access to electronic banking.

In terms of both query resolution and customer care levels, 95 per cent. and 99 per cent., respectively, were reached in 2025.

### Major Shareholders and Share Capital

As of the date of this Base Prospectus, Banco Sabadell's issued share capital of €627,959,716.50 is comprised of 5,023,677,732 shares of a single series and class, with a nominal value per ordinary share of €0.125. The share capital was last modified on 29 August 2025, as a result of a capital reduction by means of the redemption of all treasury shares acquired by the Bank under a share buyback programme approved by the general shareholders' meeting held on 20 March 2025. There are no limits on the transferability of the Bank's shares. However, Articles 16 to 18 of Law 10/2014 require that clearance be obtained from the ECB for any proposed purchase of shares in a bank amounting to at least 10 per cent. of its share capital, or when reaching certain thresholds above the 10 per cent. level. The decision-making authority, formerly attributed to the Bank of Spain, now corresponds to the ECB by virtue of the SSM Regulation. Furthermore, the acquisition or transfer of voting shares in listed companies, as a result of which the percentage of voting rights belonging to the acquirer reaches or falls below 3 per cent. or when reaching or falling below certain thresholds above the 3 per cent. level, must be notified to the CNMV. The referred 3 per cent. threshold will be replaced by a percentage of 1 per cent. and its successive multiples when the person under the duty to notify is resident in a non-cooperative jurisdiction or a country or territory with which no effective exchange of tax information is in place in accordance with prevailing laws and regulations.

Additionally, on 9 February 2026, Banco Sabadell announced the terms and start of a new treasury share buyback programme, as approved by the Board of Directors on 5 February 2026, for a maximum monetary amount of €435 million. The purpose of this share buyback programme is to reduce the Bank's share capital by cancelling the treasury shares acquired.

The following table sets forth the information concerning the ownership of the Bank's shares by major shareholders, as of the date of this Base Prospectus:

Name or company name of shareholder	% of voting rights assigned to shares		% of voting rights through financial instruments		Total % of voting rights
	Direct	Indirect	Direct	Indirect	
BlackRock, Inc (*)	-	8.42	-	0.041	8.46
David Martínez Guzmán (**)	-	3.86	-	-	3.86
Zurich Insurance Group LTD (***)	-	4.95	-	-	4.95

(\*) BlackRock, Inc. owns an indirect shareholding through several of its subsidiaries.

(\*\*) Fintech Europe, S.À.R.L. (FE) is 100% owned by Fintech Investments Ltd. (FIL), which is the investment fund managed by Fintech Advisory Inc. (FAI). FAI is 100% owned by David Martínez Guzmán. Consequently, the stake currently held by FE is considered to be under the control of David Martínez Guzmán.

(\*\*\*) Zurich Insurance Group Ltd. is the parent company of Zurich Group and directly owns 100% of Zurich Insurance Company Ltd, which in turn holds the direct shareholding in Banco de Sabadell, S.A.

## Agreement Among Shareholders

In accordance with Article 531 of the Spanish Companies Law, the Bank is required to be notified of shareholders' agreements affecting its shares.

As of the date of this Base Prospectus, no shareholders' agreements affecting the Bank's shares are known to the Bank.

## Treasury Stock

Based on publicly available information on the website of the CNMV, as of the date of this Base Prospectus, the Bank holds directly 117,388,891 of its shares as treasury stock, which represents 2.337 per cent. of the total share capital.

## Directors and Management

### *Board of Directors*

With the exception of matters reserved for the general shareholders' meeting, the Board of Directors is the highest decision-making body of the Bank and its consolidated Group, as it is responsible, under the law and the Bank's Articles of Association, for the management and representation of the Bank. The Board of Directors acts mainly as an instrument of supervision and control, and delegates the management of ordinary business matters to the Chief Executive Officer.

The Board of Directors is subject to well-defined transparent rules of governance, particularly the Bank's Articles of Association and the Regulations of the Board of Directors and complies with the best practices in the area of corporate governance.

### *Composition of the Board of Directors*

The Board of Directors is currently comprised of 15 members. The business address for each member of the Board of Directors listed below is Plaça de Sant Roc, nº 20, PC 08201, Sabadell, Spain.

The following table sets forth, as of the date of this Base Prospectus, the names of the members of the Board of Directors, their current positions in the Board of Directors and their membership type:

<b>Name of the Director</b>	<b>Current position in the Board</b>	<b>Director type</b>
Mr. Josep Olius Creus	Chairman	Other External
Mr. Pedro Fontana García	Deputy-Chairman	Independent
Mr. Marc Armengol Dulcet	Chief Executive Officer ("CEO")	Executive
Mr. George Donald Johnston III	Director	Lead Independent
Ms. Aurora Catá Sala	Director	Independent
Ms. Ana Colonques García-Planas	Director	Independent
Mr. Lluís Deulofeu Fuguet	Director	Independent
Ms. María José García Beato	Director	Other External
Ms. Mireya Giné Torrens	Director	Independent
Ms. María Gloria Hernández García	Director	Independent
Ms. Margarita Salvans Puigbò	Director	Independent
Mr. Manuel Valls Morató	Director	Independent

Name of the Director	Current position in the Board	Director type
Mr. David Vegara Figueras	Director	Executive
Mr. Carlos Ventura Santamans	Director	Executive
Mr. Pedro Viñolas Serra	Director	Independent
Mr. Miquel Roca i Junyent	Non-Director Secretary	
Mr. Gonzalo Baretino Coloma	Non-Director Deputy-Secretary	

As of the date of this Base Prospectus, the Board of Directors is formed by 15 members: its Chairman (in its capacity as “Other External” Director), ten Independent Directors, three Executive Directors and one “Other External” Director. The composition of the Board of Directors has an appropriate balance between the various categories of director.

The general shareholders’ meeting held on 6 May 2026 approved the ratification and appointment of Mr. Marc Armengol Dulcet as Executive Director of the Board of Directors to fill the vacancy on the position of Chief Executive Officer caused by the resignation of Mr. César González-Bueno Mayer. The resignation of Mr. César González-Bueno Mayer and the appointment of Mr. Marc Armengol Dulcet took effect on 6 May 2026, once the authorisation of suitability for the appointment of Mr. Marc Armengol Dulcet as the new Chief Executive Officer was received from the ECB.

On the same date, the general shareholders’ meeting approved the ratification and appointment of Mr. Carlos Ventura Santamans as Executive Director of the Board of Directors. The appointment took effect on 6 May 2026, once the corresponding regulatory authorisations were obtained.

The Board of Directors has a diverse and efficient composition. It is of the appropriate size to perform its duties effectively by drawing on a depth and diversity of opinions, enabling it to operate with a good level of quality and effectiveness and in a participatory way. Its members are diverse in terms of competencies, professional background and origin and gender, as they have extensive experience in banking, finance, anti-money laundering and counter-terrorist financing, digital transformation and IT, insurance, risk and auditing, in regulatory affairs and the law, in academia, human resources and consultancy, responsible business and sustainability, as well as in international business.

Banco Sabadell has had a competency and diversity matrix in place since 2019, which is reviewed annually by the Board of Directors, following a favourable report from the Appointments and Corporate Governance Committee, and which was last reviewed on 6 May 2026, as a result of the ratification and appointment by the general shareholders’ meeting of Mr. Marc Armengol Dulcet and Mr. Carlos Ventura Santamans as a new members of the Board of Directors.

As of the date of this Base Prospectus, there are six female Directors, including five female Independent Directors out of a total of ten Independent Directors and one female “Other External” Director. As of the date of this Base Prospectus, women represent 40 per cent. of members on the Board of Directors and they account for 50 per cent. of Independent Directors, thereby complying with the Directive of the European Parliament and of the Council on improving the gender balance among directors of listed companies and related measures, and doing so ahead of the timeframes established in Organic Law 2/2024 of 1 August on equal representation and the balanced presence of women and men (*Ley Orgánica 2/2024, de 1 de agosto, de representación paritaria y presencia equilibrada de mujeres y hombres*) (“**Law 2/2024**”).

In relation to knowledge, skills and experience, the incorporation of Mr. Marc Armengol Dulcet and Mr. Carlos Ventura Santamans has increased and reinforced the diversity of knowledge and financial and banking experience and, in particular, the retail and corporate banking profile, with valuable senior executive experience in the Bank. Moreover, Mr. Marc Armengol Dulcet has knowledge of the financial sector, capital markets, retail and corporate banking, in addition to experience in planning and strategy, risk management and control, digital and IT (digital transformation), international experience and corporate governance and sustainability, while Mr. Carlos Ventura Santamans has knowledge of the financial sector, capital markets, retail and corporate banking, planning and strategy, risk management and control, human resources, culture, talent and remuneration and insurance. Both directors have experience, knowledge and skills in the banking business, and specifically in the Bank’s corporate

culture. All of that, combined with the multi-disciplinary and executive capabilities of the new directors, have helped to consolidate the collective suitability of the Board of Directors and to maintain its collective ability.

Banco Sabadell's Director Selection Policy of 25 February 2016 (amended on 12 November 2025) establishes the principles and criteria to be taken into account in the selection processes and also, therefore, in the initial fit and proper assessment and ongoing assessments of the members of the Board of Directors, as well as the reappointment of members of the management body in order to ensure their smooth succession, the continuity of the Board of Directors and the suitability of all of its members.

The process to select candidates to sit on the Board of Directors (and for re-electing existing Directors) is governed, among others, by the diversity principle, fostering the diversity of the Board of Directors in order to promote a diverse pool of members, and ensuring that a broad set of qualities and competences is engaged when recruiting members, to achieve a variety of views and experiences and to facilitate independent opinions and sound decision-making within the Board of Directors.

The Board of Directors should ensure that the procedures for selecting its members apply the diversity principle and favour diversity in relation to areas such as age, gender, disability, geographical provenance and educational and professional background, as well as any other aspects deemed appropriate to ensure the suitability and diversity of all of its members. Furthermore, it should ensure that such procedures are free from implicit bias that may entail any degree of discrimination and, in particular, that they facilitate the selection of female directors in the number required to achieve a composition that is balanced between women and men, in compliance with the percentages set forth in Law 2/2024.

At its meeting of 12 November 2025, following a favourable report from the Appointments and Corporate Governance Committee, the Board of Directors approved a new plan for the renewal of the Board of Directors, which establishes the foundations and principles to appropriately plan for the renewal of mandates and the succession of the directors. The new plan covers the period from 2026 to 2029. The previous plan, which covered the period from 2021 to 2024 and was approved in September 2021, was extended by one year pursuant to the provision set out in the plan itself.

The Board of Directors has a Lead Independent Director who, in accordance with the Articles of Association, may ask the Board of Directors to call a meeting, request the inclusion of new items on the agenda, coordinate and convene Non-Executive Directors, voice the opinions of External Directors and lead, where applicable, the regular appraisal of the Chairman of the Board of Directors. In addition, the Lead Independent Director coordinates the Succession Plan for the Chairman and Chief Executive Officer, approved in 2016 and reviewed in January 2025 while compliance therewith is verified each year by the Appointments and Corporate Governance Committee, and most recently in January 2026. The Lead Independent Director also leads meetings with investors and proxy advisors.

To ensure a better and more diligent performance of its general supervisory duties, the Board of Directors is bound to directly exercise the responsibilities established by law.

The following table sets forth the activities and positions held by members of the Board of Directors in companies within and outside the Bank, as of the date of this Base Prospectus:

<b>Name</b>	<b>Principal activities</b>
Mr. Josep Oliu Creus	President of Exea Quorum, S.L., Proxy President of Exea Inversión Empresarial, S.L., and Exea Ventures, S.L., and Director of Puig Brands, S.A.
Mr. Marc Armengol Dulcet	President of Sabadell Digital, S.A.U. and Banco Sabadell, S.A., IBM (México).
Mr. Pedro Fontana García	Director of Grupo Indukern, S.L., Pax Lux Equitco, S.A. and MDF Family Partners, S.A., and President of My Chef Ristorazione Commerciale, S.P.A.
Ms. Aurora Catá Sala	Director of Repsol, S.A.
Ms. Ana Colonques García-Planas	Executive Director of Porcelanosa, S.A.U., President of Porsafin Grupo, A.I.E., Joint and Several Director of Porcelanosa Batimat, S.A.U., Gama – Décor, S.A.U., Krypton Solid Surface, S.A.U., L'Antic Colonial, S.A.U., Butech Building Technology, S.A.U., Noken Design, S.A.U. and Urban Incentives, S.L.U., and Director of Iberdrola, S.A.
Mr. Lluís Deulofeu Fuguet	Joint and Several Director of Eixample 2 Assessors, S.L.

<b>Name</b>	<b>Principal activities</b>
Ms. María José García Beato	Director of ACS, Actividades de Construcción y Servicios, S.A., and Iberpapel Gestión, S.A. and EDP Energías de Portugal, S.A.
Ms. Mireya Giné Torrens	Director of of Real Análisis, S.L.
Ms. María Gloria Hernández García	Director of Nortegas Energía Grupo Sociedad Anónima and Distribuidora Internacional de Alimentación, S.A.
Mr. George Donald Johnston III	Lead Independent Director of Acerinox, S.A.
Ms. Margarita Salvans Puigbò	Executive Director of Mango MNG, S.A., Sole Director of Investments AKNAM, S.A., Investments ANSAVE, S.A., Dardanelos Inversiones, S.A., Derek Investment, S.A., Afyon Investments, S.A., Foursome, S.A, Inversiones Giralda, S.A., Kayseri Inversiones, S.A., Topkapi Inversiones, S.A., Director of MANGO Meritxell S.L.U., MANGO Österreich Handels gmbH, MNG-MANGO Belgique SRL, MANGO BULGARIA, MANGO ONLINE CANADA, MANGO MODA d.o.o., MANGO CZ s.r.o., MANGO Deutschland GmbH, MANGO Garments Hellas, S.A., MANGO Hungary KFT, MANGO Korea Ltd, MANGO Polska, Sp. Zoo, MANGO Italia, S.R.L., MANGO FASHION INDIA PRIVATE LIMITED, MANGO Nederland B.V., MANGONOR COMERCIO DE VESTUARIO, S.A., MANGO TR TEKSTIL TICARET LTD SIRKETI, MNG MANGO U.K. Limited, MANGO MNG USA INC., MANGO NY INC. and TEXDIS USA INC., Secretary of MNG MANGO IRELAND Ltd., and Deputy Director of MANGO Sverige AB.
Mr. Manuel Valls Morató	Lead Independent Director of Renta Corporación Real Estate, S.A., and President of Cobega, S.A. (Comisión de Auditoría Control y Riesgos).
Mr. David Vegara Figueras	Director of Amadeus IT Group, S.A.
Mr. Carlos Ventura Santamans	Deputy Chairman of Bansabadell Vida, S.A. de Seguros y Reaseguros, Bansabadell Seguros Generales, S.A., de Seguros y Reaseguros and Bansabadell Pensiones, E.G.F.P., S.A.
Mr. Pedro Viñolas Serra	Deputy Chairman and Chief Executive Officer (CEO), President of Utopicus Innovación Cultural, S.L., Director of Inmocol Torre Europea, S.A., Proxy Director of Colonial Trámit, S.L., Inmocol One, S.A., Inmocol Two, S.L., Colonial LAB, S.L., Colonial Living, S.L., Blue Self Storage, S.L.

### ***Corporate Governance***

Banco Sabadell has a solid corporate governance structure which ensures effective and prudent management of the Bank, in which it prioritises ethical, sound and transparent governance, taking into account the interests of shareholders, customers, employees and society in all geographies in which it operates. The internal governance framework sets out, among other aspects, the shareholder structure, the governing bodies, the Group's structure, the composition and operation of corporate governance, the internal control functions, key governance matters, the risk management framework, the internal procedure for the approval of credit transactions granted to directors and their related parties and the Group's policies.

### ***Committees of the Board of Directors***

In accordance with the Bank's Articles of Association, the Board of Directors has established the following six committees:

- Strategy and Sustainability Committee;
- Credit Delegated Committee;
- Audit and Control Committee;
- Appointments and Corporate Governance Committee;
- Remuneration Committee; and
- Risk Committee (together, the "**Board Committees**").

The organisation and structure of the Board Committees are set out in the Articles of Association, in the Regulation of the Board of Directors and in their respective Regulations, which establish their rules of composition, functioning and responsibilities and develop and complete the rules of operation and basic functions envisaged in the Articles of Association and the Regulations of the Board of Directors.

The Board Committees have sufficient resources to perform their duties, and can count on external advice and are entitled to obtain information about any aspect of the Bank, with unrestricted access to senior management and Group's executives and to any type of information or documentation at the Bank's disposal in connection with the matters within their remit.

The composition of the Board Committees as of the date of this Base Prospectus is shown in the table below. The business address for each member of the Board Committees listed below who are not also members of the Board of Directors is Plaça de Sant Roc, n° 20, PC 08201, Sabadell, Spain.

<b>Position</b>	<b>Strategy and Sustainability Committee</b>	<b>Credit Delegated Committee</b>	<b>Audit and Control Committee</b>	<b>Appointments and Corporate Governance Committee</b>	<b>Remuneration Committee</b>	<b>Risk Committee</b>
Chairman	Mr. Josep Oliu Creus	Mr. Pedro Fontana García	Mr. Manuel Valls Morató	Mr. Pedro Fontana García	Ms. Mireya Giné Torrens	Mr. George Donald Johnston III
Member	Mr. Lluís Deulofeu Fuguet	Mr. Lluís Deulofeu Fuguet	Mr. Ana Colonques García-Planas	Ms. Aurora Catá Sala	Ms. Ana Colonques García-Planas	Ms. Aurora Catá Sala
Member	Mr. Pedro Fontana García	Ms. Mireya Giné Torrens	Ms. María Gloria Hernández García	Ms. Ana Colonques García-Planas	Ms. Margarita Salvans Puigbò	Ms. María Gloria Hernández García
Member	Ms. María José García Beato	Mr. Pedro Viñolas Serra	Ms. Margarita Salvans Puigbò	Ms. María José García Beato		Mr. Manuel Valls Morató
Member	Mr. Marc Armengol Dulcet (*)	Mr. Marc Armengol Dulcet		Mr. Pedro Viñolas Serra		
Member	Mr. George Donald Johnston III					
Non-Director Secretary	Mr. Miquel Roca i Junyent	Mr. Gonzalo Baretтино Coloma	Mr. Miquel Roca i Junyent	Mr. Miquel Roca i Junyent	Mr. Gonzalo Baretтино Coloma	Mr. Gonzalo Baretтино Coloma

(\*) Member on strategy matters only.

### Strategy and Sustainability Committee

The Strategy and Sustainability Committee was constituted in 2021 and it's formed by five members, three Independent Directors, one Other External Director and his Chairman (with the category of Other External Director), who is the Chairman of the Board of Directors. On matters of strategy, the CEO will take part in the meetings with entitlement to speak and vote, meaning that on such matters the Committee shall have six members.

With regard to strategy, the Committee's main responsibilities are to evaluate and propose to the Board of Directors strategies for the Bank's business growth, development, diversification or transformation, and to report to and advise the Board of Directors on matters related to the Bank's long-term strategy, identifying new opportunities to create value and bringing corporate strategy proposals to the Board's attention in relation to new investment or divestment opportunities, financial transactions with a material accounting impact, and significant technological transformations. It is also responsible for studying and putting forward recommendations and improvements to the strategic plans and their updates which may be brought before the Board of Directors at any time, and issuing and submitting to the Board of Directors, annually, a report containing the proposals, assessments, studies and work carried out during the year.

With regard to sustainability, the Committee has the following responsibilities: review the Bank's sustainability and environmental policies, report to the Board of Directors on potential modifications and regular updates on strategy with regard to sustainability, review the definition and modification of the policies on diversity and inclusion, human rights, equal opportunities and work-life balance and periodically evaluate the level of compliance therewith, review of the Bank's strategy for social action and its sponsorship and patronage plans, review and report on the Bank's non-financial disclosures report, prior to its review and related reporting by the Audit and Control Committee and before its subsequent submission to the Board of Directors, and receive information related to reports, documents or communications from external supervisory bodies with regard to the responsibilities of this Committee.

### Credit Delegated Committee

The Credit Delegated Committee is formed of four Independent directors and one Executive Director. Its main duties are to analyse and, where appropriate, resolve credit operations in accordance with the assumptions and limits established by express delegation of the Board of Directors, and to prepare reports on those matters within its area of activity that may be required of it by the Board of Directors. Furthermore, it shall have the responsibilities ascribed to it by law, the Articles of Association and the Regulations of the Board of Directors.

### Audit and Control Committee

The Audit and Control Committee is formed of four Independent Directors, whose Chair is an expert in auditing. Its main duties are to oversee the effectiveness of the Bank's internal control, oversee the internal audit and risk management systems, supervise the process for preparing and disclosing regulated financial information, report on the Bank's annual and interim accounts, manage relations with the statutory auditors, and ensure that appropriate measures are taken in the event of any improper conduct or methods. It also ensures that the measures, policies and strategies defined by the Board of Directors are duly implemented.

### Appointments and Corporate Governance Committee

The Appointments and Corporate Governance Committee is formed of four Independent Directors and one "Other External" Director. Its main duties are to exercise vigilance to ensure a compliant qualitative composition of the Board of Directors, evaluating the suitability and necessary skills and experience of the members of the Board of Directors, escalate proposals for the appointment of Independent Directors, report on proposals for the appointment of the remaining Directors, report on proposals for the appointment and removal of senior executives and members of the Identified Staff, report on the basic terms of the contracts of Executive Directors and senior executives, examine and organise the succession of the Bank's Chair of the Board and Chief Executive Officer and, where appropriate, put forward proposals to the Board so that the aforesaid succession may take place in an orderly and planned manner. It should also set a target for representation of the under-represented sex on the Board and produce guidelines on how to achieve that target.

As regards corporate governance, its main functions are: to report to the Board of Directors on the Bank's internal corporate policies and rules, unless they fall within the competence of other Committees; to supervise compliance with the Bank's corporate governance rules, excluding those corresponding to areas that fall within the competence of other Committees; to report to the Board of Directors the annual corporate governance report for its approval and annual publication; to supervise, within the scope of its competence, the communications that the Bank makes

to shareholders and investors, proxy advisers and other stakeholders, and to report on these to the Board of Directors; and any other actions that may be necessary to ensure good corporate governance in all the Bank's actions.

#### Remuneration Committee

The Remuneration Committee is formed of three Independent Directors. Its main responsibilities are to put forward proposals to the Board of Directors on the remuneration policy for Directors and General Managers, as well as on individual remuneration and other contractual terms of Executive Directors, and to ensure compliance therewith. Additionally, it provides information about the Annual Report on Director Remuneration and reviews the general principles concerning remuneration and the remuneration schemes applicable to all employees, ensuring transparency in remuneration matters.

#### Risk Committee

The Risk Committee is formed of four Independent Directors. Its main duties are to supervise and ensure that all risks of the Institution and its consolidated Group are appropriately taken, controlled and managed, and to report to the Board on the performance of its duties, in accordance with the law, the Articles of Association and the Regulations of the Board of Directors and those of the Risk Committee itself.

#### **Senior Management**

The following table sets forth, as of the date of this Base Prospectus, the names of the members of the senior management of the Issuer and their current positions, other than Mr. Marc Armengol Dulcet (CEO), Mr. David Vegara Figueras (General Manager for Regulation & Risk Control) and Mr. Carlos Ventura Santamans (General Manager of Business Banking & Network), each of whom also serves as a member of the Board of Directors:

<b>Name</b>	<b>Position</b>
Mr. Gonzalo Baretino Coloma	General Secretariat
Ms. Elena Carrera Crespo	Operations & Technology
Mr. Sergio Alejandro Palavecino Tomé	Financial
Mr. Cristóbal Paredes Camuñas	Corporate & Investment Banking
Mr. Carlos Paz Rubio	Risk
Mr. Marcos Prat Rojo	Strategy and Efficiency
Ms. Sonia Quibus Rodríguez	People and Sustainability
Mr. Jorge Rodríguez Maroto	Retail Banking
Ms. Virginia Zafra de Llera	Communication and Corporate Image

The business address for each member of the senior management of the Issuer listed above is Plaça de Sant Roc, nº 20, PC 08201, Sabadell, Spain.

The following table sets forth the activities and positions held by members of the senior management in companies within and outside the Bank, as of the date of this Base Prospectus:

<b>Name</b>	<b>Principal activities</b>
Mr. Jorge Rodríguez Maroto	Director of Bansabadell Vida, S.A. de Seguros y Reaseguros, Bansabadell Seguros Generales, S.A., de Seguros y Reaseguros and Bansabadell Pensiones, E.G.F.P., S.A.

## Shareholding Stakes held by the Board of Directors and Senior Management

The table below shows, as of the date of this Base Prospectus, the direct, indirect and represented stakes and voting rights in the share capital of the Bank held by the members of the Board of Directors, individually or jointly with other persons or through controlled legal entities:

Name of Indirect Holder	Direct	Indirect	Through other	Total Stake
			financial instruments	
			(% of Voting Rights)	
Mr. Josep Oliu Creus <sup>(1)</sup>	0.08	0.08	0.00	0.16
Mr. Pedro Fontana García	0.004	0.00	0.00	0.004
Mr. Marc Armengol Dulcet	0.007	0.00	0.00	0.007
Ms. Aurora Catá Sala	0.00	0.00	0.00	0.00
Ms. Ana Colomques García-Planas	0.004	0.00	0.00	0.004
Mr. Lluís Deulofeu Fuguet	0.002	0.00	0.00	0.002
Ms. María José García Beato	0.02	0.00	0.00	0.02
Ms. Mireya Giné Torrens	0.00	0.00	0.00	0.00
Ms. María Gloria Hernández García	0.00	0.00	0.00	0.00
Mr. George Donald Johnston III	0.00	0.00	0.00	0.00
Ms. Margarita Salvans Puigbò	0.00	0.00	0.00	0.00
Mr. Manuel Valls Morató	0.002	0.002	0.00	0.004
Mr. David Vegara Figueras	0.01	0.00	0.00	0.01
Mr. Carlos Ventura Santamans	0.02	0.00	0.00	0.02
Mr. Pedro Viñolas Serra	0.00	0.00	0.00	0.00

(1) Indirect voting rights through Torrellimona, S.L.

The table below shows, as of the date of this Base Prospectus, the direct, indirect and represented stakes and voting rights in the share capital of the Bank held by the members of the senior management of the Issuer, individually or jointly with other persons or through controlled legal entities, other than Mr. Marc Armengol Dulcet (CEO), Mr. David Vegara Figueras (General Manager for Regulation & Risk Control) and Mr. Carlos Ventura Santamans (General Manager of Business Banking & Network), each of whom also serves as a member of the Board of Directors:

Name of Indirect Holder	Direct	Indirect	Through other	Total Stake
			financial instruments	
			(% of Voting Rights)	
Mr. Gonzalo Baretino Coloma	0.010	0.00	0.00	0.010
Ms. Elena Carrera Crespo	0.004	0.00	0.00	0.004
Mr. Sergio Alejandro Palavecino Tomé	0.009	0.00	0.00	0.009
Mr. Cristóbal Paredes Camuñas	0.004	0.00	0.00	0.004
Mr. Carlos Paz Rubio	0.009	0.00	0.00	0.009
Mr. Marcos Prat Rojo	0.004	0.00	0.00	0.004
Ms. Sonia Quibus Rodríguez	0.003	0.001	0.00	0.004
Mr. Jorge Rodríguez Maroto	0.004	0.00	0.00	0.004
Ms. Virginia Zafra de Llera	0.00	0.00	0.00	0.00

## Conflicts of Interest

Banco Sabadell believes that no potential conflicts of interest exist between the duties of its Board of Directors and senior management members to the Bank and their private interests or other duties.

## Legal and Other Proceedings

The nature of the business of Banco Sabadell causes the Bank to be involved in routine legal and other proceedings from time to time. As of 31 December 2025, the Group was involved in certain ongoing lawsuits and proceedings arising from the ordinary course of its operations. The Group's legal advisers and directors consider that the outcome of such lawsuits and proceedings will not have a material impact on equity in the years in which they are settled. For more information on legal and other proceedings, see Note 22 to the 2025 audited consolidated annual financial statements which are incorporated by reference to this Base Prospectus.

## Alternative Performance Measures

In addition to the financial information contained in this Base Prospectus prepared in accordance with IFRS, certain Alternative Performance Measures (“APMs”), as defined by the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415) (the “**ESMA Guidelines**”), are included in this Base Prospectus, (namely, the “Stage 3 coverage ratio with total provisions”, the “Loan-to-Deposit ratio”, the “NPL Ratio”, the “credit cost of risk”, the “total cost of risk”, the “credit cost of risk exTSB”, the “total cost of risk exTSB”, the “Stage 3 coverage ratio with total provisions exTSB”, the “NPL ratio exTSB” and “Non-performing assets”), in the 2024 and 2025 audited consolidated annual financial statements and its consolidated directors' reports and in the quarterly financial report in respect of the three month period ended 31 March 2026, all of which are incorporated by reference into this Base Prospectus.

In accordance with the ESMA Guidelines, the APMs are financial measures of past or future financial performance, of financial situation or of cash flows, except for a financial measure defined or detailed in the applicable financial reporting framework. The Issuer uses the APMs, which have not been audited, reviewed or subject to review by the Issuer's auditors, as monitoring indicators for the management of assets and liabilities and the financial and economic situation of the Group for the purposes of facilitating comparison with other institutions and contributing to a better understanding of the Group's financial evolution and performance. In particular, Banco Sabadell believes that the APMs may provide useful information for investors, securities analysts and other interested parties in order to better understand the Group's business, financial position, profitability, results of operations, the quality of its loan portfolio, the amount of equity per share and their progression over time.

However, the APMs are not defined under IFRS and may be presented on a different basis than the financial information included in the financial statements prepared under IFRS. Accordingly, the APMs should not be considered as substitutes to any performance measures prepared in accordance with IFRS. Many of these APMs are based on Group's internal estimates, assumptions, calculations, and expectations of future results and there can be no assurance that these results will be achieved.

Furthermore, the APMs can, both due to their definition and in their calculation, differ significantly from other similar measures calculated by other companies, and hence be not comparable.

Prospective investors should not consider the APMs in isolation, as substitutes to the information calculated in accordance with IFRS, as indications of operating performance or as measures of Issuer's profitability or liquidity. The APMs must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS and prospective investors are advised to review the APMs in conjunction with audited consolidated annual financial statements, the audited condensed consolidated interim financial statements and quarterly financial reports incorporated by reference in this Base Prospectus from time to time. Accordingly, prospective investors are cautioned not to place undue reliance on the APMs.

Other than with respect to the “credit cost of risk exTSB”, the “total cost of risk exTSB”, the “Stage 3 coverage ratio with total provisions exTSB”, the “NPL ratio exTSB” and “Non-performing assets”, the descriptions (including definitions, explanations and reconciliations) of all APMs are set out in section “*Performance measures and reconciliation with management indicators - Alternative performance measures in the Group*” of the Group's 2025 audited consolidated annual financial statements and consolidated directors' report and in section “*Glossary of terms on alternative performance measures*” of the Group's 2024 audited consolidated annual financial statements and consolidated directors' report, which are incorporated by reference into this Base Prospectus - please see “*Information Incorporated by Reference*”.

In addition to the descriptions included in the Group's 2025 and 2024 audited consolidated annual financial statements and consolidated directors' reports incorporated by reference into this Base Prospectus, set out below are the descriptions (including definitions, explanations and reconciliations) of the “credit cost of risk exTSB”, the “total cost of risk exTSB”, the “Stage 3 coverage ratio with total provisions exTSB”, the “NPL ratio exTSB” and

“Non-performing assets”, which are included in this Base Prospectus in order to facilitate comparability of the information in “*Risk Factors — 2.3.5 The sale of the subsidiary TSB could affect the Group’s risk profile*” in relation to the TSB Sale:

## 1. Credit cost of risk exTSB

		<b>As of 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<i>(€ million)</i>	
Numerator	(+) Provisions for loan losses	426	531
Numerator	(-) Expenses on NPLs	109	118
Denominator	(+) Gross loans, excl. reverse repos	123,114	117,614
Denominator	(+) Financial guarantees and other guarantees given	8,540	8,699
<b>Ratio</b>	<b>(=) Credit cost of risk exTSB</b>	<b>24 bps</b>	<b>33 bps</b>

The ratio comprises the following items:

- Provisions for loan losses: this comprises the Provisions for loan losses heading in the consolidated income statement used for management reporting.
- Expenses on NPLs: costs associated with the management of loans classified in Stage 3 (NPLs).
- Gross loans, excluding reverse repos: obtained by taking customer loans and advances from the consolidated balance sheet and then (i) adding impairment allowances, (ii) subtracting reverse repos, and (iii) adding Stage 3 exposures of credit institutions.
- Financial guarantees and other guarantees given: consists of financial guarantees and other guarantees given under off-balance sheet exposures.

Relevance: this is one of the main indicators used in the banking industry to measure the credit risk performance of institutions, by giving the ratio of credit risk provisions booked over the past twelve months relative to the total loan book.

## 2. Total cost of risk exTSB

		<b>As of 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<i>(€ million)</i>	
Numerator	(+) Total provisions and impairments	491	676
Denominator	(+) Gross loans, excl. reverse repos	123,114	117,614
Denominator	(+) Financial guarantees and other guarantees given	8,540	8,699
Denominator	(+) Non-performing real estate assets	684	836
<b>Ratio</b>	<b>(=) Total cost of risk exTSB</b>	<b>37 bps</b>	<b>53 bps</b>

This ratio comprises the following items:

- Total provisions and impairments: comprises the following line items included in the consolidated income statement used for management reporting: (i) Provisions for loan losses, (ii) Provisions for other financial assets, and (iii) Other provisions and impairments.
- Gross loans, excluding reverse repos: obtained by taking customer loans and advances from the consolidated balance sheet and then (i) adding impairment allowances, (ii) subtracting reverse repos, and (iii) adding Stage 3 exposures of credit institutions.
- Financial guarantees and other guarantees given: consists of financial guarantees and other guarantees given under off-balance sheet exposures.
- Non-performing real estate assets: consists of real estate assets foreclosed or received in lieu of debt and real estate assets classified in the portfolio of non-current assets and disposal groups classified as held for sale, except for investment properties with significant unrealised capital gains and those under lease for which there is a final agreement for a sale to take place following refurbishment. It comprises: (i) real estate assets acquired through lending for construction and real estate development, (ii) real estate assets acquired through mortgage lending to households for home purchase, and (iii) other real estate assets foreclosed or received in lieu of debt.

Relevance: risk metric used to measure the credit risk performance of institutions by giving the ratio of total provisions and impairments booked relative to the total amount of the credit book and non-performing real estate assets.

### 3. Stage 3 coverage ratio with total provisions exTSB

		<b>As of 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<i>(€ million)</i>	
<b>Numerator</b>	<b>(+) Total hedging</b>	<b>2,425</b>	<b>2,763</b>
	(+) Impairment allowances	2,355	2,631
	(+) Provisions recognised under liabilities on balance sheet	70	132
<b>Denominator</b>	<b>(+) Stage 3 exposures</b>	<b>3,491</b>	<b>4,180</b>
	(+) Stage 3 assets	3,360	3,973
	(+) Stage 3 financial guarantees and other guarantees given	131	207
<b>Ratio</b>	<b>(=) Stage 3 coverage ratio with total provisions exTSB</b>	<b>69.46%</b>	<b>66.09%</b>

This ratio comprises the following items:

- Total hedging: the sum of (i) all impairment allowances for assets on the consolidated balance sheet, and (ii) provisions recognised under liabilities on the consolidated balance sheet associated with off-balance sheet exposures.
- Stage 3 exposures: comprised of (i) assets classified as Stage 3 including other valuation adjustments (accrued interest, fees and commissions, and others) of debt securities and of loans and advances to credit institutions and to customers, and (ii) financial guarantees and other guarantees given classified as Stage 3 under exposures off the consolidated balance sheet.

Relevance: key ratio used in the banking industry to monitor the status and performance of institutions' credit risk. It shows the level of accounting provisions that the Institution has allocated for assets classified as Stage 3.

#### 4. NPL ratio exTSB

		<b>As of 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<i>(€ million)</i>	
<b>Numerator</b>	<b>(+) Stage 3 exposures</b>	<b>3,491</b>	<b>4,180</b>
	(+) Stage 3 assets	3,360	3,973
	(+) Stage 3 financial guarantees and other guarantees given	131	207
<b>Denominator</b>	<b>(+) Gross loans, excl. reverse repos</b>	<b>123,114</b>	<b>117,614</b>
<b>Denominator</b>	<b>(+) Financial guarantees and other guarantees given</b>	<b>8,540</b>	<b>8,699</b>
<b>Ratio</b>	<b>(=) NPL ratio exTSB</b>	<b>2.65%</b>	<b>3.31%</b>

This ratio comprises the following items:

- Stage 3 exposures: comprised of (i) assets classified as Stage 3 including other valuation adjustments (accrued interest, fees and commissions, and others) of debt securities and of loans and advances to credit institutions and to customers, and (ii) financial guarantees and other guarantees given classified as Stage 3 under exposures off the consolidated balance sheet.
- Gross loans, excluding reverse repos: obtained by taking customer loans and advances from the consolidated balance sheet and then (i) adding impairment allowances, (ii) subtracting reverse repos, and (iii) adding Stage 3 exposures of credit institutions.
- Financial guarantees and other guarantees given: consists of financial guarantees and other guarantees given under exposures off the consolidated balance sheet.

Relevance: a key indicator used in the banking industry to monitor the status and performance of the quality of credit risk undertaken with customers. This metric shows balances classified as impaired (Stage 3) relative to the total loan book.

Likewise, set out below is the description (including definition, explanation and reconciliation) of non-performing assets:

#### 1. Non-performing assets

		<b>As of 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<i>(€ million)</i>	
	<b>(+) Stage 3 exposures</b>	<b>4,119</b>	<b>4,844</b>
	<b>(+) Non-performing real estate assets</b>	<b>684</b>	<b>836</b>
	(+) real estate assets acquired through lending for construction and real estate development	257	326

		<b>As of 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<i>(€ million)</i>	
	(+) real estate assets acquired through mortgage lending to households for home purchase	414	491
	(+) other real estate assets foreclosed or received in lieu of debt	13	18
<b>Total</b>	<b>(=) Non-performing assets</b>	<b>4,803</b>	<b>5,680</b>

This ratio comprises the following items:

- Stage 3 exposures: comprised of (i) assets classified as Stage 3 including other valuation adjustments (accrued interest, fees and commissions, and others) of debt securities and of loans and advances to credit institutions and to customers, and (ii) financial guarantees and other guarantees given classified as Stage 3 under exposures off the consolidated balance sheet.
- Non-performing real estate assets: consists of real estate assets foreclosed or received in lieu of debt and real estate assets classified in the portfolio of non-current assets and disposal groups classified as held for sale, except for investment properties with significant unrealised capital gains and those under lease for which there is a final agreement for a sale to take place following refurbishment. It comprises: (i) real estate assets acquired through lending for construction and real estate development, (ii) real estate assets acquired through mortgage lending to households for home purchase, and (iii) other real estate assets foreclosed or received in lieu of debt.

Relevance: indicator of the total exposure to Stage 3 exposures and of non-performing real estate assets.

## USE OF PROCEEDS

An amount equal to the net proceeds of the issue of each Tranche of Notes will be used:

- (a) for the general corporate purpose of Banco Sabadell or as otherwise indicated in the relevant Final Terms;
- (b) to finance, refinance or invest in, in whole or in part, Eligible Green Projects meeting the Eligibility Criteria, in which case the relevant Notes will be identified as “Green Bonds” in the relevant Final Terms (“**Green Bonds**”);
- (c) to finance, refinance or invest in, in whole or in part, Eligible Social Projects meeting the Eligibility Criteria, in which case the relevant Notes will be identified as “Social Bonds” in the relevant Final Terms (“**Social Bonds**”); or
- (d) to finance, refinance or invest in, in whole or in part, a combination of Eligible Green Projects and Eligible Social Projects, in each case, meeting the Eligibility Criteria, in which case the relevant Notes will be identified as “Sustainability Bonds” in the relevant Final Terms (“**Sustainability Bonds**”).

“**Eligibility Criteria**” means the "Eligibility Criteria" in respect of "Eligible Green Project Categories" or "Eligible Social Project Categories", as the case may be, as set out in the Bank's SDG Bond Framework.

“**Eligible Green Projects**” means projects falling under the "Eligible Green Project Categories" of renewable energy, green buildings, energy efficiency and storage, clean transportation, pollution prevention and control, circular economy adapted products, production technologies and processes, sustainable water and wastewater management or environmentally sustainable management of living natural resources and land use, each as further described in the Bank's SDG Bond Framework.

“**Eligible Social Projects**” means projects falling under the "Eligible Social Project Categories" of access to essential services (health or education), affordable or social housing, affordable basic infrastructure, employment generation or socioeconomic advancement and empowerment, each as further described in the Bank's SDG Bond Framework.

“**ICMA Green Bond Principles**” means the Green Bond Principles published by the International Capital Markets Association, as updated from time to time.

“**ICMA Social Bond Principles**” means the Social Bond Principles published by the International Capital Markets Association, as updated from time to time.

“**ICMA Sustainability Bond Guidelines**” means the Sustainability Bond Guidelines published by the International Capital Markets Association, as updated from time to time.

## GREEN BONDS, SOCIAL BONDS AND SUSTAINABILITY BONDS

### Introduction

Sustainability is continuously playing an important role within the Bank's business purpose and strategy. Banco Sabadell has enhanced its commitment to accelerate economic and social transformation that contribute to sustainable development and the fight against climate change.

The Bank published in the first quarter of 2022 its "Commitment to Sustainability" underpinned by four strategic pillars: (1) progress as a sustainable institution, (2) support customers in the transition to a sustainable economy, (3) offer investment opportunities that contribute to sustainability and (4) work together for a sustainable and cohesive society. This ESG action framework sets out the Bank's sustainability strategy and forward-looking vision with ESG goals and commitments and in alignment with both the UN Sustainable Development Goals ("SDGs") and the Paris Agreement. On this basis, Banco Sabadell defined quantitative and/or qualitative targets to be reached by 2025. As part of this commitment, Banco Sabadell has published the Sustainable Financing Framework (the "SDG Bond Framework") in October 2024, superseding and replacing the prior version established in 2020, which serves as the reference document for the issuance of Green Bonds, Social Bonds and Sustainability Bonds and allows Banco Sabadell to issue bonds under different formats, including public or private placements, senior non-preferred bonds, senior preferred, unsecured and secured securities.

Moreover, the SDG Bond Framework is aligned with the voluntary guidelines of ICMA's Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines and applies the "Substantial Contribution" criteria proposed in the EU Taxonomy Regulation when such criteria are fully available and practically feasible for the Bank.

The SDG Bond Framework is published by the Bank at ([https://www.grupbancsabadell.com/corp/files/6000214894025/banco\\_sabadell\\_group\\_sustainable\\_financing\\_framework.pdf](https://www.grupbancsabadell.com/corp/files/6000214894025/banco_sabadell_group_sustainable_financing_framework.pdf)) under section "Sustainable Development Goals Bonds" on the website of the Bank (<https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/fixed-income-investors.html>).

Any amendments to the SDG Bond Framework and any other independent second party opinions being provided will be made available to investors under section "Sustainable Development Goals Bonds" on the website of the Banco Sabadell (<https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/fixed-income-investors.html>).

Included below is a summarised description of the content of the SDG Bond Framework relating to the alignment with ICMA's Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines. Investors should refer to the SDG Bond Framework for more information.

### Use of proceeds

Eligible Green Projects and Eligible Social Projects may be composed of:

- both lending and investments (equity participations or via funds) in assets, projects or companies;
- general corporate financing limited to companies deriving at least 90 per cent. of their turnover from Eligible Green Projects or Eligible Social Projects; and
- projects in the form of CAPEX or OPEX: (i) for the (re)financing of operating expenses (OPEX), a look-back period of up to 2 calendar years prior to the year of issuance of the relevant Notes will apply; and (ii) no look-back period will apply to projects financing capital expenditures (CAPEX).

A summary of Banco Sabadell's Eligible Green Project categories and Eligible Social Projects categories is set out below.

(a) Eligible Green Project categories:

- (i) Renewable energy: the provision of financing for (A) the manufacture of renewable energy technologies, where renewable energy is defined under Directive (EU) 2018/2001 (art 2.); (B) the construction, refurbishment or operation of electricity generation facilities based on electricity generated using solar photovoltaic technology; concentrated solar power technology; wind power; ocean energy; hydropower; geothermal energy; renewable non-fossil gaseous and liquid fuels; and biomass, biogas or bioliquids; (C) the manufacture of biogas and biofuels for use in transport and of bioliquids; and (D) the construction or operation of facilities that produce heat or cool from solar thermal heating technology; geothermal energy; gaseous and liquid fuels

of renewable origin; biomass; biogas or bioliquids and waste heat. This category contributes to the SDG 7 (climate change mitigation).

- (ii) Green buildings: the provision of financing for (A) the construction of new buildings for which the primary energy demand (“PED”) is at least 10 per cent. lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures; (B) the renovation of existing buildings complying with the applicable requirements for major renovations, and leading to a reduction of PED of at least 30 per cent.; (C) the installation, maintenance and repair of renewable energy technologies, on-site and the ancillary technical equipment; (D) the acquisition and ownership of buildings: (I) for buildings built before 31 December 2020, the building being within the top 15 per cent. of the national or regional building stock expressed as operational PED and (II) for buildings built after 31 December 2020, the building meeting the criteria for new buildings, and (E) the technical consultation linked to the improvement of energy performance of buildings as well as accredited energy audit, energy management services, energy performance contracts and services provided by energy services companies (ESCOs). This category contributes to the SDG 11 (sustainable cities and communities).
- (iii) Energy efficiency and storage: the provision of financing for (A) the manufacture, installation, repair, maintenance, retrofitting, repurposing, and upgrade of: energy efficiency equipment for buildings and other individual renovations; charging stations for electric vehicles in buildings and parking spaces attached to buildings; and instruments and devices for measuring, regulating and controlling the energy performance of buildings; (B) the construction and operation of transmission and distribution systems that transport the electricity on the extra high-voltage and high-voltage interconnected system; (C) the construction and operation of facilities that store electricity and return it at a later time in the form of electricity (including pumped hydropower storage); thermal energy (including underground thermal energy storage (UTES) or aquifer thermal energy storage (ATES) and return it at a later time in the form of thermal energy or other energy vectors; and hydrogen and return it at a later time; (D) the construction or operation of new networks dedicated to hydrogen or other low-carbon gases, and conversion and/or repurposing of existing natural gas networks to 100 per cent. hydrogen; (E) the construction, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling, ending at the substation or heat exchanger; (F) the installation and operation of electric heat pumps; and (G) the construction and operation of facilities co-generating electricity and heat or cool from solar energy. This category contributes to SDG 7 (affordable and clean energy) and SDG 13 (climate action).
- (iv) Clean transportation: the provision of financing for (A) the manufacture, maintenance, purchase, financing, rental, leasing and operation of zero direct tailpipe CO<sub>2</sub> emissions being passenger transport using railway rolling stock (use of a conventional engine where the necessary infrastructure is not available); freight transport on mainline rail networks as well as short line freight railroads (use of a conventional engine where the necessary infrastructure is not available); urban or suburban passenger transport and motorbikes, passenger cars and light commercial vehicles; (B) the construction, modernisation, operation and maintenance of infrastructure and equipment for low emissions transport, such as electric rails, charging points for electric vehicles and active mobility (walking, cycling, e-bikes and e-scooters); (C) the purchase, financing, chartering (with or without crew) and operation of inland, sea or coastal water transportation with zero direct tailpipe CO<sub>2</sub> emissions or, if not technologically possible, at least 25 per cent. of the energy being from zero direct CO<sub>2</sub> emissions fuels or plug-in power for the normal operation at sea and in ports; and the energy efficiency design index (“EEDI”) value being below EEDI requirements if the vessels are able to run on zero direct emission fuels or on fuels from renewable sources; and (D) the retrofit and upgrade of inland, sea and coastal freight and passenger water vessels enabling to reduce fuel consumption by at least 15 per cent. This category contributes to SDG 11 (sustainable cities and communities).
- (v) Pollution prevention and control: the provision of financing for (A) the separate collection and transport of non-hazardous waste in single or comingled fractions aimed at preparing for reuse or recycling; (B) the construction and operation of facilities for the treatment of sewage sludge by anaerobic digestion with the resulting production and utilisation of biogas or chemicals; separately collected bio-waste through anaerobic digestion with the resulting production and utilisation of biogas and digestate and/or chemicals; and separately collected bio-waste through composting (aerobic digestion) with the resulting production and utilisation of compost; (C) the construction and operation of facilities for material recovery through the sorting and processing

of at least 50 per cent. of separately collected non-hazardous waste to produce secondary raw materials that are suitable for the substitution of virgin materials in production processes; (D) the installation and operation of infrastructure for landfill gas capture; (E) the installation and operation of underground CO<sub>2</sub> geological storage; and (F) the manufacture of plastic in primary form. This category contributes to SDG 12 (responsible consumption and production).

- (vi) Circular economy adapted products, production technologies and processes: the provision of financing for (A) extending the lifetime of products by repairing, refurbishing or remanufacturing products that have already been used for their intended purpose by a customer; and (B) the preparation for re-use of products and components. This category contributes to SDG 12 (responsible consumption and production).
  - (vii) Sustainable water and wastewater management: the provision of financing for the construction, extension, operation and renewal of water collection, treatment and supply systems with average energy consumption less than 0.5 KWh per m<sup>3</sup> produced and in case of renewal, with average energy consumption lowered by at least 20 per cent. (over a 3 year baseline) and closing the leakage gap by 20 per cent.; and centralised waste water systems allowing a 20 per cent. of decrease in energy consumption compared to a 3 year average of its own baseline performance. This category contributes to SDG 6 (clean water and sanitation).
  - (viii) Environmentally sustainable management of living natural resources and land use: the provision of financing for forest management as defined by national law or referring to any economic activity resulting from a system applicable to a forest that influences the ecological, economic or social functions of the forest. This category contributes to SDG 15 (life on land).
- (b) Eligible Social Project categories:
- (i) Access to essential services - Health: the provision of financing for the construction, refurbishment, equipment, acquisition, operation and maintenance of free or subsidised health infrastructure or services, including hospitals, clinics and primary care centres; infrastructure and/or equipment providing emergency medical care and disease control services; and/or socio-medical centres for the care of the elderly, nursing homes and daycare centres. This category contributes to SDG 3 (good health and well-being).
  - (ii) Access to essential services – Education: the provision of financing for (A) the construction, refurbishment, acquisition, operation and maintenance of free or subsidised educational infrastructures or services, including primary, secondary and post-compulsory schools and vocational training centres; and public student housing facilities; and (B) student loans. This category contributes to SDG 4 (quality education).
  - (iii) Affordable or Social housing: the provision of financing for the construction, development, maintenance and acquisition of affordable housing or social housing in line with the socio-economic requirements set by the regional government or the Bank. This category contributes to SDG 1 (no poverty) and SDG 10 (reduced inequalities).
  - (iv) Affordable Basic Infrastructure category: the provision of financing for projects related to energy, water and sanitation, and digital inclusion in areas that lack such provisions, as per the following criteria: (A) the development or expansion of electricity grids in areas where there is no access or where access is substantially inadequate; (B) the development of infrastructure and services aimed at improving access to: potable water in residential or public-access facilities; and sewage treatment and sanitation facilities; and (C) the provision of internet connection for communities that have: no connectivity; substantially inadequate connectivity with no mobile broadband (3G or above); or a broadband subscription with a speed of less than 10 Mbit/second. This category contributes to SDG 1 (no poverty).
  - (v) Employment generation: the provision of financing for (A) loans to micro, small and medium size enterprises as defined by the EU commission, (B) loans without collateral and guarantee to the self-employed, (C) loans without collateral and guarantee to third sector organisations, such as NGOs and community organisations and (D) loans to women-led businesses. This category contributes to SDG 10 (reduced inequalities).

Moreover, the proceeds from the issuance of Sustainable Instruments will in no case be used to finance any activity non-compliant with Banco Sabadell's "Environmental and social risk framework" policies nor projects or loans.

The Environmental and Social Risk Framework is published by the Bank at [https://www.grupbancabadell.com/corp/files/6000083898080/environmental\\_and\\_social\\_risk\\_framework\\_sector\\_rules.pdf?bsb=RmlsZV9DLTYwMDAwODM4OTgwODAtMTM3NDA5ODA3OTg5NQ](https://www.grupbancabadell.com/corp/files/6000083898080/environmental_and_social_risk_framework_sector_rules.pdf?bsb=RmlsZV9DLTYwMDAwODM4OTgwODAtMTM3NDA5ODA3OTg5NQ).

### **Project Evaluation and Selection**

The Group has defined a project evaluation and selection process for the issuance of Green Bonds, Social Bonds or Sustainability Bonds, in which the following divisions and bodies take part:

- business units (“**Business Units**”) identify sustainable operations according to Eligibility Criteria defined in the SDG Bond Framework and detailed in the Bank's eligibility guide;
- the Sustainable Business Development Department checks that operations identified as being sustainable meet the defined criteria in order to qualify as sustainable operations. The Sustainable Exposure Department will also report on the full sustainability portfolio to the Sustainability Committee for it to be monitored and controlled;
- subsequently, when it deems it appropriate to do so, the Investments Management and Funding Division will ensure that a portfolio of eligible projects (eligible projects portfolio) is available for a Green Bonds, Social Bonds or Sustainability Bonds issuance, escalating this proposal to the Sustainability Committee for validation; and
- the Sustainability Committee is responsible for establishing the Bank's sustainability programme (the “**Sustainability Programme**”) and monitoring its execution, as well as defining and disclosing the general action principles related to sustainability and promoting the development of projects and initiatives. The Sustainability Committee will report regularly to the Management Committee (the most senior management body of the Bank) and at least once a year to the Board Strategy. The duties of the Sustainability Committee include:
  - establishing the Bank's sustainable finance plan and monitoring its execution. As well as defining and publicising the general principles of action in sustainability matters and promoting the development of projects and initiatives; and
  - evaluating and validating proposals to include other portfolios in the issuance of Green Bonds, Social Bonds and Sustainability Bonds.

### **Management of proceeds**

The Investments and Financing Management Division is responsible for managing the net proceeds from Green Bonds, Social Bonds and/or Sustainability Bonds by proposing their allocation to Eligible Green Projects and/or Eligible Social Projects to the Sustainability Committee as well as for monitoring and reporting on outstanding issuances of Sustainability Bonds.

All projects that meet the eligibility criteria will be monitored and a register will be kept comprising details of the project, date of disbursement, maturity date and indicators of expected environmental and/or social benefits.

An amount equal to the net proceeds of Green Bonds, Social Bonds and/or Sustainability Bonds will be earmarked to Eligible Green Projects and/or Eligible Social Projects on the Bank's own balance sheet or on those of Group entities.

The Group will strive to allocate the proceeds to Eligible Green Projects and/or Eligible Social Projects within a maximum of 2 years after the date of issuance of the relevant Green Bonds, Social Bonds and/or Sustainability Bonds. Any unallocated proceeds will be invested in cash, cash equivalents and/or green, social and sustainability bonds from other European issuers that are in line with the Bank's investment guidelines.

In the event of any asset sales or loan no longer meeting the defined Eligibility Criteria, the Group will do its best to reallocate the proceeds to finance other Eligible Green Projects and/or Eligible Social Projects.

### **Reporting and External Review**

The Bank will provide investors with transparent reports at least annually until the full allocation of an amount equal to the net proceeds and thereafter if there is a material change in the composition of the financed eligible portfolio of projects:

- (c) on the allocation of proceeds towards Eligible Green Project and/or Eligible Social Project categories, (the “**Allocation Reporting**”).

(d) on the expected social and environmental impact, (the “**Impact Reporting**”).

The Allocation Reporting will include information such as:

- total funds obtained from Green Bonds, Social Bonds and/or Sustainability Bonds net proceeds;
- details of the proportion of allocated proceeds and the balance of unallocated proceeds (if any); and
- breakdown of proceeds allocated to the Eligible Green Project and/or Eligible Social Project, as well as the mapping between these and UN SDGs.

The Impact Reporting aims to provide information on social and environmental indicators indicated in the Sustainable Financing Framework.

In addition, Banco Sabadell has hired Sustainalytics to provide an independent Second Party Opinion (“**SPO**”) on the Sustainable Financing Framework.

This Second Party Opinion has confirmed the alignment of the Sustainable Financing Framework with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines and has assessed the green activities in the Framework for alignment with the EU Taxonomy Regulation’s criteria for “Substantial Contribution” to its environmental objectives and “Minimum Safeguards”. The Second Party Opinion will also be published on the corporate website of the Banco Sabadell (<https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/fixed-income-investors.html>).

The Bank will obtain a limited assurance or external verification on the annual Allocation Reporting and Impact Reporting from an independent third party. This could be the SPO provider, or an otherwise qualified institution, and will be made available together with the relevant annual reporting on the Group’s website.

For the avoidance of doubt, the SDG Bond Framework, any Second-Party Opinion, the Allocation Reporting, the Impact Reporting or other report, verification or certification and any other document related thereto and any website mentioned in this section is not, nor shall it be deemed to be, incorporated in and/or form part of this Base Prospectus.

## REGULATION

The following is a summary of the most relevant aspects of the regulatory framework applicable to the Group, as well as the main factors that have directly or indirectly affected or are currently affecting its operations in a significant way.

In addition, see “*Risk Factors*”, which includes the specific and significant factors that the Group believes could significantly affect its operations.

### EU banking union

The project of achieving a European banking union was launched in the summer of 2012. Its main goal is to resume progress towards the European single market for financial services by restoring confidence in the European banking sector and ensuring the proper functioning of monetary policy in the Eurozone.

Banking union is expected to be achieved through harmonised banking rules (the single rulebook) and an institutional framework with stronger systems for both banking supervision and resolution that is managed at the European level. Its two main pillars are the single supervisory mechanism (the “SSM”) and the single resolution mechanism (the “SRM”). The SSM (comprised by both the ECB and the national competent authorities) is intended to assist in making the banking sector more transparent, unified and safer.

The SSM represented a significant change in the approach to banking supervision at a European and global level which resulted in the direct supervision by the ECB of the largest financial institutions (including the Bank), and the indirect supervision of around 3,500 financial institutions, and is now one of the largest supervisors in the world in terms of assets under supervision. In the coming years, the SSM is expected to continue to work on the establishment of a supervisory culture importing the best practices from the supervisory authorities that form part of the SSM. Several steps have already been taken in this regard such as the publication of the SSM Supervisory Manual in March 2018 (updated in January 2024), the approval of Regulation (EU) No. 468/2014 of the ECB of 16 April 2014, establishing the framework for cooperation within the SSM between the ECB and the national competent authorities and with national designated authorities, the approval of Regulation (EU) 2016/445 of the ECB of 14 March 2016, on the exercise of options and discretions available in EU law, and a set of guidelines on the application of CRR’s (as defined below) national options and discretions. In addition, the SSM represents an extra cost for the financial institutions that fund it through payment of supervisory fees.

The second pillar of the EU banking union is the SRM, the main purpose of which is to ensure a prompt and coherent resolution of failing banks in Europe. The SRM Regulation establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the SRM and a Single Resolution Fund (the “**Single Resolution Fund**”). Under the intergovernmental agreement (IGA) signed by 26 EU member states on 21 May 2014, contributions by banks raised at national level were transferred to the Single Resolution Fund. The SRB, which is the central decision-making body of the SRM, has the mission to ensure that credit institutions and other entities under its oversight, that face serious difficulties are resolved effectively with minimal costs to taxpayers and the real economy. Likewise, the SRB manages the Single Resolution Fund, which has been funded by contributions from European banks in accordance with the methodology approved by the Council of the EU. The SRB communicated on 10 February 2025 that the Single Resolution Fund target level remained reached in a total amount of €80 billion as of 31 December 2024 and would be used as a separate backstop only after an 8 per cent. bail-in of a bank’s liabilities has been applied to cover capital shortfalls (in line with the BRRD).

By allowing for the consistent application of EU banking rules through the SSM and the SRM, the banking union is expected to help resume momentum towards economic and monetary union. In order to complete such union, a single deposit guarantee scheme is still needed, which may require a change to the existing European treaties. This is the subject of continued negotiation by European leaders to ensure further progress is made in European fiscal, economic and political integration. In November 2015 the Commission proposed to set up a European deposit insurance scheme for bank deposits in the euro area, built on the system of national deposit guarantee schemes regulated by Directive 2014/49/EU, of 16 April, on deposit guarantee schemes (the “**Deposit Guarantee Schemes Directive**”), which as of the date of this Base Prospectus is still pending. On 18 April 2023, the European Commission presented a legislative proposal to adjust and strengthen the European Union’s existing bank crisis management and deposit insurance framework (the “**CMDI Proposal**”) which, *inter alia*, contains amendments to the Deposits Guarantee Schemes Directive in order to, among others, (i) clarify the scope of depositor protection to offer EU depositors a harmonised and robust level of protection, (ii) increase the convergence in deposit guarantee scheme practices and among authorities, and (iii) improve cross-border cooperation between deposit

guarantee schemes. Following the completion of the legislative process, the CMDI Reform (as defined below), including the amendments related to the Deposits Guarantee Schemes Directive, was adopted in March 2026 and published in the Official Journal of the European Union on 20 April 2026. – see “*Capital, liquidity and funding requirements—Overview*” below for further information.

## Capital, liquidity and funding requirements

### Overview

As a Spanish credit institution, the Bank is subject to Directive 2013/36/EU, of 26 June, of the European Parliament on access to credit institution and investment firm activities and on prudential supervision of credit institutions and investment firms (the “**CRD IV Directive**”), as amended by Directive (EU) 2019/878 of the European Parliament and of the Council, of 20 May, amending the CRD IV Directive with respect to exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (the “**CRD V Directive**” and together with the CRD IV Directive, the “**CRD Directive**”). The core regulation regarding the solvency of credit entities is Regulation (EU) No. 575/2013, of 26 June, of the European Parliament and of the Council on prudential requirements for credit institutions (the “**CRR I**”) as amended by Regulation (EU) 2019/876 of the European Parliament and of the Council, of 20 May, (the “**CRR II**”) and together with the CRR I, the “**CRR**”) (the CRR together with the CRD Directive and any CRD Implementing Measures (as this term is defined in the Conditions), the “**Capital Requirements Regulations**”), which is complemented by several binding regulatory technical standards, all of which are directly applicable in all EU member states, without the need for national implementation measures. The implementation of the CRD IV Directive into Spanish law took place through Royal Decree-Law 14/2013, of 29 November, on urgent measures to adapt Spanish law to EU regulations on the subject of supervision and solvency of financial entities (*Real Decreto-ley 14/2013, de 29 de noviembre, de medidas urgentes para la adaptación del derecho español a la normativa de la Unión Europea en materia de supervisión y solvencia de entidades financieras*) (“**RD-L 14/2013**”), Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit entities (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*) (“**Law 10/2014**”), Royal Decree 84/2015, of 13 February, implementing Law 10/2014 (*Real Decreto 84/2015, de 13 de febrero, por el que se desarrolla la Ley 10/2014*) (“**RD 84/2015**”), Bank of Spain Circular 2/2014 of 31 January (*Circular 2/2014, de 31 de enero, del Banco de España*) (“**Bank of Spain Circular 2/2014**”) and Bank of Spain Circular 2/2016 of 2 February (*Circular 2/2016, de 2 de febrero, del Banco de España*) (“**Bank of Spain Circular 2/2016**”).

On 27 June 2019, a comprehensive package of reforms amending CRR I, the CRD IV Directive, the BRRD I and the SRM Regulation I entered into force: (i) CRD V Directive; (ii) BRRD II; (iii) CRR II; and (iv) SRM Regulation II (the “**EU Banking Reforms**”). The EU Banking Reforms cover multiple areas, including, among others, the “Pillar 2 framework”, the leverage ratio, mandatory restrictions on distributions, permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of “non-preferred” senior debt that should only be bailed-in after junior ranking instruments but before other senior liabilities, changes to the definitions of Tier 2 and Additional Tier 1 instruments, the MREL framework and the integration of the TLAC standard into EU legislation. With respect to the European Commission’s proposal regarding the recognition of the “non-preferred” senior debt, it was implemented in the EU through the Directive (EU) 2017/2399 amending the BRRD with respect to the ranking of unsecured debt instruments in insolvency hierarchy, which was published in the Official Journal of the EU on 27 December 2017. It had to be transposed into national law by the EU member states by 29 December 2018, provided that the relevant EU member states had not previously legislated in the sense of such Directive. In Spain, the new class of “non-preferred” senior debt and its insolvency ranking were introduced earlier through the RDL 11/2017.

CRD V Directive and BRRD II were implemented into Spanish law through Royal Decree-Law 7/2021, of 27 April, amending Law 10/2014 and Law 11/2015 (“**RDL 7/2021**”), Royal Decree 970/2021 (amending Royal Decree 84/2015), Circulars 5/2021 and 3/2022 of the Bank of Spain (amending Circular 2/2016 of the Bank of Spain) and Royal Decree 1041/2021 (amending Royal Decree 1012/2015). Despite the fact that RDL 7/2021 is generally enforceable since 29 April 2021, the Spanish Parliament decided on 19 May 2021 to process it as a Bill and so RDL 7/2021 provisions may be subject to changes. There remains uncertainty as to how the EU Banking Reforms will be applied by the relevant authorities.

Additionally, on 27 October 2021, the European Commission published legislative proposals amending CRR and the CRD Directive, as well as a separate legislative proposal amending CRR and BRRD in the area of resolution of credit institutions and investment firms. In particular, the main objectives of the European Commission’s legislative proposals are to strengthen the risk-based capital framework, enhance the focus on environmental, social and governance (ESG) risks in the prudential framework, further harmonise supervisory powers and tools and

reduce institutions' administrative costs related to public disclosures and to improve access to institutions' prudential data. The legislative proposals are the following: (i) Directive of the European Parliament and of the Council amending CRD Directive with respect to supervisory powers, sanctions, third-country branches, and environmental, social and governance risks; (ii) Regulation of the European Parliament and of the Council and its annex amending CRR with respect to requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor; and (iii) Regulation of the European Parliament and of the Council amending CRR and BRRD with respect to the prudential treatment of global systemically important institution groups with a multiple point of entry resolution strategy and a methodology for the indirect subscription of instruments eligible for meeting the minimum requirement for own funds and eligible liabilities (the so-called "daisy chains" proposal). In connection with the proposal in limb (iii) above, the European Parliament and the Council adopted on 19 October 2022 Regulation (EU) 2022/2036 amending CRR and BRRD, which partially started to apply on 14 November 2022. As to the legislative proposals in limbs (i) and (ii) above, the European Parliament and the Council reached a final compromise agreement in December 2023. On 24 April 2024, the European Parliament approved the two legislative proposals. On 19 June 2024, both the Directive (EU) 2024/1619 ("**CRD VI**") in limb (i) above and the Regulation (EU) 2024/1623 ("**CRR III**") in limb (ii) above were published in the Official Journal of the EU. As a result, CRR III started applying gradually from 1 January 2025, while CRD VI should have been implemented in each of the Member States by 10 January 2026, although its transposition in Spain is still pending. The way it will be implemented may vary depending on the relevant Member State.

On 18 April 2023, the European Commission presented the CMDI Proposal, which had been under development for some time and was accelerated in light of latest bank failures. The package contains further amendments to the BRRD, the SRM Regulation and the Deposits Guarantee Schemes Directive, which aim at further preserving financial stability, protecting taxpayers and depositors, and supporting the real economy and its competitiveness. The proposals enable authorities to organise the orderly market exit for a failing bank of any size and business model and consists of three pillars: (i) preserving financial stability and protecting taxpayers' money through facilitating the use of deposit guarantee schemes in crisis situations; (ii) shielding the real economy from the impact of bank failure by allowing authorities to fully use resolution as a key component of the crisis management toolbox; and (iii) better protecting depositors. The CMDI Proposal also includes a targeted amendment of the "daisy chains" proposal as a separate legal instrument to address specific issues on the treatment of internal MREL. In particular, the CMDI Proposal (i) harmonises depositor protection across the European Union, including the protection of temporary high balances on bank accounts in excess of EUR 100,000 linked to specific life events (such as inheritance or insurance indemnities), (ii) extends depositor protection to public entities, and (iii) introduces a new single-tiered preferential ranking for all deposits, with the result that all deposits (including certain deposits of large corporates and deposits by other banks) would rank above unsubordinated and unsecured obligations (*créditos ordinarios*), and *pari passu* with each other. Covered deposits would continue to be excluded from bail-in but would have no "super-preference" on insolvency compared to other deposits. At the same time, non-covered deposits would rank in priority to unsubordinated and unsecured creditors and would therefore be bailed in after any such unsubordinated and unsecured creditors (which is aimed at reducing contagion risk). On 6 December 2023 the European Parliament and the Council reached provisional political agreement on the "daisy chains" proposal, which was finally adopted on 27 March 2024 and published in the Official Journal of the EU on 22 April 2024. Additionally, on 20 March 2024, the Economic and Monetary Affairs Committee of the European Parliament voted in favour of a compromise on amendments to the CMDI Proposal. On 24 April 2024, the European Parliament voted in plenary to adopt three legislative texts on CMDI Proposal framework as its position for upcoming legislative negotiations with the European Council. On 19 June 2024, the European Council agreed on a negotiation mandate on the review of the CMDI Proposal framework, with which the European Council confirmed that it was on position for negotiations with the European Parliament regarding the final form of the CMDI Proposal framework.

The final texts of the CMDI Proposal (the "**CMDI Reform**") were published on 23 February 2026. The CMDI Reform was formally adopted by the Council on 5 March 2026 and by the European Parliament on 26 March 2026, and consists of (i) a directive amending the Deposit Guarantee Schemes Directive, (ii) a directive amending BRRD and (iii) a regulation amending the SRM Regulation. On 20 April 2026, the CMDI Reform was published in the Official Journal of the EU and entered into force on the twentieth day following publication, applying (with some exceptions) from 24 months from its date of entry into force. The directives forming part of the CMDI Reform will require transposition into the national laws of each Member State of the EU (including Spain), a process that may result in differences in implementation across jurisdictions and the timing of which remains uncertain. Accordingly, as of the date of this Base Prospectus, there remains uncertainty as to the specific practical impacts arising from the CMDI Reform, including as transposed into national law.

## *Capital requirements*

Under the Capital Requirements Regulations, the Bank is required, on a consolidated and on an individual basis, to hold a minimum amount of regulatory capital of 8 per cent. of RWAs (the minimum “Pillar 1” capital requirements) of which at least 4.5 per cent. must be CET1 capital and at least 6 per cent. must be tier 1 capital. In addition to the minimum “Pillar 1” capital requirements, credit institutions must comply with the “combined buffer requirement”, which is divided into five capital buffers to be satisfied with additional CET1 capital: (i) the capital conservation buffer of 2.5 per cent. of RWAs; (ii) the global systemically important institutions (“**G-SII**”) buffer which shall not be less than 1 per cent. of RWAs; (iii) the other systemically important institutions (“**O-SII**”) buffer, which may be as much as 3 per cent. of RWAs (or higher pursuant to the requirements set by the competent authority); (iv) the institution-specific counter-cyclical capital buffer, which may be as much as 2.5 per cent. of RWAs (or higher pursuant to the requirements set by the competent authority); and (v) the systemic risk buffer to prevent systemic or macro prudential risks (to be set by the competent authority).

While the capital conservation buffer and the G-SII buffer are mandatory, the Bank of Spain has greater discretion in relation to the counter-cyclical capital buffer, the O-SII buffer and the systemic risks buffer. The ECB also has the ability to provide certain recommendations in this respect.

As the Bank has not been classified as G-SII by the FSB nor by the Bank of Spain, unless otherwise indicated in the future, it will not be required to maintain the G-SII buffer. According to the press release published by the Bank of Spain on 30 July 2025, Banco Sabadell is considered an O-SII for 2026 and accordingly, during 2026 it is required to maintain, on a consolidated basis, a full O-SII buffer of 0.25 per cent. In addition, on 16 May 2024 the Bank of Spain announced its intention to increase the counter-cyclical capital buffer applicable to credit exposures in Spain to 1 per cent. in two stages: (i) from the fourth quarter of 2024, it was set at 0.5 per cent. (which applied from 1 October 2025); and (ii) from the fourth quarter of 2025, it was raised 0.5 percentage points to be set at 1 per cent. (with effect from 1 October 2026). Following that announcement, on 1 October 2024, the Bank of Spain set the counter-cyclical capital buffer applicable to credit exposures in Spain at 0.5 per cent. from the fourth quarter of 2024 (which applied from 1 October 2025) and, on 1 October 2025, it was increased 0.5 percentage points to 1 per cent. being applicable from 1 October 2026. Accordingly, as of the date of this Base Prospectus, the counter-cyclical capital buffer applicable to credit exposures in Spain is 0.5 per cent. Notwithstanding the foregoing, the Bank of Spain may change or reverse these decisions for circumstances that as of the date of this Base Prospectus are uncertain and are beyond the Bank’s control. However, since the counter-cyclical capital buffer applicable to the Bank consists of the weighted average of the counter-cyclical capital buffer rates that apply in the jurisdictions where the Bank’s relevant credit exposures are located, the Group’s exposures to UK were also measured. As a result, and further to the SREP decision received by the Bank from the ECB published on 31 October 2025, as of the date of this Base Prospectus, the counter-cyclical capital buffer rate for the Bank is 0.75 per cent (following the update in December 2025).

Some or all of the other buffers may also apply to the Bank and/or the Group from time to time as determined by the Bank of Spain, the ECB or any other competent authority.

Moreover, Article 104 of CRD Directive, as implemented in Spain by Article 68 of Law 10/2014, and similarly Article 16 of SSM Regulation, also contemplate that in addition to the minimum “Pillar 1” capital requirements and any applicable capital buffer, supervisory authorities may require further “Pillar 2” capital requirements to cover other risks, including those risks not considered to be fully captured by the minimum “own funds” “Pillar 1” capital requirements under the Capital Requirements Regulations or to address macro-prudential considerations. This may result in the imposition of additional capital requirements on the Bank and/or the Group pursuant to this “Pillar 2” framework. Any failure by the Bank and/or the Group to maintain its “Pillar 1” minimum regulatory capital ratios and any “Pillar 2” additional capital could result in administrative actions or sanction, which, in turn, may have a material adverse impact on the Group’s results of operations.

In addition, in accordance with Article 104b of CRD Directive, as implemented in Spain by Articles 69 and 69 bis of Law 10/2014, the specific “Pillar 2” capital will consist of two parts: “Pillar 2” requirements (“**P2R**”), which are binding and a breach of which can have direct legal consequences for banks, and “Pillar 2” Guidance (“**P2G**”), which is not directly binding even though the ECB expects banks to meet it at all times. According to Article 43.3.c) of Law 10/2014 banks shall meet the P2G with CET1 capital on top of the level of binding capital (minimum and additional) requirements (“Pillar 1” capital requirements, P2R and the “combined buffer requirements”). If a bank does not meet its P2G, this will not result in automatic action of the supervisor and will not be used to determine the Maximum Distributable Amount (as defined below) trigger, but Article 69.1.e) of Law 10/2014 provides that when an institution repeatedly fails to meet the P2G it will trigger, where appropriate, the imposition of additional own funds requirements. The Capital Requirements Regulations do not require

disclosure of the P2G. However, the Market Abuse Regulation (MAR) ESMA Guidelines on delay in the disclosure of inside information and interaction with prudential supervision, as amended on 5 January 2022, provide that P2G may be inside information if, for example, the difference between the P2G and the institution's level of capital is not minor and is likely to involve a major reaction by the institution, such as a capital increase, or if the institution's P2G is not in line with market expectations. To the extent that P2G constitutes inside information, it will need to be disclosed pursuant to the obligations applicable to the Bank under Regulation (EU) No 596/2014 of the European Parliament and of the Council, of 16 May 2014, on market abuse.

In addition to the above, the EBA published on 19 December 2014 its guidelines for common procedures and methodologies in respect of the SREP, as revised on 18 March 2022 with the aim of implementing the amendments to the CRD V Directive and CRR II and promoting convergence towards best supervisory practices (the "**EBA SREP Guidelines**"). Under these guidelines, national supervisors should set a composition requirement for the "Pillar 2" capital to cover certain specified risks of at least 56 per cent. CET1 capital and at least 75 per cent. tier 1 capital. Under Article 104(a) of CRD Directive (implemented into Spanish law by Article 94.6 of Royal Decree 84/2015), EU banks are now allowed to meet P2R with these minimum proportions of CET1 capital and tier 1 capital.

According to Article 48 of Law 10/2014, Article 73 of RD 84/2015 and Rule 24 of Bank of Spain Circular 2/2016, those entities failing to meet the "combined buffer requirement" or making a distribution in connection with CET1 capital to an extent that would reduce its CET1 capital to a level where the "combined buffer requirement" is no longer met will be subject to restrictions on: (i) distributions relating to CET1 capital; (ii) payments in respect of variable remuneration or discretionary pension revenues; and (iii) distributions relating to additional tier 1 capital instruments ("**Discretionary Payments**"), until the maximum distributable amount calculated according to the Capital Requirements Regulations (i.e., the firm's "distributable profits", calculated in accordance with the Capital Requirements Regulations, multiplied by a factor dependent on the extent of the shortfall in CET1 capital) (the "**Maximum Distributable Amount**") has been calculated and communicated to the Bank of Spain. Thereafter, any such distributions or payments will be subject to such Maximum Distributable Amount if entities do not meet the "combined buffer requirement" or to any of the other measures adopted by the Bank of Spain as set out in Article 68.2 of Law 10/2014 with the aim of strengthening own funds or limiting or prohibiting the distribution of dividends.

As set out in the "Opinion of the European Banking Authority on the interaction of Pillar 1, Pillar 2 and combined buffer requirements and restrictions on distributions" published on 16 December 2015 (the "**December 2015 EBA Opinion**"), competent authorities should ensure that the CET1 capital to be taken into account in determining the CET1 capital available to meet the "combined buffer requirement" for the purposes of the Maximum Distributable Amount calculation is limited to the amount not used to meet the "Pillar 1" and "Pillar 2" capital of the institution and, accordingly the "combined buffer requirement" is in addition to the minimum "Pillar 1" capital requirements and to P2R, and therefore, it would be, after the P2G, the first layer of capital to be eroded pursuant to the applicable stacking order. Whereas (121) of the CRD Directive further clarifies that P2R should be positioned in the relevant stacking order of own funds requirements above the "Pillar 1" capital requirements and below the "combined buffer requirement" or the leverage ratio buffer requirement, as applicable and also clarifies that P2R should be set in relation to the specific situation of an institution excluding macroprudential or systemic risks, but including the risks incurred by individual institutions due to their activities (including those reflecting the impact of certain economic and market developments on the risk profile of an individual institution).

In addition to the above, the CRR (as amended by the EU Banking Reforms) also contains a binding 3 per cent. Tier 1 capital leverage ratio requirement on top of the own funds requirements in article 92 of the CRR that institutions must meet in addition to their risk-based requirements. Thus, any additional own funds requirements imposed by competent authorities to address the risk of excessive leverage should be added to the minimum leverage ratio requirement and not to the minimum risk-based own funds requirement. Institutions should also be able to use any CET1 capital instruments that they use to meet their leverage-related requirements to meet their risk-based own funds requirements, including the "combined buffer requirement".

#### *MREL requirements*

In addition to the minimum capital requirements under the Capital Requirements Regulations, the BRRD prescribes that banks shall comply, at all times, the MREL requirements. According to Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016 ("**MREL Delegated Regulation**"), the level of own funds and eligible liabilities required under MREL will be set by the resolution authority for each bank (and/or group). The eligibility requirements for liabilities capable of being counted towards MREL are described in further detail below.

While the MREL requirement was scheduled to come into force on 1 January 2016, pursuant to the MREL Delegated Regulation and Royal Decree 1012/2015, resolution authorities determined a transitional period with an interim requirement which applied from 1 January 2022 and the full requirement applying from 1 January 2024.

On 9 November 2015 the FSB published its final TLAC Principles and Term Sheet, proposing that G-SIIs maintain significant minimum amounts of liabilities that are subordinated (by law, contract or structurally) to certain prior ranking liabilities, such as guaranteed insured deposits, and which form a new standard for G-SIIs. The TLAC Principles and Term Sheet contains a set of principles on loss absorbing and recapitalisation capacity of G-SIIs in resolution and a term sheet for the implementation of these principles in the form of an internationally agreed standard. On 2 July 2019, the FSB published its review of the technical implementation of the TLAC Principles and Term Sheet concluding that, although further efforts are needed to implement the TLAC standard fully and effectively and to determine the appropriate group-internal distribution of TLAC resources across home and host jurisdictions, it sees no need to modify the TLAC standard at this time. The TLAC Principles and Term Sheet establish a minimum TLAC requirement to be determined individually for each G-SII at the greater of (a) 16 per cent. of RWAs as of 1 January 2019 and 18 per cent. as of 1 January 2022, and (b) 6 per cent. of the Basel III Tier 1 leverage exposures as of 1 January 2019, and 6.75 per cent. as of 1 January 2022. Under the FSB TLAC standard, capital buffers stack on top of TLAC.

Although the Bank has not been classified as a G-SII by the FSB nor the Bank of Spain, it cannot be disregarded that TLAC requirements may apply to the Bank and/or the Group in addition to other capital requirements as a result of TLAC requirements being adopted and implemented in Spain and extended to non-G-SIIs through the imposition of similar MREL requirements as set out below, of any legislative proposal from the European Commission taking into account the need for consistency between MREL and other international standards such as TLAC, or otherwise.

One of the main objectives of the EU Banking Reforms was to implement the TLAC standard and to integrate the TLAC requirement into the general MREL rules (“**TLAC/MREL Requirements**”) thereby avoiding duplication from the application of two parallel requirements. Although TLAC and MREL pursue the same regulatory objective, there are, nevertheless, some differences between them in the way they are constructed. The EU Banking Reforms integrated the TLAC standard into the existing MREL rules to ensure that both requirements are met with largely similar instruments, with the exception of the subordination requirement, which will be partially institution-specific and determined by the resolution authority.

As said, although the specific MREL requirements may vary depending on the specific characteristics of the relevant entity, the resolution process MREL includes two different ratios: (i) a risk ratio (percentage of total RWAs of the resolution entity) and (ii) a non-risk ratio (percentage of the resolution entity’s total exposure). Eligible liabilities capable of being counted towards MREL must have a remaining maturity of at least one year and, if governed by a non-EU law, they must be able to be written down or converted by the resolution authority of a Member State under that law or through contractual provisions. A part of eligible liabilities must be subordinated in order to reduce the risk of no creditors worse-off, which means that in resolution, shareholders and creditors should not be worse-off than in case the institution had entered into normal insolvency proceedings.

According to the Capital Requirements Regulations, MREL application is also subject to a different regime depending on the nature of the entity based on its resource volume and systemic profile. Thus, the MREL requirements are different for G-SIIs, “top tier” entities (entities which are not G-SIIs but have consolidated total assets above €100 billion), other entities which the resolution authority has assessed as reasonably likely to pose a systemic risk in the event of its failure (“**other systemic entities**”) and the rest of the resolution institutions. Banco Sabadell is a “top tier” bank. In particular, G-SIIs, “top tier” banks and other systemic entities are subject since January 2022 to MREL Pillar 1 requirements (to be met only with MREL instruments constituting subordinated debt and “non-preferred” senior debt under the insolvency hierarchy introduced in Spain by RDL 11/2017 will be eligible for compliance with the subordination requirement): in principle, 18 per cent. RWAs and 6.75 per cent. of leverage exposure in the case of G-SIIs and 13.5 per cent. of RWAs and 5 per cent. of leverage exposure in the case of “top tier” entities and other systemic entities. The leverage exposure requirement includes the “combined buffer requirement” under the Capital Requirements Regulations.

Likewise, the Capital Requirements Regulations include, apart from the MREL Pillar 1 requirements, an additional subordination requirement of eligible instruments for G-SIIs, “top tier” banks and other systemic entities involving an institution specific MREL “Pillar 2” subordination requirement. This requirement is targeted at 8 per cent. but can be adjusted upwards or downwards by resolution authorities on a case-by-case basis. Resolution authorities may also impose “Pillar 2” subordination requirements to institutions not constituting G-SIIs, “top tier” entities or other systemic entities. For more information on MREL requirements applicable to Banco Sabadell, please see

*“Risk Factors –Strategic risks—The Group is subject to demanding and strict capital, resolution and general regulatory standards, and may be adversely affected by any new requirements arising therefrom”.*

Furthermore, Article 16.a) of BRRD, as implemented in Spain by Article 16 bis of Law 11/2015, better clarifies the stacking order between the “combined buffer requirement” and the MREL requirement. Pursuant to this provision, a resolution authority will have the power to prohibit an entity from making Discretionary Payments above the Maximum Distributable Amount (calculated in accordance with paragraph (4) of such Article 16.a) of the BRRD II) where it meets the “combined buffer requirement” but fails to meet that “combined buffer requirement” when considered in addition to the MREL requirements (the “**MREL-Maximum Distributable Amount**”). Said Article 16.a) of the BRRD (paragraph 3 of Article 16 bis of Law 11/2015) includes a potential nine-month grace period whereby the resolution authority will assess on a monthly basis whether to exercise its powers under the MREL-Maximum Distributable Amount before such resolution authority is compelled to exercise its power under the provisions (subject to certain limited exceptions).

Article 86 of Royal Decree 1012/2015 as amended by Royal Decree 1041/2021 establishes the consequences of a failure by an institution to meet the MREL requirement, including, among others: prohibition of certain distributions, requirement of additional capital, sanctions and other administrative measures.

#### *Prudential treatment of non-performing exposures*

On 15 March 2018, the ECB published its supervisory expectations on prudent levels of provision for NPLs in the form of a subsequent addendum (the “**Addendum**”) to the ECB’s guidance on NPLs for credit institutions of 20 March 2017, which clarified the ECB’s supervisory expectations with regard to the identification, measurement, management and write-off of NPLs. The Addendum sets out what the ECB considers to be prudential provisioning of non-performing exposures (“**NPEs**”), in order to avoid an excessive build-up of non-covered aged NPLs on banks’ balance sheets in the future, which would require specific supervisory measures.

In this respect, the ECB assesses any differences between banks’ practices and the prudential provisioning expectations at least annually and links the supervisory expectations in the Addendum to new NPLs classified as such from 1 April 2018 onwards. In addition, banks are asked to inform the ECB of any differences between their practices and the prudential provisioning expectations, as part of the SREP supervisory dialogue, as from early 2021. This could ultimately result in the ECB requiring banks to apply specific adjustments to their net worth calculations when the accounting treatment applied by the bank is not considered prudent from a supervisory perspective which, in turn, could have an impact on the banks’ capital position.

In August 2019, the ECB further revised its supervisory expectations for prudential provisioning of new NPEs taking into account the adoption of Regulation (EU) 2019/630 of the European Parliament and of the Council, of 17 April, which outlines the Pillar 1 treatment for NPEs, complements existing prudential rules and requires a deduction from own funds when NPEs are not sufficiently covered by provisions or other adjustments.

The statutory prudential backstop applies, subject to transitional provisions, to exposures originated on or after 26 April 2019 that subsequently become non-performing, and aims to ensure a harmonised minimum level of prudential coverage across the European Union, thereby reducing risks to financial stability and limiting potential future reliance on public support.

#### **Loss absorbing powers**

The BRRD (implemented in Spain through Law 11/2015 and RD 1012/2015) is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in unsound or failing credit institutions or investment firms (each an “**institution**”) so as to ensure the continuity of the institution’s critical financial and economic functions, while minimising the impact of an institution’s failure on the economy and financial system. The BRRD further provides that any extraordinary public financial support through additional financial stabilisation tools is only to be used by a Member State as a last resort, after having assessed and exploited the other resolution tools set out below to the maximum extent practicable whilst maintaining financial stability.

In accordance with Article 20 of Law 11/2015, an institution will be considered as non-viable in any of the following circumstances: (i) it is, or is likely in the near future to be, in significant breach of its solvency or any other requirements necessary for maintaining its authorisation; (ii) its assets are, or are likely in the near future to be, less than its liabilities; (iii) it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (iv) it requires extraordinary public financial support (except in limited circumstances). The determination that an institution is no longer viable may depend on a number of factors which may be outside of that institution’s control.

As provided in the BRRD and the SRM Regulation, Law 11/2015 contains four resolution tools and powers which may be used alone or in combination where any relevant authority (i.e. the FROB, the SRB or, as the case may be and according to Law 11/2015, the Bank of Spain or the CNMV) or any other entity with the authority to exercise any such tools and powers from time to time (each, a “**Relevant Resolution Authority**”) as appropriate, considers that (a) an institution is non-viable or likely to be non-viable, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest.

The four resolution tools are: (i) sale of business, which enables the Relevant Resolution Authority to direct the sale of the institution or the whole or part of its business on commercial terms; (ii) bridge institution, which enables the Relevant Resolution Authority to transfer all or part of the business of the institution to a “bridge institution” (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation, which enables the Relevant Resolution Authority to transfer certain categories of assets (including impaired or problematic assets) to one or more publicly-owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in, which gives the Relevant Resolution Authority the right to exercise certain elements of the Spanish Bail-in Power (as defined below). This includes the ability of the Relevant Resolution Authority to write down (including to zero) and/or to convert into equity or other securities or obligations (which equity, securities and obligations could also be subject to any future application of the Spanish Bail-in Power) certain unsecured debt claims (including the Senior Notes and the Subordinated Notes issued under the Programme) irrespective of whether they qualify as capital instruments or not.

The “**Spanish Bail-in Power**” is any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Spain, relating to the transposition of the BRRD, as amended from time to time, including, but not limited to (i) Law 11/2015, as amended from time to time, (ii) RD 1012/2015, as amended from time to time, (iii) the SRM Regulation (as defined in the Conditions), as amended from time to time, and (iv) any other instruments, rules or standards made in connection with either (i), (ii) or (iii), pursuant to which obligations (with certain exceptions) of an institution can be reduced, cancelled, modified or converted into shares, other securities, or other obligations of such institution or any other person (or suspended for a temporary period).

In accordance with Article 48 and Additional Provision 14 of Law 11/2015 (and subject to any exclusions that may be applied by the Relevant Resolution Authority under Article 43 of Law 11/2015), in the case of any application of the Spanish Bail-in Power to absorb losses and cover the amount of the recapitalisation, the sequence of any resulting write-down or conversion shall be as follows: (i) CET1 items; (ii) the obligations under Additional Tier 1 instruments; (iii) the obligations under Tier 2 capital instruments; (iv) the principal amount of other subordinated obligations under instruments that do not qualify as Additional Tier 1 capital or Tier 2 capital; and (v) the principal or outstanding amount of bail-inable liabilities in accordance with the hierarchy of claims in normal insolvency proceedings (with “non-preferred” ordinary obligations subject to the Spanish Bail-in Power after any subordinated obligations against the Bank but before the other ordinary obligations against the Bank).

In addition to the Spanish Bail-in Power, the BRRD, Article 38 of Law 11/2015 and the SRM Regulation provide for the Relevant Resolution Authority to have the further power to permanently write-down or convert into equity capital instruments (such as the Tier 2 Subordinated Notes) and certain internal eligible liabilities at the point of non-viability of an institution or a group of which the institution forms part (the “**Non-Viability Loss Absorption**”, and together with the Spanish Bail-in Power, the “**Statutory Loss-Absorption Power**”). The point of non-viability of an institution is the point at which the Relevant Resolution Authority determines that the institution meets the conditions for resolution or that it will no longer be viable unless the relevant capital instruments are written down or converted into equity or that extraordinary public support is to be provided and without such support the Relevant Resolution Authority determines that the institution would no longer be viable. The point of non-viability of a group is the point at which the group infringes or there are objective elements to support a determination that the group, in the near future, will infringe its consolidated solvency requirements in a way that would justify action by the Relevant Resolution Authority in accordance with Article 38.3 of Law 11/2015. Non-Viability Loss Absorption may be imposed prior to or in combination with any exercise of the Spanish Bail-in Power or any other resolution tool or power (where the conditions for resolution referred to above are met).

In accordance with Article 64.1 (i) of Law 11/2015, the FROB has also the power to alter the amount of interest payable under debt instruments and other eligible liabilities of institutions subject to resolution proceedings and the date on which the interest becomes payable under the debt instrument (including the power to suspend payment for a temporary period).

## U.S. regulation

The regulation in the U. S. of the financial services industry has experienced significant structural reforms since the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”) in 2010. The Dodd-Frank Act provided for, or authorised regulations providing for, among other things, the establishment of enhanced prudential standards applicable to certain systemically important financial institutions (“**SIFIs**”), including the U.S. operations of certain large foreign banking organisations (“**FBOs**”); establishment of resolution planning requirements for certain U.S banking organisations and FBOs; prohibitions on engagement by certain banking entities in certain proprietary trading activities and restrictions on ownership or sponsorship of, or entering into certain credit-related transactions with related, covered funds (the “**Volcker Rule**”). The ongoing Dodd-Frank Act implementation and other potential changes in U.S. banking regulations could result in loss of revenue, higher compliance costs, additional limits on the Group’s activities, constraints on its ability to enter into new businesses and other adverse effects on its businesses.

The Dodd-Frank Act requires the Bank to submit a plan (commonly called a “living will”) to the Federal Reserve Board and the Federal Deposit Insurance Corporation (“**FDIC**”) for the orderly resolution of the Bank’s U.S. operations in the event of future material financial distress or failure. If, after reviewing the Bank’s living will and any related re-submissions, the Federal Reserve Board and the FDIC jointly determine that the Bank’s living will failed to cure identified deficiencies, they are authorised to impose more stringent capital, leverage or liquidity requirements, or restrictions on the Group’s growth, activities or operations, which could have an adverse effect on the Group’s business.

In October 2015, the U.S. federal bank regulatory agencies adopted final rules for uncleared swaps (including in the case of certain inter-affiliate transactions) that phased in variation margin requirements from 1 September 2016 through 1 March 2017 and initial margin requirements from 1 September 2016 through 1 September 2020, depending on the level of specified derivatives activity of the swap dealer and the relevant counterparty. On 21 June 2019, the Securities Exchange Commission (“**SEC**”) adopted regulations establishing margin requirements for uncleared security-based swaps.

Each of these aspects of the Dodd-Frank Act, as well as other aspects, such as the Volcker Rule, OTC derivatives regulation and other changes in U.S. banking regulations, may directly and indirectly impact various aspects of the Group’s business. The full spectrum of risks that the Dodd-Frank Act and related regulations pose to the Group is not yet fully known; however, such risks could be material and the Group could be materially and adversely affected.

Recent volatility in the U.S. banking sector and the change in U.S. administration following the 2024 presidential election may result in other legislative initiatives, agency rulemaking activities, or changes in agency policies and priorities that could subject the Bank to enhanced government regulation and supervision, and/or result in heightened regulatory uncertainty and market volatility which could have an adverse effect on the Group’s business. In response to the failures of Silicon Valley Bank and Signature Bank in March 2023 and the failure of First Republic Bank in May 2023, the Federal Reserve Board and other U.S. regulators are continuing to evaluate further potential changes to the regulatory and supervisory framework for U.S. banks and FBOs. In addition, following the change in U.S. administration in November 2024, new agency heads have been installed at several of the federal banking agencies, which may result in significant shifts in key regulatory and supervisory policies. As of the date of this Base Prospectus it cannot be determined what, if any, changes may be adopted in connection with these ongoing developments or how such changes might affect the Group’s business.

The U.S. banking regulators issued a notice of proposed rulemaking on 27 July 2023 to implement enhanced regulatory capital requirements in the U.S. that align with the standards previously issued by the Basel Committee on Banking Supervision in December 2017 (commonly known as “**Basel III Endgame**”). On 10 September 2024, the U.S. banking regulators announced that their 2023 Basel III Endgame proposal would be withdrawn and substantially revised, at which point the package would need to be re-proposed for a new round of public review and comment. On 19 March 2026, the U.S. banking regulators issued a revised Basel III Endgame proposal, rescinding and replacing the prior 2023 proposal. The revised Basel III Endgame proposal scales back much of the prior 2023 proposal, including by narrowing the scope of banking organisations that its requirements apply to. As a result of the change in U.S. administration in November 2024 and significant shifts in bank regulatory and supervisory policies and priorities, as of the date of this Base Prospectus, it cannot be determined when or in what form the revised Basel III Endgame package proposal will be re-proposed or will be adopted in the U.S., if at all.



## TAXATION

*Tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Notes. The information provided below does not purport to be a complete summary of tax law and practice currently applicable and is subject to any changes in law and the interpretation and application thereof, which could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of whom (such as dealers in securities) may be subject to special rules. Other than in accordance with Condition 14 (Taxation), the Issuer does not assume responsibility for withholding taxes. Prospective investors who are in any doubts as to their position should consult with their own professional advisers.*

### **The proposed EU Financial Transactions Tax**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s proposal**”) for a Directive for a common Financial Transactions Tax (the “**EU FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The Commission’s proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No. 1287/2006 are expected to be exempt.

Under the Commission’s proposal, the EU FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a credit institution, and at least one party is established in a participating Member State. A credit institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

In the ECOFIN meeting of 17 June 2016, the EU FTT was discussed between the EU Member States. It was reiterated in this meeting that participating Member States envisage introducing an EU FTT by means of the so-called enhanced cooperation process.

The proposed Directive defines how the EU FTT would be implemented in participating Member States. It involves a minimum 0.1 per cent. tax rate for transactions in all types of financial instruments, except for derivatives that would be subject to a minimum 0.01 per cent. tax rate.

On 3 December 2018, the finance ministers of France and Germany outlined a joint proposal for a limited FTT based on a system already in place in France. Under the new proposal, the tax obligation would apply only to transactions involving shares issued by domestic companies with a market capitalisation of over €1 billion. However, no agreement has been reached between the participating Member States regarding the adoption of the EU FTT and the European Commission indicated in its work programme for 2026 its intention to withdraw the Commission’s proposal. Notwithstanding the above, the Commission’s proposal remains subject to negotiation between participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which, remains unclear. Additional EU Member States may decide to participate and/or certain of the participating Member States may decide to withdraw, as Estonia did; to the extent that the Commission’s proposal is not formally withdrawn.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the EU FTT.

### **The Spanish financial transactions tax**

The Spanish law which implements the Spanish financial tax (the “**Spanish FTT**”) was approved on 7 October 2020 (the “**FTT Law**”) and the FTT Law was published in the Spanish Official Gazette (*Boletín Oficial del Estado*) on 16 October, 2020. The Spanish FTT came into force three months after the publication of the FTT Law in the Spanish Official Gazette (that is, on 16 January 2021).

Spanish FTT will charge a 0.2 per cent. rate on specific acquisitions of listed shares issued by Spanish companies whose market capitalization exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved

in the transaction. The taxpayer will be the financial traders that transfer or execute the purchase order and must submit an annual tax return.

The list of the Spanish companies with a market capitalisation exceeding €1 billion at 1 December of each year will be published on the Spanish tax authorities' website before 31 December each year. For the purposes of transactions closed during 2026, the Spanish tax authorities issued a list of entities whose market capitalisation exceeded €1 billion as of 1 December 2025, that will fall within the scope of the Spanish FTT.

This being said, the Spanish FTT would not apply in relation to the Notes since the Spanish FTT only applies on the acquisition of shares of certain Spanish companies, so transactions involving bonds or debt or similar instruments, such as preferred securities or derivatives, are not affected by such tax.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the Spanish FTT.

## **FATCA**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Spain) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining “foreign passthru payments” are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are published generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under “*Terms and Conditions of the Notes – Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

## **The Kingdom of Spain**

### ***Introduction***

This information has been prepared in accordance with the following Spanish tax legislation in force as of the date of this Base Prospectus:

- (a) of general application, Additional Provision One of Law 10/2014, of 26 June (“**Law 10/2014**”), on the regulation, supervision and solvency of credit institutions and Royal Decree 1065/2007, of 27 July, establishing information obligations in relation to preferential holdings and other debt instruments and certain income obtained by individuals resident in the EU and other tax rules (“**Royal Decree 1065/2007**”), as amended by Royal Decree 1145/2011 of 29 July;
- (b) for individuals with tax residency in Spain who are personal income tax (“**Personal Income Tax**”) taxpayers, Law 35/2006, of 28 November 2006 on Personal Income Tax and on the partial amendment of the Corporate Income Tax Law, Non Residents Income Tax Law and Wealth Tax Law, as amended (the “**Personal Income Tax Law**”), Royal Decree 439/2007, of 30 March 2007 promulgating the Personal Income Tax Regulations, as amended, along with Law 19/1991, of 6 June 1991 on Wealth Tax, as amended and Law 29/1987, of 18 December 1987 on Inheritance and Gift Tax, as amended, and Law 38/2022, of 27 December, for the establishment of temporary levies on energy and on financial credit institutions and introducing a temporary solidarity tax on large fortunes, as amended;

- (c) for legal entities resident for tax purposes in Spain which are corporate income tax (“**Corporate Income Tax**”) taxpayers, Law 27/2014, of 27 November, on Corporate Income Tax (the “**Corporate Income Tax Law**”), as amended and Royal Decree 634/2015, of 10 July promulgating the Corporate Income Tax Regulations (the “**Corporate Income Tax Regulations**”), as amended; and
- (d) for individuals and legal entities who are not resident for tax purposes in Spain and are non-resident income tax (“**Non-Resident Income Tax**”) taxpayers, Royal Legislative Decree 5/2004, of 5 March 2004 promulgating the Consolidated Text of the Non-Resident Income Tax Law, as amended (“**Non-Resident Income Tax Law**”), Royal Decree 1776/2004, of 30 July promulgating the Non-Resident Income Tax Regulations, as amended, along with Law 19/1991, of 6 June 1991 on Wealth Tax, as amended and Law 29/1987, of 18 December 1987 on Inheritance and Gift Tax, as amended, and Law 38/2022, of 27 December, for the establishment of temporary levies on energy and on financial credit institutions and introducing a temporary solidarity tax on large fortunes, as amended.

Whatever the nature and residence of the holder of a beneficial interest in the Notes (each, a “**Beneficial Owner**”), the acquisition and transfer of the Notes will be exempt from indirect taxes in Spain, in accordance with Article 338 of the Securities Market Law, approved by Law 6/2023, of 17 March, i.e., exempt from transfer tax and stamp duty, in accordance with the consolidated text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September 1993, and exempt from value added tax, in accordance with Law 37/1992, of 28 December 1992 regulating such tax.

## 1. INDIVIDUALS WITH TAX RESIDENCY IN SPAIN

### 1.1 *Individual Income Tax (Impuesto sobre la Renta de las Personas Físicas)*

Both interest periodically received and income deriving from the transfer, redemption or repayment of the Notes obtained by individuals who are resident for tax purposes in Spain would constitute a return on investment obtained from the transfer of own capital to third parties in accordance with the provisions of Section 25.2 of the Personal Income Tax Law, and should be included in each investor’s taxable savings and taxed at the tax rate applicable from time to time, currently at the rate of 19 per cent. for taxable income up to €6,000, 21 per cent. for taxable income between €6,000.01 to €50,000, 23 per cent. for taxable income between €50,000.01 and €200,000, 27 per cent. for taxable income between €200,000.01 and €300,000 and 30 per cent. for taxable income in excess of €300,000.

As a general rule, both types of income are subject to a withholding tax on account at the rate of 19 per cent. However, it should be noted that Royal Decree 1145/2011 introduced certain amendments to Royal Decree 1065/2007, whereby certain procedures for the provision of information were included and by virtue of which, in particular, in the case of debt listed securities issued under Law 10/2014 and initially registered in a foreign clearing and settlement entity that is recognised under Spanish regulations or under those of another OECD member state, as the Notes issued by the Issuer (other than those derived from Zero Coupon Notes with a maturity of more than 12 months):

- (a) it would not be necessary to provide the Issuer with the identity of the Noteholders who are individuals resident in Spain for tax purposes or to indicate the amount of income attributable to such individuals; and
- (b) interest paid to all Noteholders (whether tax resident in Spain or not) should be paid free of Spanish withholding tax provided that the information procedures are complied with.

Therefore, the Issuer understands that, according to Royal Decree 1065/2007, as amended by Royal Decree 1145/2011, it has no obligation to withhold any tax amount for interest paid on the Notes (other than those derived from Zero Coupon Notes with a maturity of more than 12 months) corresponding to Noteholders who are individuals with tax residency in Spain provided that the information procedures (which do not require identification of the Noteholders) are complied with.

In light of the above, according to Section 44.5 of Royal Decree 1065/2007, the Issuer will make interest payments to individual holders who are resident for tax purposes in Spain without withholding provided that the relevant information about the Notes is submitted.

If the Spanish Tax Authorities maintain a different opinion as to the application by the Issuer of withholding to payments made to Spanish tax residents, the Issuer will be bound by the opinion and, with immediate effect, will make the appropriate withholding. If this is the case, identification of Noteholders

may be required and the procedures, if any, for the collection of relevant information will be applied by the Issuer (to the extent required) so that it can comply with its obligations under the applicable legislation as interpreted by the Spanish Tax Authorities. If procedures for the collection of the Noteholders information are to apply, the Noteholders will be informed of such new procedures and their implications.

Notwithstanding the above, withholding tax at the applicable rate of 19 per cent. may have to be deducted by other entities (such as depositaries, institutions or financial entities) provided that such entities are resident for tax purposes in Spain or have a permanent establishment in Spanish territory.

In any event, individual holders may credit the withholding tax against their Personal Income Tax liability for the relevant fiscal year.

Income arising on the disposal, redemption or reimbursement of the Notes should be calculated as the difference between (a) their disposal, redemption or reimbursement value and (b) their acquisition or subscription value. Costs and expenses effectively borne on the acquisition and transfer of the Notes may be considered for calculating the relevant taxable income, provided that they can be duly justified.

Likewise, expenses related to the management and deposit of the Notes, if any, should be tax-deductible, excluding those pertaining to discretionary or individual portfolio management.

Negative income that may arise from the transfer of Notes may not be offset if the Noteholder acquires homogeneous securities within the two-month period prior or subsequent to the transfer of the Notes, until their transfer such homogeneous securities.

***Wealth Tax (Impuesto sobre el Patrimonio) and Solidarity Tax (Impuesto Temporal de Solidaridad de las Grandes Fortunas)***

Individuals with tax residency in Spain are subject to Wealth Tax on all their assets (such as the Notes) owned every 31 December irrespective of where the assets are located, to the extent that their net worth exceeds €700,000 (subject to any exceptions provided under the relevant legislation passed by the autonomous region -*Comunidad Autónoma*- where the taxpayer is tax resident). Therefore, individual Noteholders with tax residency in Spain should take into account the value of the Notes which they hold as of 31 December in each year. The applicable rates range between 0.2 per cent. and 3.5 per cent, although the final tax rates may vary depending on any applicable regional tax laws, and some reductions and /or reliefs may apply.

In addition to the above, the so-called “Solidarity Tax” was approved in December 2022 and, although it was introduced as a two-year complementary direct wealth tax, in December 2023, it was extended indefinitely (until the current regional financing regime is amended). In general terms, it applies, under certain conditions to all individuals resident in Spain whose net wealth exceeds €3,000,000. Given its complementary nature, it has a greater effective impact on taxpayers resident in autonomous regions where the Wealth Tax is partial or fully exempt (such as Madrid or Andalusia). Nevertheless, the amounts payable for this tax could be reduced by the amount paid for Wealth Tax.

The rates of the “Solidarity Tax”:

Taxable base up to (Euros)	Tax due (Euros)	Rest of taxable base (Euros)	Rate
0.00	0.00	3,000,000.00	0%
3,000,000.00	0.00	2,347,998.03	1.7%
5,347,998.03	39,915,97	5,347,998.03	2.1%
10,695,996.06	152,223,93	Any excess	3.5%

Notwithstanding the above, note that this regulation lays down a minimum exempt amount of €700,000 which means that its effective impact, in general, will occur when the net wealth, not tax exempt, is greater than €3.7 million.

Note that this tax information is applicable in the Spanish common territory, without prejudice to the regional tax regimes of Concert and Economic Agreement in force, respectively, in the historical territories of the Basque Country and in the Foral Community of Navarra, or those other exceptional ones that may be applicable by the specific characteristics of the relevant investors.

Prospective investors are advised to seek their own professional advice in this regard.

## 1.2 ***Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)***

Individuals with tax residency in Spain who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to inheritance and gift tax in accordance with the applicable Spanish regional or state rules. As of the date of this Base Prospectus, the applicable State's tax rates currently range between 7.65 per cent. and 34 per cent. Relevant factors applied (such as previous net wealth or family relationship among transferor and transferee) determine the final effective State's tax rate that ranges, as of the date of this Base Prospectus, between 0 per cent. (full exemption) and 81.6 per cent.

## 2. **LEGAL ENTITIES WITH TAX RESIDENCY IN SPAIN**

### 2.1 ***Corporate Income Tax (Impuesto sobre Sociedades)***

Payments of income deriving from the transfer, redemption or repayment of the Notes constitute a return on investments for tax purposes obtained from the transfer to third parties of own capital and would have to be included in profit and taxable income of legal entities with tax residency in Spain for Corporate Income Tax purposes in accordance with the rules for Corporate Income Tax and subject to the general rate of 25 per cent. This general rate will not be applicable to all Corporate Income Tax taxpayers and, for instance, it will not apply to banking institutions (which will be taxed at the rate of 30 per cent.). Special rates apply in respect of certain types of entities (such as qualifying collective investment institutions), newly created entities (taxed at the rate of 15 per cent. for the first tax period in which the taxable base is positive and for the following period), and entities whose turnover is below a certain threshold (taxed at a rate between 19 per cent. and 21 per cent.).

Pursuant to Section 61.s) of the Corporate Income Tax Regulations, there is no obligation to make a withholding on income obtained by taxpayers subject to Spanish Corporate Income Tax (which for the avoidance of doubt, include Spanish tax resident investment funds and Spanish tax resident pension funds) from financial assets traded on organised markets in OECD countries. However, payments of interest and income deriving from the transfer may be subject to withholding tax at the current rate of 19 per cent. if the Notes do not comply with the exemption requirements specified in the ruling issued by the Spanish General Directorate of Taxes (*Dirección General de Tributos*) (the "DGT") dated 27 July 2004 (that is, placement of the Notes outside of Spain in another OECD country and admission to listing of the Notes on an organised market in an OECD country other than Spain). According to said 2004 ruling, application of the exemption requires that, in addition to being traded on an organised market in an OECD country, the Notes are placed outside Spain in another OECD country. In the event that it was determined that the exemption from withholding tax on payments to Spanish corporate Noteholders does not apply to any of the Notes on the basis that they were placed, totally or partially, in Spain, the Issuer would be required to make a withholding at the applicable rate, and no additional amounts will be payable by the Issuer in such circumstances as set out above. In any event, the amounts withheld, if any, may be credited by the relevant investors against its final liability.

Notwithstanding the above, according to Royal Decree 1065/2007, in the case of listed debt instruments issued under Law 10/2014 and initially registered in a foreign clearing and settlement entity that is recognised under Spanish regulations or under those of another OECD member state (such as the Notes issued by the Issuer, other than those derived from Zero Coupon Notes with a maturity of more than 12 months), interest paid to investors should be paid free of Spanish withholding tax.

Thus, in accordance with Section 44.5 of Royal Decree 1065/2007, there is no obligation to withhold on income payable to Spanish Corporate Income Tax taxpayers (which for the sake of clarity, include Spanish tax resident investment funds and Spanish tax resident pension funds). Consequently, the Issuer will not withhold on interest payments to Spanish Corporate Income Tax taxpayers provided that the relevant information about the Notes is submitted.

If the Spanish Tax Authorities maintain a different opinion as to the application by the Issuer of withholding to payments made to Spanish tax residents, the Issuer will be bound by the opinion and, with immediate effect, will make the appropriate withholding. If this is the case, identification of Noteholders may be required and the procedures, if any, for the collection of relevant information will be applied by the Issuer (to the extent required) so that it can comply with its obligations under the applicable legislation as interpreted by the Spanish Tax Authorities. If procedures for the collection of the Noteholders information are to apply, the Noteholders will be informed of such new procedures and their implications.

In any event, amounts withheld, if any, may be credited by the relevant investors against its final Corporate Income Tax liability.

## 2.2 ***Wealth Tax (Impuesto sobre el Patrimonio) and Solidarity Tax (Impuesto Temporal de Solidaridad de las Grandes Fortunas)***

Spanish resident legal entities are neither subject to Wealth Tax, nor to Solidarity Tax.

## 2.3 ***Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)***

Legal entities tax resident in Spain which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to inheritance and gift tax and must include the market value of the Notes in their taxable income for Spanish Corporate Income Tax purposes.

## 3. **INDIVIDUALS AND LEGAL ENTITIES WITH NO TAX RESIDENCY IN SPAIN**

### 3.1 ***Non-Resident Income Tax (Impuesto sobre la Renta de No Residentes)***

#### (a) *Non-Spanish resident investors acting through a permanent establishment in Spain*

Ownership of the Notes by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

If the Notes form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Notes are the same as those for Spanish Corporate Income Tax taxpayers. See “*Legal Entities with Tax Residency in Spain – Corporate Income Tax (Impuesto sobre Sociedades)*.”

#### (b) *Non-Spanish resident investors not acting through a permanent establishment in Spain*

Payments of income deriving from the transfer, redemption or repayment of the Notes obtained by individuals or entities who have no tax residency in Spain, and which are Non-Resident Income Tax taxpayers with no permanent establishment in Spain, are exempt from such Non-Resident Income Tax and withholding tax, provided that certain formalities described in “*Taxation – The Kingdom of Spain – Information About The Notes In Connection With Payments*” are duly complied with.

### 3.2 ***Wealth Tax (Impuesto sobre el Patrimonio) and Solidarity Tax (Impuesto Temporal de Solidaridad de las Grandes Fortunas)***

Individuals resident in a country with which Spain has entered into a double tax treaty in relation to the Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights located in Spain, or that can be exercised within the Spanish territory exceed €700,000 on the last day of any year (such as the Notes) would be subject to Wealth Tax. The applicable rates range between 0.2 per cent. and 3.5 per cent, although the final tax rates may vary depending on any applicable regional tax laws, and some reductions and /or reliefs may apply. Therefore such individuals should take into account the value of the Notes held as of 31 December in each year.

Non-Spanish tax resident individuals may apply the rules approved by the autonomous region where the assets and rights with more value are situated. As such, prospective investors should consult their tax advisers.

In addition to the above, the so-called “Solidarity Tax” was approved in December 2022 and, although it was introduced as a two-year complementary wealth tax, in December 2023, it was extended indefinitely

(until the current regional financing regime is amended). In general terms, it applies, under certain conditions, to those non-Spanish residents having properties or rights located in Spain, or that can be exercised within the Spanish territory. The amount payable for this tax could be reduced by the amount paid for Wealth Tax.

The rates of the “Solidarity Tax” are:

Taxable base up to (Euros)	Tax due (Euros)	Rest of taxable base (Euros)	Rate
0.00	0.00	3,000,000.00	0%
3,000,000.00	0.00	2,347,998.03	1.7%
5,347,998.03	39,915.97	5,347,998.03	2.1%
10,695,996.06	152,223.93	Any excess	3.5%

Notwithstanding the above, note that the regulation lays down a minimum exempt amount of €700,000.00 which means that its effective impact, in general, will occur when the value of the properties and rights located in Spain, or that can be exercised within the Spanish territory, of the non-Spanish residents not tax exempt, are greater than €3,700,000.00.

Note that this tax information is applicable in the Spanish common territory, without prejudice to the regional tax regimes of Concert and Economic Agreement in force, respectively, in the historical territories of the Basque Country and in the Foral Community of Navarra, or those other exceptional ones that may be applicable by the specific characteristics of the relevant investors.

Prospective investors are advised to seek their own professional advice in this regard.

Non-Spanish resident legal entities are neither subject to Wealth Tax, nor Solidarity Tax.

### 3.3 ***Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)***

Non-Spanish tax resident individuals who acquire ownership or other rights over the Notes by inheritance, gift or legacy, and who reside in a country with which Spain has entered into a double tax treaty in relation to inheritance and gift tax will be subject to the relevant double tax treaty.

If no treaty for the avoidance of double taxation in relation to Inheritance and Gift Tax applies, applicable effective State’s rates would range between 0 per cent. (full exemption) and 81.6 per cent., depending on relevant factors.

Generally, non-Spanish tax resident individuals are subject to the Spanish Inheritance and Gift Tax according to the rules set forth in the Spanish State level law or relevant autonomous region law. As such, prospective investors should consult their tax advisers.

Non-Spanish resident legal entities which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to inheritance and gift tax. They will be subject to Non-Resident Income Tax, if applicable. If the legal entity is resident in a country with which Spain has entered into a double tax treaty, the provisions of such treaty will apply. In general, double-tax treaties provide for the taxation of this type of income in the country of residence of the beneficiary.

## 4. **INDIRECT TAXATION**

The acquisition, transfer, redemption, reimbursement and exchange of the Notes will be exempt from Transfer Tax and Stamp Duty as well as Value Added Tax.

## 5. **REPORTING OBLIGATIONS TO THE SPANISH TAX AUTHORITIES**

Spanish tax resident Noteholders or non-tax resident Noteholders with a permanent establishment in Spain to which the Notes are effectively connected should seek advice from their tax adviser as to whether they

should include the Notes in the annual reporting (720 Official Tax Form) to the Spanish Tax Authorities declaring assets and rights held outside Spain (filing in respect of Notes held as of 31 December 2026 will be due by 31 March 2027). Failure to satisfy this reporting obligation may trigger tax penalties.

This obligation would need to be complied with if certain thresholds are met; specifically, if the only rights/assets held abroad are the Notes, this obligation would apply if the value of the Notes together with other qualifying assets held on 31 December exceeds EUR50,000 (with the corresponding valuation to be made in accordance with special rules). If this threshold is met, a declaration would only be required in subsequent years if the value of the Notes together with other qualifying assets increases by more than EUR20,000 against the declaration made previously. Similarly, cancellation or extinguishment of the ownership of the Notes before 31 December should be declared if such ownership was reported in previous declarations. Noteholders should seek their own advice to determine if any of the reporting exemptions is applicable.

## 6. INFORMATION ABOUT THE NOTES IN CONNECTION WITH PAYMENTS

The Issuer is currently required by Spanish law to file an annual return with the Spanish tax authorities in which they report on certain information relating to the Notes. In accordance with Section 44 of Royal Decree 1065/2007, for the purpose of preparing the annual return referred to above, certain information with respect to the Notes must be submitted to the Issuer at the time of each payment.

Such information would be the following:

- (a) Identification of the Notes in respect of which the relevant payment is made;
- (b) Date on which relevant payment is made;
- (c) the total amount of the relevant payment; and
- (d) the amount of the relevant payment and to each entity that manages a clearing and settlement system for securities situated outside Spain.

In particular, the Fiscal Agent must certify the information above about the Notes by means of a certificate the form of which is attached as Annex I of this Base Prospectus. In light of the above, the Issuer and the Fiscal Agent have arranged certain procedures to facilitate the collection of information concerning the Notes.

If, despite these procedures, the relevant information is not received by the Issuer, the Issuer may be required to withhold at the applicable rate of 19 per cent. from any payment in respect of the relevant Notes as to which the required information has not been provided. In that event the Issuer will pay such additional amounts as will result in receipt by the Noteholders of such amount as would have been received by them had no such withholding been required, except as otherwise provided in Condition 14 (*Taxation*).

The procedures for providing documentation referred to in this section are set out in detail in Agency Agreement which may be inspected during normal business hours at the specified office of the Fiscal Agent. In particular, if the Fiscal Agent does not act as common depositary, the procedures described in this section will be modified in the manner described in the Agency Agreement.

*Set out below is Annex I. Sections in English have been translated from the original Spanish and such translations constitute direct and accurate translations of the Spanish language text. In the event of any discrepancy between the Spanish language version of the certificate contained in Annex I and the corresponding English translation, the Spanish tax authorities will give effect to the Spanish language version of the relevant certificate only.*

## ANNEX I

### **Anexo al Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por Real Decreto 1065/2007**

#### **Modelo de declaración a que se refieren los apartados 3, 4 y 5 del artículo 44 del Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos**

Annex to Royal Decree 1065/2007, of 27 July, approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Declaration form referred to in paragraphs 3, 4 and 5 of Article 44 of the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

1. **Don (nombre), con número de identificación fiscal (...) <sup>(1)</sup>, en nombre y representación de (entidad declarante), con número de identificación fiscal (...) <sup>(1)</sup> y domicilio en (...) en calidad de (marcar la letra que proceda):**

Mr. (name), with tax identification number (...) <sup>(1)</sup>, in the name and on behalf of (entity), with tax identification number (...) <sup>(1)</sup> and address in (...) as (function – mark as applicable):

1.1 **Entidad Gestora del Mercado de Deuda Pública en Anotaciones.**

Management Entity of the Public Debt Market in book entry form.

1.2 **Entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero.**

Entity that manages the clearing and settlement system of securities resident in a foreign country.

1.3 **Otras entidades que mantienen valores por cuenta de terceros en entidades de compensación y liquidación de valores domiciliadas en territorio español.**

Other entities that hold securities on behalf of third parties within clearing and settlement systems domiciled in the Spanish territory.

1.4 **Agente de pagos designado por el emisor.**

Fiscal Agent appointed by the Issuer.

**Formula la siguiente declaración, de acuerdo con lo que consta en sus propios registros:**

Makes the following statement, according to its own records:

2. **En relación con los apartados 3 y 4 del artículo 44:**

In relation to paragraphs 3 and 4 of Article 44:

2.1 **Identificación de los valores .....**

Identification of the securities.....

2.2 **Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)**

Income payment date (or refund if the securities are issued at discount or are segregated)

2.3 **Importe total de los rendimientos (o importe total a reembolsar, en todo caso, si son valores emitidos al descuento o segregados).....**

Total amount of income (or total amount to be refunded, in any case, if the securities are issued at discount or are segregated).....

2.4 **Importe de los rendimientos correspondiente a contribuyentes del Impuesto sobre la Renta de las Personas Físicas, excepto cupones segregados y principales segregados en cuyo reembolso intervenga una Entidad Gestora .....**

Amount of income corresponding to Personal Income Tax taxpayers, except segregated coupons and segregated principals for which reimbursement an intermediary entity is involved.....

2.5 **Importe de los rendimientos que conforme al apartado 2 del artículo 44 debe abonarse por su importe íntegro (o importe total a reembolsar si son valores emitidos al descuento o segregados).**

Amount of income which according to paragraph 2 of Article 44 must be paid gross (or total amount to be refunded if the securities are issued at discount or are segregated).

3. **En relación con el apartado 5 del artículo 44.**

In relation to paragraph 5 of Article 44.

3.1 **Identificación de los valores .....**

Identification of the securities .....

3.2 **Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados) .....**

Income payment date (or refund if the securities are issued at discount or are segregated) .....

3.3 **Importe total de los rendimientos (o importe total a reembolsar si son valores emitidos al descuento o segregados) .....**

Total amount of income (or total amount to be refunded if the securities are issued at discount or are segregated).....

3.4 **Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero A.**

Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country A.

3.5 **Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero B.**

Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country B.

3.6 **Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero C.**

Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country C.

**Lo que declaro en ..... a .... de .....de ....**

I declare the above in ..... on the.... of ..... .. of ....

(1) **En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia**

(1) In case of non-residents (individuals or corporations) without permanent establishment in Spain it shall be included the number or identification code which corresponds according to their country of residence.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Deutsche Bank Aktiengesellschaft (the “**Arranger**”), Banco de Sabadell, S.A., Barclays Bank Ireland PLC, BNP PARIBAS, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Goldman Sachs Bank Europe SE, HSBC Continental Europe, Morgan Stanley Europe SE, Natixis, Nomura Financial Products Europe GmbH, Société Générale, UBS Europe SE and UniCredit Bank GmbH (together with the Arranger, the “**Dealers**”). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and subscribed by, Dealers are set out in an amended and restated dealer agreement dated 28 May 2026 (as amended, the “**Dealer Agreement**”) and made between the Issuer and the Dealers.

The Dealer Agreement provides that the obligation of any Dealer to subscribe for Notes under any such agreement is subject to conditions set out in Clause 3 of the Dealer Agreement and that, in certain circumstances, a Dealer shall be entitled to be released and discharged from its obligations under any such agreement prior to the issue of the relevant Notes. Investors will have no rights against the Issuer or the Dealers in respect of any expense incurred or loss suffered in these circumstances.

If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and a single Dealer for that Tranche to be issued by the Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Final Terms as “Non-Syndicated” and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Final Terms. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Final Terms as “Syndicated”, the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers (including whether any of those Dealers has also been appointed to act as Stabilising Manager in relation to that Tranche) will be set out in the relevant Final Terms.

Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

### United States of America

The Notes have not been and will not be registered under the Securities Act or securities laws or “blue sky” laws of any state of the United States or any other relevant federal jurisdiction, and, accordingly, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold in offshore transactions in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury Regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each affiliate or other dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons a confirmation of notice to substantially the following effect:

“The Securities covered hereby have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days

after the completion of the distribution of the Securities and except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

#### **Prohibition of Sales to EEA Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are subject to the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe the Notes.

#### **United Kingdom**

##### **Prohibition of Sales to UK Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are subject to the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is either one (or both) of the following:
  - (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs; and
- (b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe the Notes.

##### **Other UK regulatory restrictions**

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and

- (b) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

### **The Kingdom of Spain**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes may not be offered or sold in the Kingdom of Spain other than by institutions authorised under Law 6/2023, of 17 March, on the Securities Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (the “**Securities Market Law**”), Royal Decree 813/2023, of 8 November, on the legal regime applicable to investment services companies and other entities providing investment services (*Real Decreto 813/2023, de 8 de noviembre, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*), as amended or replaced from time to time, and related legislation, to provide investment services in the Kingdom of Spain and in accordance with the provisions of the Securities Market Law and further developing legislation.

The Notes may not be offered, sold or distributed, nor may any subsequent resale of Notes be carried out in the Kingdom of Spain, except in compliance with the provisions of the Prospectus Regulation and the Securities Market Law. Offers of Notes in the Kingdom of Spain shall only be directed specifically at, or made to, professional clients and eligible counterparties, as defined in Articles 194 and 196 of the Securities Market Law.

### **Belgium**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a “**Belgian Consumer**”) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

### **Singapore**

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or, (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with the conditions specified in Section 275 of the SFA.

### **Switzerland**

The Notes may not be offered, directly or indirectly, to the public in Switzerland other than pursuant to an exemption under Article 36(1) of the Swiss Financial Services Act (“**FinSA**”) or where such offer does not qualify as a public offer in Switzerland, and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. No offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and no offering or marketing material relating to the Notes may be distributed to the public or otherwise made publicly available in Switzerland. For these purposes “public offer” refers to the respective definitions in Article 3(g) and (h) FinSA and as further detailed in the implementing Financial Services Ordinance (“**FinSO**”).

### **General**

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the

Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed “*General*“ above.

## GENERAL INFORMATION

### Authorisation

1. By virtue of the faculties granted by Article 406 of the Spanish Companies Act, the update of the Programme was authorised by resolutions of the Board of Directors of the Issuer passed on 23 April 2026. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

### Legal and Arbitration Proceedings

2. As described in section “*Legal and Other Proceedings*” on page 160 of this Base Prospectus, there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer or of the Issuer and its Subsidiaries taken as a whole.

### Significant/Material Change

3. There has been no material adverse change in the prospects of the Issuer since the date of its last published audited consolidated financial statements incorporated by reference into this Base Prospectus.
4. There has been no significant change in the financial performance or position of the Issuer and its Subsidiaries taken as a whole since the end of the last financial period for which audited or interim consolidated financial information has been published incorporated by reference into this Base Prospectus.

### Auditors

5. The Spanish language consolidated annual financial statements of the Issuer for the years ended 31 December 2025 and 31 December 2024 were audited without qualification by KPMG Auditores, S.L., of Paseo de la Castellana, 259C, 28046 Madrid, Spain, current independent auditors of the Issuer who are members of the *Registro Oficial de Auditores de Cuentas*, as stated in their report incorporated by reference in this Base Prospectus.

### Documents on Display

6. Copies of the following documents in electronic format (together with English translations thereof (if any)) may be inspected during normal business hours at the offices of the Issuer or the Fiscal Agent (at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom) for 12 months from the date of this Base Prospectus:
  - (a) the deed of incorporation (*escritura de constitución*) of the Issuer;
  - (b) the constitutive documents (*Estatutos*) of the Issuer; and
  - (c) the information incorporated by reference herein under “*Information Incorporated by Reference*”.

The documents listed above are also available on the website of Banco Sabadell ([www.grupbancsabadell.com](http://www.grupbancsabadell.com)), in particular on <https://www.grupbancsabadell.com/corp/en/corporate-governance-and-remuneration-policy/articles-of-association-of-banco-sabadell.html#> in respect of (b) above and on <https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/economic-and-financial-information.html> or <https://www.grupbancsabadell.com/corp/en/shareholders-and-investors/fixed-income-investors.html> in respect of (c) above.

### Material Contracts

7. There are no material contracts entered into other than in the ordinary course of the Issuer’s business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligations to Noteholders in respect of the Notes.

### **Clearing of the Notes**

8. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

### **Issue Price and Yield**

9. Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the relevant Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the relevant Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

### **Dealers transacting with the Issuer**

10. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in lending, advisory corporate finance services, investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business and/or for companies involved directly or indirectly in the sector in which the Group, the Issuer and/or its affiliates operate. The Dealers have received, or may in the future receive, customary fees, reimbursement of expenses, indemnification payments and commissions for these transactions. Certain of the Dealers may also have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## **SIGNATURES**

In witness to its knowledge and approval of the contents of this Base Prospectus drawn up according to Annexes 7 and 15 of Delegated Regulation (EU) 2019/980 of 14 March 2019, it is hereby signed by Mr. Eduardo López Corominas, acting in the name and on behalf of Banco Sabadell pursuant to the resolutions of the Board of Directors of Banco Sabadell passed on 23 April 2026 in his capacity as authorised attorney of Banco Sabadell, in Sabadell (Spain), on 27 May 2026.

## THE ISSUER

**Banco de Sabadell, S.A.**  
Plaça de Sant Roc, n°20  
PC 08201 Sabadell  
Spain

## ARRANGER

**Deutsche Bank Aktiengesellschaft**  
Taunusanlage 12  
60325 Frankfurt am Main  
Germany

## DEALERS

**Banco de Sabadell, S.A.**  
Plaça de Sant Roc, n°20  
PC 08201 Sabadell  
Spain

**Barclays Bank Ireland PLC**  
One Molesworth Street  
Dublin 2  
D02 RF29  
Ireland

**BofA Securities Europe SA**  
51 rue La Boétie  
75008 Paris  
France

**BNP PARIBAS**  
16, boulevard des Italiens  
75009 Paris  
France

**Citigroup Global Markets Europe AG**  
Börsenplatz 9  
60313 Frankfurt am Main  
Germany

**Commerzbank Aktiengesellschaft**  
Kaiserstraße 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Federal Republic of Germany

**Crédit Agricole Corporate and Investment Bank**  
12, place des Etats-Unis  
CS 70052  
92547 Montrouge Cedex  
France

**Deutsche Bank Aktiengesellschaft**  
Taunusanlage 12  
60325 Frankfurt am Main  
Germany

**Goldman Sachs Bank Europe SE**  
Marienturm  
Taunusanlage 9-10  
D-60329 Frankfurt am Main  
Germany

**HSBC Continental Europe**  
38, avenue Kléber  
75116 Paris  
France

**Morgan Stanley Europe SE**  
Grosse Gallusstrasse 18  
60312 Frankfurt-am-Main  
Germany

**Natixis**  
7 promenade Germaine Sablon  
75013 Paris  
France

**Nomura Financial Products Europe GmbH**  
Rathenauplatz 1  
60313, Frankfurt-am-Main  
Germany

**Société Générale**  
29 boulevard Haussmann  
75009 Paris  
France

**UBS Europe SE**  
Bockenheimer Landstraße 2-4,  
60306 Frankfurt am Main  
Germany

**UniCredit Bank GmbH**  
Arabellastrasse 12  
81925 Munich  
Germany

**FISCAL AGENT AND PAYING AGENT**  
The Bank of New York Mellon, London Branch  
160 Queen Victoria Street  
London EC4V 4LA United Kingdom

**LEGAL ADVISERS**

*To the Issuer*  
*as to English and Spanish law:*  
**Linklaters, S.L.P.**  
Calle de Almagro 40  
28010 Madrid  
Spain

*To the Dealers*  
*as to English and Spanish law:*  
**Allen Overy Shearman Sterling**  
Serrano 73  
28006 Madrid  
Spain

**AUDITORS TO THE ISSUER**

**KPMG Auditores, S.L.**  
Paseo de la Castellana, 259C  
28046 Madrid  
Spain