



## **Kutxabank, S.A.**

*(incorporated as a limited liability company (sociedad anónima) under the laws of Spain)*

This first supplement (the “**Supplement**”) is supplemental to, forms part of and must be read and construed in conjunction with the base prospectus dated 22 December 2022 (the “**Base Prospectus**”), prepared by Kutxabank, S.A. (the “**Issuer**”, the “**Bank**” or “**Kutxabank**” and together with its consolidated subsidiaries, the “**Group**”) in connection with its Euro Medium Term Note and Covered Bond Programme (the “**Programme**”) for the issuance of up to EUR 5,000,000,000 in aggregate principal amount of securities (the “**Securities**”). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement constitutes a supplement to the Base Prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of the EU of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (as amended, the “**Prospectus Regulation**”) and has been approved by and registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the “**CNMV**”) as competent authority under the Prospectus Regulation and Law 6/2023 of 17 March (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*, the “**Spanish Securities Market Law**”). The CNMV only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

This Supplement has been prepared for the purposes of (i) amending the Terms and Conditions of the Covered Bonds; and (ii) incorporating by reference the Group’s audited consolidated financial reports and the management report as of and for the year ended 31 December 2022.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the Issuer and/or the assessment of the Securities issued under the Programme has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

## **RESPONSIBILITY STATEMENT**

Mr. Íñigo López Tapia, acting in the name and on behalf of Kutxabank, in his capacity as Capital Markets and Investors Relations Manager of Kutxabank, and acting under a special power of attorney granted by the resolutions of the Executive Committee of Kutxabank passed on 20 October 2022, accepts responsibility for the information contained in this Supplement and declares, to the best of his knowledge, that the information contained in this Supplement is in accordance with the facts and that the Supplement contains no omissions likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement, and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

## AMENDMENTS OR ADDITIONS TO THE BASE PROSPECTUS

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus shall be amended and/or supplemented in the manner described below.

### INFORMATION INCORPORATED BY REFERENCE

The information set out below shall be added after item (iii) in the section entitled “*Information Incorporated by Reference*” on page 49 of the Base Prospectus:

- (iv) “The Group’s audited consolidated financial reports and the management report as of and for the year ended 31 December 2022, prepared in accordance with IFRS-EU, together with the audit report of PricewaterhouseCoopers Auditores, S.L., available at Kutxabank’s website (<https://www.kutxabank.com/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobheadername1=Expires&blobheadername2=content-type&blobheadername3=MDT-Type&blobheadername4=Content-disposition&blobheadervalue1=Thu%2C+10+Dec+2020+16%3A00%3A00+GMT&blobheadervalue2=application%2Fpdf&blobheadervalue3=abinary%3Bcharset%3DUTF-8&blobheadervalue4=inline%3B+filename%3D%22CNMV-KB-INDIVI-CONSOL-2022.pdf%22&blobkey=id&blobtable=MungoBlobs&blobwhere=1312361159867&ssbinary=true>) (the “**2022 Consolidated Financial Reports**”).”

The information in the sub-section entitled “*English Translations*” in the section entitled “*Information Incorporated by Reference*” on page 50 of the Base Prospectus shall be deleted and replaced with the following:

#### “English translations

English translations of the 2022 Consolidated Financial Reports, 2022 Consolidated First Semester Interim Financial Reports, 2021 Consolidated Financial Reports and the 2020 Consolidated Financial Reports, are available at Kutxabank’s website:

- (i) 2022 Consolidated Financial Reports

<https://www.kutxabank.com/cs/Satellite?blobcol=urldata&blobheadername1=Expires&blobheadername2=content-type&blobheadername3=MDT-Type&blobheadername4=Content-disposition&blobheadervalue1=Thu%2C+10+Dec+2020+16%3A00%3A00+GMT&blobheadervalue3=abinary%3Bcharset%3DUTF-8&blobheadervalue4=inline%3B+filename%3D%22Informe+++ctas+Kutxabank+31-12-22+consol+INGLES.PDF%22&blobkey=id&blobtable=MungoBlobs&blobwhere=1312361159883&ssbinary=true>

- (ii) 2022 Consolidated First Semester Interim Financial Reports

<https://www.kutxabank.com/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobheadername1=Expires&blobheadername2=content-type&blobheadername3=MDT-Type&blobheadername4=Content-disposition&blobheadervalue1=Thu%2C+10+Dec+2020+16%3A00%3A00+GMT&blobheadervalue2=application%2Fpdf&blobheadervalue3=abinary%3Bcharset%3DUTF-8&blobheadervalue4=inline%3B+filename%3D%22Kutxabank+informe+++consolidado+semestral+ingles+2022.pdf%22&blobkey=id&blobtable=MungoBlobs&blobwhere=1312347640554&ssbinary=true>

- (iii) 2021 Consolidated Financial Reports:

[https://www.kutxabank.com/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobheadername1=Expires&blobheadername2=content-type&blobheadername3=MDT-Type&blobheadername4=Content-disposition&blobheadervalue1=Thu%2C+10+Dec+2020+16%3A00%3A00+GMT&blobheadervalue2=application%2Fpdf&blobheadervalue3=abinary%3Bcharset%3DUTF-8&blobheadervalue4=inline%3B+filename%3D%22Kutxabank\\_consol\\_2021\\_INGLES.pdf%22&blobkey=id&blobtable=MungoBlobs&blobwhere=1312341445750&ssbinary=true](https://www.kutxabank.com/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobheadername1=Expires&blobheadername2=content-type&blobheadername3=MDT-Type&blobheadername4=Content-disposition&blobheadervalue1=Thu%2C+10+Dec+2020+16%3A00%3A00+GMT&blobheadervalue2=application%2Fpdf&blobheadervalue3=abinary%3Bcharset%3DUTF-8&blobheadervalue4=inline%3B+filename%3D%22Kutxabank_consol_2021_INGLES.pdf%22&blobkey=id&blobtable=MungoBlobs&blobwhere=1312341445750&ssbinary=true) and

- (iv) 2020 Consolidated Financial Reports:

[https://www.kutxabank.com/cs/Satellite?blobcol=urldata&blobheadername1=Expires&blobheadername2=content-type&blobheadername3=MDT-Type&blobheadername4=Content-disposition&blobheadervalue1=Thu%2C+10+Dec+2020+16%3A00%3A00+GMT&blobheadervalue3=abinary%3Bcharset%3DUTF-8&blobheadervalue4=inline%3B+filename%3D%22Kutxabank\\_consol\\_2020\\_INGLES.PDF%22&blobkey=id&blobtable=MungoBlobs&blobwhere=1312318135624&ssbinary=true](https://www.kutxabank.com/cs/Satellite?blobcol=urldata&blobheadername1=Expires&blobheadername2=content-type&blobheadername3=MDT-Type&blobheadername4=Content-disposition&blobheadervalue1=Thu%2C+10+Dec+2020+16%3A00%3A00+GMT&blobheadervalue3=abinary%3Bcharset%3DUTF-8&blobheadervalue4=inline%3B+filename%3D%22Kutxabank_consol_2020_INGLES.PDF%22&blobkey=id&blobtable=MungoBlobs&blobwhere=1312318135624&ssbinary=true)

The referred English translations are for information purposes only. In the event of a discrepancy, the original Spanish-language versions prevail.

The information contained in the website referred to in this section has not been scrutinised or approved by the Comisión Nacional de Mercado de Valores (the “CNMV”).

## TERMS AND CONDITIONS OF THE COVERED BONDS (*EUROPEAN COVERED BONDS (PREMIUM)*)

The information in the section entitled “*Terms and Conditions of the Covered Bonds*” on pages 115 to 144 of the Base Prospectus shall be deleted and replaced with the following:

“The following is the text of the terms and conditions of the Covered Bonds which will be completed by the relevant Covered Bonds Final Terms.

### 1. Introduction

- (a) *Programme*: Kutxabank, S.A. (the “**Issuer**”) has established a Euro Medium Term Note and Covered Bond Programme (the “**Programme**”) for the issuance of, among others, up to €5,000,000,000 in aggregate principal amount of (i) Mortgage Covered Bonds and Public Sector Covered Bonds (as these terms are defined below) in accordance with the provisions of Royal Decree-Law 24/2021 (together, the “**Covered Bonds**”); and (ii) medium term notes.

The Covered Bonds will be considered European covered bonds (premium) (*bono garantizado europeo* (premium)) pursuant to article 4.3 of Royal Decree-Law 24/2021.

The Covered Bonds may be Fixed Rate Covered Bonds, Floating Rate Covered Bonds, Fixed to Floating Covered Bonds or Floating to Fixed Covered Bonds.

*On 4 July 2022, the Bank of Spain authorised the covered bond programmes of the Issuer for the issuance of Mortgage Covered Bonds and Public Sector Covered Bonds for an aggregate amount of EUR 5,000,000,000, and with a validity period expiring on 4 July 2025. The Mortgage Covered Bonds and Public Sector Covered Bonds issued under the Programme will form part of the relevant covered bond programme and will be collateralised by the relevant Cover Pool. The terms and conditions of the Covered Bonds are compatible and do not contradict the terms of the covered bond programmes.*

- (b) *Covered Bonds Final Terms*: Covered Bonds issued under the Programme are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Covered Bonds. Each Tranche is the subject of a final terms (the “**Covered Bonds Final Terms**”) which completes these terms and conditions (the “**Conditions of the Covered Bonds**”). The terms and conditions applicable to any particular Tranche of Covered Bonds are these Conditions of the Covered Bonds as completed by the relevant Covered Bonds Final Terms. In the event of any inconsistency between these Conditions of the Covered Bonds and the relevant Covered Bonds Final Terms, the relevant Covered Bonds Final Terms shall prevail.
- (c) *Paying Agency*: For Covered Bonds listed on AIAF, all payments under the Conditions of the Covered Bonds will be carried out directly by the Issuer through Iberclear (as defined below).

- (d) *The Covered Bonds*: All subsequent references in these Conditions of the Covered Bonds to “Covered Bonds” are to the Covered Bonds which are the subject of the relevant Covered Bonds Final Terms. Copies of the relevant Covered Bonds Final Terms are available for viewing at the Issuer’s website ([https://www.kutxabank.com/cs/Satellite/kutxabank/es/informacion\\_para\\_brinversores/renta\\_fija/emisiones](https://www.kutxabank.com/cs/Satellite/kutxabank/es/informacion_para_brinversores/renta_fija/emisiones)).

## 2. Interpretation

- (a) *Definitions*: In these Conditions of the Covered Bonds the following expressions have the following meanings:

“**2006 ISDA Definitions**” means, in relation to a Series of Covered Bonds, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Covered Bonds of such Series) as published by ISDA (copies of which may be obtained from ISDA at [www.isda.org](http://www.isda.org));

“**2021 ISDA Definitions**” means, in relation to a Series of Covered Bonds, 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 date of issue of the first Tranche of Covered Bonds of such Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org));

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

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

“**Adjustment Spread**” means either a spread (which may be positive or negative or zero), or a formula or methodology for calculating a spread, in either 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:

- (a) in the case of a Successor Rate, is formally recommended or formally provided as an option for parties to adopt in relation to the replacement of the relevant Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (b) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Financial Adviser or the Issuer, acting in good faith and in a reasonable commercial manner and following consultation with the Independent Financial Adviser in the event one has been appointed, as applicable, determines is in the customary market usage in the debt capital markets for transactions which reference the relevant Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (c) (if no such determination has been made), the Independent Financial Adviser or the Issuer, acting in good faith and in a reasonable commercial manner and following consultation with the Independent Financial Adviser in the event one has been appointed, as applicable, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the relevant Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

- (d) (if no such industry standard is recognised or acknowledged), the Independent Financial Adviser or the Issuer, acting in good faith and in a reasonable commercial manner and following consultation with the Independent Financial Adviser in the event one has been appointed, as applicable, determines to be appropriate having regard to the objective, so far as reasonably practicable in the circumstances and solely for the purposes of this subparagraph (d), of reducing any economic prejudice or benefit (as the case may be) to Holders as a result of the replacement of the relevant Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

“**Aggregate Nominal Amount**” has the meaning given in the relevant Covered Bonds Final Terms;

“**AIAF**” means the Spanish AIAF Fixed Income Market (*AIAF Mercado de Renta Fija*);

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Financial Adviser or the Issuer, acting in good faith and in a reasonable commercial manner and following consultation with the Independent Financial Adviser (in the event that one has been appointed), as applicable, determines in accordance with Condition 8 (*Benchmark Discontinuation*) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in the relevant currency;

“**Amortisation Yield**” has the meaning given in the relevant Covered Bonds Final Terms;

“**Benchmark Event**” means:

- (a) the relevant Mid-Swap Floating Leg Benchmark Rate or the Reference Rate (as applicable) ceasing to be published for a period of at least five consecutive Business Days or ceasing to exist; or
- (b) a public statement by the administrator of the Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely, or that it will cease to do so by a specified future date (the “**Specified Future Date**”); or
- (c) a public statement by the supervisor of the administrator of the relevant Reference Rate, that such relevant Reference Rate has been or will, by a Specified Future Date, be permanently or indefinitely discontinued (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or
- (d) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such relevant Reference Rate will, by a Specified Future Date, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Covered Bonds; or
- (e) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such relevant Reference Rate is or will be by a Specified Future Date no longer representative of an underlying market and such representativeness will not be restored (as determined by such supervisor); or

- (f) it has or will, by a specified date within the following six months, become unlawful for the Issuer or other party to calculate any payments due to be made to any Holder using the relevant Reference Rate (including, without limitation, under the Benchmarks Regulation, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (b), (c), (d) or (e) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such Specified Future Date.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Calculation Agent and the Paying Agent, if different to the Issuer. For the avoidance of doubt, neither the Calculation Agent nor the Paying Agent, if different to the Issuer, shall have any responsibility for making such determination;

**“Benchmarks Regulation”** means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, as amended or replaced from time to time;

**“Business Day”** means 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;

**“Business Day Convention”**, in relation to any particular date, has the meaning given in the relevant Covered Bonds Final Terms and, if so specified in the relevant Covered Bonds 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 Covered Bonds 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

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

“**Calculation Agent**” means the Issuer or such other Person specified in the relevant Covered Bonds 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 Covered Bonds Final Terms;

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

“**Certificate**” has the meaning given in Condition 3(c) (*Form, Denomination, Title and Transfer—Title and Transfer*);

“**Chairperson**” has the meaning given to such term in Condition 14(d) (*Meeting of Holders; Modification and Waiver – Chairperson*);

“**Clearstream, Luxembourg**” means Clearstream Banking, S.A.;

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

“**Code**” has the meaning given in Condition 10 (*Payments*);

“**Cover Pool**” means a pool of clearly defined Eligible Assets for Mortgage Covered Bonds or Eligible Assets for Public Sector Covered Bonds that secure the payment obligations attached to the Mortgage Covered Bonds or the Public Sector Covered Bonds, respectively (each, a “**relevant Cover Pool**”), with the Eligible Assets included in each applicable Cover Pool segregable from other assets of the Issuer, all in accordance with the provisions of Royal Decree-Law 24/2021;

“**Cover Pool Monitor**” means the external or internal monitor of the relevant Cover Pool(s) appointed in accordance with the provisions of Royal Decree-Law 24/2021.

“**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, as amended by CRR II and as further amended or replaced from time to time;

“**CRR II**” means Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012, as amended by Regulation 2020/873 and as further amended or replaced from time to time;

“**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 of the Covered Bonds or the relevant Covered Bonds 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:

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

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 D1 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 D1 is greater than 29, in which case D2 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:

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

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 D1 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 D2 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:

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

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 D1 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 the Extended Maturity Date, as applicable) or (ii) such number would be 31, in which case D2 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;

“**Eligible Assets**” means the Eligible Assets for Mortgage Covered Bonds and the Eligible Assets for Public Sector Covered Bonds, as applicable;

“**Eligible Assets for Mortgage Covered Bonds**” means the eligible assets which form part of the Cover Pool for Mortgage Covered Bonds, including (i) the eligible primary assets referred to in paragraphs (d) and (f) of article 129.1 of CRR, (ii) replacement assets, (iii) the liquid assets that make up the liquidity buffer of such Cover Pool and (iv) the credit rights in connection with the derivative financial instruments linked to such Cover Pool, all in accordance with the applicable regulations in force from time to time and the corresponding covered bond programme authorized by the Bank of Spain;

“**Eligible Assets for Public Sector Covered Bonds**” means the eligible assets which form part of the Cover Pool for Public Sector Covered Bonds, including (i) the loans or credits against counterparties eligible as primary assets referred to in paragraph (a) of article 129.1 of the CRR, (ii) replacement assets, (iii) the liquid assets that make up the liquidity buffer of such Cover Pool and (iv) the credit rights in connection with the derivative financial instruments linked to such Cover Pool, all in accordance with the applicable regulations in force from time to time and the corresponding covered bond programme authorized by the Bank of Spain;

“**FROB**” means the Spanish Executive Resolution Authority (*Fondo de Reestructuración Ordenada Bancaria*);

“**EURIBOR**” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is administered by the European Money Markets Institute (or any person which takes over administration of that rate);

“**Euroclear**” means Euroclear Bank SA/NV;

“**Extraordinary Resolution**” has the meaning given in Condition 14 (*Meeting of Holders; Modification and Waiver*);

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

“**FATCA**” has the meaning given in Condition 10 (*Payments*);

“**Final Redemption Amount**” means, in respect of any Covered Bond, its Outstanding Principal Amount or such other amount as may be specified in the relevant Covered Bonds Final Terms;

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

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

“**Green Covered Bonds**” has the meaning given in Condition 12 (*Green Covered Bonds*);

“**Green Use of Proceeds Disclosure**” has the meaning given in Condition 12 (*Green Covered Bonds*);

“**Group**” means the Issuer together with its consolidated Subsidiaries;

“**Holder**” has the meaning given in Condition 3(c) (*Form, Denomination, Title and Transfer — Title and Transfer*);

“**Iberclear**” means the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal, the Spanish Central Securities Depository, which manages the Spanish Central Registry and the Spanish settlement system;

“**Iberclear Participants**” means each participating entity (entidad participante) in Iberclear;

“**ICMA**” means the International Capital Markets Association;

“**Independent Financial Adviser**” means an independent financial firm or financial adviser with appropriate expertise or financial institution of recognised standing appointed by the Issuer at its own expense. *Independent Financial Advisers conduct functions in connection with the calculation of the Rate of Interest in the case of Floating Rate Provisions (as provided under Condition 6 (Floating Rate Provisions)) and the discontinuation of benchmarks (as provided under Condition 8 (Benchmark Discontinuation));*

“**Insolvency Law**” means the restated text of the Spanish insolvency law, approved by Royal Legislative 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 Covered Bond and an Interest Period, the amount of interest payable in respect of that Covered Bond for that Interest Period;

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

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

“**Interest Payment Date**” means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Covered Bonds Final Terms and, if a Business Day Convention is specified in the relevant Covered Bonds 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 Covered Bonds 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**” means the International Swaps and Derivatives Association, Inc.;

“**ISDA Definitions**” has the meaning given in the relevant Covered Bonds Final Terms;

“**ISIN**” means International Securities Identification Number Code.

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

“**Law 10/2014**” means Law 10/2014, of 26 June on the organisation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*), as amended or replaced from time to time;

“**Law 11/2015**” means Law 11/2015, of 18 June, 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 Covered Bonds Final Terms;

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

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

“**Minimum Rate of Interest**” for any Interest Period has the meaning given in the Covered Bonds Final Terms but shall never be less than zero, including any relevant margin;

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

“**Mortgage Covered Bonds**” (*cédulas hipotecarias*) means Covered Bonds collateralised by eligible primary assets referred to in paragraphs (d) and (f) of article 129.1 of CRR;

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

“**Optional Redemption Amount (Residual Call)**” means, in respect of any Covered Bond, its Outstanding Principal Amount or such other amount as may be specified in the relevant Covered Bonds Final Terms;

“**Optional Redemption Date (Call)**” means any date so specified in the relevant Covered Bonds Final Terms and/or any date falling in the Optional Redemption Period (call) specified in the relevant Covered Bonds Final Terms, the first and last days inclusive;

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

“**outstanding**” means, in relation to the Covered Bonds, all the Covered Bonds issued other than those Covered Bonds (a) that have been redeemed; (b) that have been purchased (or acquired) and cancelled; (c) that have been substituted and cancelled or (d) that have become void or in respect of which claims have prescribed, provided that for each of the following purposes, namely:

- (a) the right to attend and vote at any meeting of Holders; and
- (b) the determination of how many and which Notes are for the time being outstanding for the purposes of Condition 14 (*Meeting of Holders; Modification and Waiver*);

those Covered Bonds (if any) which are for the time being held by or for the benefit of the Issuer or any of its Subsidiaries shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

“**Outstanding Principal Amount**” means the principal amount of the Covered Bond on the Issue Date as reduced by any partial redemptions or repurchases from time to time;

“**Payment Business Day**” means 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;

“**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 Financial Centre**” means the principal financial centre of such member state of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

“**Public Sector Covered Bonds**” (*cédulas territoriales*) means Covered Bonds collateralised by loans or credits against counterparties eligible as primary assets referred to in paragraph (a) of article 129.1 of CRR, provided that such loans are not linked to the financing of contracts for the export of goods and services or to the internationalisation of companies;

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

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

“**Reference Banks**” means four major banks selected by the Issuer in the market that is most closely connected with the Reference Rate;

“**Reference Rate**” means EURIBOR or €STR as specified in the relevant Covered Bonds Final Terms in respect of the period specified in the relevant Covered Bonds Final Terms. The term Reference Rate shall, following the occurrence of a Benchmark Event under Condition 8 (*Benchmark Discontinuation*), include any Successor Rate or Alternative Rate and shall, if a Benchmark Event should occur subsequently in respect of any such Successor Rate or Alternative Rate, also include any further Successor Rate or further Alternative Rate;

“**Regular Period**” means:

- (a) in the case of Covered Bonds 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 Covered Bonds 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 Covered Bonds 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, the date on which the payment in question first becomes due;

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

“**relevant Holders**” has the meaning give in Condition 14(b)(i) (*Meeting of Holders; Modification and Waiver - Convening meetings - Meetings convened by the Issuer*);

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (a) 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 either the relevant benchmark or the administrator of the relevant benchmark or screen rate (as applicable); or
- (b) 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 either the relevant benchmark or the administrator of the relevant 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;

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

“**Royal Decree-Law 24/2021**” means Royal Decree-Law 24/2021, of 2nd November, on the transposition of European Union directives in the areas of covered bonds, cross-border distribution of collective investment undertakings, open data and reuse of public sector information, exercise of copyright and related rights applicable to certain online transmissions and retransmissions of radio and television programmes, temporary exemptions for certain imports and supplies, for consumers and for the promotion of clean and energy efficient road transport vehicles (*Real Decreto-ley 24/2021, de 2 de noviembre, de transposición de directivas de la Unión Europea en las materias de bonos garantizados, distribución transfronteriza de organismos de inversión colectiva, datos abiertos y reutilización de la información del sector público, ejercicio de derechos de autor y derechos afines aplicables a determinadas transmisiones en línea y a las retransmisiones de programas de radio y televisión, exenciones temporales a determinadas importaciones y suministros, de personas consumidoras y para la promoción de vehículos de transporte por carretera limpios y energéticamente eficientes*) as amended by Royal Decree-Law 11/2022, of 25th June, on the adoption and extension of certain measures to respond to the economic and social consequences of the war in Ukraine, to address situations of social and economic vulnerability, and for the economic and social recovery of the

island of La Palma (*Real Decreto-ley 11/2022, de 25 de junio, por el que se adoptan y se prorrogan determinadas medidas para responder a las consecuencias económicas y sociales de la guerra en Ucrania, para hacer frente a situaciones de vulnerabilidad social y económica, y para la recuperación económica y social de la isla de La Palma*), as further amended or replaced from time to time;

“**Senior Preferred Liabilities**” means any obligations of the Issuer with respect to any unsecured and unsubordinated claims (*créditos ordinarios*) against the Issuer, other than the Senior Non-Preferred Liabilities;

“**Senior Non-Preferred Liabilities**” means any obligations of the Issuer with respect to any unsecured and unsubordinated non preferred ordinary claims (*créditos ordinarios no preferentes*) against the Issuer under Additional Provision 14.2 of Law 11/2015 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;

“**Spanish Central Registry**” has the meaning given in Condition 3(c) (*Form, Denomination, Title and Transfer —Title and Transfer*);

“**Spanish Civil Code**” means the Royal Decree of 24 July 1889 of publication of the Civil Code (*Real Decreto de 24 de julio de 1889 por el que se publica el Código Civil*);

“**Special Cover Pool Administrator**” means the special administrator of the relevant Cover Pool(s) appointed in the event of insolvency (“*concurso*”) or resolution of the Issuer in accordance with Royal Decree-Law 24/2021;

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

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

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

“**Subsidiary**” means any entity over which another entity has, directly or indirectly, control in accordance with article 42 of the Spanish Commercial Code (*Código de Comercio*), Rule 43 of Circular 4/2017, of 27 November, of the Bank of Spain;

“**Successor Rate**” means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system or any successor thereto;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;

(b) *Interpretation:* In these Conditions of the Covered Bonds:

- (i) any reference to principal shall be deemed to include the Redemption Amount, any premium payable in respect of a Covered Bond and any other amount in the nature of principal payable pursuant to these Conditions of the Covered Bonds;
- (ii) any reference to interest shall be deemed to include any other amount in the nature of interest payable pursuant to these Conditions of the Covered Bonds; and
- (iii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Covered Bonds Final Terms, but the relevant Covered Bonds Final Terms gives



no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Covered Bonds.

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

- (a) *Form and denomination:* The Covered Bonds are issued in uncertified, dematerialised book-entry form (“*anotaciones en cuenta*”) in the Aggregate Nominal Amount, in the Specified Denomination and in the Specified Currency, provided that the minimum Specified Denomination shall be €100,000.
- (b) *Registration, clearing and settlement:* The Covered Bonds will be registered with Iberclear, which is the Spanish central securities depository, with its registered office at Plaza de la Lealtad, 1, 28014, Madrid, Spain. Holders of a beneficial interest in the Covered Bonds who do not have, directly or indirectly through their custodians, a participating account with Iberclear may hold the Covered Bonds through bridge accounts maintained by each of Euroclear and Clearstream, Luxembourg with Iberclear.

Iberclear will manage the settlement of the Covered Bonds, notwithstanding the Issuer's commitment to assist, when appropriate, on the settlement of the Covered Bonds through Euroclear and Clearstream, Luxembourg.

The information concerning the ISIN of the Covered Bonds will be stated in the Covered Bonds Final Terms.

- (c) *Title and Transfer:* Title to the Covered Bonds will be evidenced by book-entries and each person shown in the central registry managed (the “**Spanish Central Registry**”) by Iberclear and in the registries maintained by the respective Iberclear Participants as being the holder of the Covered Bonds shall be (except as otherwise required by Spanish law) considered the holder of the principal amount of the Covered Bonds recorded therein. In these Conditions of the Covered Bonds, the “Holder” of a Covered Bond means the person in whose name such Covered Bonds is for the time being registered in the Spanish Central Registry managed by Iberclear or, as the case may be, the relevant Iberclear Participant accounting book and when appropriate, means owners of a beneficial interest in the Covered Bonds.

One or more certificates (each, a “**Certificate**”) attesting to the relevant Holder's holding of the Covered Bonds in the relevant registry will be delivered by the relevant Iberclear Participant or, where the Holder is itself an Iberclear Participant, by Iberclear (in each case, in accordance with the requirements of Spanish law and the relevant Iberclear Participant's or, as the case may be, Iberclear's procedures) to such Holder upon such Holder's request.

The Covered Bonds are issued without any restrictions on their free transferability. Consequently, the Covered Bonds may be transferred and title to the Covered Bonds may pass (subject to Spanish law and to compliance with all applicable rules, restrictions and requirements of Iberclear or, as the case may be, the relevant Iberclear Participant) upon registration in the relevant registry of each Iberclear Participant and/or Iberclear itself, as applicable. Each Holder will be (except as otherwise required by Spanish law) treated as the absolute owner of the relevant Covered Bonds for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the Holder.

### 4. Status

The payment obligations of the Issuer on account of principal under the Covered Bonds (including Mortgage Covered Bonds and Public Sector Covered Bonds) constitute direct, unconditional and unsubordinated claims of the Issuer.

In accordance with article 6 of Royal Decree-Law 24/2021, Holders will be considered creditors with special preference (“*acreedores con preferencia especial*”) in respect of the assets included in the relevant Cover Pool pursuant to paragraph 8° of article 1,922 and paragraph 6° of article 1,923 of the Spanish Civil Code.

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) pursuant to article 270.7 of the Insolvency Law, claims of Holders under the Covered Bonds shall be recognised as claims with special privilege (“*créditos con privilegio especial*”) in respect of the assets in the relevant Cover Pool, and, (ii) in accordance with article 42.1 of Royal Decree-Law 24/2021, to the extent that claims against the Issuer under the Covered Bonds are not fully satisfied from the assets in the relevant Cover Pool, the residual claims under the Covered Bonds will rank: (a) *pari passu* among themselves and with any Senior Preferred Liabilities; and (b) senior to Senior Non-Preferred Liabilities and subordinated claims (“*créditos subordinados*”) against the Issuer under article 281.1 of the Insolvency Law.

*The Covered Bonds are obligations enforceable in accordance with the terms of Law 1/2000, of 7 January, on Civil Proceedings and will be issued in accordance with Royal Decree-Law 24/2021. Neither the insolvency (“concurso”) of the Issuer nor the Issuer being subject to any resolution procedure shall:*

- *cause the automatic early termination of the payment obligations under the Covered Bonds or otherwise affect the Issuer’s obligation to fulfil any of its obligations under the Covered Bonds (without prejudice to the provisions of article 42.2 of Law 11/2015);*
- *entitle the Holders to require the Issuer to redeem the Covered Bonds prior to the Maturity Date or the Extended Maturity Date, as applicable;*
- *result in the suspension of accrual of interest on the Covered Bonds; nor*
- *result in the termination or early redemption of the derivative contracts included in the relevant Cover Pool.*

*Upon insolvency (“concurso”) or resolution of the Issuer, the Special Cover Pool Administrator will be appointed by the competent court after consultation with the Bank of Spain from among persons nominated by the FROB (in the event of insolvency (“concurso”) of the Issuer) or directly by the FROB in consultation with the Bank of Spain (in the event of resolution of the Issuer). The Special Cover Pool Administrator will preserve the rights and interests of the Holders and will oversee the management (in the event of resolution of the Issuer) or will manage (in the event of insolvency (“concurso”) of the Issuer) the covered bond programmes of the Issuer.*

*In addition, upon insolvency (“concurso”) of the Issuer, the assets of the relevant Cover Pool registered in the special register maintained by the Issuer will be materially segregated from the Issuer’s assets and will form a separate estate without legal personality, which will be represented by the Special Cover Pool Administrator.*

*The segregation described above implies that the assets forming part of the relevant Cover Pool:*

- (i) *do not form part of the Issuer's insolvency estate ("masa del concurso") until the claims of the Holders and the relevant derivative counterparties and the expenses related to the maintenance and management of the separate estate (and, if applicable, to its liquidation) are satisfied.*
- (ii) *are protected against the rights of third parties and therefore cannot be rescinded by application of the reinstatement actions provided for in the insolvency legislation, except as provided in article 42.2 of Royal Decree-Law 24/2021.*

*The Special Cover Pool Administrator shall determine that the assets in the applicable Cover Pool registered in the special register maintained by the Issuer, together with any corresponding liabilities, will be transferred to form separate estate from the Issuer without legal personality.*

***Internal policies and procedures for the management and monitoring of the Cover Pool***

*The Issuer has defined a general policy to govern the management and monitoring of the relevant Cover Pool, which was approved by its board of directors (the "Policy").*

*The Policy applies to the Covered Bonds issued by the Issuer in Spain, as well as to Covered Bonds issued outside of Spain in accordance with Royal Decree-Law 24/2021 and sets out the general guidelines that the Issuer must comply with, in addition to the recommendations from supervisory bodies and best market practices that the Issuer is also required to take into consideration.*

*The Issuer must ensure that the liabilities of the covered bond programmes are backed at all times with Eligible Assets, complying in any case, and at all times, with the applicable legal overcollateralisation or contractual overcollateralisation levels. Compliance with these limits shall be monitored on an ongoing basis.*

*Only assets meeting the eligibility conditions of the covered bond programmes shall be included in the relevant Cover Pool. Inclusion or exclusion of any assets from the relevant Cover Pool or adoption of any legal action that may affect its effectiveness shall be contingent upon verification of compliance with applicable regulations, following authorisation from the Cover Pool Monitor.*

*Only assets that can be segregated may be included in the relevant Cover Pool and the Issuer shall maintain a special register of the assets included in the relevant Cover Pool. For the purposes of article 1,922 and article 1,923 of the Spanish Civil Code and article 270.7 of the Insolvency Law, the registration of the assets in the special register will permit: (a) the identification by the Issuer of all the assets that form part of the relevant Cover Pool; and (b) the allocation of the registered assets to secure the payment obligations under the Covered Bonds in accordance with article 6 of Royal Decree-Law 24/2021.*

*The Cover Pool of each covered bond programme will consist of Eligible Assets with different characteristics, including structural features, lifetime or risk profile in the Cover Pool. The Policy sets out rules aimed at preserving the granularity of the pool of Eligible Assets, as well as at identifying and addressing potential mismatches in maturities, lifetime and interest rates, as well as, where appropriate, exchange rates.*

*The following paragraphs summarise the policies and procedures contained in the Policy which are more relevant for Holders (pursuant to the disclosure requirements contained in letter c) of article 7.2 of Royal Decree-Law 24/2021):*

- (i) *the guidelines for managing the relevant Cover Pool, the internal governance framework for the purposes of the Issuer's administrative organization, the management process of the*

*relevant Cover Pool and the roles and responsibilities of the Cover Pool Monitor and the rest of the teams of the Issuer involved.*

*Beka Finance, S.V., S.A. was appointed by the Issuer on 8 April 2022 as Cover Pool Monitor of the covered bond programmes of the Issuer for the issuance of Mortgage Covered Bonds and Public Sector Covered Bonds;*

- (ii) the criteria and the procedures set out by the Issuer for the selection, assignment, monitoring and reporting of the assets in the relevant Cover Pool and for updating the special register of the relevant Cover Pool. For these purposes, the Issuer will set out special electronic registries in order to ensure the adequate allocation of the Covered Bonds to the relevant Cover Pool, complying with the applicable legal and contractual overcollateralization requirements in each covered bonds programme. Such registries will guarantee that the Cover Pool Monitor has access to the necessary information to perform its duties. In any case, the Cover Pool Monitor will have immediate access to the person in charge of the internal control unit of the Issuer in accordance with article 32.2 of Royal Decree-Law 24/2021. If a breach of the legal or contractual requirements applicable to the assets forming part of a Cover Pool is identified by the Cover Pool Monitor or any other level of supervision, the Issuer will substitute such asset for an eligible asset. These procedures will be coordinated by the capital Markets and investor's relations team of the Issuer;*
- (iii) the methodology and steps proposed to execute the periodical tests that the Issuer will perform for the purposes of, among others, confirming that the assets included in the relevant Cover Pool comply with the requirements set forth in Royal Decree-Law 24/2021. Such tests will be performed on the basis of a base case which assumptions are deemed adequate by the Cover Pool Monitor.*

*As of the date of this Base Prospectus, the Issuer has not approved any policy for the management of derivative contracts for hedging purposes and replacement assets of the relevant Cover Pool, or the maintenance of the liquidity buffer set forth in article 11 of Royal Decree-Law 24/2021.*

## **5. Fixed Rate Provisions**

- (a) Application:* This Condition 5 is applicable to the Covered Bonds only if the Fixed Rate Provisions are specified in the relevant Covered Bonds Final Terms as being applicable.
- (b) Accrual of interest:* The Covered Bonds bear interest on their Outstanding Principal Amount from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Covered Bond will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (both before and after judgment) until the day on which all sums due in respect of such Covered Bond up to that day are received by or on behalf of the relevant Holder.
- (c) Fixed Coupon Amount:* The amount of interest payable in respect of each Covered Bond for any Interest Period shall be the relevant Fixed Coupon Amount.
- (d) Covered Bonds accruing interest otherwise than a Fixed Coupon Amount:* This Condition 5(d) shall apply to Covered Bonds which are Fixed Rate Covered Bonds only where the Covered Bonds Final Terms for such Covered Bonds specify that the Interest Payment Dates are subject to adjustment in accordance with the Business Day Convention specified therein. The relevant amount of interest payable in respect of each Covered Bond for any Interest Period for such

Covered Bonds shall be calculated by the Calculation Agent by multiplying the product of the Rate of Interest and the Calculation Amount by the relevant Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). The Calculation Agent shall cause the relevant amount of interest and the relevant Interest Payment Date to be notified to the Issuer (if applicable) and to the Holders in accordance with Condition 16 (*Notices*) and, if the Covered Bonds are listed on a stock exchange and the rules of such exchange so requires, such exchange as soon as possible after their determination or calculation but in no event later than the fourth Business Day thereafter or, if earlier in the case of notification to the stock exchange, the time required by the rules of the relevant stock exchange.

- (e) *Calculation of interest amount:* The amount of interest payable in respect of each Covered Bond 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 Covered Bond divided by the Calculation Amount. For this purpose a “**sub-unit**” means one cent.

## 6. Floating Rate Provisions

- (a) *Application:* This Condition 6 (*Floating Rate Provisions*) is applicable to the Covered Bonds only if the Floating Rate Provisions are specified in the relevant Covered Bonds Final Terms as being applicable.
- (b) *Accrual of interest:* The Covered Bonds bear interest on their Outstanding Principal Amount from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Covered Bond will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (both before and after judgment) until the day on which all sums due in respect of such Covered Bond up to that day are received by or on behalf of the relevant Holder.
- (c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Covered Bonds Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Covered Bonds for each Interest Period will be (other than in respect of Covered Bonds for which €STR or any related index is specified as Reference Rate in the relevant Final Terms) determined by the Calculation Agent on the following basis:
  - (A) 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;
  - (B) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Covered Bonds 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:
    - (1) 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

- (2) 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 (other than in the circumstances described in Condition 8 (*Benchmark Discontinuation*)) calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Financial Adviser appointed by the Issuer, and such Independent Financial Adviser acting in good faith and in a commercially reasonable manner, determines appropriate;

- (C) 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;
  - (D) if, in the case of (A) above, such rate does not appear on that page or, in the case of (C) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Issuer (other than in the circumstances described in Condition 8 (*Benchmark Discontinuation*)) will:
    - (1) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
    - (2) provide such quotations to the Calculation Agent who shall determine the arithmetic mean of such quotations; and
  - (E) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, requested and selected by the Issuer, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; *provided, however, that* if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Covered Bonds 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 Covered Bonds in respect of a preceding Interest Period.
- (d) *ISDA Determination:* If ISDA Determination is specified in the relevant Covered Bonds Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Covered Bonds 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 the ISDA Definitions and under which:

(A) if either “2006 ISDA Definitions” or “2021 ISDA Definitions” is specified to be as the applicable ISDA Definitions in the relevant Covered Bonds Final Terms:

- (1) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Covered Bonds Final Terms;
- (2) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the relevant Covered Bonds Final Terms;
- (3) the relevant Reset Date (as defined in the ISDA Definitions), unless otherwise specified in the relevant Covered Bonds Final Terms, has the meaning given to it in the ISDA Definitions;
- (4) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Covered Bonds Final Terms, the rate for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:
  - (i) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
  - (ii) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period

*provided, however, that* if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall (other than in the circumstances described in Condition 8 (*Benchmark Discontinuation*)) calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Financial Adviser appointed by the Issuer, and such Independent Financial Adviser acting in good faith and in a commercially reasonable manner, determines appropriate.

- (5) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Compounding is specified to be applicable in the relevant Covered Bonds Final Terms and:
  - (i) Compounding with Lookback is specified as the Compounding Method in the relevant Covered Bonds Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) specified in the relevant Covered Bonds Final Terms;
  - (ii) Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Covered Bonds Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Covered Bonds Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if

applicable, are the days specified in the relevant Covered Bonds Final Terms; or

- (iii) Compounding with Lockout is specified as the Compounding Method in the relevant Covered Bonds Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Covered Bonds Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Covered Bonds Final Terms;
- (6) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Averaging is specified to be applicable in the relevant Covered Bonds Final Terms and:
- (i) Averaging with Lookback is specified as the Averaging Method in the relevant Covered Bonds Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) as specified in relevant Covered Bonds Final Terms;
  - (i) Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Covered Bonds Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Covered Bonds Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Covered Bonds Final Terms; or
  - (ii) Averaging with Lockout is specified as the Averaging Method in the relevant Covered Bonds Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Covered Bonds Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Covered Bonds Final Terms; and
- (7) if the specified 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 Covered Bonds Final Terms, the Compounded Index Method with Observation Period Shift (as defined in the ISDA Definitions) shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Covered Bonds Final Terms and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Covered Bonds Final Terms;
- (B) references in the ISDA Definitions to:
- (8) “**Confirmation**” shall be references to the relevant Covered Bonds Final Terms;
  - (9) “**Calculation Period**” shall be references to the relevant Interest Period;
  - (10) “**Termination Date**” shall be references to the Maturity Date (or to the Extended Maturity Date, as applicable);



- (11) “**Effective Date**” shall be references to the Interest Commencement Date; and
- (C) if the “2021 ISDA Definitions” is specified to be as the applicable ISDA Definitions in the relevant Covered Bonds Final Terms:
- (1) “Administrator/Benchmark Event” shall be disappplied; and
  - (2) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be “Temporary Non-Publication – 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– Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day's Rate”.
- (e) *Interest – Floating Rate Covered Bonds referencing €STR*

- (A) This Condition 6(e) is applicable to the Covered Bonds only if the Floating Rate Provisions are specified in the relevant Covered Bonds Final Terms as being applicable and the “Reference Rate” is specified in the relevant Covered Bonds Final Terms as being “€STR”.
- (B) Where “€STR” is specified as the Reference Rate in the Covered Bonds Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Covered Bonds Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.
- (C) For the purposes of this Condition 6(e):

“**Compounded Daily €STR**” means, with respect to any Interest Period, the rate of return of a daily compound interest investment in euro (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formulas: (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

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

where:

“**d**” means the number of calendar days in:

- (i) where “Lag” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the relevant Interest Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the relevant Observation Period;

“**D**” means the number specified as such in the relevant Covered Bonds Final Terms (or, if no such number is specified, 360);

“**d<sub>o</sub>**” means the number of TARGET Settlement Days in:

- (i) where “Lag” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the relevant Interest Period; or

- (ii) where “Observation Shift” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the relevant Observation Period;

the “**€STR reference rate**”, in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate (“**€STR**”) for such TARGET Settlement 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 (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 Settlement Day immediately following such TARGET Settlement 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 the €STR reference rate for:

- (i) where “Lag” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the TARGET Settlement Day falling “p” TARGET Settlement Days prior to the relevant TARGET Settlement Day “i”; or
- (ii) where “Observation Shift” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the relevant TARGET Settlement Day “i”.

“**i**” is a series of whole numbers from one to “d<sub>o</sub>”, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

- (i) where “Lag” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the relevant Interest Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the relevant Covered Bonds Final Terms, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

“**n<sub>i</sub>**” for any TARGET Settlement Day “i” in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day “i” up to (but excluding) the following TARGET Settlement Day;

“**Observation Period**” means, in respect of any Interest Period, the period from (and including) the date falling “p” TARGET Settlement Days prior to the first day of the relevant Interest Period (and the final Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling “p” TARGET Settlement Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) such earlier date, if any, on which the Covered Bonds become due and payable; and

“**p**” for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified in the relevant Covered Bonds Final Terms or, if no such period is specified, two TARGET Settlement Days.

- (D) Subject to Condition 8 (*Benchmark Discontinuation*), if, where any Rate of Interest is to be calculated pursuant to Condition 6(e)(B) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Calculation Agent.
- (E) Subject to Condition 8 (*Benchmark Discontinuation*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition, the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin 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 the Covered Bonds for the first Interest Period had the Covered Bonds 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 applicable to the first Interest Period).
- (f) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Covered Bonds Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified. Unless otherwise stated in the relevant Covered Bonds Final Terms, the Minimum Rate of Interest shall be deemed to be zero.
- (g) *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 Covered Bond 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 Covered Bond divided by the Calculation Amount. For this purpose a “**sub-unit**” means one cent.
- (h) *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 Issuer (if applicable) and each competent authority, stock exchange and/or quotation system (if any) by which the Covered Bonds have then been admitted to listing, trading and/or quotation as soon as practicable after such determination. Notice thereof shall also promptly be given to the Holders. 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.
- (i) *Notifications etc:* 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 (if applicable), the Holders 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.

#### **7. Interest Rate Provisions in the event of extension of maturity of a Series of Covered Bonds**

Notwithstanding the foregoing provisions of Condition 5 (*Fixed Rate Provisions*) and Condition 6 (*Floating Rate Provisions*), if “Extended Final Maturity” is specified as applicable in the relevant Covered Bonds Final Terms and, upon occurrence of the circumstances for an extension of maturity set forth in article 15 of Royal Decree-Law 24/2021, the Issuer decides to extend the Maturity Date up to the Extended Maturity Date pursuant to Condition 9(a) (*Redemption and Purchase – Final redemption and extension of maturity*) and subject to such extension being authorised by the Bank of Spain and all other prerequisite requirements for such extension being met, then the following shall apply:

- (i) payment of the Final Redemption Amount by the Issuer on the Maturity Date shall be deferred until the Extended Maturity Date specified in the applicable Final Terms;
- (ii) the Covered Bonds shall bear interest from (and including) the Maturity Date to (but excluding) the Extended Maturity Date. In that event, interest shall be payable on those Covered Bonds at the rate determined in accordance with this Condition 7 on the Outstanding Principal Amount of the Covered Bonds in arrear on (i) the Interest Payment Date in each date after the Maturity Date, or (ii) the Extended Maturity Date, as applicable, in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date or the Extended Maturity Date, respectively. The final Interest Payment Date shall fall no later than the Extended Maturity Date; and
- (iii) the rate of interest payable from time to time in respect of the Outstanding Principal Amount of the Covered Bonds on each Interest Payment Date after the Maturity Date in respect of the Interest Period ending immediately prior to the relevant Interest Payment Date or the Extended Maturity Date, as applicable, will be as specified in the relevant Covered Bonds Final Terms and, in the case of Floating Rate Covered Bonds, determined by the Calculation Agent, as applicable, two Business Days after the Maturity Date in respect of the first such Interest Period and thereafter as specified in the relevant Covered Bonds Final Terms.

#### **8. Benchmark Discontinuation**

Notwithstanding the foregoing provisions of Condition 6 (*Floating Rate Provisions*), if at the time of determination of any Rate of Interest (or any component part thereof) to be determined by reference to the Reference Rate a Benchmark Event occurs or has occurred and is continuing, then the following shall apply:

- (i) The Issuer shall use its reasonable endeavours to appoint an Independent Financial Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, if any (in accordance with subparagraph (iv) below).
- (ii) If (i) the Issuer is unable to appoint an Independent Financial Adviser or (ii) the Independent Financial Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 8 prior to the relevant Interest Determination Date relating to the next succeeding Interest Period, then the Issuer

(acting in good faith and in a commercially reasonable manner and following consultation with the Independent Financial Adviser in the event one has been appointed) may determine a Successor Rate or, failing which, an Alternative Rate for purposes of determining the Rate of Interest applicable to the Covered Bonds for all future Interest Periods (subject to the subsequent operation of this Condition 8).

If the Issuer is unable or unwilling to determine a Successor Rate or an Alternative Rate prior to the Interest Determination Date relating to the next succeeding Interest Period, the Rate of Interest shall be defined using the Reference Rate last displayed on the Relevant Screen Page prior to the Interest Determination Date.

For the avoidance of doubt, this subparagraph (ii) shall apply to the relevant next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and adjustment as provided in, subparagraph (i) of this Condition 8.

- (iii) If a Successor Rate or an Alternative Rate is determined in accordance with the preceding provisions, such Successor Rate or Alternative Rate shall be the benchmark in relation to the Covered Bonds for all future Interest Periods (subject to the subsequent operation of this Condition 8).
- (iv) If the Independent Financial Adviser or the Issuer, acting in good faith and in a reasonable commercial manner and following consultation with the Independent Financial Adviser in the event one has been appointed, as applicable, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest and Interest Amount(s) (or a component part thereof) by reference to such Successor Rate or the Alternative Rate.
- (v) If any Successor Rate, Alternative Rate and/or Adjustment Spread is determined in accordance with the above provisions and the Independent Financial Adviser or the Issuer, acting in good faith and in a reasonable commercial manner and following consultation with the Independent Financial Adviser in the event one has been appointed, as applicable, determines (i) that amendments to these Conditions of the Covered Bonds are necessary in order to follow market practice in relation to the Successor Rate or Alternative Rate and/or Adjustment Spread, and (ii) the terms of such amendments, then the Issuer shall, subject to giving notice thereof in accordance with subparagraph (vi) below, without any requirement for consent or approval of the Holders, vary these Conditions of the Covered Bonds with the date specified in such notice. Any of these changes shall apply to the Covered Bonds for all future Interest Periods (subject to the subsequent operation of this Condition 8).

In connection with any such variation in accordance with this subparagraph (v), the Issuer shall comply with the rules of any stock exchange on which the Covered Bonds are for the time being listed or admitted to trading.

- (vi) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any changes pursuant to subparagraph (v) will be notified promptly by the Issuer to the Holders in accordance with Condition 16 (*Notices*). Such notice shall be irrevocable and shall specify the effective date of the changes pursuant to subparagraph (v), if any, and will be binding on the Issuer and the Holders.

## 9. Redemption and Purchase

- (a) *Final redemption and extension of maturity:*
- (i) Unless previously redeemed, or purchased and cancelled, the Covered Bonds will be redeemed at their Final Redemption Amount on the Maturity Date (or, if extended pursuant to paragraphs (ii) to (iv) below, on the Extended Maturity Date), subject as provided in Condition 10 (*Payments*).
  - (ii) If “Extended Maturity” is specified as applicable in the relevant Covered Bonds Final Terms and as otherwise provided therein, the Issuer or the Special Cover Pool Administrator (as applicable) may extend the Maturity Date up to the Extended Maturity Date, subject to and in the circumstances contemplated in Royal Decree-Law 24/2021, as amended or replaced from time to time, including the prior permission of the Bank of Spain, when applicable. The Issuer shall notify the Holders in accordance with Condition 16 (*Notices*) of any extension of the Maturity Date of the Covered Bonds (which notice shall specify the Extended Maturity Date), as soon as practicable, or of its intention to redeem the Outstanding Principal Amount of the Covered Bonds in full or in part on the Maturity Date at least three Business Days prior to the Maturity Date, where practicable for the Issuer to do so and otherwise as soon as practicable.

*As of the date of this Base Prospectus and in accordance with the covered bond programmes of the Issuer for the issuance of Mortgage Covered Bonds and Public Sector Covered Bonds authorised by the Bank of Spain, the Issuer or the Special Cover Pool Administrator (as applicable) may extend the Maturity Date subject to the prior permission of the Bank of Spain and only in any of the circumstances contemplated in article 15.2 of Royal Decree-Law 24/2021, namely (i) the existence of a clear risk (“riesgo cierto”) of default of the Covered Bonds due to liquidity issues in respect of the relevant Cover Pool or the Issuer (such risk of default would exist in the event of a breach of the liquidity buffer set forth in article 11 of Royal Decree-Law 24/2021 or when the Bank of Spain undertakes any of the measures contemplated in article 68 of Law 10/2014 (except for the measure set out in the second paragraph of letter (j) of such article 68)); (ii) the insolvency (“concurso”) or resolution of the Issuer; (iii) a declaration of non-viability of the Issuer in accordance with article 8 of Law 11/2015; and (iv) the existence of serious disturbances affecting national financial markets, where this has been determined by the Macroprudential Authority Financial Stability Board (AMCESFI) by means of a communication in the form of a warning or recommendation, which is not confidential.*

*In the event of insolvency (“concurso”) or resolution of the Issuer, the extension of maturity shall not affect the priority of Holders’ claims nor reverse the original maturity schedule sequence of the Covered Bonds in respect of the relevant Cover Pool.*

- (iii) Any failure by the Issuer to notify the Holders in accordance with paragraph (ii) above shall not affect the validity or effectiveness of any such extension of the maturity of the Covered Bonds or, as applicable, the redemption by the Issuer on the Maturity Date or give rise to any such person having any rights in respect of any such redemption. However, such failure may result in a delay in payment being received by a Holder (including on the Maturity Date, where at least three Business Days' notice of such redemption is not given to the Holders in accordance with Condition 16 (*Notices*)). The Holders shall not be entitled to further interest or any other payment in respect of such delay.

- (iv) Any extension of the maturity of the Covered Bonds under this Condition 9(a) shall be irrevocable. Where paragraph (ii) of this Condition 9 applies, any failure to redeem the Covered Bonds on the Maturity Date or any extension of the maturity of the Covered Bonds under this Condition 9(a) shall not constitute an event of default for any purpose or give any Holder any right to receive any payment of interest, principal or otherwise on the relevant Covered Bonds other than as expressly set out in these Conditions.
- (v) If the Covered Bonds are to be redeemed in part only in accordance with this Condition 9(a) on an Interest Payment Date falling on any date after the Maturity Date, each Covered Bond shall be redeemed in part in the proportion which the aggregate Outstanding Principal Amount of the outstanding Covered Bonds to be redeemed on the relevant Extended Maturity Date bears to the aggregate Outstanding Principal Amount of outstanding Covered Bonds on such date.
- (b) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Covered Bonds Final Terms as being applicable, the Covered Bonds may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Covered Bonds Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) together with any accrued and unpaid interest thereon to (but excluding) the date fixed for redemption on the Issuer's giving not less than 15 calendar days' nor more than 60 calendar days' notice to the Holders, or such other period(s) as may be specified in the relevant Covered Bonds Final Terms (which notice shall be irrevocable and shall specify the date for redemption).
- (c) *Partial redemption:* If the Covered Bonds are to be redeemed in part only on any date in accordance with Condition 9(b) (*Redemption at the option of the Issuer*), each Covered Bond shall be redeemed in part in the proportion which the aggregate Outstanding Principal Amount of the outstanding Covered Bonds to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate Outstanding Principal Amount of outstanding Covered Bonds on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Covered Bonds 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.
- (d) *Issuer Residual Call:* If Issuer Residual Call is specified in the relevant Covered Bonds Final Terms as being applicable, and if, at any time, the Outstanding Principal Amount of the Covered Bonds is equal or less of the Residual Percentage specified in the relevant Final Terms of the aggregate nominal amount of the Covered Bonds originally issued (and, for these purposes, any further Covered Bonds issued and consolidated with the Covered Bonds as part of the same Series shall be deemed to have been originally issued), the Issuer may redeem all (but not some only) of the remaining outstanding Covered Bonds on any date (or, if the Floating Rate Provisions are specified in the relevant Final Terms as being applicable, on any Interest Payment Date) upon giving not less than 15 nor more than 60 days' notice to the Holders (or such other notice period as may be specified in the applicable Covered Bonds Final Terms) (which notice shall specify the date for redemption and shall be irrevocable), at the Optional Redemption Amount (Residual Call) together with any accrued and unpaid interest up to (but excluding) the date of redemption.
- (e) *No other redemption:* The Issuer shall not be entitled to redeem the Covered Bonds otherwise than as provided in paragraphs (a) to (d) above.
- (f) *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Covered Bonds in the open market or otherwise and at any price.

## 10. Payments

- (a) *Principal and interest:* Payments in respect of the Covered Bonds (in terms of both principal and interest) will be made by transfer to the registered account of the relevant Holder maintained by or on behalf of it with a bank that processes payments in a city in which banks have access to the TARGET2, details of which appear in the records of Iberclear or, as the case may be, the relevant Iberclear Participant at close of business on the day immediately preceding the Business Day on which the payment of principal or interest, as the case may be, falls due. Holders must rely on the procedures of Iberclear or, as the case may be, the relevant Iberclear Participant to receive payments under the relevant Covered Bonds. None of the Issuer or, if applicable, any of the dealers will have any responsibility or liability for the records relating to payments made in respect of the Covered Bonds.
- (b) *Payments subject to laws:* Save as provided in Condition 11 (*Taxation*), all payments in respect of the Covered Bonds will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws or regulations to which the Issuer is subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or directives. No commissions or expenses shall be charged to Holders in respect of such payments.
- (c) *Payments on business days:* If the due date for payment of any amount in respect of any Covered Bond is not a Payment Business Day, the Holder shall not be entitled to payment of the amount due until the next succeeding Payment Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.

## 11. Taxation

- (a) *No gross up:* All payments made by or on behalf of the Issuer in respect of the Covered Bonds will be made subject to and after deduction or withholding required to be made by law 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 or any authority thereof or therein having power to tax. The Issuer will not be required to pay any additional or further amounts in respect of such deduction or withholding.
- (b) For the avoidance of doubt, the Issuer shall not be required to pay any additional amounts in relation to any FATCA Withholding Tax.

## 12. Green Covered Bonds

In the case of any Covered Bonds where the “*Reasons for the Offer*” in Part B of the relevant Final Terms are stated to be for “green” or “social” projects as described therein (the “**Green Covered Bonds Use of Proceeds Disclosure**” and the “**Green Covered Bonds**”, as appropriate), no event of default shall occur or other claim against the Issuer or right of a holder of, or obligation or liability of the Issuer in respect of, such Green Covered Bonds arise as a result of the net proceeds of such Green not being used, any report, assessment, opinion or certification not being obtained or published, or any other step or action not being taken, in each case as set out and described in the Green Use of Proceeds Disclosure.

## 13. Prescription

Claims for payment in respect of Covered Bonds will become void unless made within a period of three years after the Relevant Date therefor.

## 14. Meetings of Holders: Modification and Waiver



- (a) *Application*: this Condition 14 (*Meetings of Holders; Modification and Waiver*) will apply to all issuances of Covered Bonds.
- (b) *Convening meetings*
- (i) *Meetings convened by the Issuer*: The Issuer may, at any time, and shall, if so directed in writing by Holders holding not less than 10% in aggregate principal amount of the Covered Bonds for the time being outstanding (the “**relevant Holders**”), convene a meeting of Holders.
- (ii) *Meetings convened by the Holders*: If the Issuer has not delivered notice convening a meeting of the Holders prior to the expiry of seven clear days from the date on which the Issuer has received written directions from the relevant Holders to do so, the relevant Holders may themselves convene the meeting in place of the Issuer subject to and in accordance with the provisions of this Condition 14, provided however that, in such circumstances all references to the performance by the Issuer of a particular obligation in this Condition 14, or the delivery by the Issuer of any notice in accordance with Condition 16 (*Notices*), shall be deemed to be a reference to the performance by the relevant Holders of such obligation and/or the delivery of such notice. Any costs and expenses incurred by the relevant Holders as a result of, in connection with or related to the convening by them of a meeting of the Holders in such circumstances shall be for the account of the Issuer and shall be promptly paid by the Issuer to the account designated for such purpose in writing by the relevant Holders upon presentation of receipts, invoices or other documentary evidence of such costs.

Notwithstanding the foregoing, no refusal or failure by the Issuer to convene a meeting of the Holders when so directed by the relevant Holders shall give rise to any right by any Holder to declare any principal amounts or interest in respect of the Covered Bonds immediately due and payable.

- (c) *Procedures for convening meetings*: At least 21 clear days’ notice specifying the place (which need not be a physical place and instead may be by way of conference call, including by use of a videoconference platform), day and hour of the meeting shall be given to the Holders in the manner provided in Condition 16 (*Notices*).

The notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting and, where the meeting has been convened to vote on any matter requiring the approval of the Holders by means of an Extraordinary Resolution only, shall specify the terms of the Extraordinary Resolution to be proposed. This notice shall include information as to the manner in which Holders are entitled to attend and vote at the meeting.

If the meeting has been convened by the relevant Holders in the circumstances set out in Condition 14(b)(ii) (*Convening meetings — Meetings convened by the Holders*), a copy of the notice shall also be sent by certified post to the Issuer.

- (d) *Chairperson*: The person (who may be, but need not be, a Holder) nominated in writing by the Issuer shall be entitled to take the chair at each meeting (the “**Chairperson**”) but if no nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for holding the meeting, the Holders present shall choose one of their number to be Chairperson, failing which the Issuer may appoint a Chairperson. The Chairperson of an adjourned meeting need not be the same person as was Chairperson of the meeting from which the adjournment took place.

(e) *Quorums*

- (i) *Regular Quorum*: At any meeting one or more Eligible Persons present and holding or representing in the aggregate not less than 5% in principal amount of the Covered Bonds for the time being outstanding shall (except for the purpose of passing an Extraordinary Resolution) form a quorum for the transaction of business, and no business (other than the choosing of a Chairperson in accordance with Condition 14(d) (*Chairperson*)) shall be transacted at any meeting unless the required quorum is present at the commencement of business.
- (ii) *Extraordinary Quorum*: The quorum at any meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more Eligible Persons present and holding or representing in the aggregate not less than 50% in principal amount of the Covered Bonds for the time being outstanding.
- (iii) *Enhanced Quorum*: At any meeting the business of which includes any of the following matters (each of which shall only be capable of being effected after having been approved by Extraordinary Resolution):
  - (A) a reduction or cancellation of the principal amount of the Covered Bonds for the time being outstanding; or
  - (B) a reduction of the amount payable or modification of the Interest Payment Dates or variation of the method of calculating the Rate of Interest; or
  - (C) a modification of the currency in which payments under the Covered Bonds are to be made; or
  - (D) a modification of the majority required to pass an Extraordinary Resolution; or
  - (E) the sanctioning of any scheme or proposal described in Condition 14(i)(iii)(F) below; or
  - (F) alteration of this proviso 14(e)(iii) or the proviso to Condition 14(f)(i) below,

the quorum shall be one or more Eligible Persons present and holding or representing in the aggregate not less than two-thirds in principal amount of the Covered Bonds for the time being outstanding.

(f) *Adjourned Meeting*

- (i) If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairperson may decide) after the time appointed for any meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall, if convened by Holders or if the Issuer was required by Holders to convene such meeting pursuant to Condition 14(b) (*Convening meetings*), be dissolved. In any other case it shall be adjourned to the same day of the next week (or if that day is not a Business Day the next following Business Day) at the same time and place (except in the case of a meeting at which an Extraordinary Resolution is to be proposed in which case it shall be adjourned for a period being not less than 14 clear days nor more than 42 clear days and at a place appointed by the Chairperson and approved by the Issuer).

Otherwise, at least 7 clear days' notice specifying the place (which need not be a physical place and instead may be by way of conference call, including by use of a videoconference

or electronic platform), day and hour of the adjourned meeting, and otherwise given in accordance with Condition 14(c) (*Procedures for convening meetings*) shall be given to the Holders in the manner provided in Condition 16 (*Notices*) (which notice may be given at the same time as the notice convening the original meeting).

(ii) If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairperson may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairperson may either dissolve the meeting or adjourn it for a period, being

(A) for any matter other than to vote on an Extraordinary Resolution, not less than 14 clear days (but without any maximum number of clear days); or

(B) for any matter requiring approval by an Extraordinary Resolution, not less than 14 clear days nor more than 42 clear days,

and in either case to a place as may be appointed by the Chairperson (either at or after the adjourned meeting) and approved by the Issuer, and the provisions of this sentence shall apply to all further adjourned meetings.

(iii) At any adjourned meeting one or more Eligible Persons present (whatever the principal amount of the Covered Bonds for the time being outstanding so held or represented by them) shall (subject as provided below) form a quorum and shall (subject as provided below) have power to pass any Extraordinary Resolution or other resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the required quorum been present, provided that at any adjourned meeting the business of which includes any of the matters specified in the provision to Condition 14(e)(iii) (*Quorums—Enhanced Quorum*) the quorum shall be one or more Eligible Persons present and holding or representing in the aggregate not less than one-third in principal amount of the Covered Bonds for the time being outstanding.

(g) *Right to attend and vote*

(i) The provisions governing the manner in which Holders may attend and vote at a meeting of the Holders must be notified to Holders in accordance with Condition 16 (*Notices*) and/or at the time of service of any notice convening a meeting.

(ii) Any director or officer of the Issuer and its lawyers and financial advisers may attend and speak at any meeting. Subject to this, but without prejudice to the definition of “outstanding”, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of the Holders or join with others in requiring the convening of a meeting unless he is an Eligible Person.

(iii) Subject as provided in Condition 14(g)(ii) at any meeting:

(A) on a show of hands every Eligible Person present shall have one vote; and

(B) on a poll every Eligible Person present shall have one vote in respect of each Note.

(h) *Holding of meetings*

(i) Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the Chairperson shall both on a show of hands

and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as an Eligible Person.

- (ii) At any meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairperson or the Issuer or by any Eligible Person present (whatever the principal amount of the Covered Bonds held by him), a declaration by the Chairperson that a resolution has been carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
  - (iii) Subject to Condition 14(h)(ii) if at any meeting a poll is demanded, it shall be taken in the manner and, subject as provided below, either at once or after an adjournment as the Chairperson may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded as of the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.
  - (iv) The Chairperson may, with the consent of (and shall if directed by) any meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business, which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.
  - (v) Any poll demanded at any meeting on the election of a Chairperson or on any question of adjournment shall be taken at the meeting without adjournment.
- (i) *Approval of the resolutions*
- (i) Any resolution passed at a meeting of the Holders duly convened and held shall be binding upon all the Holders whether present or not present at the meeting and whether or not voting and each of them shall be bound to give effect to the resolution accordingly and the passing of any resolution shall be conclusive evidence that the circumstances justify its passing. Notice of the result of voting on any resolution duly considered by the Holders shall be published in accordance with Condition 16 (*Notices*) by the Issuer within 14 days of the result being known provided that non-publication shall not invalidate the resolution.
  - (ii) The expression “**Extraordinary Resolution**” when used in this Condition 14 means a resolution passed at a meeting of the Holders duly convened and held in accordance with the provisions of this Condition 14 by a majority consisting of not less than 75% of the persons voting on the resolution upon a show of hands or, if a poll was duly demanded, by a majority consisting of not less than 75% of the votes given on the poll.
  - (iii) A meeting of the Holders shall in addition to the powers set out above have the following powers exercisable only by Extraordinary Resolution (subject to the provisions relating to the quorum contained in Conditions 14(e)(ii) and 14(e)(iii), namely:
    - (A) power to approve any compromise or arrangement proposed to be made between the Issuer and the Holders;
    - (B) power to approve any abrogation, modification, compromise or arrangement in respect of the rights of the Holders against the Issuer or against any of its property whether these rights arise under these Conditions of the Covered Bonds or the Covered Bonds or otherwise;

- (C) power to agree to any modification of the provisions contained in these Conditions of the Covered Bonds or the Covered Bonds which is proposed by the Issuer;
  - (D) power to give any authority or approval which under the provisions of this Condition 14 or the Covered Bonds is required to be given by Extraordinary Resolution;
  - (E) power to appoint any persons (whether Holders or not) as a committee or committees to represent the interests of the Holders and to confer upon any committee or committees any powers or discretions which the Holders could themselves exercise by Extraordinary Resolution;
  - (F) power to agree with the Issuer or any substitute, the substitution of any entity in place of the Issuer (or any substitute) as the principal debtor in respect of the Covered Bonds;
- (iv) Subject to Condition 14(i)(i), to be passed at a meeting of the Holders duly convened and held in accordance with the provisions of this Condition 14, a resolution (other than an Extraordinary Resolution) shall require a majority of the persons voting on the resolution upon a show of hands or, if a poll was duly demanded, a majority of the votes given on the poll.
  - (v) The agreement or approval of the Holders shall not be required in the case of any amendments determined pursuant to Condition 8 (*Benchmark Discontinuation*).
- (j) *Miscellaneous*
    - (i) Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any minutes signed by the Chairperson of the meeting at which any resolution was passed or proceedings had transpired shall be conclusive evidence of the matters contained in them and, until the contrary is proved, every meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings had transpired at the meeting to have been duly passed or had.
    - (ii) For the purposes of calculating a period of clear days, no account shall be taken of the day on which a period commences or the day on which a period ends.

## 15. Further Issues

The Issuer may from time to time, without the consent of the Holders, create and issue further notes having the same terms and conditions as the Covered Bonds in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Covered Bonds.

## 16. Notices

The Issuer shall ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Covered Bonds are for the time being listed and/or admitted to trading.

If the Covered Bonds are listed on AIAF, to the extent required by the applicable regulations, the Issuer shall ensure that (i) the communication of all notices will be made public to the market through an announcement of inside information (*comunicación de información privilegiada*) or of other relevant

information (*comunicación de otra información relevante*) to be filed with the CNMV and to be published at the CNMV's official website at [www.cnmv.es](http://www.cnmv.es) and (ii) all notices to the Holders will be published in the official bulletin of AIAF (*Boletín de Cotización de AIAF*).

*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.*

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Issuer may approve.

In addition, so long as the Covered Bonds are represented by book-entries in Iberclear, all notices to Holders shall be made through Iberclear for on transmission to their respective accountholders.

## **17. Governing Law and Jurisdiction**

(a) *Governing law:*

The Covered Bonds and any non-contractual obligations arising out of or in connection with the Covered Bonds shall be governed by, and construed in accordance with, Spanish law (*legislación común Española*).

(b) *Spanish courts:*

Each of the Issuer and any Holder submits to the exclusive jurisdiction of the Spanish courts, in particular, to the venue of the city of Madrid, Spain, in relation to any dispute arising out of or in connection with the Covered Bonds (including a dispute relating to any non-contractual obligations arising out of or in connection with the Covered Bonds)."

## **GENERAL INFORMATION**

The information in the sub-section entitled "*Significant/material change and trend information*" in the section of the Base Prospectus entitled "*General Information*" on page 237 of the Base Prospectus shall be deleted and replaced with the following:

"Since 31 December 2022 there has been no material adverse change in the prospects of the Bank.

Since 31 December 2022 there has been no significant change in the financial performance or in the financial position of the Group."