



NATIONAL SECURITIES MARKET COMMISSION

Pursuant to Article 226 of the restated text of the Securities Market Law approved by the Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*), Banco de Sabadell, S.A. (Banco Sabadell), informs the National Securities Market Commission (*Comisión Nacional del Mercado de Valores (CNMV)*) of the following

INSIDE INFORMATION

Today Banco Sabadell has agreed to carry out an issue of perpetual preferred securities contingently convertible to newly issued ordinary shares of Banco Sabadell (the Preferred Securities) in an aggregate principal amount of €750 million. In the issue, pre-emption rights of shareholders have been disapplied and provision made for undersubscription.

The Preferred Securities are perpetual, but they may be converted to newly issued ordinary shares of Banco Sabadell if the common equity Tier 1 (CET1) ratio of Banco Sabadell and/or its consolidated group falls below 5.125%. CET1 ratios are calculated in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms.

The conversion price of the Preferred Securities would be the highest of (i) the average of the daily volume weighted average price of an ordinary share of Banco Sabadell on each of the five consecutive dealing days ending on the dealing day immediately preceding the day on which the conversion event is announced, (ii) €1.221 (the Floor Price), and (iii) the nominal value of an ordinary share of Banco Sabadell at the time of conversion (as of today, the nominal value of an ordinary share is €0.125).

The Preferred Securities' remuneration, whose payment is subject to certain conditions and to the discretion of Banco Sabadell, has been set at 5.00% per annum (payable quarterly) for the period commencing on (and including) the issue date and ending on (but excluding) 19 November 2027, being reviewed thereafter every five years.



The Preferred Securities will be accounted for as Additional Tier 1 Capital of Banco Sabadell and its consolidated group pursuant to the applicable solvency regulations.

Gonzalo Baretino Coloma
Secretary General

Alicante, 8 November 2021



IMPORTANT INFORMATION

This communication of inside information does not constitute an offer to sell, or the solicitation of an offer to buy any securities, nor shall there be any sale of such securities in any state of the United States or in another jurisdiction in which such offer, solicitation or sale would not be permitted before registration or qualification under the securities laws of such state or jurisdiction. The Preferred Securities described above have not been registered under the U.S. Securities Act of 1933, as amended, or any applicable securities laws of any other jurisdiction. Unless so registered, such Preferred Securities may not be offered or sold in the United States or any other jurisdiction except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933, as amended, and any applicable securities laws of such other jurisdiction.

As included in the documentation related to the offer of the Preferred Securities, other restrictions apply in certain jurisdictions, such as the United Kingdom, Spain, Italy, Hong Kong, Switzerland, Singapore, Belgium and Canada.

PRIIPs Regulation / Prohibition of sales to EEA retail investors – The Preferred Securities are not intended to be offered, sold or otherwise made available to and shall not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the EEA). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(l) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (as amended, MiFID II); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(l) of MiFID II. Consequently, no key information document (KID) required by Regulation (EU) No. 1286/2014 on key information documents for packaged and retail and insurance-based investment products (the PRIIPs Regulation) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Preferred Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.



UK PRIIPs Regulation / Prohibition of sales to UK retail investors – The Preferred Securities are not intended to be offered, sold or otherwise made available to and shall not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the UK). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act of 2018 (EUWA); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the FSMA) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(l) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA (UK MiFIR). Consequently, no key information document (KID) required by the PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the UK PRIIPs Regulation) for offering or selling the securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Preferred Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.