



NATIONAL SECURITIES MARKET COMMISSION

Pursuant to Article 227 of the Law 6/2023 of 17 March on the Securities Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*), Banco de Sabadell, S.A. (Banco Sabadell) informs the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (CNMV) of the following

OTHER RELEVANT INFORMATION

On 24 April 2024, the Board of Directors of Banco Sabadell approved, following the attached favourable report from the Audit and Control Committee, a related-party transaction with Acerinox, S.A., which must be reported in accordance with the provisions of article 529 unvicies of the Capital Companies Act (*Ley de Sociedades de Capital*), as the transaction amount, together with three other transactions carried out in the last twelve months, exceed 2.5% of the turnover of the latest consolidated annual accounts of Banco Sabadell. This transaction has been formalized today and, therefore, it is hereby informed:

- Type of transaction: Bilateral loan
- Amount: 150 million euros
- Maturity/amortization: 2 years grace period; semi-annual straight-line amortization: 5 years

Likewise, information is provided on the above-referred three transactions:

- (a) Renewal transaction of a multi-company credit policy (co-shared by Acerinox, S.A.) for an amount of 80 million euros and maturity/amortization in 3 years with annual tacit renewals, approved as a related-party transaction by the Board of Directors of Banco Sabadell on 24 April 2024, following the aforementioned favourable report from the Audit and Control Committee, and formalized on 19 June 2024.
- (b) Renewal transaction of a multi-company credit policy (co-shared by Acerinox, S.A.) for an amount of 15 million USD and maturity/amortization in 3 years with annual tacit renewals, approved as a related-party transaction by the Board of Directors of Banco Sabadell on 24 April 2024, following the aforementioned favourable report from the Audit and Control Committee, and formalized on 19 June 2024.
- (c) Renewal transaction of a multi-company credit policy (available equally by Acerinox, S.A. and Acerinox Europa, S.A.U.) for an amount of 20 million USD and maturity in 1



year (September 2024) and amortization at maturity, which was the subject of an opinion from Regulatory Compliance on 28 September 2023 and approved by Regulatory Compliance as a related-party transaction within the scope of the delegation conferred by the Board of Directors of Banco Sabadell on 1 July 2021, and formalized as of 1 September 2023.

Considering the protection of the interest of Banco Sabadell as well as of the competition in the market, information on the interest rate applicable to these transactions has been omitted as it is confidential information for Banco Sabadell, the publication of which could affect profitability of Banco Sabadell and therefore to its shareholders. However, the omission of said information does not prevent shareholders from assessing that the transactions are fair and reasonable given that the interest rate (either a fixed or variable rate indexed to Euribor 3m or SOFR 3m) of said transactions is based on a correct relationship between risk and profitability (RAROC - Risk Adjusted Return on Risk Adjusted Capital), in accordance with what is established in Banco Sabadell's pricing framework.

Gonzalo Baretino Coloma
Secretary General

Alicante, 27 June 2024

PRIOR REPORT OF THE BOARD AUDIT AND CONTROL COMMITTEE CONCERNING RELATED-PARTY TRANSACTIONS TO BE SUBMITTED TO THE BOARD OF DIRECTORS FOR APPROVAL PURSUANT TO ARTICLE 529 DUOVICIES 3 OF THE SPANISH CAPITAL COMPANIES ACT.

Article 529 vicies of Title XIV, referring to the publicly listed companies set out in the Capital Companies Act (hereinafter, LSC, for its acronym in Spanish), defines related party transactions as those carried out by the company or its subsidiary undertakings with directors, with shareholders who own 10% or more of the voting rights or who are represented on the company's Board of Directors, or with any other persons who should be considered related parties according to International Accounting Standards, adopted pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

The definition of related party that has been applied is the one provided in IAS 24 (9) and Bank of Spain Circular 4/2017 of 27 November, to credit institutions, on rules for the disclosure of regulatory and non-public financial information and templates for financial statements, according to which two entities shall be deemed to be related when they share one director in common, provided that such director exerts significant influence on the financial and operational policies of both entities.

Pursuant to Article 529 duovicies of the LSC, the authority to approve related-party transactions whose value is equivalent to 10% or more of the total sum of headings on the asset side of the last annual balance sheet approved by the company will lie with the Annual General Meeting. The authority to approve the remaining related-party transactions will lie with the Board of Directors.

However, the Board may confer authority for the approval of any related-party transactions arranged under contracts whose standardised terms are applied *en masse* to a large number of customers, which are executed at prices or rates established on a generic basis by the person/entity acting as supplier of the good(s) or service(s) in question, and whose value is no higher than 0.5 per cent of the company's net turnover. Accordingly, at its meeting held on 1 July 2021, the Board of Directors of Banco Sabadell approved the conferral of authority to the Compliance Division, empowering this body to check whether transactions with related parties should qualify as related-party transactions for the purposes of the LSC and, if so, to approve those transactions if they meet certain conditions or, alternatively, to determine whether they should be escalated to the Board of Directors. The foregoing is notwithstanding that set forth in the internal procedure on information and periodic control, in which the Board Audit Committee will intervene and verify the fairness and transparency of the transactions and, where applicable, their fulfilment of legal criteria applicable to the aforesaid exceptions, all in accordance with Article 529 duovicies of the LSC.

Pursuant to Article 529 duovicies 3. "The approval by the General Meeting or by the Board of a related-party transaction must be set out in a prior report from the Board Audit Committee. In this report, the Board Committee should assess whether the transaction is fair and reasonable from the company's standpoint and, where appropriate, from the standpoint of different shareholders of the related party, and it must provide an account of the assumptions on which the assessment is based, as well as the methods used. The directors concerned may not take part in formulating the report".

Pursuant to the above legislation, information has been submitted to the Board Audit and Control Committee with regard to the following transactions concerning Acerinox, S.A.:

The English version is a translation of the original version in Spanish and is provided for information purposes only. In case of discrepancy, the original version in Spanish shall prevail.

1. Granting of a corporate loan with the following financial conditions:
 - (i) Amount: €150,000,000.
 - (ii) Maturity/Amortization: 2 years grace period; semi-annual straight-line amortization: 5 years.

2. Renewal transaction of a multi-company credit policy (co-shared by Acerinox, S.A.) with the following financial conditions:
 - (i) Amount: €80,000,000.
 - (ii) Maturity/Amortization: 3 years with annual tacit renewals.

3. Renewal transaction of a multi-company credit policy (co-shared by Acerinox, S.A.) with the following financial conditions:
 - (i) Amount: USD15,000,000.
 - (ii) Maturity/Amortization: 3 years with annual tacit renewals.

The above transactions are considered related-party transactions, given that the directors of Banco de Sabadell, S.A. Laura González Molero and George Donald Johnston are independent external directors of Acerinox, S.A. and at the same time members of its Audit committee and chairman of its appointments, remuneration and corporate governance committee as well as member of its executive committee, respectively.

Pursuant to Article 529 duovicies 4 of the LSC, the above transactions must be approved by the Board of Directors, since the amount, in aggregate, exceeds 0.5% of the net turnover and, therefore, falls outside of the scope of the powers conferred to the Compliance Division.

Furthermore, this transaction with the accumulated during the last twelve months, in accordance with article 529 tervecies of the LSC as construed by the National Securities Market Commission, exceed the limit of 2.5% of the annual turnover, established in Article 529 unvicies of the LSC, meaning that the transactions need to be disclosed in an announcement, which must be posted in an easily accessible location on the company's website and which will be communicated to the Spanish National Securities Market Commission (CNMV) for public disclosure. For these purposes, in application of the aforementioned art. 529 tervecies of the LSC, the aforementioned transactions have been considered together with the renewal transaction of the multi-company credit policy (available indistinctly by Acerinox, S.A. and Acerinox Europa, S.A.U.) that was the subject of the Compliance Division opinion on 28 September 2023 and approved by Compliance Division as a related-party transaction under the delegation conferred by the Board of Directors on 1 July 2021, under the following conditions:

- (i) Amount: USD20,000,000.
- (ii) Maturity/Amortization: 1 year (September 2024) and amortization at maturity

The renewal of the credit policy of USD15 M has been approved by the Group COR of 22 March 2024 and the granting of the loan and the renewal of the credit policy of €80 M by the Credit Delegated Committee of 4 April 2024.

The Board Audit and Control Committee has analysed the documentation submitted for its information:

- Decision by the Compliance Division regarding the aforementioned related-party transactions (included in the presentation mentioned below).
- Report from the Risk Division (included in the presentation mentioned in the following point).
- Explanatory presentation of the aforesaid related-party transactions.

The Board Audit and Control Committee has assessed the transactions taking into account the information received from the Compliance and Risk Divisions, having based its assessment on the following assumptions and methods used:

- The aforementioned transactions are carried out at the prices and conditions established by the Bank in general for this type of transactions.
- The aforementioned transactions comply with the procedures and controls set forth in the Credit Risk Acceptance Policy and in the Credit Risk Monitoring Policy, both of Banco Sabadell, specifically concerning, among other aspects:
 - The collection of the information necessary for the assessment of the customer.
 - The completeness and soundness of the analysis of the customer's characteristics (functionality and management capacity, competitive position in the market, analysis of economic and financial aspects, historical performance, analysis of payment capacity, solvency, as well as environmental, social and corporate governance factors).
 - Assessment of the coherence of the transaction.
 - Verification of the completeness of the information and execution of the transaction.
 - Transaction guarantees.
 - Monitoring of the governance structure and approval of transactions, as well as the following procedures: the credit risk acceptance procedure for Banco Sabadell Corporate Banking, and the credit risk monitoring procedure for Banco Sabadell Corporate Banking.

The Board Audit and Control Committee considers, in accordance with the assumptions and methods set out above, that the aforesaid transactions of Puig Brands, S.A., are fair and reasonable transactions from the company's standpoint and, where appropriate, from the standpoint of the various shareholders of the related party. This is based on the fact that they have been carried out at the prices set forth by the Bank in general for this type of transactions, and in compliance with the procedures and controls outlined in the Credit Risk Acceptance Policy and in the Credit Risk Monitoring Policy, both of Banco Sabadell, which ensures, in this Committee's opinion, that the transactions are being carried out under fair, reasonable and favourable conditions for the Bank.

Therefore, the Board Audit and Control Committee issues a favourable report to the Board of Directors for the approval of the aforesaid related-party transactions.

Barcelona, 22 April 2024