A decorative background on the right side of the slide, consisting of a grid of grey dots that form a large, upward-pointing triangle. The dots are arranged in a pattern that tapers towards the top.

2Q24

Results

July 23, 2024

index

1 2Q24 highlights

2 Financial
results

3 Balance sheet

4 Closing remarks



1

2Q24
highlights

Sabadell is a simple, low-risk and increasingly profitable bank with further value to be unlocked

- **Profitability keeps improving and has not yet peaked**
 - Improved RoTE guidance for 2024 and 2025
- **Our profitability is sustainable: high visibility on future earnings**
 - Negligible exposure to volatile emerging markets
 - Clear levers support our profitability going forward
- **Our commitment to shareholder remuneration is strong**
 - Interim cash dividend to be paid in October 2024
 - Improved capital distribution over 2024 and 2025 results
- **The transformation deployed over the last 3 years will keep delivering results... and we are already boosting growth**
 - Top performing SME franchise
 - Transformation has significantly improved our capabilities and value proposition in all Business Units
 - Commercial momentum is strong and volumes are growing steadily, with good margins and improving asset quality

2Q24 key messages

Positive momentum in commercial activity

Performing loans
+3% QoQ

Net Interest Income increases +2.5% QoQ

Customer margin at 3.18%
(+9bps QoQ)

RoTE¹
13.1%

CET1 FL
13.48%

Strong asset quality trend

Total NPAs -5% QoQ
NPA coverage ratio at 57% (+1pp QoQ)
Total cost of risk at 46bps (-4bps QoQ)

Group net profit of €791M in 1H24

€95M contribution from TSB

Pay-out ratio set at 60%
Interim cash dividend of €8 cents/share

¹ Last 12 months Return on Tangible Equity.

Loan books growing in the quarter and in the year...

Performing loans across geographies

€M

	Jun-24	QoQ	YoY
Spain	97,440	+3.0%	-0.4%
UK (TSB) <i>Constant FX</i>	42,907	+1.4% +0.3%	+0.9% -0.5%
Other international <i>Constant FX</i>	14,818	+7.0% +7.8%	+9.6% +9.3%
Total <i>Constant FX</i>	155,164	+2.9% +2.7%	+0.9% +0.5%

Total customer funds

€M

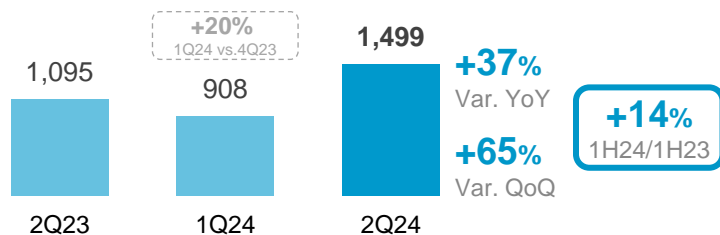
	Jun-24	QoQ	YoY
On-balance sheet <i>Constant FX</i>	163,169	+1.1% +0.9%	+0.2% -0.1%
Off-balance sheet	43,574	+3.4%	+9.7%
Total <i>Constant FX</i>	206,742	+1.6% +1.5%	+2.1% +1.8%

...confirming an inflection point in annual growth

Confirmation of new lending strength in households...

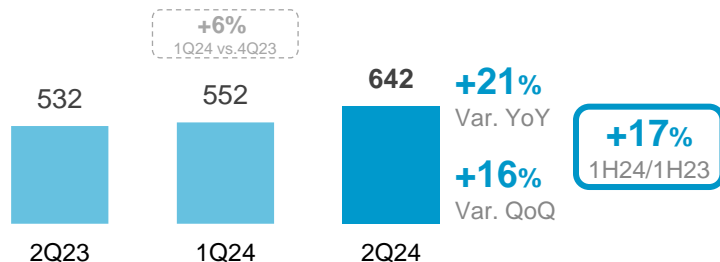
Mortgages

€M, quarterly new lending in Spain



Consumer loans

€M, quarterly new lending in Spain



- **Positive momentum** will continue as the early-stage applications anticipate:

	4Q23	1Q24	2Q24
QoQ early-stage app.	+13%	+59%	+9%
QoQ new lending		+20%	+65%

- **Healthy** evolution of key indicators in 2Q24:

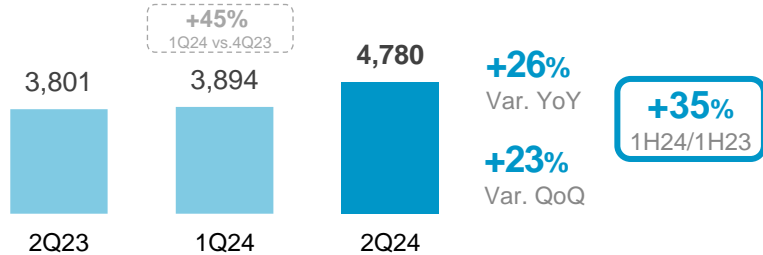
- RaRoC stable QoQ
- 87% of lending at fixed rate (+8pp QoQ)
- Average LTV <70% (stable QoQ)
- Affordability 28% (-3pp QoQ)

- **Front book yields** at the same levels as 1Q24
- **86% pre-approved loans**

...and more intensive growth in business banking

Loans and credit facilities – Business Banking

€M, quarterly new lending in Spain

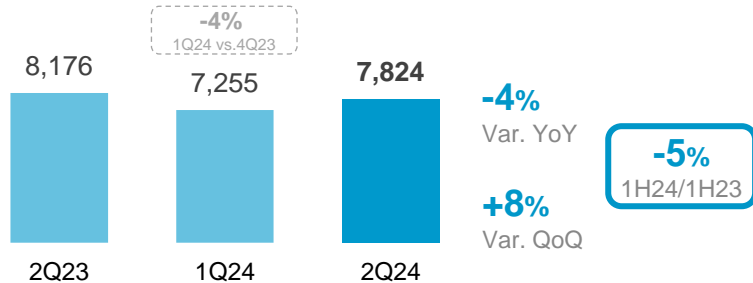


- Business banking loan portfolio **RaRoC** remains stable in the year
- 84% of new lending granted to **target customers** in 2Q24 (+6pp vs 2021)

Demand for mid- and long-term borrowing may be structurally higher, supported by...

Working capital¹ – Business Banking

€M, quarterly new lending in Spain



- Solid credit situation of the Spanish business sector after more than 10 years of deleveraging²:



- Favourable expectations for capital expenditure:

	2023	2024e	2025e	2026e
Gross Capital Formation³	-0.4%	+2.2%	+2.4%	+2.1%
YoY growth %				

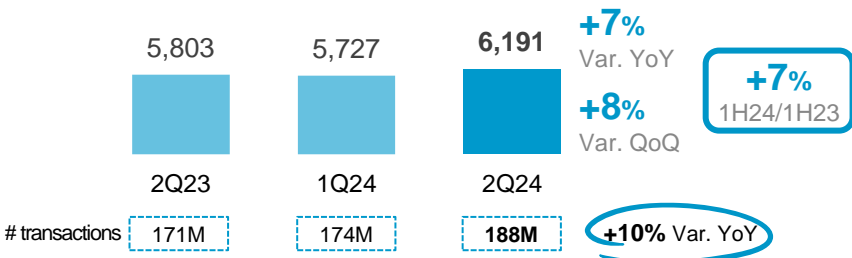
¹ Working capital includes trade discounting, factoring, reverse factoring, forfaiting and import/export finance. ² Spanish companies' debt as a percentage of Gross Domestic Product. Source: European Central Bank.

³ Source: Bank of Spain.

Strong growth in payment services continues. Savings & investment products increase

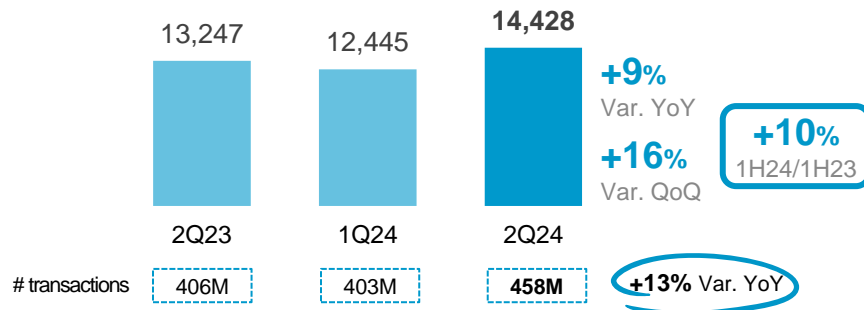
Cards

Quarterly turnover in Spain (in €M)



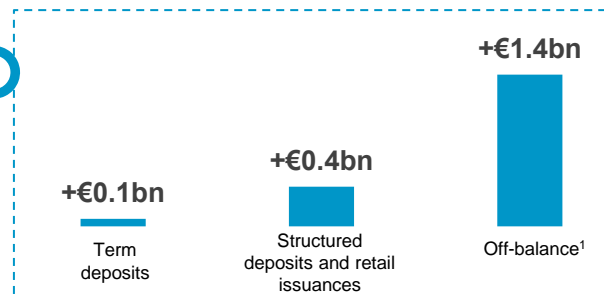
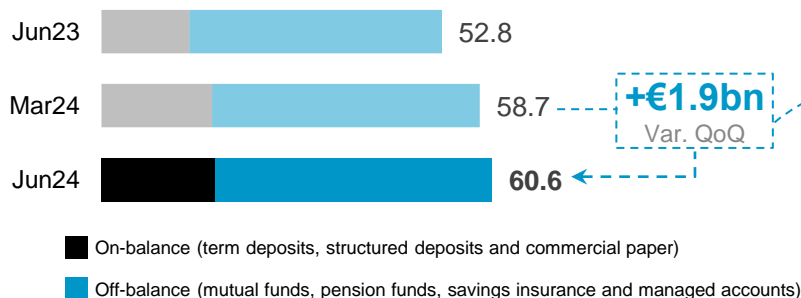
Retailer payment services (PoS)

Quarterly turnover in Spain (in €M)



Savings & investment products

Customer funds in Spain (in €bn)



¹ Off-balance includes mutual funds, pension funds, savings insurance and managed accounts.

Merchant acquiring business partnership postponed

- Regulatory approvals have been obtained
- Deal to be closed after the hostile tender offer ends
- Closing and capital gain expected in 2025
- Postponing the deal will have neutral impact on 2024 P&L



Current levels of new lending set the trend for loan growth across different products and segments

Performing loans by segment, ex-TSB

€bn

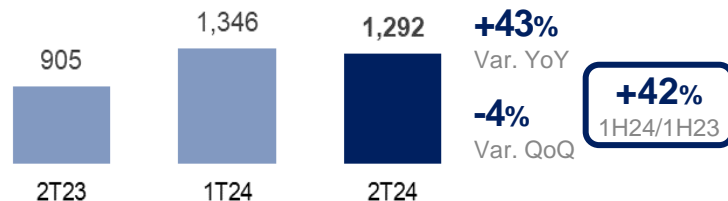
	Jun-24	QoQ	YoY		Jun-24	QoQ	YoY
Mortgages	37.8	+0.8%	-2.2%	Mexico	4.6	-2.7%	+7.1%
Consumer loans	4.2	+4.9%	+15.3%	<i>Constant FX</i>	+1.1%	+9.1%	
SMEs & Corporates	42.3	+2.8%	-0.1%	Miami	6.4	+14.0%	+16.7%
Public sector	9.0	+3.5%	+0.7%	<i>Constant FX</i>	+12.9%	+14.9%	
Other lending	4.1	+27.5%	-2.1%	Foreign branches	3.7	+9.0%	+1.9%
				<i>Constant FX</i>	+8.5%	+1.2%	
Total Spain	97.4	+3.0%	-0.4%	Total international	14.8	+7.0%	+9.6%
				<i>Constant FX</i>	+7.8%	+9.3%	

New mortgage lending also drives loan growth in the UK



Quarterly new mortgage lending

£M



TSB customer deposits²

£bn

	Jun-24	QoQ	YoY	2Q24 Cost
Current Accounts ¹	13.9	-1.3%	-7.7%	-0.02%
Savings	21.1	+1.7%	+3.5%	-2.49%
Total	35.0	+0.5%	-1.3%	-1.52%

Callout: 1.47% (1Q24 Cost)

TSB performing loans

£bn

	Jun-24	QoQ	YoY
Secured	34.0	+0.3%	-0.5%
Consumer lending	1.2	+4.4%	+2.1%
Other unsecured lending	1.1	-1.8%	-4.1%
Total	36.3	+0.3%	-0.5%

- Strong new mortgage lending in the first half of the year leading to growth of the lending stock
- Cost of deposits increased by 5bps in the quarter, at a much slower pace than in previous quarters

¹ Current Accounts includes personal current accounts + business current accounts and savings includes business savings + retail savings.

2024 is a transition year for TSB

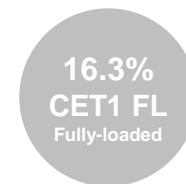


TSB standalone P&L and its contribution to Sabadell

£M

	2Q24	2Q24/1Q24	1H24	1H24/1H23
NII	241	1.3%	480	-9.2%
Fees & commissions	21	-18.6%	46	-9.3%
Total Costs	-195	0.5%	-388	-2.7%
Core results¹	68	-3.7%	138	-23.5%
Total provisions	-7	-60.2%	-24	20.9%
Net profit	41	9.1%	79	-24.9%
Contribution to Sabadell (€M)²	49	7.9%	95	-10.2%

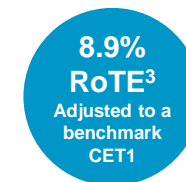
- NII gradually improving, underpinned by larger volumes and structural hedge, which is starting to increase its contribution
- Costs are already down by -2.7% YoY, in line with our guidance of -3% in the year
- Provisions remain subdued in the quarter with a Total CoR YTD of 13bps
- €95M contribution to Sabadell, half of TSB's contribution to the Group in 2023



Regulatory capital



Profitability



Capital adjusted
profitability

¹ NII + fees – costs. ² Consolidated financials at Group level include amortisation of brand intangibles of €5M in 2024, which are deducted from TSB standalone financials. ³ Adjusted to a CET1 ratio aligned with UK peers (14%).

Higher NII and lower costs to drive profitability improvement in 2025



Net Interest Income

Structural hedge contribution to improve by >£100M in 2025 and even higher delta in 2026



Net Interest Income to grow at high single digit in 2025 and 2026

Costs

£53M
cost savings
77% in 2024
100% in 2025



Total costs to decline by:
▪ c.-1% in 2025 (vs. 2024)

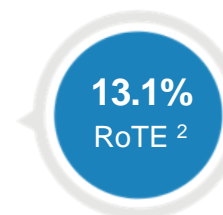
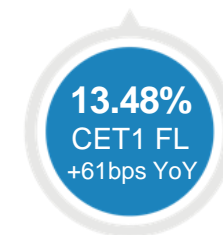
Cost of Risk

≈ 20bps (similar to level in 2023)

Double-digit RoTE in 2025

Highest H1 net profit in Sabadell's history

	2Q24 (€M)	2Q24/1Q24	1H24 (€M)	1H24/1H23
NII	1,262	+2.5%	2,493	+9.8%
Fees	335	-1.4%	674	-3.3%
Total costs	-764	+1.7%	-1,515	+2.5%
Core results¹	833	+1.6%	1,652	+11.0%
Provisions	-181	-13.2%	-389	-16.9%
Net profit	483	+56.8%	791	+40.3%



Pay-out ratio set at 60%
Interim cash dividend of €8 cents/share

¹ NII + fees – total costs. ² Last 12 months Return on Tangible Equity.



2

Financial results

Profitability continued to increase in the quarter

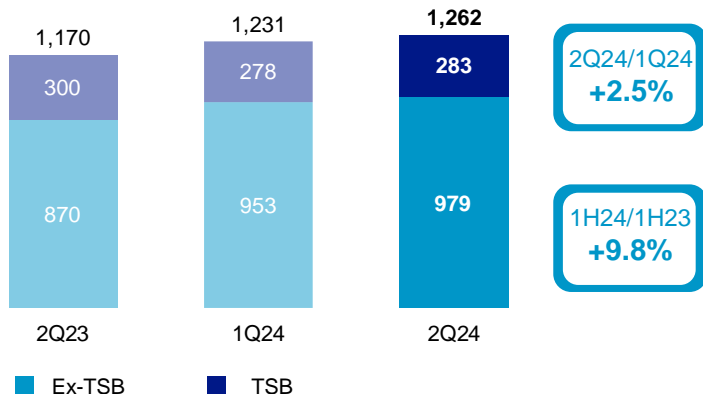
€M	Sabadell ex-TSB				Sabadell Group			
	2Q24	1H24	2Q24/1Q24	1H24/1H23	2Q24	1H24	2Q24/1Q24	1H24/1H23
Net interest income	979	1,932	2.7%	15.9%	1,262	2,493	2.5%	9.8%
Fees & commissions	310	620	0.2%	-2.9%	335	674	-1.4%	-3.3%
Core banking revenue	1,289	2,552	2.1%	10.7%	1,597	3,168	1.6%	6.8%
Trading income & forex	-11	13	n.m.	-50.2%	2	37	-93.5%	18.4%
Other income & expenses	36	-115	n.m.	-32.1%	18	-144	n.m.	-24.2%
Gross operating income	1,314	2,450	15.7%	13.3%	1,617	3,061	12.0%	9.0%
Total costs	-539	-1,067	2.1%	5.2%	-764	-1,515	1.7%	2.5%
Pre-provisions income	776	1,384	27.6%	20.5%	853	1,546	23.1%	16.1%
Total provisions & impairments	-173	-361	-8.1%	-19.0%	-181	-389	-13.2%	-16.9%
Gains on sale of assets and other results	-3	-3	n.m.	n.m.	-2	-2	n.m.	-82.5%
Profit before taxes	600	1,020	42.9%	47.9%	670	1,154	38.2%	35.9%
Taxes	-165	-322	5.1%	40.0%	-186	-362	5.4%	27.1%
Minority interest	-1	-1	n.m.	6.8%	-1	-1	n.m.	6.8%
Attributable net profit	434	696	65.3%	52.0%	483	791	56.8%	40.3%
Core results¹	750	1,486	2.1%	15.0%	833	1,652	1.6%	11.0%

13.1%
RoTE ²

Higher customer margin underpinned NII growth

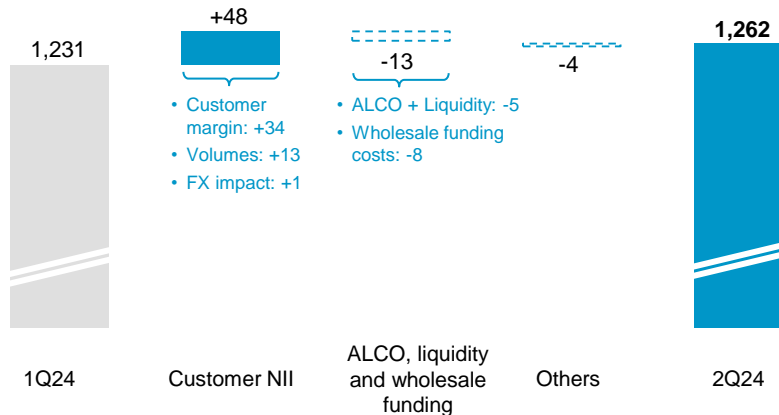
Group NII

€M



Group NII QoQ evolution

€M



Customer margin



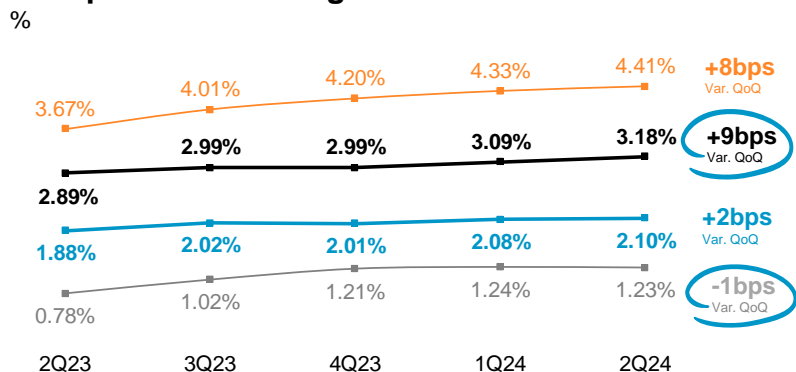
Net interest margin



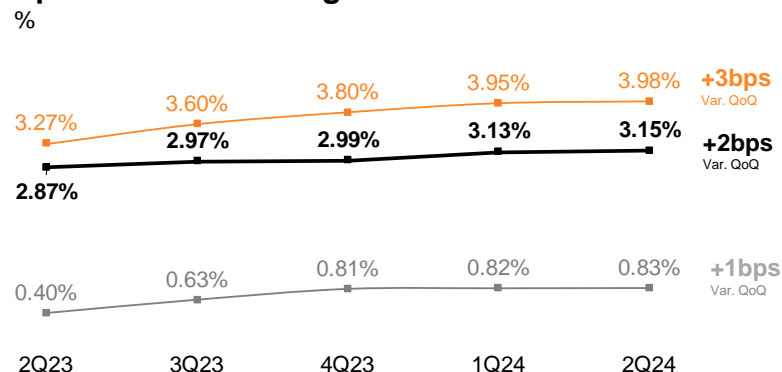
- NII increased in the quarter due to higher volumes and improved customer margin, as loan yield repriced upwards and cost of deposits marginally declined
- Positive ALCO contribution more than neutralised by lower liquidity and higher wholesale funding cost

NII keeps performing better than anticipated, driven by customer margin, volumes and higher interest rates...

Group customer margin and NIM breakdown



Spain customer margin breakdown



...resulting in a revision of our NII guidance to mid-single digit growth in 2024

NII in 2025 to be higher than in 2024



Repricing

Customer margin ex-TSB

Loan book

(€112bn)

Deposits

(€122bn)



2025 NII previous guidance (1Q24)

- Volumes subdued in 2024 and 2025

Performing Loans	2024	2025
YoY avg. growth %		
Previous	-1.0%	+1.0%

12-month Euribor (avg.)	2024	2025	2026
Previous	3.0%	2.6%	2.7%

Negative growth



2025 NII New guidance

- Loan volume growth YTD is **+4%**
- Higher rates environment than expected

12-month Euribor (avg.)	2024	2025	2026
Current	3.5%	3.0%	2.7%



Low single-digit decline **New**



Positive growth



High single-digit growth **New**



NII in 2025 > 2024

ALCO & Funding ex-TSB

ALCO, wholesale funding and excess liquidity

Positive growth

TSB

Loan book
Structural hedge
(£21bn)

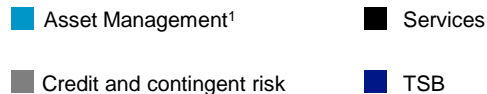
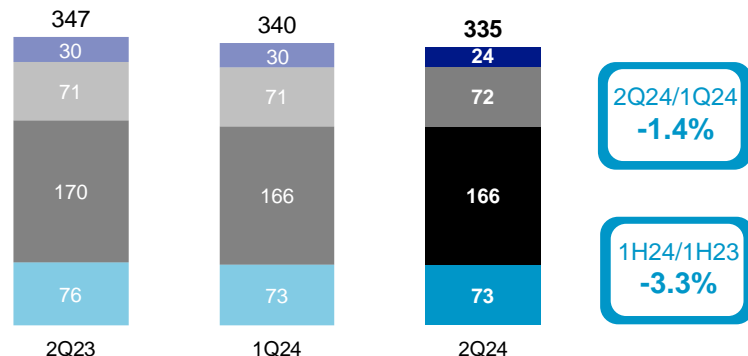
Positive growth

NII flattish in 2025

Fees performed in line with upgraded guidance

Group fees & commissions

€M



Leader in fee revenues

FY23, in %

	Sabadell ex-TSB	Spanish peers ² avg.
Fees / RWAs	1.94% ^{#1}	1.73%
Fees / Business Volume	0.46% ^{#1}	0.39%
Fees / Total Assets	0.69% ^{#1}	0.55%

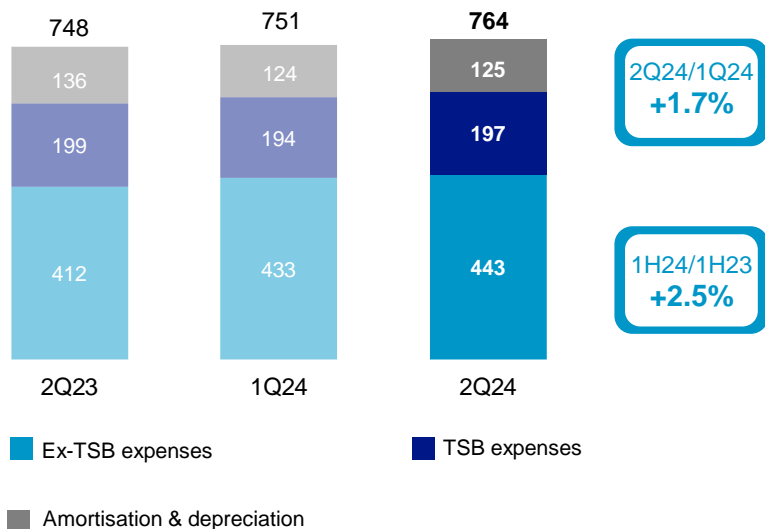
- Credit risk fees and asset management fees remained broadly stable in the quarter
- At TSB, fees & commissions declined due to a negative impact related to credit cards (-€5M)
- The temporary delay of the merchant acquiring business deal will imply higher fees during 2024

Guidance upgraded to c.3% decline in 2024

Evolution of costs aligned with guidance

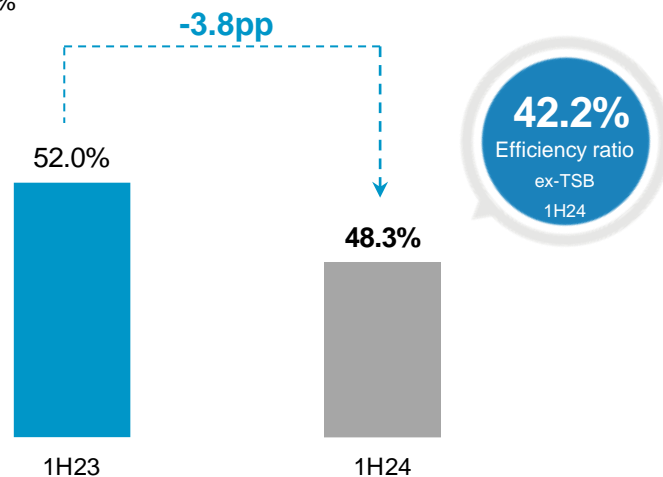
Group costs

€M



Efficiency ratio¹

%



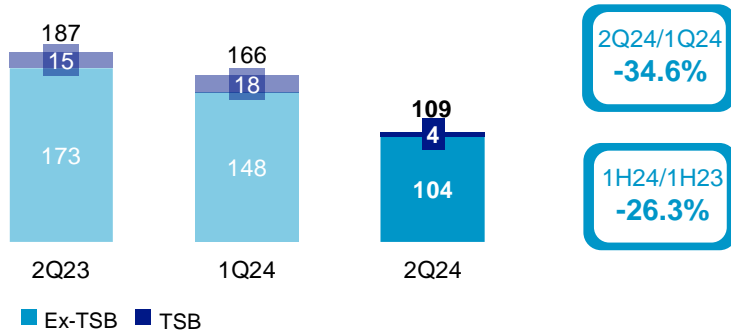
Guidance at c.2.5% growth in recurrent costs² reaffirmed

¹ Group total costs including amortisation and restructuring costs / gross operating income (including the accrual of the IDEC payment and the Spanish Banking tax). ² Excludes €33M of non-recurrent costs related to the efficiency plan in the UK announced in 4Q23.

Strong asset quality reduced total CoR further, to 46bps

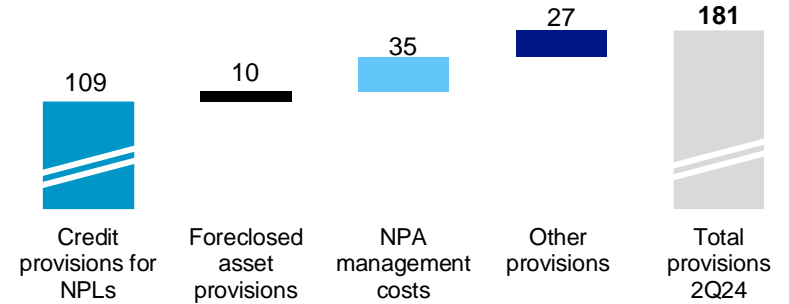
Group credit provisions

€M



Group total provisions 2Q24 breakdown

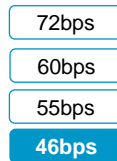
€M



Group Credit CoR



Group Total CoR



- Credit cost of risk improved underpinned by the strong asset quality trend
- Foreclosed asset provisions impacted by branch closures
- Other provisions driven by litigation provisions

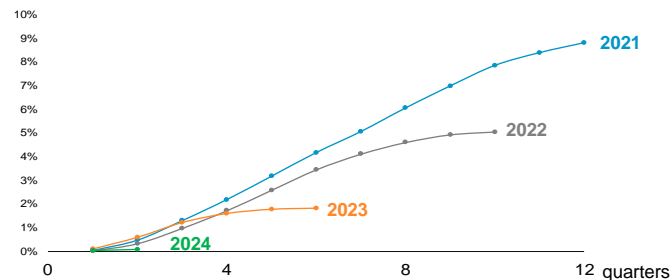
Given the favourable economic environment and enhancement of management actions, total CoR guidance has been upgraded to <50bps for 2024 and 2025

Risk management actions already yielding positive outcomes in asset quality

- ✓ **Default rates in consumer loans** have been declining consistently across recent vintages since new risk management actions
- ✓ **Replication of consumer risk model** will have a positive impact towards the rest of segments
- ✓ 1H24 averages of **Probability of Defaults** in new lending across **segments materially lower** vs. 2023 averages

Default rates by vintages, consumer loans

Cumulative default rates, in %



Probability of default by segments, new lending

Segment	1H24 vs. 2023
Mortgages	-11%
Consumer	-29%
SME & Corporates	-20%

Better credit risk profile of new lending across segments drives lower provisions

A large, stylized blue number '3' is positioned on the left side of the slide. It is set against a background of a grid of small, light grey dots that forms a triangular shape pointing upwards. The dots are arranged in a pattern that tapers towards the top, creating a sense of depth and structure.

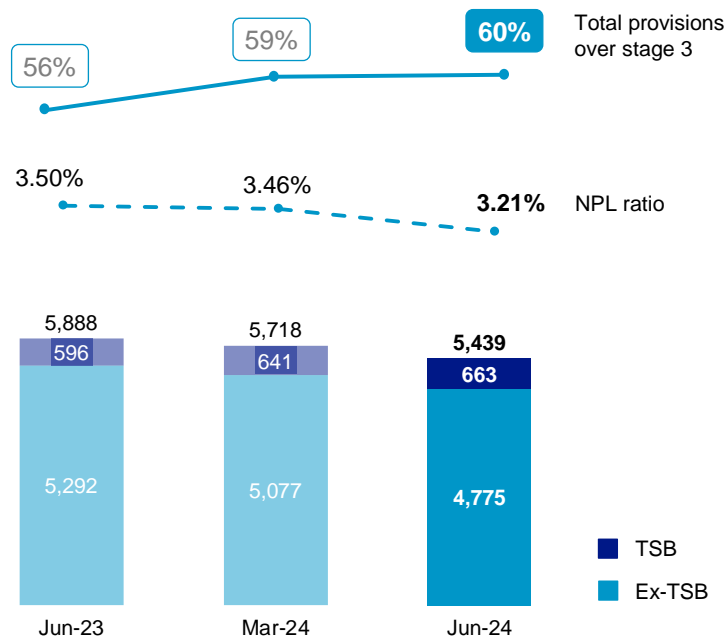
3

Balance sheet

NPL ratio decreased by -25bps in the quarter while coverage ratio increased

Group NPLs and NPL ratio

€M



Note: Stage 3 exposure includes contingent risk.

Exposure by stage and coverage ratio

€M, %

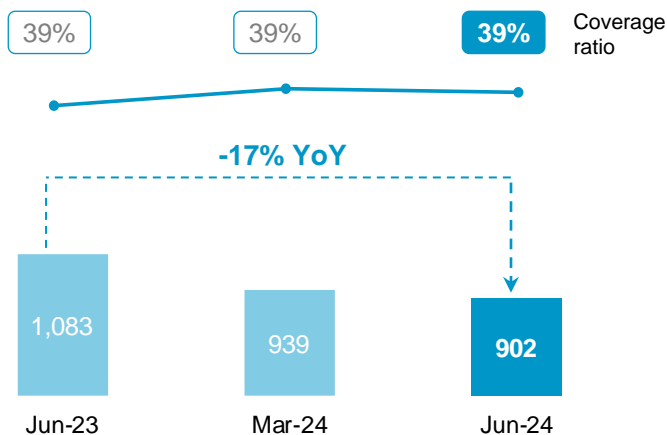
	Stage 2		Stage 3	
	Jun-24	YoY	Jun-24	YoY
Exposure (€M)	12,133	-1,323	5,439	-450
% of total loan book	7.2%	-82bps	3.2%	-28bps
Coverage, Group	3.8%	+4bps	44.1%	+401bps
Coverage, ex-TSB	4.7%	+9bps	48.3%	+534bps

- Stage 2 loans declined by more than €1bn in the year
- Stage 3 loans improved by €450M in the year and the NPL ratio fell by -25bps in the quarter driven by lower level of new NPLs
- Coverage ratio considering total provisions improved by more than 4pp in the year to 60%

Asset quality indicators improved further in the quarter

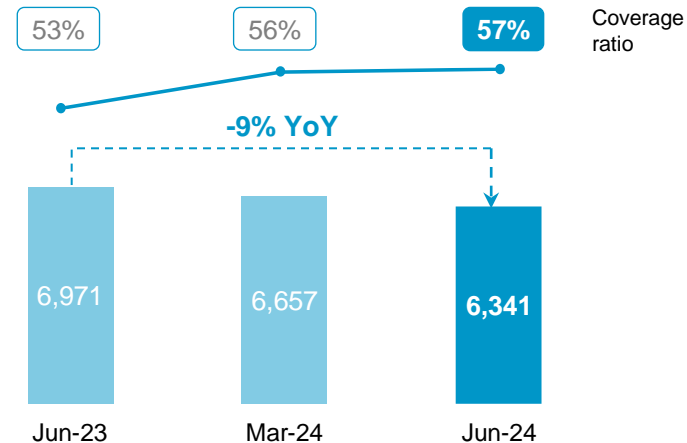
Group foreclosed assets

€M



Group NPAs

€M



- 20% of the stock sold in the last 12 months at an average premium of 7%
- 95% of total foreclosed assets are finished buildings

Group key ratios

	Jun-23	Mar-24	Jun-24
Gross NPA ratio ¹	4.1%	4.0%	3.7%
Net NPA ratio	1.9%	1.8%	1.6%
Net NPAs / total assets	1.3%	1.2%	1.1%

Note: Includes contingent risk. NPA coverage ratio calculated as (total provisions for credit + total provisions for foreclosed assets) / (stage 3 + foreclosed assets). ¹ NPAs / (gross loans + foreclosed assets).

Robust liquidity position and improved credit ratings

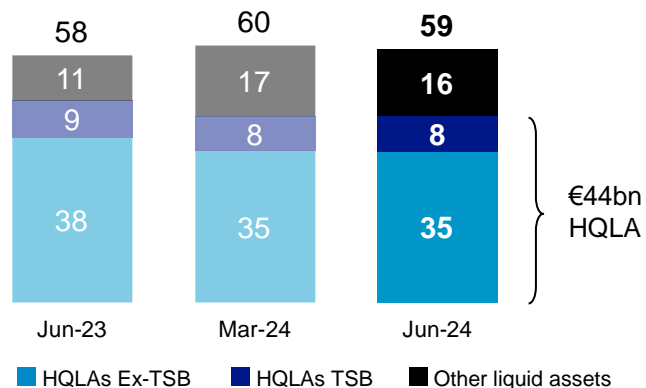
Liquidity metrics

Sabadell Group



Total liquid assets

€bn



Credit ratings

Group long-term credit rating and outlook

Standard & Poor's	BBB+ Positive New	Fitch Ratings	BBB Stable New
Moody's	Baa2 Positive	DBRS	A (low) Stable

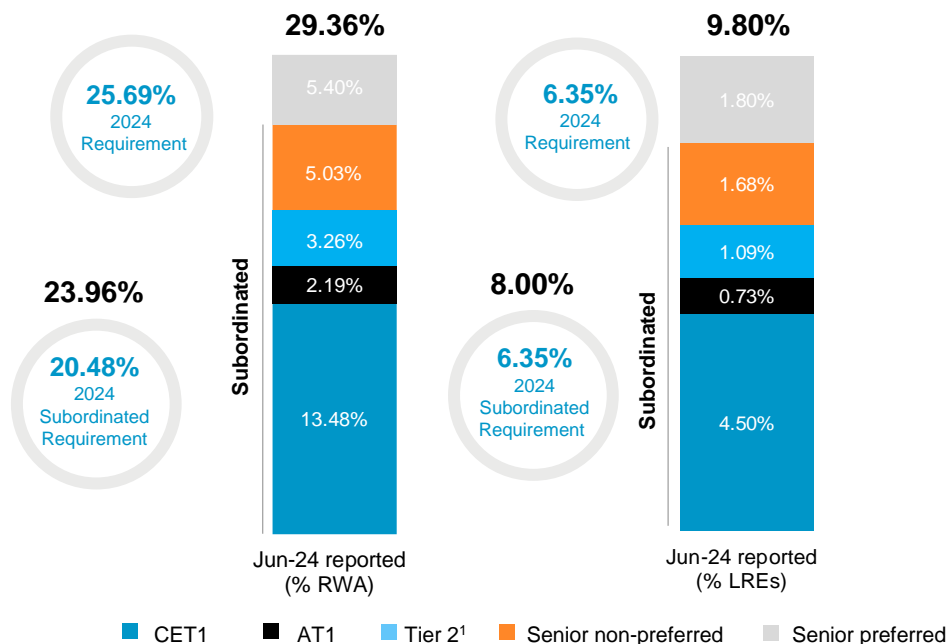
Long-term ratings evolution

	Jun-21		Jun-24	Upgrades
Standard & Poor's	BBB-	----->	BBB+	Two notches up and retain Positive outlook
Moody's	Baa3	----->	Baa2	One notch up and retain Positive outlook
Fitch Ratings	BBB-	----->	BBB	One notch up and Stable outlook
DBRS	A (low)	----->	A (low)	Confirmed

Ample MREL buffer

MREL position, Sabadell Group

% Risk Weighted Assets (RWAs), % Leverage Ratio Exposure (LRE)



YTD public issuances

Instrument	Date	Size (€M)	Maturity (Years)	Coupon
Senior Preferred	Jan 15 th	750	6NC5	4.00%
Covered bonds (TSB)	Mar 5 th	500	5	3.32%
Senior Non Preferred	Mar 13 th	500	6.5NC5.5	4.25%
Tier 2	Mar 27 th	500	10.25NC5.25	5.13%
Covered bonds	May 28 th	1,000	10	3.25%
Total	Ytd	3,250		

>€3.2bn
Total Issued YTD

2024 pending funding plan

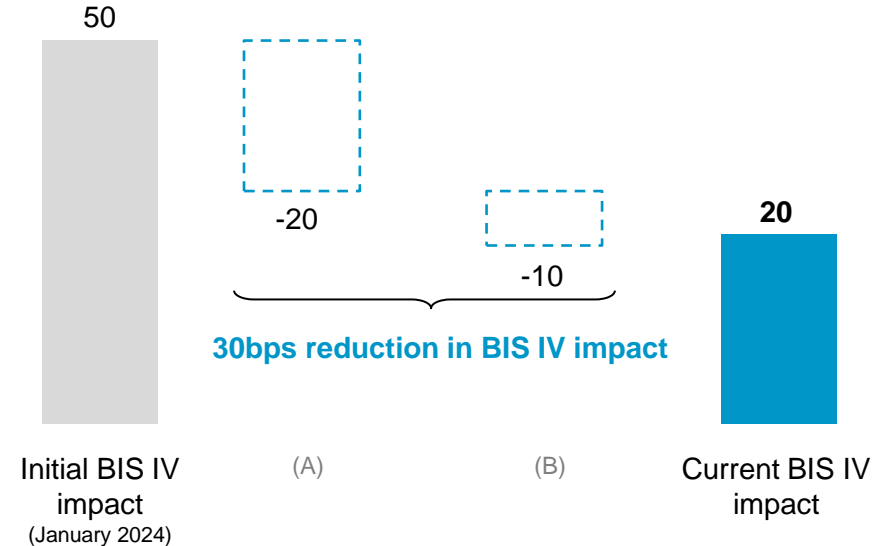
- **AT1/Tier 2:** No further issuances as buckets are completed
- **Senior preferred / non-preferred:** Potential transactions in EUR / GBP
- **Covered bonds:** Opportunistic issuer in EUR and GBP (TSB).

Note: Ratios include the Combined Buffer Requirement (at 3.17% in Jun'24 and onwards) and IFRS9 transitional arrangements. ¹ For illustration purposes, the Tier 2 category includes subordinated debt that is no longer recognised as Own Funds when the instrument has a residual maturity of less than 5 years (Art. 62(2) CRR1) but remains eligible for MREL purposes.

Current impact from Basel IV lowered to 20bps

Basel IV estimated impact breakdown

In bps



According to CRR3 (Regulation (EU) 2024/1623) just published on 19th June 2024

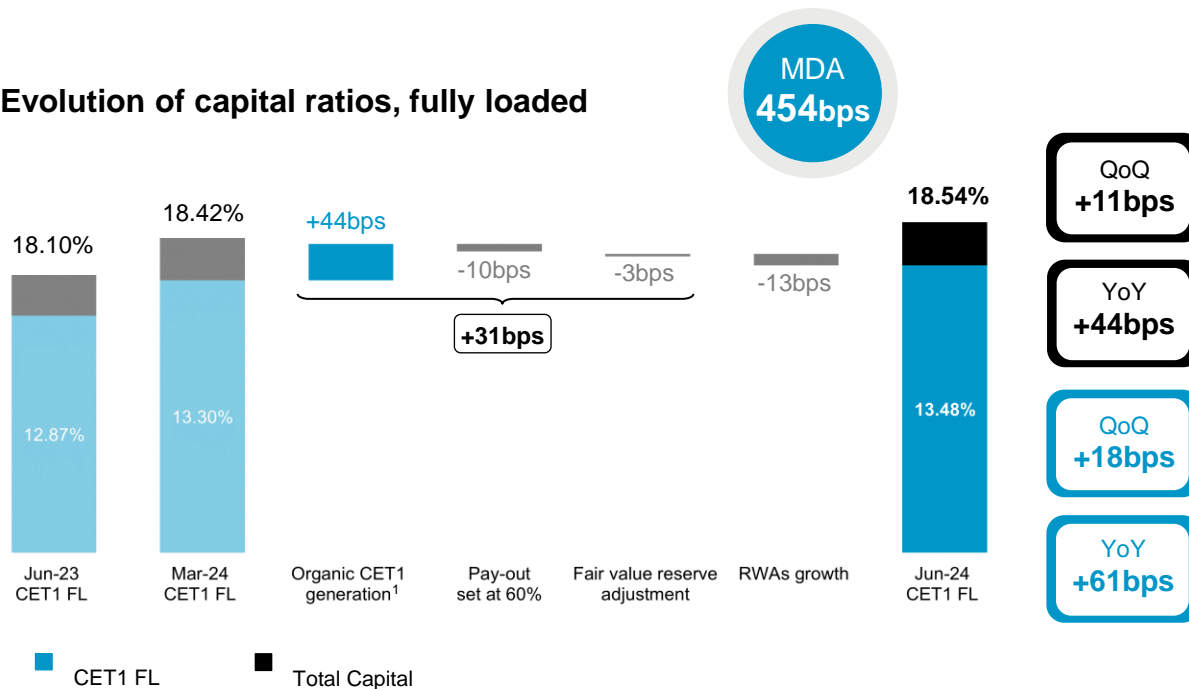
- A. **No application of LGD floor** on NPLs as initially assumed (-20bps)
- B. Other **dynamics in Balance Sheet and P&L** that reduce impact in credit and operational risks going forward (-10bps)

Current Basel IV capital impact of c.-20bps expected in January 2025

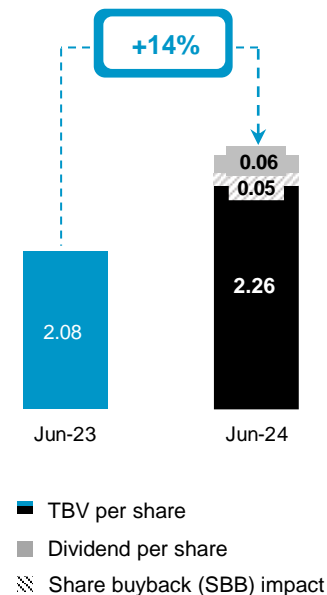
 New

CET1 FL at 13.48% after increasing by 18bps QoQ...

Evolution of capital ratios, fully loaded



Shareholder value creation²



...which brings CET1 FL above the 13% proforma post-BIS IV


¹ Accruing a dividend pay-out ratio of 50%. ² Shareholder value creation includes variation of TBV per share excluding share buyback impact + distributed dividends in Dec'23 and Apr'24 (3 and 3 euro cents cash per share respectively) + last 12 months share buyback impact on TBV per share (share buyback over 2022 results and partially executed share buyback over 2023 results, equivalent to 5 euro cents per share).



4

Closing remarks

Another solid set of results and accelerated profitability allow 2024 and 2025 guidance to be upgraded further

	1H24	2024 guidance (Jan'24)	2024 guidance (Apr'24)	 2024 new guidance	
Net Interest Income (YoY)	+9.8%	Low single-digit growth	c.3%	Mid-single digit growth	
Fees & Commissions (YoY)	-3.3%	Mid-single digit decline	=	c.3% decline	
Total costs	+2.5%	c.2.5% growth	=	confirmed	
Total Cost of Risk	46^{bps}	< 55 ^{bps}	=	< 50^{bps}	
RoTE ¹	13.1%	>11.5%	>12%	>13%	

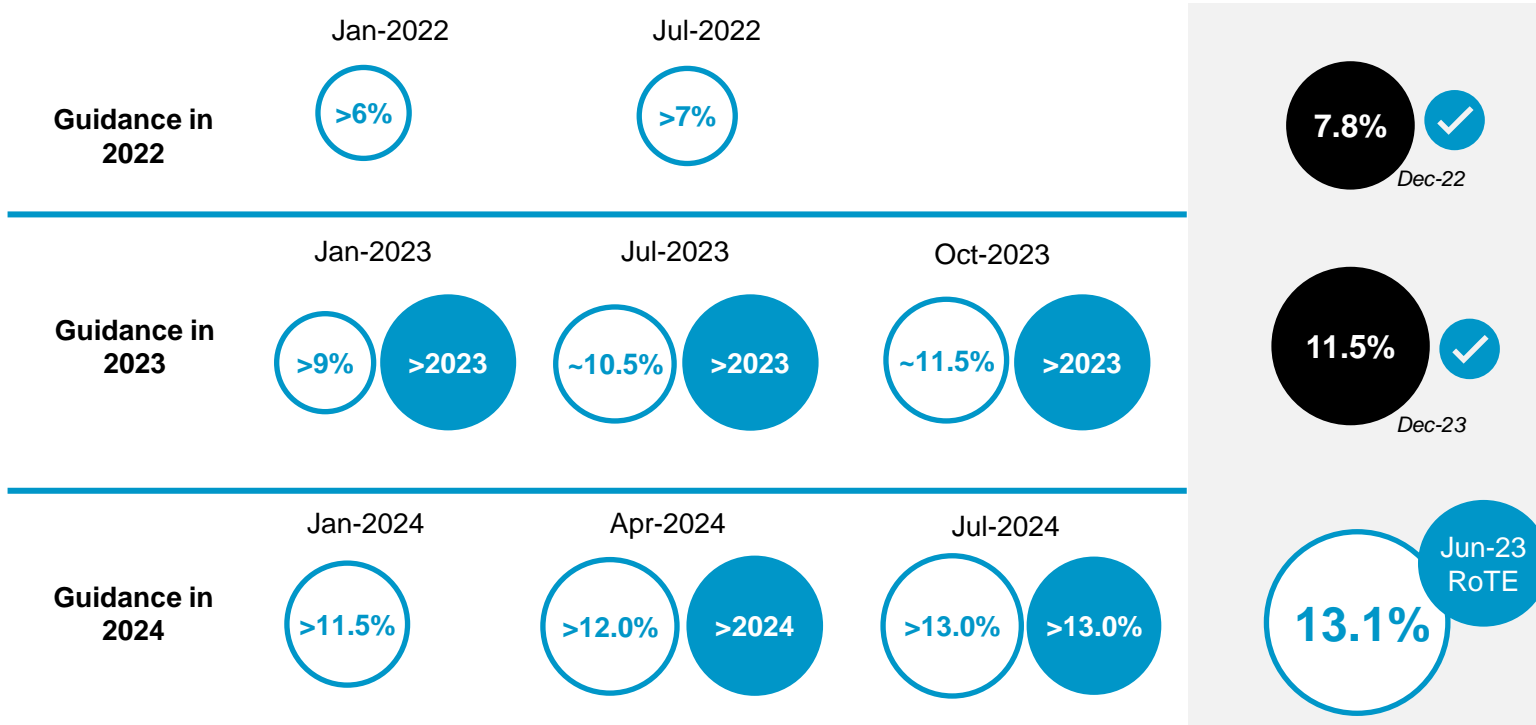
RoTE in 2025 > 13%

¹ Last 12 months Return on Tangible Equity. RoTE guidance excludes the capital gain from the merchant acquiring business disposal.

The guidance has been revised upwards and has been consistently beaten

RoTE guidance

Year end RoTE

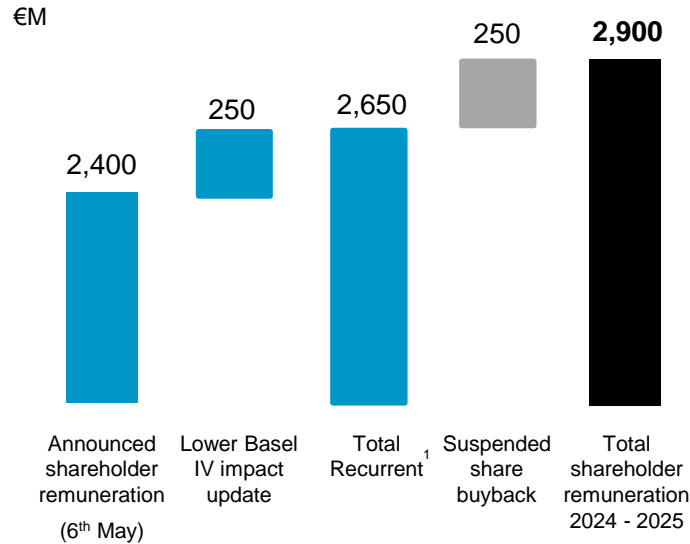


○ Guidance for current year ● Guidance for year n+1

Large capacity to remunerate shareholders: €2,650M over 2024-25 results, plus suspended SBB...

Commitment of Board of Directors
(1st Feb-24)

Shareholder remuneration



€2,650M
€49 cts/share¹
(Recurrent)

Pay-out of recurrent profits
+
Recurrent distribution of excess capital above 13% CET1 FL proforma post-BIS IV

€250M
€4 cts/share²

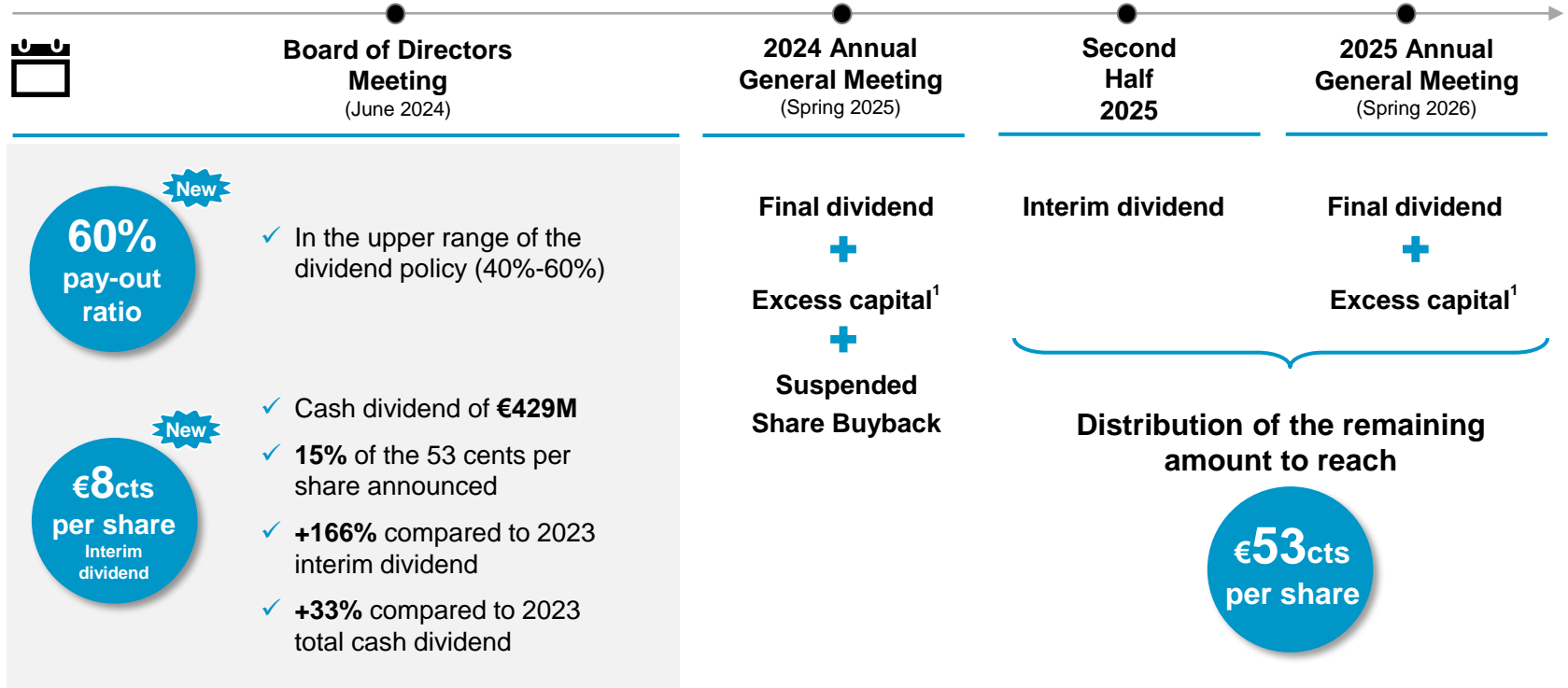
Pending share buyback, suspended due to Tender Offer, on the back of the 2023 recurrent pay-out

€2,900M Shareholder remuneration	€53 cents per share	>27% Market cap. ³
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... plus potential to further increase remuneration following improved ROTE guidance from >12% to >13%

¹ Subject to meet the business plan and a portion of which might be also subject to shareholder and supervisory approval. ² Already deducted from CET1 FL. ³ Calculated based on the closing price of 19th July 2024 (1.9430 euros per share).

Interim dividend of 8 cents is just 15% of shareholder remuneration commitment



¹ Certain structures may be subject to regulatory approvals.

Closing remarks

1

Loan growth across different geographies, products and segments

2

Resilient NII

3

Risk management actions lead to CoR and asset quality improvements

4

Sustainable profitability over 13% RoTE

5

Large capacity to recurrently generate capital and firm commitment to distribute it to shareholders

Appendix

1 NIM and customer margin

2 Debt maturities and issuances

3 ALCO portfolio

4 ESG milestones

5 TSB asset quality, solvency and liquidity position

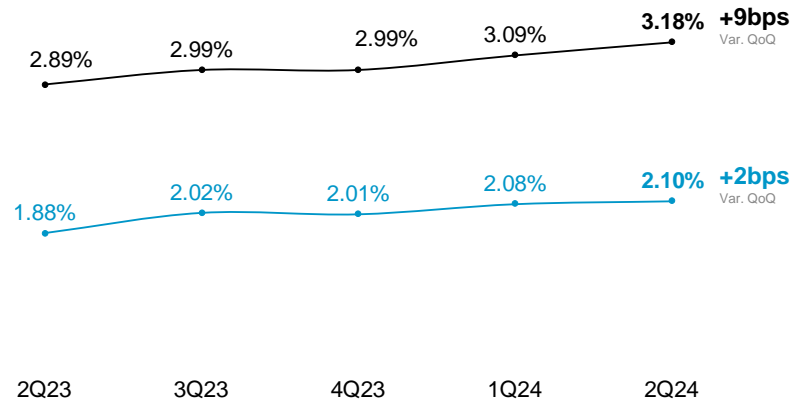
6 RWAs breakdown

7 MDA buffer

1. NIM and customer margin

Sabadell Group

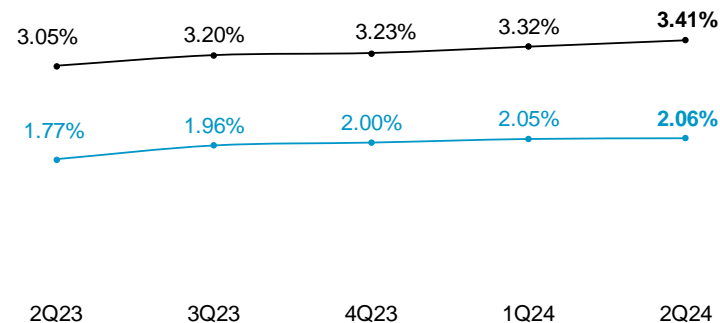
%, in euros



— Customer margin
— NIM as % of average total assets

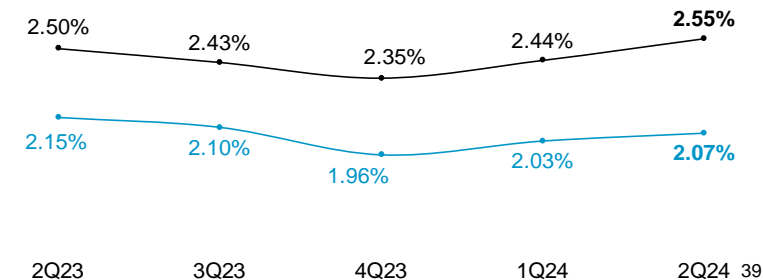
Sabadell ex-TSB

%, in euros



TSB

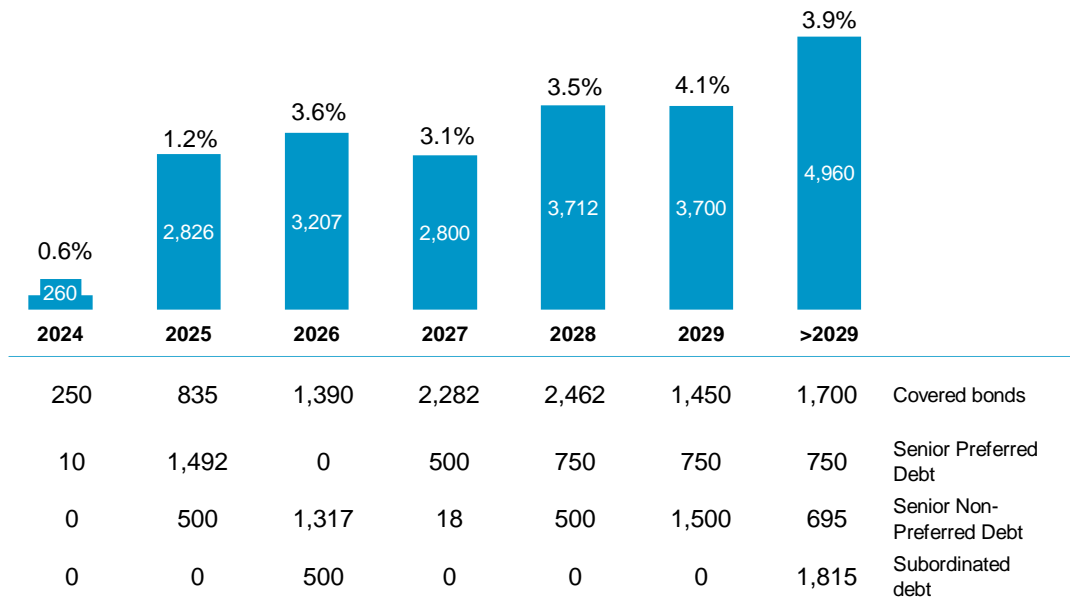
%, in euros



2. Debt maturities and issuances

Debt maturities and average cost

Maturities in €M and average cost in %



Note: Debt maturities excludes AT1 issuance.

Main debt maturities and redemptions in last 6 months

Instrument	Date	Nominal amount	Coupon
Covered bonds	26/01/2024	€550M	4.18%
Covered bonds (TSB)	15/02/2024	€584M	6.09%
Senior preferred bonds	07/03/2024	€750M	1.63%
Senior non preferred bonds	10/05/2024	€420M	1.75%
Covered bonds	10/06/2024	€1,000M	0.63%

Total €3,304M

Main debt maturities and calls in next 12 months

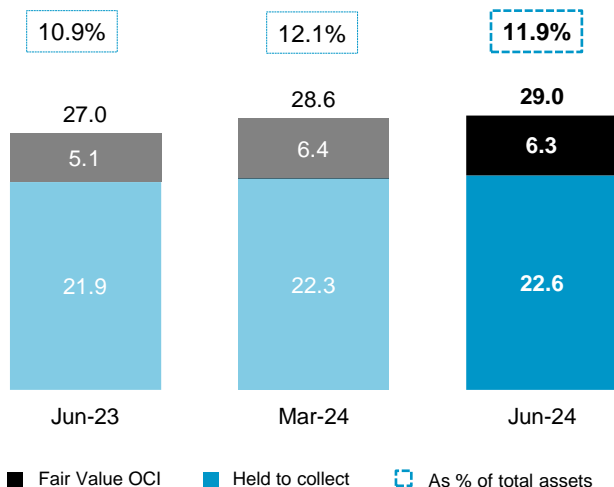
Instrument	Date	Nominal amount	Coupon
Senior preferred bonds	17/11/2024 (call)	€500M	0.63%
Covered bonds	27/12/2024	€250M	0.55%
Tier 2	17/01/2025 (call)	€300M	2.00%
Senior non preferred bonds	24/03/2025 (call)	€750M	2.63%
Senior non preferred bonds	27/03/2025	€500M	1.13%
Covered bonds	28/06/2025	€256M	3.75%

Total €2,556M

3. ALCO portfolio

Evolution of fixed income portfolio

Sabadell Group. €bn



Jun-24	Yield	Total Duration ¹	Avg. maturity
FV OCI	4.2%	1.1 years	4.5 years
Total	3.4%	2.1 years	6.3 years

Note: Fixed income portfolio excludes trading portfolio and government treasury bills. ¹ Duration includes the impact of hedges.

Composition of fixed income portfolio

Sabadell Group. €bn. Jun-24.



- As at Jun-24, TSB's ALCO portfolio size was €2.7bn
- The sensitivity of our capital position to bond spread volatility remains low as Fair Value OCI composition only accounts for a small proportion and is short duration
- Option to further reinvest in 2024
- Unrealised capital gains/losses (after tax):
 - Fair value OCI: -0.2pp of CET1 (already deducted)
 - Held to collect: -0.7pp of CET1

4. ESG Milestones Q2 2024

E
S
G

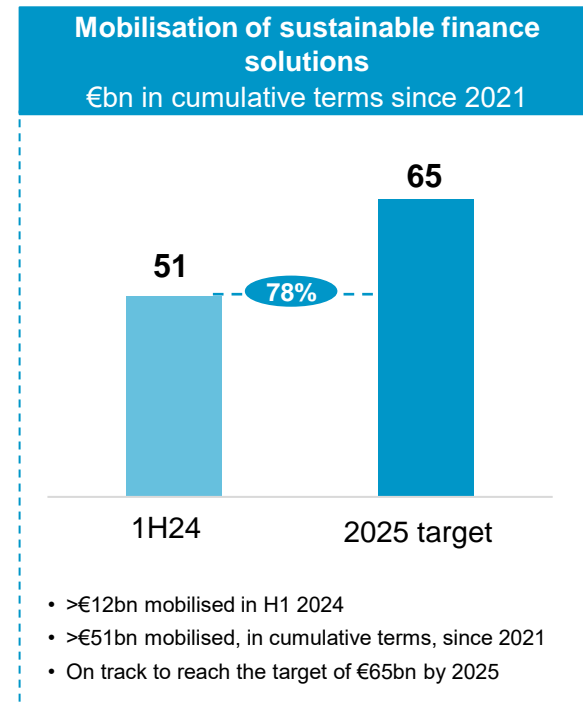
- Launch of **first sustainable synthetic securitisation** involving a **€1.1bn** portfolio of loans related to renewable energy projects
- Support offered to **public administrations of various autonomous communities** towards a sustainable economy in terms of **loan granting**, for an amount of €990M and participation in the **issuance of sustainable bonds** for €2.6bn
- **Guarantee agreement of up to €200M signed with the European Investment Bank (EIB)** to facilitate up to €400M in new financing for SMEs and mid-caps

E
S
G

- Sogeviso, a subsidiary devoted to social and affordable rent, begins management of **affordable rent scheme for 274 properties** in Alcorcón as part of the **Plan Vive Madrid**, with a portfolio of more than 3,600 foreclosed homes to be delivered in the coming years
- Banco Sabadell was **ranked first in the 'Top Companies 2024 Spain'** list on LinkedIn and is also at the **top of the list for the Spanish financial sector**
- **Diversity Leading Company 2024 award** granted by "Equipos & Talento" portal, which endorses the Institution's commitment and efforts to ensure a culture of diversity, fairness and inclusion

E
S
G

- Banco Sabadell has been recognised as **one of the world's most sustainable companies according to the World's Most Sustainable Companies 2024** ranking, created for the first time by *Time* magazine and Statista
- For the third consecutive year, Banco Sabadell has obtained the **'T for Transparent' seal**, in the highest category, based on the study carried out by the Haz Foundation; the only bank on the IBEX 35 to receive a score of 100% in all standards under analysis
- The Spanish Observatory of Sustainable Financing (OFISO) **gave an award to Banco Sabadell for its performance in the area of sustainable finance**, citing its leadership in renewable energy project finance and investment and its commitment to decarbonisation



5. TSB asset quality, solvency and liquidity position



Asset quality

	Jun-23	Mar-24	Jun-24
NPL ratio	1.4%	1.5%	1.5%
Coverage ratio	40%	40%	37%
Cost of risk ¹ (YtD)	0.15%	0.17%	0.10%

Solvency

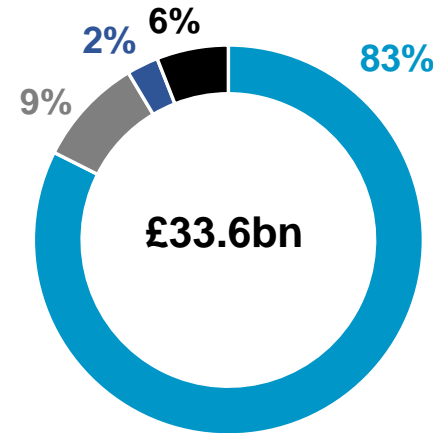
	Jun-23	Mar-24	Jun-24
CET1 ratio ²	17.3%	16.4%	16.4%
Leverage ratio ³	3.9%	4.0%	4.1%

Liquidity

	Jun-23	Mar-24	Jun-24
LCR	177%	172%	180%

TSB core mortgage portfolio overview

%



Mortgages
>90%
total loan
book

- Residential repayment
- Residential interest only
- Buy to let repayment
- Buy to let interest only

- ✓ Average loan balance: £137k
- ✓ Average LTV: 56%⁴
- ✓ 81% of mortgages have LTV <75%
- ✓ 48% fixed rate for another 2 years or more
- ✓ Average seasoning: >4 years

Note: NPA coverage ratio calculated as (total provisions for credit + total provisions for foreclosed assets) / (stage 3 + foreclosed assets).¹ Calculated as P&L impairment charge divided by period-end gross spot balances. ² CET1 ratio on a transitional basis. The Jun-24 CET1 FL ratio is 16.3%. ³ Calculated using EBA standards and on a transitional basis. ⁴ Weighted balance.

6. RWAs breakdown

Jun-24 RWAs: €80,071M

By type:

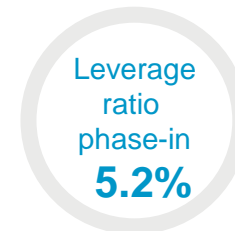
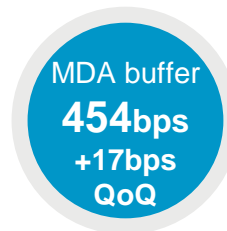
- Credit risk: €70.4bn
- Market risk: €0.5bn
- Operational risk: €9.1bn
- Other: €0.1bn

By geography:

- Spain: €62.1bn
 - UK: €14.0bn
 - Mexico: €4.0bn
-

7. Ample MDA buffer at 454bps, better than guidance

Group capital requirements		Group capital position
Pillar 1 CET1	4.50%	
Pillar 2 CET1 Requirement (P2R)	1.27% ¹	
Capital Conservation Buffer	2.50%	
Countercyclical Buffer	0.42%	
Other Systemically Important Institutions	0.25%	
CET1	8.93%	13.48%
AT1	1.92% ¹	2.19%
Tier 2	2.56% ¹	2.87%
Total Capital	13.42%	18.54%



- MDA stands at 454bps, above 8.93% requirement
- 0.5% countercyclical buffer in Spain would represent 30bps for Sabadell Group
- Leverage ratio phase-in increased +31bps YoY

¹ Applying Article 104a CRD which assumes the bank can use excess Tier 2 and AT1 to meet P2R (in total 98bps of excess hybrid capital, of which 42bps would be AT1 and 56bps Tier 2).

Glossary

Term	Definition
AuM	Assets Under Management
CET 1 FL	Common Equity Tier 1 Fully Loaded
CoR	Cost of Risk
CRR3	Capital Requirements Regulation 3
HQLA	High Quality Liquid Asset
LCR	Liquidity Coverage Ratio: short-term liquidity ratio
LRE	Leverage Ratio Exposure denominator is equivalent to total assets and a variety of off-balance sheet items including derivatives and repurchase agreements, among others
LTV	Loan to Value
MDA	Maximum Distributable Amount
MREL	Minimum Requirement of Eligible Liabilities
NII	Net Interest Income
NIM	Net Interest Margin
NPA	Non-Performing Asset
NPL	Non-Performing Loan
NSFR	Net Stable Funding Ratio: medium-term liquidity ratio
P2R	Pillar 2 Requirement
RaRoC	Risk-Adjusted Return on Capital
RoTE	Return on Tangible Equity
RWA	Risk Weighted Assets
SBB	Share Buyback
SME	Small and Medium-sized Enterprise

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