

Other material disclosure



137	R&D and innovation
138	Acquisition and sale of treasury shares
138	Days payable outstanding
138	Material post-closing events
139	Other reports related to the consolidated Directors' Report

Other material disclosures

6.1 R&D and innovation

In the technological field, the focus remains on providing each geography with the functionalities that best suit their market context, supported by enhanced technological capabilities aligned with the latest market standards.

In Spain, the acceleration and digitalisation of processes and products is particularly noteworthy, especially in Retail Banking, and in the development of a new mobile app. It is also worth mentioning the improved resilience of the IT platform, with the launch of a new data centre for disaster recovery. TSB has continued to prioritise efforts to improve business capabilities, while the foundations have been laid to accommodate the technological platform's new architecture. Sabadell Mexico has focused on technological enhancement for Retail Banking activity and has continued to develop capabilities that improve transaction efficiency.

In the domestic context

In 2024, the rollout of the catalogue of digital products and processes in different customer segments has been key, as has the introduction of new capabilities for managers in the branch network, in order to continue enhancing their efficiency. At the same time, work has continued to strengthen and increase the resilience of the technological platform.

Within Retail Banking, the expansion of the catalogue of digital products was a priority, specifically improving capabilities in mortgage and loan granting processes. In turn, other digital self-service processes have been reinforced with the aim of reducing customer dependency on non-digital channels. In Business Banking, the global move towards digitalisation, particularly in the self-employed segment, stands out, with specific new processes enabled, as in the case of digital onboarding.

Advances in the development of a new mobile app have been remarkable and the card transaction geolocation service, as well as a range of improvements in transaction monitoring, have already been rolled out. The deployment of the new architecture is planned to take place at the beginning of 2025.

In the branch network, the deployment of new capabilities for network managers stands out, which has led to the digitalisation of different processes and is aimed at improving customer service and commercial productivity.

With regard to the development of the technological platform, the focus has been on bolstering and underpinning resilience in the rollout of the new disaster recovery data centre, combined with continuous improvement of cyberdefence capabilities and protection against fraud and scams. The development of the journey to cloud, focused on multicloud training and the dynamic provision of environments, or the artificial intelligence management programme that has deployed technological capabilities to enable the industrialisation of the process to provide new semantic models, are also noteworthy.

In 2024, these investments in technology (booked in the accounts as "Other intangible assets") at the national level (including technology investments in the foreign branches) amounted to 264,359 thousand euros, which was invested in different companies, including 216,752 thousand euros in Sabadell Digital, S.A.U.

In the international context

At TSB, a large part of activities have focused on improving the digital catalogue and the customer journey, as well as offering new multi-channel capabilities that make it possible to tailor the customer experience. Initiatives were also implemented designed to improve the quality and resilience of the IT platform.

Sabadell Mexico has focused on developing programmes to improve digitalisation in Retail Banking, including the new Unconditional Account, as well as improving internal productivity tools.

Technology investments on an international scale during 2024 (booked in the accounts under “Other intangible assets”) amounted to 54,464 thousand euros at TSB bank plc, and 27,370 thousand euros invested by the company Institución Banca Múltiple (IBM).

6.2 Acquisition and sale of treasury shares

See Note 23 to the consolidated annual financial statements.

6.3 Days payable outstanding

The average time taken to pay suppliers (days payable outstanding) by consolidated entities located in Spain was 24.51 days (22.36 days in the case of the Bank).

6.4 Material post-closing events

The most important developments to have occurred after 31 December 2024 are the change of location of the registered office from Alicante to Sabadell, described at the beginning of this consolidated Directors' Report, and the capital reduction described in section 3.1.

6.5 Other reports related to the consolidated Directors' Report

The consolidated Non-Financial Disclosures and Sustainability Disclosures Report of Banco de Sabadell, S.A. and subsidiaries (Sustainability Report).

In accordance with the provisions of Directive (EU) 2022/2464 of the European Parliament and of the Council, of 14 December 2022, as regards corporate sustainability reporting (CSRD), Banco Sabadell Group has prepared the Group's consolidated Non-Financial Disclosures and Sustainability Disclosures Report of Banco de Sabadell, S.A. and subsidiaries (Sustainability Report) for the year 2024, which, as established in Article 44 of Spain's Commercial Code, forms part of this consolidated Directors' Report and is included as a separate accompanying document.

Annual Corporate Governance Report

The Annual Corporate Governance Report (ACGR) corresponding to the 2024 financial year forms an integral part of the consolidated Directors' Report in accordance with the provisions of the Spanish Capital Companies Act. This report is signed off by the Board of Directors on the same date as the consolidated annual financial statements and the consolidated Directors' Report and is sent separately to the CNMV. From the date of publication of the consolidated annual financial statements and the consolidated Directors' Report, the ACGR is available on the CNMV's website (www.cnmv.es) and on the corporate website of Banco Sabadell Group (www.grupbancsabadell.com).

Annual Report on Director Remuneration

The Annual Report on Director Remuneration (ARDR) corresponding to the 2024 financial year forms an integral part of the consolidated Directors' Report in accordance with the provisions of the Spanish Capital Companies Act. This report is signed off by the Board of Directors on the same date as the consolidated annual financial statements and the consolidated Directors' Report and is sent separately to the CNMV. From the date of publication of the consolidated annual financial statements and the consolidated Directors' Report, the ARDR is available on the CNMV's website (www.cnmv.es) and on the corporate website of Banco Sabadell Group (www.grupbancsabadell.com).

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