

Banco Sabadell Group



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Banco Sabadell Group

Banco de Sabadell, S.A. (hereinafter also referred to as Banco Sabadell, the Bank, the Company, or the Institution), with registered office¹ in Sabadell, Plaça de Sant Roc, 20, engages in banking business and is subject to the standards and regulations governing banking institutions operating in Spain. It has been subject to prudential supervision on a consolidated basis by the European Central Bank (ECB) since November 2014.

The Bank is the parent company of a group of entities whose activity it controls directly and indirectly and which comprise, together with the Bank, Banco Sabadell Group. Banco Sabadell is formed of different financial institutions, brands, subsidiaries and investees that cover all aspects of financial business. It operates mainly in Spain, the United Kingdom and Mexico.



¹ At its meeting held on 22 January 2025, the Board of Directors of Banco Sabadell resolved to amend Article 2 of the Articles of Association to establish the registered office in Sabadell, at Plaça de Sant Roc, no. 20. The registered office was previously located in Alicante, at Avenida Óscar Esplá, 37.

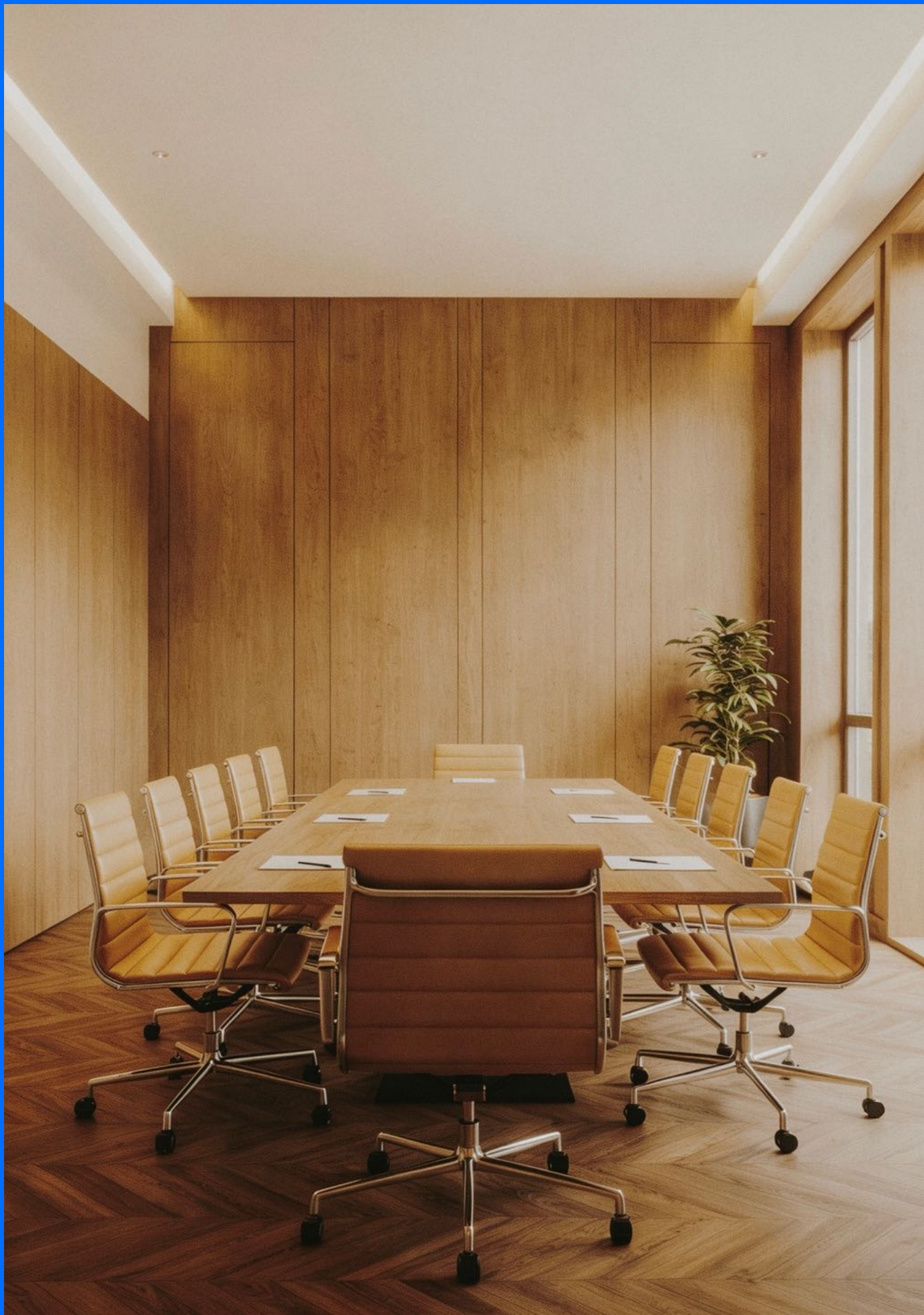
In 2025, the Group's organisation was structured around the following businesses:

- Banking Business Spain groups together the Retail Banking, Business Banking and Corporate Banking business units, with Retail Banking and Business Banking managed under the same branch network:
 - Retail Banking: offers financial products and services to individuals for personal use. These include investment products and medium- and long-term finance, such as consumer loans, mortgages, leasing and rental services, as well as other short-term finance. Funds come mainly from customers' term and demand deposits, savings insurance, mutual funds and pension plans. The main services also include payment methods such as cards and various kinds of insurance products.
 - Business Banking: offers financial products and services to companies and self-employed persons. These include investment and financing products, such as working capital products, revolving loans and medium- and long-term finance. It also offers custom structured finance and capital market solutions, as well as specialised advice for businesses. Funds mainly come from customers' term and demand deposits and mutual funds. The main services also include collection and payment methods, such as cards and Point-of-Sale (PoS) terminals, as well as import and export services. This business unit further includes Private Banking, which offers personalised expert advice, backed by specialised and high-value product capabilities for customers.
 - Corporate Banking: through its presence in Spain and in a further 11 countries, it offers financial and advisory solutions to large Spanish and international corporations and financial institutions. It structures its activity around two pillars, the first of which is the customer. It aims to serve its customers who are natural persons to meet the full range of their financial needs. This pillar is determined by the nature of those customers and includes large corporations classed under the Corporate Banking umbrella, financial institutions, Private Banking clients in the United States and the venture capital business carried out through BSCapital. The second pillar is specialised business, which encompasses the activities of Structured Finance, Treasury, Investment Banking, and Trading, Custody & Research. Its goal is to advise, design and execute custom operations that anticipate the specific financial needs of its customers, be they companies or individuals, with its scope of activity ranging from large corporations to smaller companies and customers, insofar as its solutions are the best way to meet their increasingly complex financial needs.
- Banking Business UK: the TSB franchise covers business conducted in the United Kingdom, which includes current and savings accounts, loans, credit cards and mortgages.
- Banking Business Mexico: offers banking and financial services for Corporate Banking, Commercial Banking and Retail Banking.

As described in Note 2, following receipt of a binding offer from Banco Santander to acquire TSB, the Board of Directors of Banco Sabadell, at its meeting of 1 July 2025, agreed to submit the offer for approval at an Extraordinary General Meeting at which, on 6 August 2025, shareholders approved the sale of all shares representing the share capital of TSB to Banco Santander. The closing of the transaction, which is expected to take place during the second quarter of 2026, is subject to obtaining regulatory authorisations from the competent authorities.

Banco Sabadell is the parent undertaking of a group of companies that, as at 31 December 2025, numbered a total of 79. Of these, aside from the parent company, 57 are considered subsidiaries and 21 are considered associates (as at 31 December 2024, there were 84 companies: the parent company, 61 subsidiaries and 22 associates).





1.1 Mission, values and business model

Mission and values

Banco Sabadell helps people and businesses bring their projects to life, anticipating their needs and helping them make the best economic decisions. It does this through environmentally and socially responsible management.

This is Banco Sabadell's *raison d'être*: to help its customers make the best economic decisions so that they may see their personal and/or business projects take shape. To that end, it gives customers the benefit of the opportunities offered by big data, digital capabilities and the expertise of its specialists.

The Bank and those who form part of it share the values that help to accomplish this mission, however, wherever and whenever that may be.

Banco Sabadell accomplishes its mission while staying true to its values:

- Commitment and Non-Conformism, values that define its way of being.
- Professionalism and Effectiveness, values that define its way of working.
- Empathy and Openness, values that define its way of interacting.

Business model, main objectives achieved and actions taken

The Institution's business model is geared towards profitable growth that generates value for shareholders. This is achieved through a strategy of business diversification based on criteria related to profitability, sustainability, efficiency and quality of service, together with a conservative risk profile, while maintaining high standards of ethics and professional conduct combined with sensitivity to stakeholders' interests.

The Bank's management model focuses on a long-term vision of customers, through constant efforts to promote customer loyalty by adopting an initiative-based and proactive approach to the relationship through the various channels that the customers of the Bank have at their disposal. The Bank offers a comprehensive range of products and services, qualified personnel, an IT platform with ample capacity to support future growth, and a relentless focus on quality.

The organic growth seen in recent years has brought the Bank's domestic market share to 8% in loans and 7% in deposits. Banco Sabadell also has a good market share in other products, such as financing granted to non-financial corporations at 9%, mutual funds at 5% and PoS turnover at 16%.

With regard to international business, Banco Sabadell has always been a benchmark. This has not changed in 2025 and Banco Sabadell continues to be present in strategic areas, supporting companies in their international activity. It should be noted that, as indicated previously, the sale of the British subsidiary TSB was approved on 6 August 2025. This is a transaction that benefits the Institution and its shareholders as it makes it possible to return excess capital and focus on Sabadell's development in the Spanish market. The transaction is expected to close in the second quarter of 2026.

With these developments, the Group has become one of the largest institutions in Spain's financial system, having multiplied its customer base six-fold since 2008, all whilst safeguarding its solvency and liquidity.

Trump's return to the United States' presidency has shaped the course of events on a global scale in 2025. One of the key aspects to draw attention has been the tariff war, which has led to substantially higher tariffs imposed by the United States on the rest of the world. Beyond trade, the Trump administration's agenda has also led to institutional changes, both internally (greater influence over autonomous agencies) and externally (loss of support for multilateral agreements and/or institutions). In addition, the state of the public finances continued to be a cause for concern, not only in the United States but also in countries such as France and the United Kingdom. In the geopolitical arena, Trump did not achieve his goal of quickly bringing the conflict in Ukraine to an end, while instability remained the keynote in the Middle East, albeit with a limited impact on oil prices. Despite the prevailing geostrategic confrontation and fiscal vulnerabilities, economic growth remained resilient, buoyed by cuts to official interest rates and by the widespread deployment of artificial intelligence. In relation to the financial markets, 2025 was once again a very positive year, particularly for risk assets. Lastly, the Spanish economy has continued to record strong economic growth of around 3% year-on-year. The growth of the economy has been driven by domestic demand, with good performance recorded in both household consumption and investment. Consumption was supported by the favourable evolution of the labour market and significant migration flows, while investment benefited from the rollout of the NGEU funds.

In this respect, in year-on-year terms, the Bank's results are in line with the annual targets. It is worth noting the reduced cost of risk, the active and growing commercial momentum, and the contained increase in costs.

On the other hand, the tender offer announced by Banco Bilbao Vizcaya Argentaria, S.A. (BBVA) for all shares issued by Banco Sabadell was authorised by the CNMV on 5 September 2025. Following the end of the acceptance period, on 16 October 2025 the CNMV announced that the tender offer had failed after a sufficient number of Banco Sabadell shareholders chose not to accept it, thereby rendering the offer null and void (for further details, see Note 1.5 to the 2025 consolidated annual financial statements).

Additionally, Banco Sabadell and Nexi. S.p.A. terminated the strategic agreement signed by both parties on 27 February 2023, thereby extinguishing the commitments undertaken by the parties (for further details, see Note 2 to the 2025 consolidated annual financial statements).

Banco Sabadell conducts its business in an ethical and responsible manner, gearing its commitment to society in a way that ensures its activities have a positive impact on people and the environment. Each and every person in the organisation plays their part in applying the principles and policies of corporate social responsibility, ensuring high-quality and transparent customer service.

In addition to complying with the applicable regulations and standards, Banco Sabadell has a set of policies, internal rules and codes of conduct that guarantee ethical and responsible behaviour at all levels of the organisation and in all Group activities.

1.2 Strategic Plan 2025-2027

On 24 July 2025, Banco Sabadell unveiled its Strategic Plan 2025-2027, outlining the Group's strategic direction and providing an outlook on its key financial figures.

The new plan concentrates on the Group's activity in Spain, taking advantage of its good macroeconomic outlooks, with a clear focus on growth, whilst preserving risk quality and maintaining ample capacity to generate capital, thus enabling an attractive return for shareholders.

Looking ahead to 2027, Banco Sabadell expects a return of 16% and shareholder remuneration of 6.45 billion euros over the period 2025-2027. To achieve this, the Bank expects the growth of its commercial activity in Spain to outpace the market in most business segments, whilst improving its risk profile, increasing revenues and maintaining efficient cost management.

A domestic Spanish bank, where decisive execution drives growth, capital generation and attractive shareholder remuneration.

Focus on Spain

Following the sale of TSB, Banco Sabadell will focus its strategy on Spain – a predictable and stable market with one of the most positive macroeconomic outlooks in the European Union in the coming years:

- Private debt to Gross Domestic Product (GDP), which is below the Eurozone average, is at its lowest level in the last 20 years and is expected to remain at that level.
- Economic unemployment is at its lowest level since 2008, maintaining a good outlook going forward.
- The expected average annual growth of Spanish GDP for the period 2026-2028 (1.8%) exceeds that of the Eurozone (1.3%).
- Inflation in the Spanish economy (2.2%) will remain in line with that of the European Union (2.1%) over the period 2026-2026.

With regard to growth of lending in Spain, the Plan anticipates compound annual growth of more than 4% in household loans and around 4% in business loans over its time horizon. For deposits, a positive performance is also expected, with an annual growth rate of around 4%.

Focus on growth

Since 2021, Banco Sabadell has been carrying out an in-depth transformation process, paving the way for the future growth of the Institution.

The transformation undertaken up to now has focused on three key areas:

- In risks, the focus has been on transforming risk models and processes across all credit portfolios, as well as increasing sectoral specialisation.

- In pricing, the transformation has concentrated on increasing price segmentation based on customers' risk profile and their price sensitivity.
- In processes, emphasis has been placed on (i) redesigning the customer journey, with particular focus on the customer experience and on improving the conversion ratio, (ii) improving the Bank-customer relationship model (for example, by deploying specialists in mortgages, insurance and savings & investment products, and by improving the value proposition for Private Banking and SMEs), and (iii) developing the necessary capacity to make a qualitative leap in digitalisation.

This transformation has placed the Bank in a good position to accelerate its future growth, both in terms of credit volume, whilst preserving risk quality, and in terms of fee income and the customer base, with the goal of increasing the size of the franchise:

- Credit (single-digit average annual growth between 2024 and 2027): with most of the transformation process completed, credit volume growth will accelerate between 2025 and 2027, with expectations of an increase above the market average in the business segment, well above the market average in consumer credit and in line with the market average in mortgages. Alongside the growth in credit volume, risk quality has improved significantly in recent years and is expected to continue to grow stronger (cost of risk of around 40 basis points is estimated in 2027).
- Fees and commissions (single-digit average annual growth between 2024 and 2027): future growth will be driven, roughly 70%, by the transformation of the three key business lines that generate fee income: savings & investment, insurance, and payment services.
- Customer base (gross acquisition of retail customers between 2025 and 2027 is expected to be 15% higher compared to the period from 2022 to 2024): the transformation carried out between 2021 and 2024 has allowed the development of new direct banking capabilities, with the aim of focusing on digital customer acquisition going forward, without relinquishing branch-based customer acquisition.

Technology, people and performance metrics are key elements that will support the future growth of the business. This growth has already materialised in the results for 2025.

Track record

Banco Sabadell has built a solid track record of execution since 2021, having met the targets initially set for each year. This trend was maintained in 2025, with the results obtained for the year being in line with guidance.

Shareholder remuneration

Following the trend demonstrated in recent years, Banco Sabadell expects to continue growing recurrently and sustainably.

Over the time horizon of the Plan, profitability as measured by ROTE is expected to reach 16% in 2027, generating an annual average of 175 basis points of capital (pre-dividend accrual). All this, combined with the extraordinary dividend stemming from the sale of TSB, will allow a distribution to shareholders in the amount of 6.45 billion euros in the period 2025-2027, which equates to around 40% of the Bank's stock market value².

² Closing share price on 17 February 2026 (€3.196).

Sabadell has a strong commitment to shareholder remuneration.

The guidance set out in the Group's Strategic Plan was reflected in the income statement for this year as follows:

Net interest income has been maintained albeit under pressure, amounting to 4,837 million euros at the Group level and 3,604 million euros excluding TSB in 2025, in line with the year-end target of 3,600 million euros ex-TSB. This evolution reflects the impact of the narrowing customer spread, which, excluding TSB, fell from 3.3% to 2.9% in the year, partly offset by larger loan and deposit volumes, as well as a lower cost of wholesale funding. At TSB, net interest income has made a steady recovery, ending the year with a high single-digit increase, as expected, mainly due to the contribution of structural balance sheet hedging.

Fees and commissions increased by 2.0% in the year at the Group level and by 3.6% excluding TSB, mainly as a result of higher asset management and insurance fees. This means that this line item has grown at levels close to the year-end target of mid-single-digit growth excluding TSB.

With regard to costs, the year-on-year increase at the Group level was 0.5%, as a result of higher staff expenses, which were partially offset by other general administrative expenses. Excluding TSB, this line item increased by 2.5%, mainly due to higher staff expenses. Total costs excluding TSB have evolved in line with the year-end target of a low single-digit increase, despite the share-based extraordinary remuneration paid to all employees related to the end of the takeover bid, and a reclassification related to the termination of the agreement on the sale of the merchant acquiring business, which impacted the depreciation line. Both of these impacts were recorded in the last quarter of the year.

With a total cost of risk of 31 basis points, equivalent to 546 million euros of provisions and impairments in 2025 at the Group level and 37 basis points ex-TSB, the year-end target of 40 basis points ex-TSB has been met, thanks to a diversified balance sheet, risk management actions and the positive evolution of asset quality.

In addition, the profitability reported for 2025, measured in terms of Return On Tangible Equity (ROTE), was 14.3%, close to the targeted ROTE of 14.5%, which improved (from 14%) in the second quarter of the year, when targets were set in the Strategic Plan 2025-2027. In addition, it is expected that in 2026 the resilience of the Group's income statement will allow it to attain recurrent profitability, excluding TSB and its impacts, of 14.5%, measured in terms of tangible equity.

Lastly, in relation to shareholder remuneration, on 5 February 2026, the Board of Directors of Banco Sabadell raised shareholder remuneration against earnings for 2025 to 1.5 billion euros, consisting of a 60% payout plus a distribution of 435 million euros of excess capital above the fully-loaded CET1 ratio of 13% applying the regulatory implementation timeline of the output floor on a consolidated basis.

1.3 Banco Sabadell share performance

The Bank's share capital as at 31 December 2025 amounted to 627,959,716.50 euros, represented by 5,023,677,732 registered shares with a par value of 0.125 euros each (as at 31 December 2024, it amounted to 680,027,680.875 euros, represented by 5,440,221,447 registered shares, each with a par value of 0.125 euros).

The agenda of the United States administration shaped the economic and financial environment in 2025. Specifically, in the area of international trade, the US raised tariffs, which were subsequently eased by trade agreements. On the other hand, the sustainability of the public finances continued to provoke concern in the United States and in some European economies, such as France. At the geopolitical level, there was continued instability generated by the conflicts in Ukraine and the Middle East. Nevertheless, the economy and the financial markets demonstrated resilience thanks to the thrust of artificial intelligence, expectations of rate cuts and a raft of solid corporate earnings.

Spain stood out among the main Eurozone countries once again and saw strong economic growth of around 3% year-on-year. Once again, Spain's economic growth was higher than the consensus had expected at the beginning of the year. The economy was underpinned by, among other things, migration flows and the NGEU funds. Lastly, Spain has been relatively well protected from the US tariffs due to its limited trade exposure with that country. Labour market data has also been positive, with employment at record highs and unemployment at its lowest rate since 2008.

With regard to the central banks, the year was marked by the ongoing normalisation of monetary policy, although progress was uneven across regions. The main monetary authorities implemented cuts to their benchmark interest rates, in a context of inflation closer to or around the monetary policy targets and slowing economic growth. In the Eurozone, the ECB reduced the deposit facility rate to 2.00% and, subsequently, maintained a prudent stance in relation to further adjustments. The Federal Reserve's rate cuts were more restrained (down to 3.50-3.75%) in a context of moderated job creation and upward pressure on inflation as a result of the new tariffs. In the United Kingdom, the Bank of England continued with incremental cuts to the base rate, bringing it down to 3.75%. In the bond markets, geopolitical tensions and, in particular, the announcement of 'Liberation Day', brought on increased volatility affecting yield curves. Nevertheless, with the exception of this episode, interest rates have been quite stable over the course of the year, with long-dated bonds trading at historically high levels.

The countercyclical capital buffer (CCyB) of 0.5%, set by the Bank of Spain, was applied as from October 2025 with plans to raise it to 1% from October 2026 if the cyclical systemic risks persist.

All in all, profitability in the banking sector has been solid over the year, exceeding the cost of capital demanded by the market, thanks to sustained profits in an interest rate environment favourable to financial intermediation, despite the gradual monetary normalisation.

As regards Banco Sabadell's share price performance, it has kept the good tone of recent years, with a dividend-adjusted revaluation of +96% in the year. On a like-for-like basis, the market revaluation was above the European banking industry benchmark (STOXX Europe 600 Banks), which rose by +67%, and also above general indices such as EURO STOXX 50 and IBEX 35, which cumulatively increased by +14% and +49%, respectively, over the year.

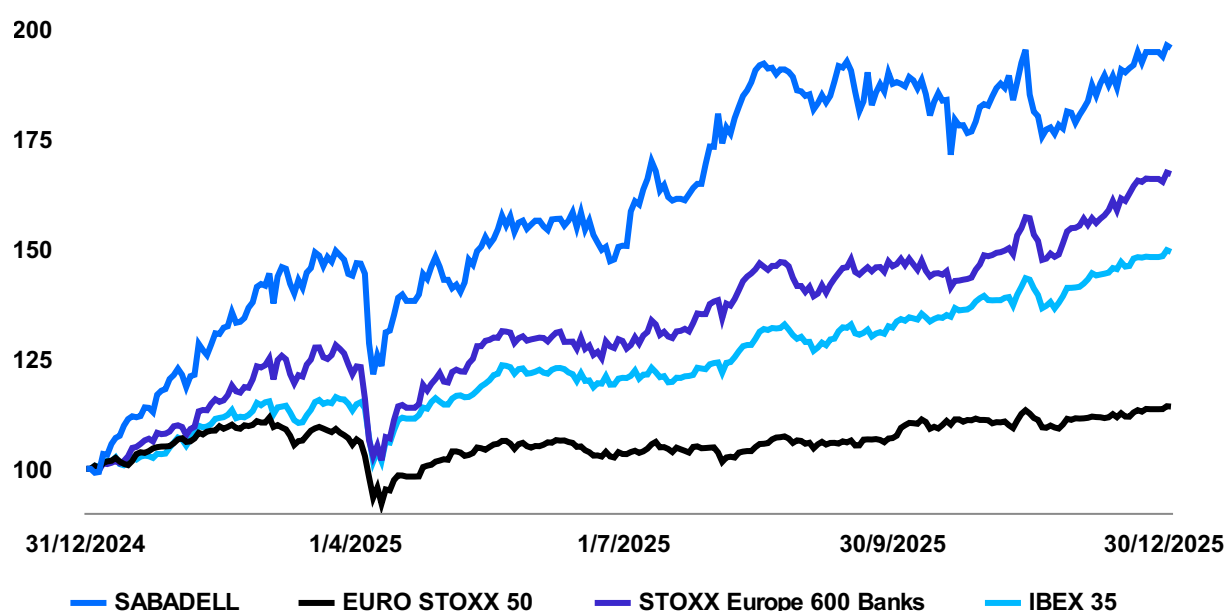


In this respect, the factors pertaining to the economic and financial environment mentioned above significantly influenced the share price performance. Similarly, in relation to Banco Sabadell's idiosyncratic factors, certain influencing elements worth noting include, on one hand, the Institution's improved financial position and profit estimates, validated in July during the presentation of the new Strategic Plan 2025-27, and, on the other hand, the events surrounding the takeover bid put forward by Banco Bilbao Vizcaya Argentaria, S.A. and the outcome of that bid, which ultimately served to reinforce the Institution's standalone strategy.

As at the end of 2025, the average target price among equity analysts covering Banco Sabadell was 3.7 euros, all with Buy or Hold recommendations on the stock.

Banco Sabadell's market capitalisation stood at around 16,818 million euros as at year-end, with a Price/Tangible Book Value (P/TBV) ratio of 1.40x.

Over the year, the main rating agencies also improved their credit ratings for Banco Sabadell.



	Million	Million euro	Euro	Million euro	Euro
	Average number of shares (*)	Profit attributed to the Group	Profit attributed to the Group, per share	Own funds	Book value per share
2022 (**)	5,594	889	0.140	13,635	2.43
2023	5,401	1,332	0.225	14,344	2.65
2024	5,376	1,827	0.322	15,389	2.87
2025	5,152	1,775	0.316	14,631	2.93

(*) The average number of shares is shown net of the treasury stock position.

(**) The data corresponding to 2022 was restated to take into account the entry into force of IFRS 17 (see Note 1.4 to the consolidated annual financial statements for 2023).

Share performance

Below are a number of indicators of the Bank's share performance:

	2025	2024	Year-on-year change (%)
Shareholders and trading			
Number of shares outstanding (million) (*)	4,998	5,361	(6.8)
Average daily trading (million euro)	45	38	16.7
Share price (euro)			
Opening	1.877	1.113	—
High	3.482	2.050	—
Low	1.795	1.105	—
Closing	3.365	1.877	—
Market capitalisation (million euro)	16,818	10,063	—
Market ratios			
Earnings Per Share (EPS) (euro)	0.32	0.32	—
Book value per share (euro)	2.93	2.87	—
P/TBV (price/tangible book value per share)	1.40	0.78	—
Price/Earnings ratio (share price/EPS)	10.64	5.84	—

(*) Total number of shares minus final treasury stock position (including shares in buyback programmes, where applicable).

Shareholder remuneration in the amount of 1.5 billion euros against earnings for 2025.

The Bank's shareholder remuneration commitment, in accordance with its Articles of Association, is proposed by the Board of Directors and submitted to shareholders for approval every year at the Annual General Meeting. In addition, Banco Sabadell has a Shareholder Remuneration Policy that lays down the principles that determine the shareholder remuneration framework.

The percentage of profits to be paid out as remuneration to shareholders, that is, the Group's payout, was set at 60% of net profit attributed to the Group.

In addition, the Banco Sabadell Shareholder Remuneration Policy makes provision for the possible distribution of excess capital above a minimum threshold predetermined by the Board of Directors. Currently, regulatory capital above the threshold of 13%³ can be considered excess capital and can therefore be paid out as remuneration to shareholders, in the absence of any alternative use for that capital.

On 10 April 2024, shareholders at the Annual General Meeting approved a share buyback programme in the amount of 340 million euros, as part of shareholder remuneration against earnings for 2023. This programme, which had been temporarily suspended at the request of the CNMV due to the publication of the announcement of the tender offer put forward by Banco Bilbao Vizcaya Argentaria, S.A., was reactivated on 31 March 2025 following approval by shareholders at the Annual General Meeting and was completed on 8 May 2025, having

³ Fully-loaded CET1, applying the output floor's regulatory implementation timeline.

reached the maximum pecuniary amount outstanding of 247 million euros envisaged in the Buyback Programme.

Following completion of the aforesaid reactivated share buyback programme, and in accordance with the approval by shareholders at the Annual General Meeting of 20 March 2025, another share buyback programme was launched on 9 May 2025 in the amount of 755 million euros, which was completed on 1 August 2025.

At Board meetings held on 29 May 2025 and 5 August 2025, the Board of Directors of Banco Sabadell agreed, pursuant to the authorisation received from the European Central Bank, to carry out reductions in the share capital of Banco Sabadell by redeeming all of the treasury shares acquired under the aforementioned share buyback programmes. That reduction was approved as per the powers conferred on the Board of Directors in the share capital reduction resolution approved by shareholders during the aforesaid Annual General Meeting of 20 March 2025. The resulting share capital stood at 627,959,716.50 euros represented by 5,023,677,732 registered shares with a par value of 0.125 euros each.

At a meeting held on 1 July 2025, the Board of Directors of Banco Sabadell agreed to submit a proposal for consideration by shareholders at an Extraordinary General Meeting concerning the payment of an extraordinary cash dividend of 50 euro cents (gross) per share, conditional on closing the sale of TSB. This dividend distribution proposal was submitted to shareholders at the Extraordinary General Meeting of 6 August 2025, with a favourable result.

At its meeting of 23 July 2025, in compliance with the Group's shareholder remuneration policy and in the context of the update of the Strategic Plan 2025-2027, which was published on 24 July 2025, Banco Sabadell's Board of Directors agreed to distribute an interim cash dividend against 2025 earnings in the amount of 7 euro cents (gross) per share, which was paid on 29 August.

Additionally, at the aforesaid meeting of 23 July 2025, the Board of Directors also produced a preliminary estimate of potential total shareholder remuneration for the period 2025-2027 in the amount of 6.3 billion euros, including the extraordinary dividend from the sale of TSB, bringing the estimated remuneration for 2025 to 1.3 billion euros.

At its meeting of 30 September 2025, based on the positive trend of the business, earnings and capital generation, the Board of Directors updated its estimate of total shareholder remuneration for the period 2025-2027 to 6.45 billion euros, setting shareholder remuneration for 2025 at 1.45 billion euros. In addition, at that same meeting, the Board of Directors approved a second interim cash dividend for 2025 of 7 euro cents (gross) per share, which was paid on 29 December 2025.

At the meeting held on 5 February 2026 and in accordance with Banco Sabadell's shareholder remuneration policy, the Board of Directors of Banco Sabadell, after obtaining prior authorisation from the European Central Bank, agreed to set up two share buyback programmes to repurchase treasury shares for their subsequent redemption, up to a maximum aggregate amount of 800 million euros. To that end, the Board of Directors approved the allocation of a maximum of 435 million euros to the first share buyback programme, equivalent to excess capital above the fully-loaded CET1 ratio of 13% applying the regulatory implementation timeline of the output floor on a consolidated basis. Furthermore, the Board of Directors decided to allocate a maximum of 365 million euros to the second share buyback programme, equivalent to the difference between 60% of the net profit attributed to the Group for 2025 (the payout ratio at the top end of the range established in the shareholder remuneration policy) and the cash dividends paid out of 2025 earnings.

Credit ratings

In 2025, the four agencies that assessed Banco Sabadell's credit quality were S&P Global Ratings, Moody's Ratings, Fitch Ratings and Morningstar DBRS.

On 27 March, S&P Global Ratings upgraded Banco Sabadell's long-term issuer credit rating to A- from BBB+, with a stable outlook. The rating upgrade was the result of Sabadell's improved credit profile, which the agency sees as commensurate with its peers, as well as easing industry risks in the Spanish banking system. The short-term rating was kept at A-2. Later, on 11 August, the agency affirmed the Bank's rating following the approval of the sale of TSB Banking Group plc. Lastly, on 16 December, the agency upgraded the outlook from *stable* to *positive*, affirming the issuer's long-term and short-term credit ratings of A- and A-2, respectively. The upgraded outlook reflects the possibility that S&P Global Ratings could raise Banco Sabadell's ratings if it manages to build up and sustain a buffer of bail-inable subordinated instruments large enough (i.e. more than 6%) to provide enhanced protection to senior debtholders in a resolution scenario.

On 3 October, Moody's Ratings upgraded Banco Sabadell's long-term deposit rating to A3 from Baa1 and its senior unsecured debt rating to Baa1 from Baa2, with a stable outlook in both ratings. It also upgraded the rating of the Bank's mortgage covered bonds to Aaa from Aa1. These upgrades reflect the Bank's improved solvency, supported by the continuous enhancement of its asset quality and the improved profitability. The short-term rating was kept at P-2. On 18 November, Moody's Ratings affirmed those ratings, following the publication of its new methodology.

On 10 January, Fitch Ratings upgraded Banco Sabadell's long-term rating to BBB+ from BBB and maintained the stable outlook. The upgrade was driven by the strengthening of the Bank's asset quality, profitability and capitalisation, as well as the improved assessment of the operating environment for Spanish banks. The short-term rating was kept at F2. In addition, on 9 May, the agency placed Banco Sabadell on rating watch positive, subsequently reversing it on 27 October after the unsuccessful takeover bid put forward by BBVA, affirming the long- and short-term ratings on that same date and assigning them both a stable outlook.

On 18 February, Morningstar DBRS affirmed Banco Sabadell's long-term issuer rating at A (low) with a stable outlook, highlighting the Institution's improved profitability and its significant reduction of non-performing loans. The agency also expects that the Bank will continue to report solid profitability despite the lower interest rate environment, largely supported by the lending volume growth and the materialisation of cost savings implemented in TSB. The short-term rating remained at R-1 (low).

During 2025, Banco Sabadell has been in continuous contact with the four rating agencies. In its meetings with analysts from those agencies, aspects such as progress with results, capital, liquidity, risks, credit quality, and management of NPAs were discussed and debated.

The table below details the current ratings and the most recent date of publication of an update or affirmation of those ratings.

	Long-term	Short-term	Outlook	Last updated
S&P Global Ratings	A-	A-2	Positive	16/12/2025
Moody's Ratings	Baa1	P-2	Stable	18/11/2025
Fitch Ratings	BBB+	F2	Stable	27/10/2025
Morningstar DBRS	A (low)	R-1 (low)	Stable	18/02/2025



1.4 Corporate governance

Banco Sabadell has a solid corporate governance structure that ensures effective and prudent management of the Bank, in which it prioritises ethical, sound and transparent governance, taking into account the interests of shareholders, customers, employees and the general public in the geographies in which it operates.

The internal governance framework, which gives details, among other aspects, about its shareholding structure, the governing bodies, the Group's structure, the composition and operation of corporate governance, the internal control functions, key governance matters, the risk management framework, the internal procedure for the approval of credit transactions granted to directors and their related parties and the Group's policies, is published on the corporate website:

www.grupbancsabadell.com (see section "Corporate Governance and Remuneration Policy – Internal Governance Framework").

As required by Article 540 of the Spanish Capital Companies Act, Banco Sabadell Group has prepared the Annual Corporate Governance Report for the year 2025, which, in accordance with Article 49 of the Spanish Commercial Code, forms part of the consolidated Directors' Report for 2025. It includes a section on the extent to which the Bank follows recommendations on corporate governance currently in existence in Spain.

As it has done on previous occasions, Banco Sabadell has opted to prepare the Annual Corporate Governance Report in free PDF format, in accordance with CNMV Circular 2/2018 of 12 June, in order to explain and publicise, with maximum transparency, the main aspects contained therein.



Annual General Meeting 2025

The Bank's main governing body is the Annual General Meeting, in which shareholders decide on matters attributed to the Meeting by law, the Articles of Association (available on the corporate website under "Corporate Governance and Remuneration Policy – Articles of Association") and its own Regulation, as well as any business decisions that the Board of Directors considers to be of vital importance for the Bank's future and corporate interests.

The Annual General Meeting has approved its own Regulation, which sets out the principles and basic rules of action (see corporate website under "Shareholders' General Meeting – Regulations of the Shareholders' Meeting"), safeguarding the rights of shareholders and transparency of information.

At the Annual General Meeting, shareholders may cast one vote for every thousand shares that they own or represent. The Policy for communication and contact with shareholders, institutional investors and proxy advisors, approved by the Board of Directors and compliant with the Good Governance Code of Listed Companies of June 2020, aims to promote the transparency of public information and build trust while safeguarding, at all times, the legitimate interests of institutional investors, shareholders and proxy advisors and of all other stakeholders of Banco Sabadell.

The Bank has maintained the highest standards of transparency and participation to improve and promote the participation of shareholders at both the Ordinary Annual General Meeting of 20 March 2025 and at the two Extraordinary General Meetings held on 6 August 2025, so that they were able to attend these events not only in person but also, (as made possible by the Bank since 2022), remotely through a live broadcast, as well as being able to vote on motions on the agenda and speak during question time. To that end, the Bank reiterated that it has set up electronic channels through Banco Sabadell's websites (corporate website and BSOonline) and its mobile app (BSMovil) so that shareholders can delegate and cast their vote in advance of the General Meetings.

Those channels are embedded on the Bank's website and they provide a fast and straightforward experience to customers who are shareholders and to shareholders in general, in addition to making interactions easier.

The 2025 Annual General Meeting, convened on 6 February 2025, took place on 20 March 2025, on second call.

At the Annual General Meeting held on 20 March 2025, shareholders approved all items on the agenda, among them the annual financial statements and the corporate management of the financial year 2024 and, in relation to appointments, they approved the re-election to the Board of César González-Bueno Mayer Wittgenstein, in the capacity of Executive Director, and of Manuel Valls Morató, in the capacity of Independent Director. On 6 February 2025, Laura González Molero tendered her resignation as an Independent Director of Banco Sabadell, effective from the date of the Annual General Meeting. On that same date, Alicia Reyes Revuelta communicated her decision not to stand for re-election as an Independent Director of Banco Sabadell due to her professional commitments, thus resigning from the position with effect from the date of the next Annual General Meeting. To fill these vacancies, during the aforesaid Annual General Meeting, at the proposal of the Board Appointments and Corporate Governance Committee, shareholders agreed to appoint María Gloria Hernández García and Margarita Salvans Puigbò as Independent Directors. They joined the Board for the first time at the Board meetings held on 29 May 2025 and 26 June 2025, respectively, having received the corresponding regulatory authorisations.

In light of the analysis of best practices observed in the market when defining the amount, format, frequency and recurrence of shareholder remuneration, the Board of Directors submitted a new Banco Sabadell Shareholder Remuneration Policy to the 2025 Annual General Meeting for consideration by shareholders, obtaining 99.86% votes in favour.

At the aforesaid Annual General Meeting shareholders approved, under point 5 of the agenda and with 99.18% votes in favour, the reactivation of the share buyback programme (originally approved by the Board of Directors in accordance with point 4 of the agenda for the Annual General Meeting of 10 April 2024 and subsequently temporarily suspended on 13 May 2024, at the request of the CNMV received on that same date in light of the publication of the prior announcement of the voluntary tender offer put forward by BBVA for the acquisition of Banco Sabadell shares representing its total share capital), along with the consequent reduction in share capital by the par value of treasury shares that could be acquired by the Institution under the aforesaid reactivated share buyback programme for a maximum pecuniary amount of 247 million euros.

Shareholders at the Annual General Meeting also approved, under point 6 of the agenda and with 99.11% votes in favour, the establishment of a new share buyback programme with the consequent reduction in share capital by the par value of treasury shares that could be acquired by the Institution under said share buyback programme for a maximum pecuniary amount of 755 million euros. Both share buyback programmes were fully executed, as were the respective capital reductions through the redemption of the treasury shares acquired under those programmes. For more information on the terms and timeframes of the above programmes, please see Notes 3 and 22 to the 2025 consolidated annual financial statements.

The Banco Sabadell Annual General Meeting has once again been certified as a 'Sustainable Event', having satisfactorily met the sustainability criteria for certification and having passed the preliminary assessment process and the in-person audit conducted by Eventsost, a comprehensive sustainability certification platform for events. The certification is based on the event sustainability standards considered in the Eventsost certification scheme for sustainable events, and on alignment with the Sustainable Development Goals of the UN's 2030 Agenda applied to event production.

In addition, an external consultant verified the procedures established for preparing and holding the 2025 Annual General Meeting.

The external consultant carried out an individual analysis of each of the phases into which the review was divided (phase I: pre-Meeting, phase II: Meeting, and phase III: post-Meeting), concluding that, from a technical, procedural and legal point of view, all requirements, internal procedures and applicable regulations had been complied with in the three phases analysed.

Extraordinary General Meetings

At its meeting of 3 July 2025, under the provisions of the Articles of Association and the Regulation of the General Meeting of Shareholders, the Board of Directors of Banco Sabadell approved the convening of two Extraordinary General Meetings on 6 August 2025, at second call, the first held at 10am and the second at 1pm.

At the first of the aforesaid General Meetings, shareholders were asked to vote on whether to authorise the disposal of the entire share capital of Banco Sabadell's subsidiary TSB Banking Group plc and other equity instruments and securities issued by the latter. At the second General Meeting, shareholders were asked to vote on whether to approve an extraordinary cash dividend of 50 euro cents (gross) per share charged against unrestricted voluntary reserves, subject to the sale of TSB Banking Group plc and payable on the last business day of the month following the receipt of the sale price. Both items were approved by a very large majority of shareholders: 99.578% voted in favour of the disposal of TSB Banking Group plc and 99.656% voted to approve the extraordinary dividend.

At both General Meetings, as occurred at the Annual General Meeting of 20 March 2025, it was agreed that voting and representation could be carried out and delegated, respectively, remotely prior to the General Meeting.

The Board of Directors also agreed to put the necessary systems and procedures in place to enable shareholders and their proxies to attend using electronic means that allow real-time connection with the venue where the General Meeting is held, and to enable them to participate and vote using the systems and procedures put in place for that purpose.

The two Extraordinary General Meetings were also certified as 'Sustainable Events', in accordance with the same aforementioned sustainability standards and criteria applicable to the 2025 Annual General Meeting, and successfully passed the assessment and in-person audit conducted by Eventsost.

Information regarding the 2025 General Meetings is published on the corporate website: www.grupbancsabadell.com (see section "Shareholders and Investors - Shareholders' General Meeting").

Composition of the Board of Directors

With the exception of matters reserved to the Annual General Meeting, Banco Sabadell's Board of Directors is the most senior decision-making body of the Company and its consolidated Group, as it is responsible, under the law and the Articles of Association, for the management and representation of the Bank. The Board of Directors acts mainly as an instrument of supervision and control, delegating the management of ordinary business matters to the Chief Executive Officer.

The Board of Directors is subject to well-defined and transparent rules of governance, in particular to the Articles of Association and the Regulation of the Board of Directors (available on the corporate website under "Corporate Governance and Remuneration Policy – Regulation of the Board of Directors"), and it conforms to best practices in the area of corporate governance.

As at 31 December 2025, the Board of Directors was formed of 14 members: its Chairman (in the capacity of Other External Director), ten Independent Directors, two Executive Directors and one Other External Director. The composition of the Board keeps an adequate balance between the different director categories that comprise it.

The Board of Directors has a diverse and efficient composition. It is of the appropriate size to perform its duties effectively by drawing on a depth and diversity of opinions, enabling it to operate with a good level of quality and effectiveness and in a participatory way. Its members are suitably diverse in terms of skill sets, professional background, origin and gender, and they have extensive experience in banking, finance, anti-money laundering & counter-terrorist financing, digital transformation & IT, insurance, risk & auditing, in regulatory affairs and the law, in academia, human resources & consultancy, responsible business practices & sustainability, as well as in international business. The Board's Matrix of Competences and Diversity can be consulted on the website in Banco Sabadell's Internal Governance Framework (see corporate website section "Corporate governance and Remuneration Policy – Internal Governance Framework").

Banco Sabadell has had this competences and diversity matrix in place since 2019, which is reviewed annually by the Board of Directors, following a favourable report from the Board Appointments and Corporate Governance Committee, and which was last reviewed on 27 March 2025, as a result of the most recent Board appointments of María Gloria Hernández García and Margarita Salvans Puigbò.

As at 2025 year-end, there were six female Directors, including five female Independent Directors out of a total of ten Independent Directors and one female Other External Director. As of 2024, women represented 40% of the Board of Directors, based on a total of 15 Board members. Based on the current Board composition, which comprises a total of 14 members, female representation has risen to 43% and women account for 50% of Independent Directors, thereby complying with the Directive of the European Parliament and of the Council on improving the gender balance among directors of listed companies and related measures, and doing so ahead of the timeframes established in Organic Law 2/2024 of 1 August on equal representation and the balanced presence of women and men.

As indicated above, at the Annual General Meeting of 20 March 2025, shareholders agreed to appoint two female Independent Directors to replace two other departing female Independent Directors, Laura González Molero and Alicia Reyes Revuelta, who ceased to be members of the Board with effect from the date of the Annual General Meeting.

The incorporation of María Gloria Hernández García and Margarita Salvans Puigbò has increased and reinforced the diversity of knowledge and financial experience on the Board. María Gloria Hernández García has an outstanding profile as an economist with executive experience and as an

Board of Directors

31 December 2025

Chairman

Josep Oliu Creus

Deputy Chairman

Pedro Fontana García

Chief Executive Officer

César González-Bueno Mayer

Female directors

Aurora Catá Sala

Ana Colonques García-Planas

María José García Beato

Mireya Giné Torrens

María Gloria Hernández García

Margarita Salvans Puigbò

Male directors

Lluís Deulofeu Fuguet

Manuel Valls Morató

Pedro Viñolas Serra

Lead Independent Director

George Donald Johnston III

Director-General Manager

David Vegara Figueras

Non-Director Secretary

Miquel Roca i Junyent

Non-Director Deputy Secretary

Gonzalo Baretino Coloma

Independent Director with knowledge of the financial sector, capital markets, retail and corporate banking, in addition to her experience in planning and strategy, risk management and control, accounting and auditing, and in corporate governance and sustainability. For her part, Independent Director Margarita Salvans Puigbò has an excellent financial profile with executive and business experience; her financial sector knowledge and experience encompasses retail banking, planning and strategy, risk management and control, and accounting. The new Directors have full capacity to apply their knowledge and skill to the banking business. All of that, combined with the multi-disciplinary and executive capabilities of the new female Directors, has helped to consolidate the collective suitability of the Board of Directors and to maintain its collective ability to challenge the Bank's executives and to perform its overarching supervisory and control functions.

On 27 November 2025, an Other Relevant Information filing addressed to the CNMV was published, indicating that David Martínez Guzmán, Proprietary Director of Banco Sabadell, had tendered his resignation as a member of the Board of Directors by means of a letter addressed to the Chairman, which was conveyed to all members of the Board of Directors at their meeting of the same date. In the letter, Mr Martínez Guzmán states that during these 12 years of tenure on the Board, he has witnessed a transformation of the Bank and expresses his deep gratitude for the resounding success achieved by both the Chairman and the competent teams who have worked for the Bank.

The Banco Sabadell Director Selection Policy of 25 February 2016 (last amended on 12 November 2025) establishes the principles and criteria that should be taken into account in selection processes and also, therefore, in the initial fit and proper assessment and ongoing assessments of the members of the Board of Directors, as well as in the re-election of members of the management body in order to ensure their smooth succession, the continuity of the Board of Directors and the suitability of all its members.

The process for selecting candidates to sit on the Board of Directors and for re-electing existing Directors is governed, among other things, by the diversity principle, fostering the diversity of the Board of Directors in order to promote a diverse pool of members, and ensuring that a broad set of qualities and competences is engaged when recruiting members, to achieve a variety of views and experiences and to facilitate independent opinions and sound decision-making within the Board of Directors.

The Board of Directors should ensure that the procedures for selecting its members apply the diversity principle and favour diversity in relation to aspects such as age, gender, disability, geographical provenance and educational and professional background, as well as any other aspects deemed appropriate to ensure the suitability and diversity of its pool of members. Furthermore, it should ensure that such procedures are free from implicit bias that may entail any degree of discrimination and, in particular, that they facilitate the selection of female directors in the number required to achieve a balanced composition of women and men, in compliance with the percentages set forth in Organic Law 2/2024, of 1 August, on equal representation and balanced presence of women and men.

At its meeting of 12 November 2025 following a favourable report from the Board Appointments and Corporate Governance Committee, the Board of Directors approved a new plan for the renewal of the Bank's Board of Directors, which establishes the foundations and principles to plan appropriately for the renewal of mandates and the succession of the Bank's directors. The new plan covers the period from 2026 to 2029. The previous plan, which covered the period from 2021 to 2024, approved in September 2021, was extended by one year, pursuant to the provision set out in the plan itself.

The Board of Directors has a Lead Independent Director who, in accordance with the Articles of Association, may ask the Board of Directors to call a meeting, request the inclusion of new items on the agenda, coordinate and convene Non-Executive Directors, voice the opinions of External Directors and lead, where applicable, the regular appraisal of the Chairman of the Board of Directors. The Lead Independent Director also coordinates the Succession Plan for the Chairman and Chief Executive Officer, approved in 2016 and revised in January 2025, while compliance therewith is verified each year by the Board Appointments and Corporate Governance Committee, and most recently in January 2026. In practice, the Lead Independent Director also leads meetings with investors and proxy advisors.

To ensure better and more diligent performance of its general supervisory duties, the Board of Directors undertakes to directly perform the responsibilities provided by law. These include:

- those deriving from generally applicable rules on corporate governance;
- approving the Company's general strategies;
- appointing and, where necessary, removing directors of subsidiaries;
- identifying the Company's main risks and implementing and monitoring the appropriate internal control and reporting systems;
- drawing up policies on the disclosure of information and communication with shareholders, markets and the general public;
- setting policy on treasury stock in accordance with any guidelines laid down at the Annual General Meeting;
- approving the Annual Corporate Governance Report;
- authorising the Company's transactions with directors and significant shareholders that may lead to conflicts of interest; and
- generally deciding on business or financial transactions that are of particular importance for the Company.

Board Committees

In accordance with the Articles of Association, the Board of Directors has set up the following Board Committees:

- The Board Strategy and Sustainability Committee.
- The Delegated Credit Committee.
- The Board Audit and Control Committee.
- The Board Appointments and Corporate Governance Committee.
- The Board Remuneration Committee.
- The Board Risk Committee.

The organisation and structure of the Board Committees are set out in the Articles of Association, in the Regulation of the Board of Directors and in the respective Regulations of the Board Committees, which set forth rules for their composition, operation and responsibilities (see corporate website section "Corporate Governance and Remuneration Policy – Regulations of the Committees"), and also develop and supplement the rules of operation and basic functions set forth in the Articles of Association and in the Regulation of the Board of Directors.

The Board Committees have sufficient resources to perform their duties and they may seek external professional advice and information on any aspect of the Institution, having unrestricted access both to Senior Management and Group executives and to all information and documentation, of any kind, held by the Institution on matters within their remit.

With regard to the change in the composition of Board committees, on 20 March 2025, Laura González Molero ceased her role as part of the Board Audit and Control Committee and of the Board Remuneration Committee as a result of her resignation from the position of Director, and Alicia Reyes Revuelta ceased her role as part of the Delegated Credit Committee and of the Board Risk Committee.

At its meeting of 28 April 2025, the Board of Directors agreed, following a report from the Board Appointments and Corporate Governance Committee, to change the composition of the Board Committees. Mireya Giné Torrens was appointed a voting member of the Delegated Credit Committee and ceased her role as part of the Board Appointments and Corporate Governance Committee; Ana Colonques García-Planas was appointed a voting member of the Board Appointments and Corporate Governance Committee; and Pedro Viñolas Serra was appointed a voting member of the Board Appointments and Corporate Governance Committee.

In the interests of the continuous improvement of the Institution's corporate governance, following the incorporation in the Board of Directors of María Gloria Hernández García as Independent Director and pursuant to the assessment carried out by the Board Appointments and Corporate Governance Committee to analyse the composition of the Board Committees, at its meeting of 29 May 2025 the Board of Directors, agreed to appoint María Gloria Hernández García as voting member of the Board Audit and Control Committee and voting member of the Board Risk Committee, in view of her skills and experience in accounting and auditing and in risk management and control. On the same date, Pedro Viñolas Serra ceased his role as part of the Board Audit and Control Committee.

At the Board meeting held on 26 June 2025, following the incorporation of Margarita Salvans Puigbò as an Independent Director, she was appointed a voting member of the Board Audit and Control Committee and voting member of the Board Remuneration Committee, in view of her skills and experience in accounting & auditing, human resources, culture, talent and remuneration.

The Board Appointments and Corporate Governance Committee also appreciated the valuable contribution of business experience of both Directors on these Board Committees. With these appointments a high percentage of women, as the under-represented sex, has been maintained on the Board Committees, and the age diversity of those occupying roles has been reinforced.

The composition and number of meetings of these Board Committees as at 31 December 2025 are shown in the table below:

Composition of the Board Committees

Position	Strategy and Sustainability	Delegated Credit	Audit and Control	Appointments and Corporate Governance	Remuneration	Risk
Chair	Josep Oliu Creus	Pedro Fontana García	Manuel Valls Morató	Pedro Fontana García	Mireya Giné Torrens	George Donald Johnston III
Voting member	Lluís Deulofeu Fuguet	Lluís Deulofeu Fuguet	Ana Colonques García-Planas	Aurora Catá Sala	Ana Colonques García-Planas	Aurora Catá Sala
Voting member	Pedro Fontana García	Mireya Giné Torrens	María Gloria Hernández García	Ana Colonques García-Planas	Margarita Salvans Puigbò	María Gloria Hernández García
Voting member	María José García Beato	César González- Bueno Mayer	Margarita Salvans Puigbò	María José García Beato		Manuel Valls Morató
Voting member	César González- Bueno Mayer (*)	Pedro Viñolas Serra		Pedro Viñolas Serra		
Voting member	George Donald Johnston III					
Secretary	Miquel Roca i Junyent	Gonzalo Baretino Coloma	Miquel Roca i Junyent	Miquel Roca i Junyent	Gonzalo Baretino Coloma	Gonzalo Baretino Coloma
Non-voting member						
Meetings in 2025	14	38	13	16	11	16

(*) Member for matters of strategy only.



Board Strategy and Sustainability Committee

The Board Strategy and Sustainability Committee was set up in 2021 and is formed of five Directors: three Independent, one Other External and its Chair (in the capacity of Other External Director), who is the Chairman of the Board of Directors. On matters of strategy, the Chief Executive Officer takes part in the meetings, with rights to speak and vote, meaning that on such matters this Board Committee has six members.

With regard to strategy, the Board Committee's main responsibilities are to evaluate and propose strategies to the Board of Directors for the Company's business growth, development, diversification and/or transformation, and to report to and advise the Board of Directors on matters related to the Company's long-term strategy, identifying new opportunities to create value and bringing corporate strategy proposals to the Board's attention in relation to new investment or divestment opportunities, financial transactions with a material accounting impact, and significant technological transformations. It is also responsible for studying and putting forward recommendations and improvements to the strategic plans and their updates which may be brought before the Board at any time, and for issuing and submitting a report to the Board on an annual basis containing the proposals, assessments, studies and work carried out during the year.

With regard to sustainability, the Board Committee has the following responsibilities: review the Institution's sustainability and environmental policies; report to the Board of Directors on potential modifications and regular updates of the sustainability strategy; review the definition and amendment of the policies on diversity and inclusion, human rights, equal opportunities and work-life balance and periodically evaluate the level of compliance therewith; review the Bank's strategy for social action and its sponsorship and patronage plans; review and give status reports on the Consolidated Non-Financial and Sustainability Disclosures Report of Banco de Sabadell, S.A. and subsidiaries (Sustainability Report), prior to its review and related reporting by the Board Audit and Control Committee and before its subsequent submission to the Board of Directors; and receive information related to reports, documents or communications from external supervisory bodies with regard to the responsibilities of this Board Committee.

Delegated Credit Committee

The Delegated Credit Committee is formed of five Directors: one Executive and four Independent (one of whom is its Chair). Its main duties are to analyse and, where appropriate, approve credit operations, in accordance with the assumptions and limits established by express delegation of the Board of Directors, and to prepare reports on matters within its area of activity that may be required of it by the Board of Directors. Furthermore, it shall have all the responsibilities ascribed to it by law, the Articles of Association and the Regulation of the Board of Directors.



Board Audit and Control Committee

The Board Audit and Control Committee is formed of four Independent Directors, its Chair being an audit expert. It aims to oversee the effectiveness of the Bank's internal control, internal audit and risk management systems, supervise the process for preparing and disclosing regulated financial information, report on the Bank's annual accounts and interim financial statements, manage relations with statutory auditors, and ensure that appropriate measures are taken in the event of any improper conduct or methods. It also ensures that the measures, policies and strategies defined by the Board of Directors are duly implemented.

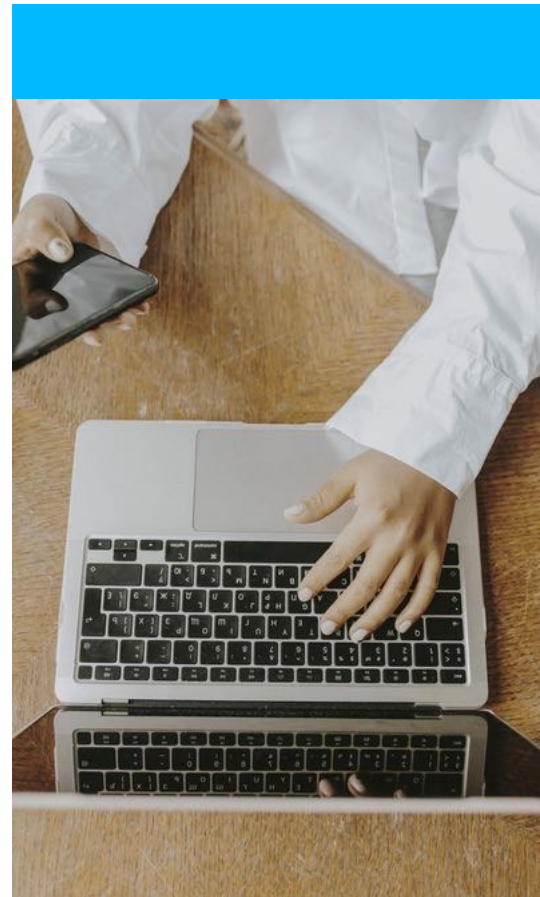
Board Appointments and Corporate Governance Committee

The Board Appointments and Corporate Governance Committee is formed of four Independent Directors (one of whom is its Chair) and one Other External Director. Its main duties are to exercise vigilance to ensure a compliant qualitative composition of the Board of Directors, evaluating the suitability and necessary skills and experience of the members of the Board of Directors; escalate proposals for the appointment of Independent Directors and report on proposals for the appointment of the remaining Directors; report on proposals for the appointment and removal of senior executives and members of the Identified Staff; report on the basic terms of the contracts of Executive Directors and senior executives; and examine and organise the succession of the Bank's Chairman of the Board and Chief Executive Officer and, where appropriate, put forward proposals to the Board so that the aforesaid succession may take place in an orderly and planned manner. It should also establish a goal for representation of the under-represented sex on the Board of Directors and develop guidance on how to achieve that goal.

In matters related to corporate governance, it is responsible for informing the Board of Directors of the Company's corporate policies and internal regulations, unless they fall within the remit of other Board Committees; supervising compliance with the Company's corporate governance rules, except for those that fall within the remit of other Board Committees; submitting the Annual Corporate Governance Report to the Board of Directors for its approval and annual publication; supervising, within its sphere of competence, the Company's communications with shareholders and investors, proxy advisors and other stakeholders and reporting to the Board of Directors on these communications; and any other actions that may be necessary to ensure good corporate governance in all of the Company's activities.

Board Remuneration Committee

The Board Remuneration Committee is formed of three Independent Directors. Its main responsibilities are to put forward proposals to the Board of Directors on the remuneration policy for Directors and General Managers, as well as on individual remuneration and other contractual terms of Executive Directors, and to ensure compliance therewith. Additionally, it provides information for the Annual Report on Director Remuneration and reviews the general principles concerning remuneration and the remuneration schemes applicable to all employees, ensuring transparency in remuneration matters.



Board Risk Committee

The Board Risk Committee is formed of four Independent Directors. Its main responsibilities are to supervise and ensure that all risks of the Institution and its consolidated Group are appropriately taken, controlled and managed, and to report to the full Board on the performance of its duties, in accordance with the law, the Articles of Association, the Regulation of the Board of Directors and that of the Board Committee itself.

Chairmanship of the Bank

Article 55 of the Articles of Association stipulates that the Chairman shall perform his duties as a Non-Executive Director. The Chairman is the most senior representative of the Bank and has the rights and obligations inherent in that representation. The Chairman, through the performance of his duties, is ultimately responsible for the effective operation of the Board of Directors and, as such, he represents the Bank in all matters and signs on its behalf, convenes and chairs meetings of the Board of Directors, sets the meeting agenda, leads discussions and deliberations during Board meetings and ensures the fulfilment of the resolutions adopted by the Board of Directors.

Chief Executive Officer

Pursuant to Article 56 of the Articles of Association, the Chief Executive Officer is ultimately responsible for managing and directing the business and will be the Bank's representative in the absence of the Chairman. The Board of Directors shall also delegate to the Chief Executive Officer, on a permanent basis, all the powers that it sees fit from among those that may be legally delegated.



Control units

The Internal Audit unit and the Risk Control & Regulation unit have access and report directly to the Board of Directors and its Committees, specifically, to the Board Audit and Control Committee and the Board Risk Committee, respectively.

The Bank publishes the Annual Corporate Governance Report (which includes detailed information on the Bank's corporate governance arrangements), the Annual Report on Director Remuneration and the Consolidated Non-Financial and Sustainability Disclosures Report of Banco de Sabadell, S.A. and subsidiaries (Sustainability Report), which form part of this Directors' Report, on the website of the Spanish National Securities Market Commission (CNMV) and on Banco Sabadell's corporate website www.grupbancsabadell.com.



1.5 Customers

The customer experience at Banco Sabadell has grown for the third consecutive year in Retail Banking and across all segments in Business Banking.

2025 has been a year of many challenges for the Spanish banking industry, which was faced with an unprecedented socio-political environment that has generated high financial volatility. The return of protectionist policies in the United States and the persistent conflict in Eastern Europe have altered supply chains, raising import costs and therefore affecting investor confidence.

In 2025, Spanish banks faced a scenario in which interest rate cuts reinvigorated the economy and consequently improved the cost of credit for most banking products. In this context, Banco Sabadell has succeeded in providing the Spanish economy with credit capacity, having increased consumer credit by 16% and mortgage lending by 17% in the year. In addition, card turnover and PoS turnover increased by 6% and 2%, respectively, thereby consolidating the Bank's position in payment services.

Year after year, Banco Sabadell remains committed to integrating the values that define its brand, such as professionalism and empathy, into customer relationships, either directly through each of its contact channels or by adapting its products to its customers' needs.

Banco Sabadell has improved its Net Promoter Score (NPS) for the third consecutive year in Retail Banking and in Business Banking where it grew across all segments, improving its position in the SME ranking.

Banco Sabadell has made the customer experience a subject tackled at each of the company's strategic forums, incorporating it in the design of both the products and the services offered to customers. The objective is clear: to offer products and services that can be adapted to customers' needs, combining a wide range of products for each type of customer with an omni-channel experience spanning physical and digital channels.

Knowing customers at every stage of their relationship with Banco Sabadell is crucial, which is why new methodologies have been developed using artificial intelligence, allowing the Bank to listen to what customers are saying, to measure and determine the main reasons for customer satisfaction and dissatisfaction, and to ascertain how near or far it is from meeting customers' expectations. The ultimate goal is to implement courses of action that make it possible not only to improve customers' experience but to also try to surpass their expectations.

These methodologies enable processes to be transformed and adapted to customers' needs, thereby improving their experience.

Measuring customer experience

Understanding the behaviours and needs of customers through their opinions is key for Banco Sabadell.

Measuring customer experience involves understanding the market, consumers and customers, using a number of different qualitative and quantitative analytical methodologies to that end.

Qualitative analysis

In order to better understand the environment and the customers within it, different qualitative studies and research projects are undertaken using different methodologies. The aims pursued include:

- Listening carefully, actively and constantly to what customers have to say, so as to ascertain how they experience their relationship with the Bank at different touchpoints.
- Understanding the concerns, worries and attitudes of consumers and their current and future needs.
- Identifying the more emotional and less obvious side of consumer decision-making.
- Defining *ad hoc* value propositions for each type of customer.

A variety of techniques are used, ranging from conventional in-depth interviews and segment-specific focus groups to more innovative methodologies based on behavioural economics and the detection of the deepest emotions and motivations of consumers. Currently, various artificial intelligence tools help to address customer opinion from a broader perspective, allowing real-time analysis of their opinions on products and services and, therefore, enabling a very rapid response capacity as these tools help to identify customer needs. This makes it possible to respond to potential problems and, at the same time, helps to identify relevant solutions, enabling the Bank to offer products and services that meet customers' current expectations.

Quantitative analysis

Banco Sabadell also analyses the experience of its customers through quantitative studies. Some of these are more closely related to the traditional concept of customer satisfaction, while others incorporate more emotional aspects of customers, to make the organisation more aware of the importance of considering customers in its decision-making, so as to make meaningful improvements.

1. Net Promoter Score (NPS)

The NPS, considered to be the benchmark indicator in the market used to measure customer experience, allows Banco Sabadell to be compared against its peers and even against companies in other sectors, both nationally and internationally.

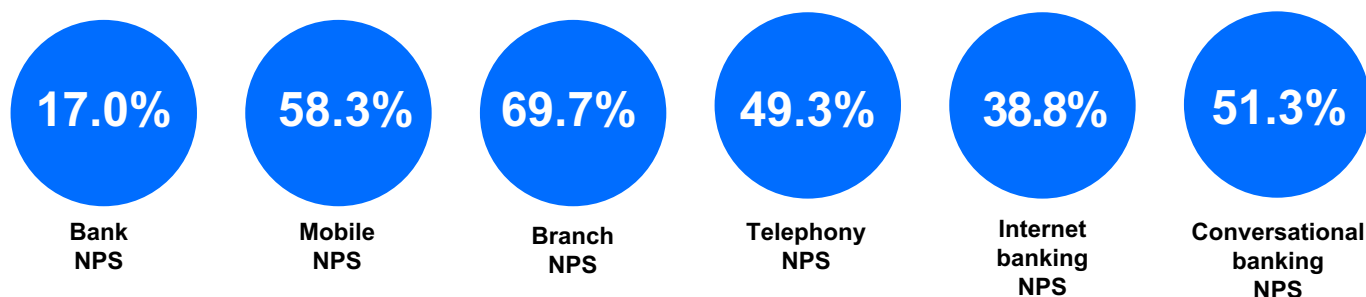
Banco Sabadell Spain's position in the ranking



Source: Accenture benchmarking of major Spanish financial institutions (2025 data).

In light of the digital transformation, the measurement of customer satisfaction in digital channels has become more important. In this respect, it is worth noting the NPS for the telephony channel, which increased to 31% (an increase of 12 percentage points compared to 2024).

TSB data



Source: TSB internal NPS tracking studies. The measurement methodology has been changed from a 13-week rolling score in 2024 to weekly measurement with an annual cumulative score in 2025.

The results obtained during 2025 confirm that Banco Sabadell is on the right track.

Stemming from the focus on always offering the best possible experience to each customer group, one of the Bank's objectives is to continuously improve its NPS, both in terms of Key Performance Indicators (KPIs) and in terms of its position compared to other banks.

2. Satisfaction surveys

The overall customer experience measurement and management model of Banco Sabadell Spain is based on different indicators obtained from more than 1 million surveys and at more than 20 touchpoints. The results of the various surveys allow it to ascertain the level of satisfaction of its customers and to identify areas where specific processes and contact channels could be improved. For each of these surveys and studies, the Bank sets itself improvement targets and continuously monitors progress.

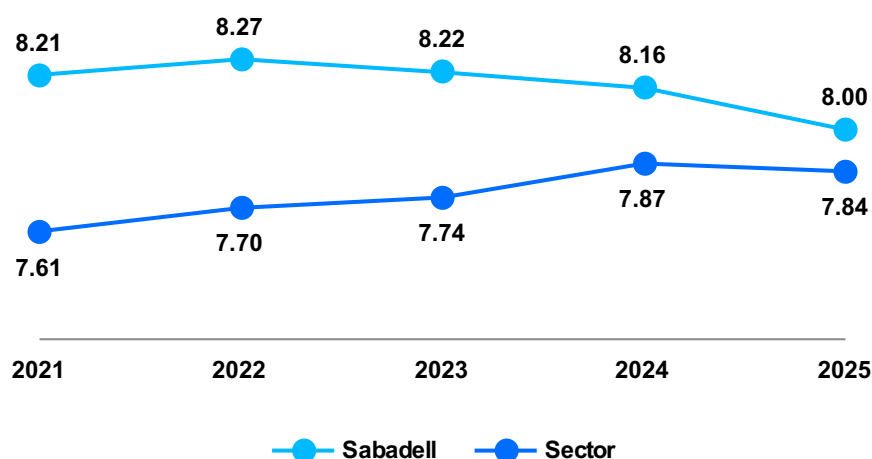
In a multichannel environment, the surveys related to specialised customer service, both in branches and in the digital sphere, are becoming increasingly relevant. For Banco Sabadell, the use of digital channels is a moment of truth, so it has focused its efforts on measuring customer satisfaction and the improvement of the customer experience with, among other things, online banking for individuals (BSOnline Particulares) and for businesses (BSOnline Empresas), as well as the mobile app. The excellent results of the internal NPS survey are particularly noteworthy, with the NPS in the retail segment improving by 5 percentage points.

3. Branch quality surveys

In addition to analysing customer perceptions, Banco Sabadell also carries out objective studies using approaches such as the mystery shopping technique, where an independent consultant poses as a buyer to assess the quality of service and the commercial approach to potential customers followed by the sales team.

EQUOS RCB (Stiga) is the market benchmark survey that evaluates the quality of service offered by Spanish financial institutions through the mystery shopping technique. Banco Sabadell ranks among the leading players and continues to stand out in terms of quality with respect to the sector.

Level of service quality



Customer Care Service (*Servicio de Atención al Cliente*, or SAC)

The Customer Care Service of Banco de Sabadell, S.A. conforms to the provisions of Ministry of the Economy Order 734/2004 of 11 March, the guidelines issued by the European Banking Authority (EBA) and the European Securities Market Authority (ESMA), and the Banco Sabadell regulation for the protection of customers and users of financial services. The most recent update of that regulation was verified by the Bank of Spain on 14 April 2025.

In accordance with its Terms of Reference, Banco Sabadell's SAC handles and resolves complaints and claims received from customers and users of Banco Sabadell's financial services and those of the institutions associated with it: Sabadell Asset Management, S.A., S.G.I.I.C. Sociedad Unipersonal, Urquijo Gestión, S.G.I.I.C, S.A. and Sabadell Consumer Finance, S.A.U.

In addition, the SAC can issue recommendations or suggestions derived from the analysis of complaints and claims received by the SAC.

In order to ensure its decision-making autonomy, the SAC is independent of the Bank's operational and business lines and it has the necessary resources to deal appropriately with complaints and claims, under the principles of transparency, independence, effectiveness, coordination, speed and security. The SAC also has sufficient authority to access all the necessary information and documentation in order to analyse each case, and the operational and business units are obliged to cooperate diligently in this regard. Banco Sabadell's regulation on the protection of customers and users of financial services ensures compliance with the above-mentioned requirements.

In 2025, 63,164 complaints and claims were received: 62,203 processed in the first instance by the SAC, 216 through the Customer Ombudsman (which, since 31 January 2025, is no longer designated by the Institution), 712 through the Bank of Spain and 33 through the CNMV. This year, 62,966 complaints were managed, of which 51,953 complaints were accepted for processing and resolved, 10,834 complaints were not accepted for processing as they did not meet the requirements set out in the Terms of Reference, and 179 complaints were pending resolution by the regulator.

See Note 42 to the consolidated annual financial statements for further details.

Multichannel strategy

During 2025, Banco Sabadell has consolidated its multichannel strategy, mainly thanks to the development of new capabilities in digital and remote channels, while various actions have been taken to improve the current digital customer onboarding process. This has cemented Banco Sabadell's position as one of the lead players in terms of onboarding at the domestic level, in a highly competitive environment.

All of this has made it possible to meet the targets for newly onboarded customers set by the Group at the start of the year.

In parallel, customer-focused actions have been intensified, encouraging early account activation to fast-track their engagement with the Institution. These actions are very much focused on covering the customer's needs in the early stages of their relationship with the Bank, by offering them assistance from the very beginning, whether digitally or remotely.

In addition, commercial actions aimed at attracting direct salary deposits and activation of the Bizum payment system were launched, which have substantially increased the proportion of domiciled salaries among newly acquired customers, as well as the number of customers using Bizum.

This was supported by the consolidation of several teams that provide support and advise customers in matters that may require greater specialisation and expertise, thus enabling customers to make the best decisions in personal finance matters.

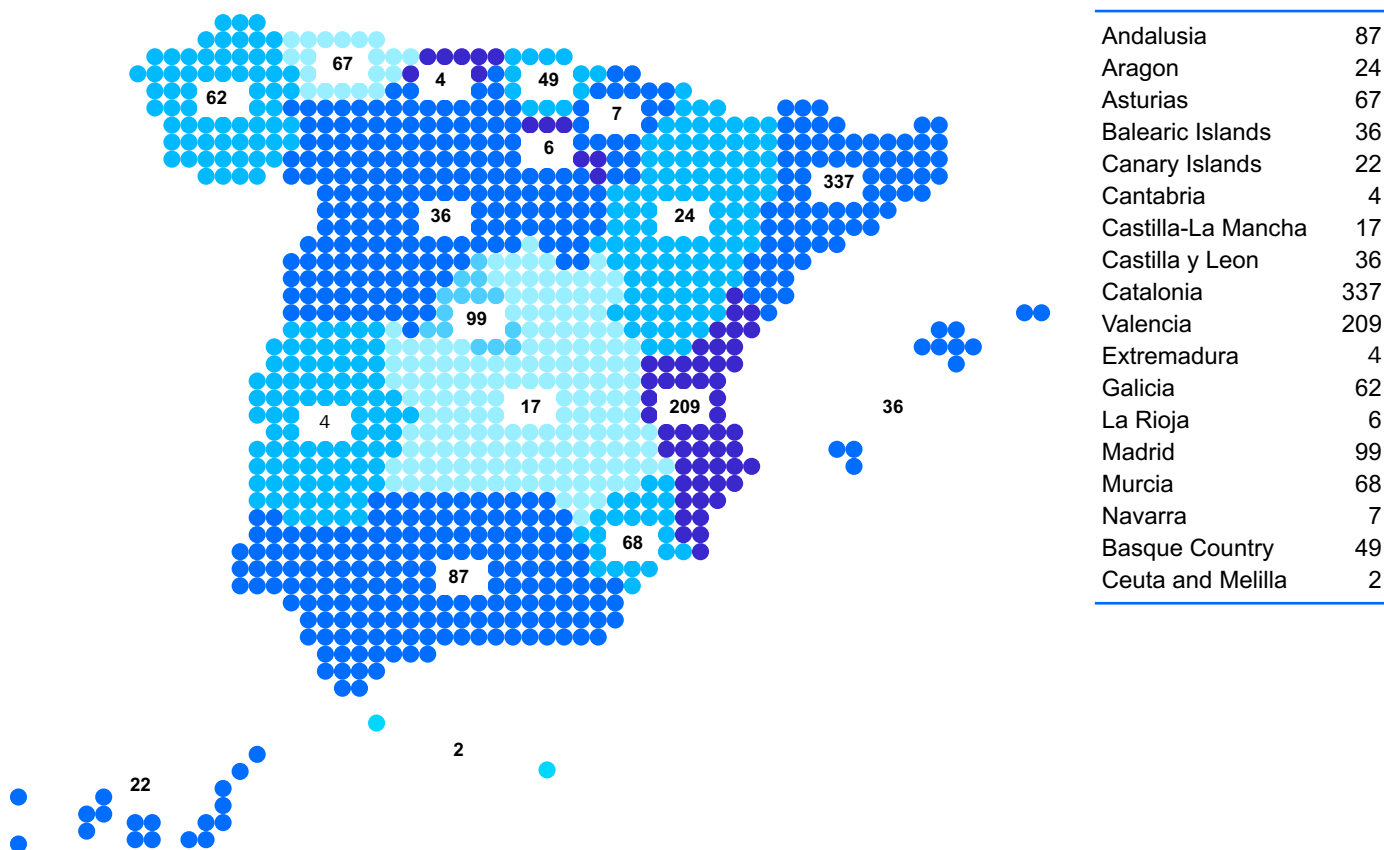
Branch network

The Group ended 2025 with a network of 1,336 branches, representing a reduction of 14 branches with respect to 31 December 2024.

Of the total number of branches and offices in Spain of Banco Sabadell and its Group, 841 operate under the Sabadell brand (including 26 Business Banking branches and 2 Corporate Banking branches), 62 operate as SabadellGallego (3 Business Banking branches), 61 as SabadellGuipuzcoano (5 Business Banking branches), 85 as SabadellHerrero in Asturias and León (3 Business Banking branches), 80 operate as Solbank, 7 as SabadellUrquijo, and 200 branches make up the international branch network, including 175 corresponding to TSB and 12 to Mexico.



Number of branches and offices, by autonomous community



Banco Sabadell in the world



● Subsidiaries and investees

Mexico City (Mexico)
London (UK)

● Branches

Miami (USA)
Paris (France)
Casablanca (Morocco)
Lisbon (Portugal)
London (UK)

● Representative offices

Algiers (Algeria)
Beijing (China)
Shanghai (China)
Dubai (UAE)

New York (USA)
New Delhi (India)
Santo Domingo (Dom. Rep.)
Istanbul (Turkey)

ATM network

Banco Sabadell ended the year with a fleet of 2,346 ATMs in Spain, of which 1,736 are in-branch and 610 are out-of-branch. Compared to 2024, the number of ATMs has decreased by 0.2%, mainly due to branch closures.

In terms of ATM transactions carried out in 2025, the downward trend observed during the previous year continued, with approximately 66 million transactions carried out with a value of 22 billion euros, which is a decrease of approximately 9.3% in the total number of transactions and a drop of 5% in the value of those transactions.

Deposits and withdrawals were the most commonly used types of transactions and, in both cases, there was a slight decrease compared to the previous year.

The main goals for 2025 were to improve the overall availability of the fleet, modernise the technology by upgrading around 580 ATMs and by developing software adapted to the European Accessibility Act (Law 11/2023 on the transposition of EU Directives, which transposed Directive 2019/882), enhance the customer experience and review the appearance and cleanliness of ATMs.

Companies Hub (*Hub Empresa*)

Companies Hub is Banco Sabadell's business networking centre, an initiative aimed at customer and non-customer businesses alike, which seeks to offer them high-value content and connections to help them deal with the challenges they may face, now and in the future, and to explore opportunities for their business ventures.

This platform reinforces Banco Sabadell's position as the financial institution that best understands the challenges of transformation faced by businesses today, and as the financial partner that is best equipped to support them in their business journey.

The Companies Hub comprises:

- A digital environment with activities organised by the Bank's experts and external professionals. In 2025, 117 activities took place (41 webinars, 63 in-person events live-streamed from the Companies Hub in Valencia, and 13 in-person events streamed from other regions), in which over 18,000 professionals took part. The recordings also had more than 28,000 post-event viewings.
- An important physical space for companies in the heart of Valencia, with workspaces for business meetings. In 2025, 210 events took place there (the key events that were live-streamed, as mentioned above, plus other collaborative events and instances where the space was leased out to business entities), in which more than 11,000 people took part in face-to-face encounters and were able to enjoy some excellent networking opportunities. In addition, customer businesses made 1,026 reservations of meeting rooms at the Hub (with 3,972 participants using them).

2025 saw consolidation of the strategy of holding face-to-face Companies Hub events in other territories, with a total of 13 sessions taking place: 6 in Madrid, 6 in Barcelona and 1 in Oviedo.

In terms of communications, 15 articles and press items and 62 short videos for social media were produced, generating 312 news items in the media, including 290 online and 22 in the print media, reaching a wide audience in the press and on social media.

A new space on the Companies Hub website has been created, incorporating information about awards and events held as part of the Banco Sabadell Company of the Year Awards (*Premios Empresa del Año*). These award ceremonies are held annually throughout the territory and are supported through dissemination in the press media by *Prensa Ibérica*.

All of the activities are designed based on the key thematic areas agreed on by the Editorial Committee which meets at the start of the year. This year, the “Inspiring stories” (*Historias inspiradoras*) cycle of conferences was particularly interesting, with the participation of Taxus Medio Ambiente, Veritas, Logifruit and Port Hotels.

New topic-based series of sessions have been launched, including one on Business Financing, one on the Family Business and another on Franchises, which add to the established ongoing series on Artificial Intelligence, Internationalisation, and Sustainability in the Business.

Additionally, non-series sessions have been organised to address current topics, such as the macroeconomic and geopolitical environment, ICO MRR credit lines, and new developments in electronic invoicing. Meetings have also been held to focus on specific sectors, such as tourism and the third sector.

The overall number of participants this year was 29,579 (58,205 if video views and events available to companies via the internet are added). Professionals from the Bank have participated as speakers at 66% of these events.

Participants at these events continue to rate the activities very highly, with an average overall rating of 9.21 out of 10 (3,559 surveys answered).

Direct Branch

Telephone helpline

In 2025, efforts were focused on ensuring that the telephone service is accessible and on the customer experience offered, pursuing two key goals: firstly, to resolve issues on the first call, and secondly, to obtain the customer’s recommendation of the customer care service.

This year, 3.36 million calls were received, of which 3.18 million were handled, indicating a Service Level Agreement (SLA) fulfilment rate of 95%.

In terms of the perceived customer experience, actions were taken to improve the First Call Resolution (FCR) indicator, as a result of which the resolution rate at year-end was 83%, having improved by two percentage points compared to the previous year.

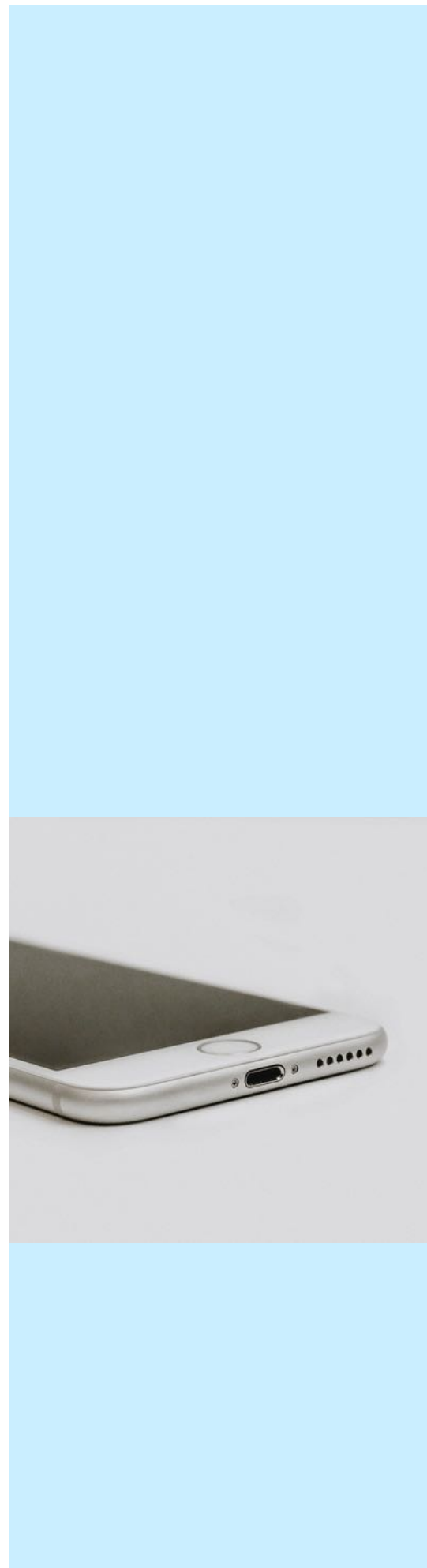
With regard to customer recommendations of the telephone service, these have remained at very good levels over the year, ending with an annual cumulative percentage of 60% (CXI), seven percentage points higher than the previous year.

Text-based customer care

Banco Sabadell is active on five social media channels: X, Facebook, LinkedIn, YouTube and Instagram, with 20 different profiles at the national level, positioning itself as one of the financial institutions with the best digital reputations in the sector.

One of the most prominent KPIs in global social media ranking reports is the SLA fulfilment rate, which reached 99% in 2025.

Another text-based customer care service that Banco Sabadell offers is its web chat service, which this year recorded increased usage of 27% in the number of chats and 14% in the number of customers compared to 2024. This is further proof of the growing importance of this service as the



preferred channel of interaction among our digital customers, a group whose number continues to steadily grow with each passing year.

Some of the most notable improvements introduced in the chat channel include the simplification of processes, quality responses, personalised attention and the incorporation of new chatbot autonomy features, to avoid having to divert customers to other channels such as the telephony channel or their local branch. All these actions have resulted in an improved query resolution rate (100% increase compared to 2024) and an improved NPS (10 percentage points increase compared to 2024). The resolution capacity is expected to continue improving throughout 2026.

Business customer care and direct channels

Following the segmentation of the telephony channel, carried out in October 2024, which differentiated customer care for retail and business banking customers, in 2025, the customer care unit for self-employed persons, small businesses and SMEs (*Atención a Autónomos, Negocios y Pymes*, or ANA) was consolidated as the specialist unit in this segment. The volume of calls received levelled out at an average of 77,000 calls per month, with enquiries related to files and reverse factoring services being the most frequently asked questions (43%), followed by requests for help with BSONline (18%).

The Customer Care Level (*Nivel De Atención*, or NDA) is one of the service's main KPIs, reaching 94% in 2025, having increased by 2 percentage points compared to 2024. One of the priorities in 2025 was to improve the NPS of the telephony channel. In this respect, the Bank successfully positioned itself among the top players compared to its peers and was ranked in first place by self-employed customers in the first two editions of the survey. This improvement is also reflected in internal indicators: the Customer Experience Index (CXI) increased by more than 20 percentage points compared to 2024 and the resolution of queries improved by 8 percentage points, reducing the number of referrals to branches. These outcomes are a direct result of various initiatives implemented over the year, the most notable among them being:

- Application of the development, listening, growth and opportunity (*Desarrollo, Escucha, Crecimiento y Oportunidad*, or DECO) programme.
- An intensive and product-specialised training plan, aimed at segment specialisation.
- Increased autonomy and improvements in processes, which have led to greater management efficiency.

The Customer Care Space, launched in November 2024, was consolidated in 2025 as the written-format channel for self-employed customers, small businesses, SMEs and corporates (841,000 customers) with around 500,000 visits. From January, the monthly volume of tickets grew from 1,800 to 14,000 and remained stable throughout the year, with issue resolution in excess of 96%.

In the preferential services (SAP for Private Banking and SAPE for companies with turnover of more than 2 million euros), activity increased by 59% and 15%, respectively, in 2025 compared with 2024. The Customer Care Level (NDA) reached 94% for SAPE services and 95% for SAP services in 2025. The NPS improved by more than 14 percentage points among companies with turnover of 2-10 million euros (2nd place in the sector) and by more than 11 percentage points among companies with turnover above 10 million euros (3rd place). These improvements are reflected in the CXI, which is above 61% in both services.



The growth in call volumes is due to:

- Segmentation of telephone activity by customer target, which means that calls from customers in the Private Banking, Wealth Management, SMEs and Large Corporates segments are now managed by preferential teams, thereby freeing up the branches from service tasks.
- The promotion and dissemination of the service by branches and units, thanks to the team's high level of expertise and resolution capacity, particularly in time-critical and high-value cases.
- Another significant factor was the redirection of calls from bankers' mobile phones to SAP, in order to free bankers from operational or service tasks.

In SAPE services, aside from the telephone channel, the following services are managed:

- The digital support mailbox, which provides support and assistance to companies with queries regarding their online operations and procedures or with incidental issues relating to files, with 100% SLA achieved in the resolution of issues within a maximum of 72 hours.
- Email support for Corporate Banking customers.
- Support provided to business operations centres regarding customer requests for assistance with online banking or file management.

Direct channels

This service manages files via four communication channels: Editran, SFTP, EBICS and Swiftnet. These channels make it possible to perform secure and standardised operations, optimising customer management time without need for direct access to electronic banking. The rules and processes are automatically sent in a protected environment, in compliance with security and confidentiality requirements.

The KPIs for this service are excellent, in terms of both query resolution (95%) and customer care (99%).

In 2025, more than 20 improvement projects were put in place, including automated contract fulfilment, which has enabled a significant reduction of time spent on in-branch management.

Digital transformation and customer experience

The digitalisation of consumer habits continues to transform the banking sector. Interactions that previously took place in-branch are increasingly moving over to digital channels. Banco Sabadell is committed to offering its customers an end-to-end experience: fast and secure digital solutions for day-to-day banking and face-to-face customer care at important times. In recent years, the Group has reinforced its technological infrastructure and created Sabadell Digital, combining talent and capabilities to accelerate technological transformation and the implementation of artificial intelligence. On the strength of this, some key developments were consolidated in 2025, including:

- Digital onboarding: now accounts for more than 53% of retail customer acquisition.
- Digital customers: the number of customers active on digital channels in the last three months reached 68% of the total retail customer base. In addition, around half of the retail customer base have their banking needs met using the digital customer service model.
- Digital loans: approximately 90% of loans to retail customers are arranged via remote channels, maintaining the rate and efficacy achieved in the previous year.

These initiatives reinforce the Group's strategy of offering a more flexible, secure and customer-focused service, contributing to efficiency and the creation of sustainable value.

Sabadell Digital

Sabadell Digital has been consolidated as a key asset in Banco Sabadell Group's technological strategy, combining specialised human resources with the intangible assets that underpin the Bank's digital transformation. Its mission is to develop advanced technological solutions to accelerate digitalisation and guarantee competitiveness in an increasingly demanding financial environment.

Sabadell Digital's contribution hinges on three key strategic pillars. Firstly, the management of technological talent, which ensures the attraction and retention of highly specialised profiles, whilst promoting innovation through a culture and conditions geared towards digital development. Secondly, the provision of technological services across the entire Group, pooling technological capabilities and ensuring efficiency and scalability in the delivery of solutions. Lastly, the management of technological assets, optimising their use and ensuring their alignment with strategic objectives.

Since its creation in 2023, Sabadell Digital has driven forward initiatives to strengthen its talent base and technological capacities. In 2025, developments included the hiring of critical profiles for innovation and the consolidation of an operating model that reinforces the Group's technological resilience and flexibility, thus contributing decisively to the digital transformation and the creation of sustainable value.

Main deliveries in 2025

Digital onboarding

In 2025, Banco Sabadell reinforced its digital customer acquisition strategy through the development of its online onboarding process, consolidating it as a key pillar underpinning commercial efficiency and the customer experience. The main improvements introduced include:

- Incorporation of the self-employed customer segment, enabling online account and loan applications and digital operations for this customer group.
- Activation of the companies profile directly from the website and from the app, integrating retail and business banking operations in a single digital access point.
- Preparation for the onboarding of credit cards, scheduled for rollout in the first half of 2026, thus broadening the scope of the digital process.

Thus, Banco Sabadell is consolidating the digital channel as a strategic lever to increase efficiency, reduce operating costs and improve the value proposition, contributing to the Group's competitiveness and its sustainable growth.

Transformation of the mortgage model

Another decisive step was taken in 2025 in the digitalisation of the mortgage lending business, reinforcing the Group's value proposition in a segment that is key to its profitability. The strategy focused on two critical areas: improving the customer experience and optimising operational efficiency. To that end, the mortgage processing service has been redesigned with new agreements that incorporate more demanding service levels and additional obligations, ensuring higher quality and

proactive continuous improvement, underpinned by advanced technological capabilities and sectoral best practice.

In addition, a mortgage management tool was rolled out, designed to enhance the specialised team's productivity and increase its conversion rate, reducing wait times and operating costs. In parallel, preparation began for integration of the mortgage application process with BSONline and with the new mobile app, which will make it possible to offer an omni-channel experience that is more fluid and closely aligned with customers' digital expectations.

These initiatives allow the Group to digitalise critical processes, improve efficiency and strengthen its competitiveness in mortgage products, with a direct impact on the sustainability of growth and future profitability.

Digital loans

Digital loans are one of the main pillars of the sales model transformation in the retail banking customer segment.

In recent years, the Bank has made huge efforts to turn digital channels into the main source of consumer loan sales.

In 2025, retail loans taken out using remote channels represented 90% of total loans taken out.

This year, the Bank continued to improve the process to increase conversions:

- Optimising the pre-approved loan application process to increase the conversion rate through an improved customer experience.
- Improving the reactive lending stream, simplifying the process and improving the design.

Service programme

The aim of the service programme is to offer customers the best experience, allowing them to perform banking operations wherever and whenever needed, thereby reinforcing the efficiency and resilience of the operating model. The transformation carried out in 2025 has had a significant impact on the optimisation of processes and on the improvement of the digital experience.

Previous years' efforts to free up capacity in the branch network continue, to allow greater focus on higher value-added operations. Similarly, calls to Direct Branch have been reduced by 12%, thanks to the broader scope of digital self-service functionalities and the incorporation of intelligent tools that facilitate the resolution of queries in real time. The operating model has been bolstered with improvements to customers' day-to-day operations, including functionalities such as the new semantic search feature and improvements in the identification of purchases via geolocation, which increase transparency and enhance customers' control over their finances.

The digital experience has also developed to maintain positive results. The Banco Sabadell app has incorporated improvements that have boosted customer satisfaction, reflected in the sustained NPS indicator, with average scores of 50%. These actions consolidate the Group's strategy of offering a more flexible, secure and customer-focused service, contributing to efficiency and the creation of sustainable value.

Marketing tools in digital processes

Content personalisation on the digital channels has been consolidated as a key element for improving the conversion rate and increasing the volume of digital sales. In 2025, Banco Sabadell further developed the integration of marketing tools on its digital platforms, especially in the Banco Sabadell app, with the aim of offering products and services

tailored to the profile and needs of each customer. This development allows content to be segmented by target group and optimises the customer experience, boosting commercial efficiency and user satisfaction.

The Group has also boosted the use of these capabilities for the continuous improvement of commercial and service-led processes, reinforcing research methodologies such as A/B testing and personalisation tools that enable changes in usability and navigation to be validated before they go live. This approach reduces timeframes and costs, ensuring that the improvements implemented bring real value to the customer and contribute to the profitability of the business. With these improvements, Banco Sabadell consolidates a strategy that combines technology and marketing to maximise digital conversion and strengthen its competitive position.

Evolution of the design system: Galatea

The evolution of the Galatea design system was a key component of the digital transformation strategy in 2025. This structure allows design criteria and experience to be unified across all of the digital channels, ensuring consistency, scalability and speed in the development of new functionalities. During the year, Galatea was applied in critical processes such as applications for pre-approved loans and the optimisation of reactive lending streams, reducing process friction and improving usability.

This evolution reinforces the Group's capacity to accelerate the delivery of digital solutions, improve the customer experience and reduce development costs, consolidating a technological base that supports future growth and competitiveness in an increasingly digital environment.

File management

File management is an essential element in the day-to-day management of companies and it forms a critical point in the Group's digitalisation strategy. Improvements were carried out in 2025 with the aim of optimising the customer experience and enhancing file management efficiency, both in BSONline and in BSMovil. These improvements have made it possible to simplify queries and file generation, reducing issues and increasing the speed and flow of digital operations.

The development of these capabilities reinforces the strategic objective of boosting transactionality through digital channels in the business banking segment, reducing dependency on manual processes and improving traceability and security. By doing so, Banco Sabadell moves towards a more scalable and efficient business model, which contributes to its competitiveness and to the creation of value for customers and shareholders.

Customer Care Space

In 2025, the Customer Care Space has become a key channel to improve digital interactions between the Bank and its customers in the self-employed, small businesses and SMEs & corporates segments. This space enables secure and fluid communication, integrating functionalities that facilitate the management of commercial relationships in digital environments. Through BSONline, BSMovil and WhatsApp, customers can chat with the customer care teams, exchange documentation, find their branch or relationship manager's contact details, and request appointments without having to make a trip.

The development of the Customer Care Space reflects the Group's strategy of offering an omnichannel experience that combines efficiency and proximity, reducing process friction and improving commercial productivity. This model contributes to strengthening the value proposition for business customers, whilst optimising operating costs and increasing the Bank's capacity to provide personalised customer assistance in an increasingly digital environment.

Digital applications and services for business banking customers

This year, Banco Sabadell has consolidated the digitalisation of loan applications and services for companies, self-employed professionals and small businesses, extending remote access to key products such as business financing, corporate cards, factoring, reverse factoring, and savings and investment solutions. This development allows customers to manage their banking business independently and securely, reducing dependence on face-to-face channels and improving the Bank's operating efficiency. In this way, an omnichannel experience is offered that combines speed and personalised interactions, boosting the Bank's competitiveness and profitability in the business segment.



