

Final Terms dated 6 March 2024

Novo Banco, S.A.

Legal Entity Identifier (LEI): 5493009W2E2YDCXY6S81

Issue of €500,000,000 4.25 per cent. Fixed/Floating Rate Callable Senior Preferred Notes due March 2028
under the €5,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECPS) ONLY TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 19 May 2023 and the supplement to it dated 27 February 2024, which together constitute a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of the

Prospectus Regulation and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Final Terms and the Base Prospectus are available for inspection at the office of the Issuer and on the website of Euronext Dublin at <https://live.euronext.com/en/markets/dublin/bonds/list>.

1. **Issuer:** Novo Banco, S.A.
2. (i) Series Number: 3
- (ii) Tranche Number: 1
- (iii) Date on which the Notes become fungible: Not Applicable
3. **Specified Currency or Currencies:** Euro (“€”)
4. **Aggregate Principal Amount of Notes:**
 - (i) Series: €500,000,000
 - (ii) Tranche: €500,000,000
5. **Issue Price:** 99.782 per cent. of the Aggregate Principal Amount
6. **Specified Denomination:** €100,000
7. (i) Issue Date: 8 March 2024
- (ii) Interest Commencement Date: Issue Date
8. **Maturity Date:** Interest Payment Date falling on or nearest to 8 March 2028
9. **Interest Basis:** In respect of the period from (and including) the Issue Date to (but excluding) the Optional Redemption Date (the “**Fixed Rate Period**”), 4.25 per cent. Fixed Rate and thereafter 3-month EURIBOR + 1.30 per cent. Floating Rate (further particulars specified below)
10. **Redemption/Payment Basis:** Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their principal amount
11. **Change of Interest Basis:** Applicable
See paragraph 9 above
12. **Call Options:** Call Option
Clean-up Call Option
(further particulars specified below)
13. (i) Status of the Notes: Senior Preferred Notes
- (ii) Date Board approval for issuance of Notes obtained: 27 February 2024

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Note Provisions:	Applicable in respect of the Fixed Rate Period
(i)	Rate of Interest:	4.25 per cent. per annum payable annually in arrear on each Interest Payment Date
(ii)	Interest Payment Date(s):	8 March in each year commencing on 8 March 2025 up to (and including) the Optional Redemption Date
(iii)	Fixed Coupon Amount(s):	€4,250 per Specified Denomination
(iv)	Broken Amount(s):	Not Applicable
(v)	Day Count Fraction:	Actual/Actual – ICMA
(vi)	Determination Date(s):	8 March in each year
15.	Reset Note Provisions:	Not Applicable
16.	Floating Rate Note Provisions:	Applicable from (and including) the Optional Redemption Date to (but excluding) the Maturity Date
(i)	Specified Interest Payment Dates:	8 June 2027, 8 September 2027, 8 December 2027 and the Maturity Date, subject to adjustment in accordance with the Business Day Convention set out in (v) below
(ii)	Specified Period(s):	Not Applicable
(iii)	Interest Period Date(s)	Specified Interest Payment Dates
(iv)	First Interest Payment Date:	8 June 2027, subject to adjustment in accordance with the Business Day Convention set out in (v) below
(v)	Business Day Convention:	Following Business Day Convention
(vi)	Business Centre(s):	Not Applicable
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
(viii)	Screen Rate Determination:	Applicable
	– Reference Rate:	3-month EURIBOR
	– Interest Determination Date(s):	2 Business Days prior to each Interest Payment Date
	– Relevant Screen Page:	Reuters Page EURIBOR01
(ix)	Linear Interpolation:	Not Applicable
(x)	Margin(s):	+1.30 per cent. per annum
(xi)	Minimum Rate of Interest:	Not Applicable

(xii)	Maximum Rate of Interest:	Not Applicable
(xiii)	Day Count Fraction:	Actual/360
(xiv)	Determination Date(s):	Not Applicable
17.	Zero Coupon Note Provisions:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

18.	Call Option:	Applicable
(i)	Optional Redemption Date:	8 March 2027
(ii)	Optional Redemption Amount(s) of each Note:	€100,000 per Specified Denomination
(iii)	Make-Whole Reference Bond:	Not Applicable
(iv)	Quotation Time:	Not Applicable
(v)	Redemption Margin:	Not Applicable
(vi)	Reference Screen Page:	Not Applicable
(vii)	If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Not Applicable
(viii)	Notice period:	As per Condition 4(f)
19.	Clean-up Call Option:	Applicable
(i)	Clean-up Call Minimum Percentage:	75 per cent.
(ii)	Clean-up Call Option Amount:	€100,000 per Specified Denomination
(iii)	Notice periods:	Minimum period: 10 days Maximum period: 60 days
20.	Final Redemption Amount of each Note:	€100,000 per Specified Denomination
21.	Early Redemption Amount:	
	Early Redemption Amount(s) per Specified Denomination payable on redemption for taxation reasons, on a Loss Absorption Disqualification Event or on event of default (as described in Condition 6):	€100,000 per Specified Denomination
22.	Substitution and Variation:	Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23.	Financial Centre(s):	Not Applicable
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RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. The ratings definitions provided in Part B, Item 2 of these Final Terms have been extracted from the websites of Moody's Investors Service España, S.A. ("**Moody's**") and Fitch Ratings Ireland Limited ("**Fitch**").

The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by Moody's and Fitch, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By:

By:

Duly authorised

PART B – OTHER INFORMATION

1. Listing

- (i) Listing and admission to trading: Application has been made for the Notes to be admitted to the Official List of Euronext Dublin and to be admitted to trading on the regulated market of Euronext Dublin with effect from 8 March 2024. No assurance can be given that such listing will be obtained and/or maintained.
- (ii) Estimate of total expenses related to admission to trading: €1,050

2. Ratings

Ratings: The Notes are expected to be rated Ba1 by Moody's. An obligation rated 'Ba' is judged to have speculative elements and is subject to substantial credit risk. The modifier '1' indicates a ranking in the higher end of that generic rating category.

(Source: <https://ratings.moodys.io/ratings>)

The Notes are expected to be rated BBB- by Fitch.

An obligation rated 'BBB' indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity. The modifier '-' indicates a relative difference of probability of default or recovery for issues.

(Source: <https://www.fitchratings.com/products/rating-definitions#about-rating-definitions>)

No assurance can be given that such rating will be obtained and/or retained.

Moody's and Fitch are established in the European Union and registered under Regulation (EC) No 1060/2009.

3. Interests of Natural and Legal Persons involved in the Issue

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. Estimated Net Proceeds

Estimated net proceeds: €497,910,000

Use of proceeds: The net proceeds from the issue of the Notes will be applied by the Issuer for general corporate purposes.

5. **Fixed Rate Notes only – Yield**

Indication of yield: 4.329 per cent. per annum in respect of the Fixed Rate Period
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **Operational Information**

ISIN: PTNOBIOM0006

Common Code: 277981203

CFI: As updated, as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

FISN: As updated, as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

Trade Date: 28 February 2024

Any clearing system(s) other than Interbolsa – Sociedade Gestora de

Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A and the relevant identification number(s):

Delivery: Delivery against payment

Name and address of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be registered with *Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.* in its capacity of securities settlement system and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

7. **Distribution**

(i) Method of distribution: Syndicated

(ii) If syndicated:

(A) Names of Managers: BofA Securities Europe SA
Citigroup Global Markets Europe AG
Crédit Agricole Corporate and Investment Bank
Deutsche Bank Aktiengesellschaft

Nomura Financial Products Europe GmbH

(B) Stabilisation Manager(s) Crédit Agricole Corporate and Investment Bank
(if any):

- (iii) If non-syndicated, name of Dealer: Not Applicable
- (iv) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA Not Applicable
- (v) Prohibition of Sales to EEA Retail Investors: Applicable
- (vi) Prohibition of Sales to UK Retail Investors: Applicable