



VIDRALA, S.A.

(established and incorporated in Spain pursuant to the Capital Companies Act)

Maximum outstanding balance of €200,000,000

Commercial Paper Programme Vidrala 2024

BASE INFORMATION MEMORANDUM (*DOCUMENTO BASE INFORMATIVO*) ON THE ADMISSION TO TRADING OF COMMERCIAL PAPER (*PAGARÉS*) ON THE ALTERNATIVE FIXED-INCOME MARKET (“MARF”)

VIDRALA, S.A., a public limited company (*sociedad anónima*) incorporated under the laws of Spain with registered office at Barrio Munegazo, 22, Llodio (España), registered in the Commercial Registry of Alava, Volume 499, Page 147, Sheet VI-1551, with Tax Identification Number A-01.004.324 and LEI Code 95980020140005399488, will request the admission (*incorporación*) to trading of commercial paper notes (the “**Commercial Paper**”) which will be issued in accordance with the provisions set out in this Base Information Memorandum (the “**Information Memorandum**”) on the Alternative Fixed-Income Market (Mercado Alternativo de Renta Fija) (“**MARF**”). Except where the context otherwise requires or where otherwise indicated, all references to “**Vidrala**”, “**Vidrala Group**”, “**Group**”, the “**Company**”, the “**Issuer**”, “**we**”, “**us**” and “**our**” refer to Vidrala S.A. and its consolidated subsidiaries, except where the context otherwise requires.

The Alternative Fixed Income Market (“MARF”) is a multilateral trading facility (“**MTF**”) in accordance with the terms of article 68 of Law 6/2023, dated March 17, on Securities Market and Investment Services (“**Securities Market Act**”). This Base Information Memorandum for the admission to trading of the Commercial Paper is the one required in Circular 2/2018, of 4 December, of MARF, on admission (*incorporación*) and removal of securities on the Alternative Fixed-Income Market.

The securities will be represented by book entries at Sociedad de Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (“**Iberclear**”) which, together with its Participating Entities, will be responsible for its accounting record.

**An Investment in the Commercial Paper involves certain risks.
Read section 1 of the Information Memorandum on Risk Factors.**

MARF has not carried out any kind of verification or testing with regard to this Information Memorandum or with regard to the content of the documentation and information provided by the Issuer in compliance with the abovementioned Circular 2/2018.

The Commercial Paper issued under the Programme are exclusively directed to: (i) individuals from the European Economic Area (“**EEA**”) who qualify as “**qualified investors**” as defined in article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council, dated June 14, 2017, concerning the prospectus to be published in the case of a public offer or admission to trading on a regulated market and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”); and (ii) specifically, in Spain, to “**eligible counterparties**” and “**professional clients**,” as defined in Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014, on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (“**MiFID II**”) and its implementing regulations (including articles 194 and 196 of the Securities Market Act).

No action has been taken in any jurisdiction to permit a public offering of the Commercial Paper or the possession or distribution of the Information Memorandum or any other offering material in any country or jurisdiction where such action is required for said purpose. This Information Memorandum must not be distributed, directly or indirectly, in any jurisdiction in which such distribution would constitute a public offering of securities. This Information Memorandum is not an offer of securities to the public or the request for an offer of securities to the public, nor is any offer of securities to be made in any jurisdiction in which such an offer or sale would be considered contrary to applicable law. In particular, this Information Memorandum does not constitute a prospectus approved and registered with the National Securities Market Commission (Comisión Nacional del Mercado de Valores) (“**CNMV**”) and the issue of the Commercial Paper to be issued under the Programme does not constitute a public offer which requires the obligation to approve, register and publish a prospectus in accordance with article 35 of the Securities Market Act in connection with article 1(4) of the Prospectus Regulation.

MANAGERS



Banco Santander, S.A.



Norbolsa, S.V.,
S.A.,

The logo for bankinter., featuring the word "bankinter." in a lowercase, orange, sans-serif font, centered within a light gray rectangular background.

bankinter.

Bankinter, S.A.



Banca March, S.A.

REGISTERED ADVISOR



Banca March, S.A.

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LEGAL ADVISOR



Cuatrecasas, Gonçalves Pereira, S.L.P.

The date of this document is July 23 2024.

IMPORTANT INFORMATION

Potential investors should not base their investment decision on information other than that contained in this Information Memorandum and alternative sources of public information.

The Managers do not take responsibility for the content of this Information Memorandum. The Managers have entered into a placement agreement with the Issuer to place the Commercial Paper but none of the Managers nor any other entity has made any commitment to underwrite any issue of the Commercial Paper, without prejudice to the ability of the Managers to acquire part of the Commercial Paper on their own behalf.

NO ACTION HAS BEEN TAKEN IN ANY JURISDICTION TO PERMIT A PUBLIC OFFERING OF THE COMMERCIAL PAPER OR THE POSSESSION OR DISTRIBUTION OF THIS INFORMATION MEMORANDUM OR ANY OTHER OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE SUCH ACTION IS REQUIRED FOR SAID PURPOSE. THIS DOCUMENT IS NOT TO BE DISTRIBUTED, DIRECT OR INDIRECTLY, IN ANY JURISDICTION WHERE SUCH DISTRIBUTION MAY REPRESENT AN OFFERING. THIS DOCUMENT IS NOT AN OFFER FOR THE SALE OF SECURITIES NOR A REQUEST TO PURCHASE SECURITIES AND THERE IS NO OFFER OF SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER OR SALE IS CONSIDERED CONTRARY TO APPLICABLE LEGISLATION.

PRODUCT GOVERNANCE RULES UNDER MiFID II

THE TARGET MARKET WILL ONLY BE ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS

Exclusively for the purposes of the product approval process to be carried out by each producer, following the assessment of the target market for the Commercial Paper, it has been concluded that: (i) the target market to which the Commercial Paper is intended to be issued is solely for “eligible counterparties” and “professional clients” as defined for each of these terms in MiFID II and their implementing legislation (including articles 194 and 196 of the Securities Market Act), and (ii) all channels of distribution of the Commercial Paper to professional clients and eligible counterparties are appropriate.

Any person who, after the initial placement of the Commercial Paper, offers, sells, places, recommends or otherwise makes available the Commercial Paper (the “**Distributor**”) shall take into account the assessment of the producer’s target market. However, any Distributor subject to MiFID II shall be responsible for carrying out its own assessment of the target market with respect to the Commercial Paper, either by applying the evaluation of the target market of the producer or/and to identify appropriate distribution channel.

BAN ON SALES TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA- PRIIPS REGULATION

The Commercial Paper are not intended for offer, sale or any other form of making available, nor should they be offered, sold to or made available to retail investors in the European Economic Area (“**EEA**”). For these purposes, “retail investor” means a person who meets either or both of the following definitions: (i) a retail customer in the sense of paragraph (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that client would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. As a result, no key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of November 26, 2014 (as amended, the “**PRIIPS Regulation**”), for offering or selling the Commercial Paper or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Commercial Paper or otherwise making them available to any retail investor in the EEA, otherwise such activities may be unlawful under the PRIIPs Regulation.

SELLING RESTRICTIONS

No action has been taken in any jurisdiction to permit a public offering of the Commercial Paper or the possession or distribution of the Information Memorandum or any other offering material in any country or jurisdiction where such action is required for said purpose and in particular in the United Kingdom or the United States of America.

Financial promotion: it has only been communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”)) received by it in connection with the issue or sale of any Commercial Paper in circumstances in which section 21(1) of the FSMA does not apply to the Issuer.

General compliance: it has been complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Commercial Paper in, from otherwise involving the United Kingdom.

The Commercial Paper notes have not been and will not be registered under the Securities Law of 1933 of the United States of America, with its respective amendments (the “Securities Law”) and may not be offered or sold in the United States unless it is registered or exempt from registration under the Securities Law. There is no intention to register any Commercial Paper notes in the United States or to make an offer of any kind of the securities in the United States.

FORWARD-LOOKING STATEMENTS

This Information Memorandum may include statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements include, but are not limited to, statements other than statements of historical facts contained in this Information Memorandum, including, but without limitation, those regarding our future financial condition, results of operations and business, our products, acquisitions, dispositions and finance strategies, our capital expenditure priorities, regulatory or technological developments in the market, subscriber growth and retention rates, potential synergies and cost savings, competitive and economic factors, the maturity of our markets, anticipated cost increases, liquidity and credit risk. These forward-looking statements can be identified by the use of terms such as “aim,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” and “will” and similar words used in this Information Memorandum.

By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Many of these assumptions, risks and uncertainties are beyond our control. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we operate. We caution readers not to place undue reliance on the statements, which speak only as of the date of this Information Memorandum.

Except as required by law, we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Information Memorandum, to reflect any change in our expectations or any other change in events, conditions or circumstances on which any such statement is based.

Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Risks and uncertainties that could cause actual results to vary materially from those anticipated in the forward-looking statements included in this Information Memorandum include those described under section 1 “Risk Factors” below.

ROUNDING OF FIGURES

Certain figures in this Information Memorandum, including financial, market and certain operating information, have been rounded to make them easier to understand. Accordingly, the sum of the figures shown in a column or row of a table may not add up exactly to the total figure shown for that column or row, and the sum of some figures expressed as a percentage may not add up exactly to the total percentage shown.

ALTERNATIVE PERFORMANCE MEASURES

The financial data included or incorporated by reference in this Information Memorandum, in addition to the financial measures established by IFRS-EU, contains certain alternative performance measures ("APMs") (as defined in the ESMA Guidelines on Alternative Performance Measures (the "ESMA Guidelines")) that include, among others, EBITDA, which are presented for purposes of providing investors with a better understanding of the Issuer's financial performance, cash flows or financial position as they are used by the Issuer when managing its business.

Such measures have not been prepared in accordance with IFRS-EU, have been extracted or derived from the accounting records or other management systems of the Group, have not been audited and should not be considered as a substitute for those required by IFRS-EU.

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**ANNEX 1: STANDALONE AND CONSOLIDATED 2022 AND 2023 ANNUAL
ACCOUNTS**

1. Risk factors

An investment in Commercial Paper is subject to a number of risks.

Before investing in Commercial Paper, potential investors should carefully assess the risks described below, together with the remaining information contained in this Information Memorandum.

If any of the risks described below actually materialises, the business, financial condition, and operating results of Vidrala -as well as the ability of the Issuer to reimburse the Commercial Paper upon maturity- could be adversely affected and, accordingly, the market price of the Commercial Paper may decrease, resulting in a loss of all or part of any investment made in Commercial Paper.

The Issuer believes that the following factors represent the main or material risks inherent to the investment in its Commercial Paper, however default in payment of the Commercial Paper at maturity may be due to other unknown or unforeseen factors. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any of such contingencies occurring. The Issuer does not state that the factors described below are exhaustive and it is possible that the risks and uncertainties described may not be the only ones the Issuer faces. Additional risks and uncertainties currently unknown or considered immaterial alone or jointly with others (either identified in the present Information Memorandum or not) may have a material adverse effect on the business, financial condition, and operating results of the Issuer, as well as on the ability of the Issuer to reimburse the Commercial Paper upon maturity, resulting in a loss of all or part of any investment made in Commercial Paper.

1.1 Essential information on the main specific risks regarding the Issuer or its sector of activity

The main specific risks of the Issuer or its sector of activity are the following:

A) *General risks related to economic and political circumstances*

1. Our customers sell to consumers of food and beverages; whose demand depends on purchasing patterns that are affected by economic conditions.

Demand for Vidrala's packaging depends on final demand for the products which use our packaging, which is primarily consumer driven. General economic conditions, concerns about the impact of a potential recession, political uncertainties, highly volatile energy costs, diminished business confidence and persistent unemployment in Europe may adversely impact consumer confidence resulting in reduced spending on our customers' products and, thereby, reduced or postponed demand for our products.

Adverse economic conditions may also lead to more limited availability of credit, which may have a negative impact on the financial condition, particularly on the purchasing ability, of some of our customers and distributors and may also result in requests for extended payment terms, and result in credit losses, insolvencies, and diminished sales channels available to us. Vidrala's suppliers may have difficulties obtaining necessary credit, which could jeopardise their ability to provide timely deliveries of raw materials and other essentials to us. The adverse economic conditions may

also lead to suppliers requesting credit support or otherwise reducing credit, which may have a negative effect on our cash flows and working capital.

The volatility in exchange rates may also increase the costs of our products that we may not be able to pass on to our customers; impair the purchasing power of our customers in different markets; result in significant competitive benefit to certain of our competitors who incur a material part of their costs in other currencies than we do; hamper our pricing; and increase our hedging costs and limit our ability to hedge our exchange rate exposure.

Changes in economic conditions may reduce our ability to forecast developments in our industry and plan our operations and costs, resulting in operational inefficiencies. Negative developments in our business, results of operations and financial condition due to changes in global economic conditions or other factors could impair our ability to raise new financing or refinance our current borrowings and increase our costs of issuing any new debt instruments.

Finally, armed conflicts -particularly those currently in Russia-Ukraine and the Middle East- could also have negative effects on our operations, such as business interruption, physical damage, logistics challenges, supply chain disruption, demand destruction, commodity pricing impacts, increased cyberattacks, nationalisation of activities or expropriation of assets, among others.

In these unpredictable situations, business priorities will focus on evaluating and mitigating operational risks, ensuring security of people, assets, and supply chains, accelerating scenario planning and developing associated action plans, implementing cost control/reduction measures and assessing potential divestment decisions.

2. Continuing uncertain political conditions could intensify the risks faced by our business.

Vidrala operates in an international environment, managing glass manufacturing plants located in Iberia, the UK & Ireland, and Brazil. Different economic and geopolitical uncertainties, political instability, legal uncertainty, fiscal changes or measures implemented by Central Banks, could affect regional economic performance across our areas of activity.

3. Changes in consumer lifestyle, nutritional preferences and health-related concerns could adversely affect our business.

The modern consumer, living in urban areas, is refocusing its behaviour and preferences towards quality, health, convenience, premiumisation and on-the-go purchasing. New distribution channels, as online sales, are simply accelerating the process. Globally, new regulations are progressively driving transition to a sustainable, resource efficient and competitive economy. Beyond these legal frameworks, consumers are becoming more aware, increasingly demanding sustainable packaging solutions and sustainability across the complete supply chain. Simultaneously, the retail industry requires

more packaging to solve distances between producers and consumers, provide preservation, protect the product and secure longer shelf-lives.

However, these trends can change, any decline in the popularity of glass products as a result of lifestyle, nutrition, health considerations or consumer taxation could have a significant impact on our customers and could have a material adverse impact on our business, financial condition and results of operations.

B) *Risks related to Vidrala business*

1. We are subject to various environmental requirements and may be subject to new requirements of this kind in the future.

Our operations are subject to extensive laws, ordinances, regulations, and other legal requirements relating to environmental protection. Such laws and regulations include, among others, requirements regarding emissions in the atmosphere, dumping, waste management, consumption of raw materials, energy, water supply and use and noise pollution.

We have incurred, and expect to continue to incur, costs to comply with such legal requirements, and these costs are likely to increase in the future. As an example, concrete efforts to minimise the potential pollutant effect of our facilities have materialised in the conclusion of an investment project developed for the installation, in all the production centers, of special systems of purification of atmospheric emissions, denominated electrostatic precipitators or electrofilters.

If we were to violate or fail to comply with these laws and regulations or our permits, we could be subject to criminal, civil and administrative sanctions and liabilities, including substantial fines and orders, or a partial or total shutdown of our operations. To avoid these situations, one of the Group's strategic guidelines is the implementation of environmental management systems. In line with this commitment, all Group's production facilities have ISO 14001:2015 certification, demonstrating that Vidrala operates under the guidelines of a global, verified and recognised environmental management system. Furthermore, in line with its undertaking to continuous improvement, we have started implementation and verification processes for new environmental standards such as ISO 14064:2018 in 5 of our manufacturing sites, related to the voluntary declaration of CO₂ emissions, or ISO 50001:2018, on energy management systems, already certified in 3 of our factories and another 2 of them in certification phase.

2. Our manufacturing facilities are subject to operating hazards.

Our manufacturing processes include heating glass to extremely high temperatures and forming it into glass containers. These processes, which are conducted at high speeds and involve operating heavy machinery and equipment, entail risks including industrial accidents, leaks and ruptures, explosions, fires, mechanical failures, and environmental hazards, such as spills, storage tank leaks, discharges, or releases of hot glass or toxic or hazardous substances and gases.

A mechanical failure or disruption affecting any major operating line may result in a disruption of our ability to supply customers. The potential impact of any disruption would depend on the nature and extent of the damage caused to such facility. Further, our facilities may be disrupted by the occurrence of natural phenomena, such as earthquakes, tsunamis, and hurricanes.

Albeit a relevant portion of any potential major economic damage cause by these type of incidents are protected by the well develop group's insurance policies, these may cause unplanned business interruptions, unscheduled downtime, transportation interruptions, personal injury, severe damage or the destruction of property, civil, criminal and administrative sanctions and liabilities, and third-party claims, any of which may have a material adverse effect on our business, financial condition and results of operations.

Our commitment to occupational health and safety is evidenced by the progressive implementation of occupational health and safety systems, based on the ISO 45001:2018 standard, which are certified by independent entities accrediting the existence of an internationally recognised management framework.

Regardless of Group's policies and monitoring actions, employees may deviate from Group's standards and safety policies and there is a risk that Group will not manage to avoid significant liability exposure relating to these and other occupational, health and safety hazards, which could have a material adverse effect on Group's business, results of operation and financial condition.

3. We are involved in a continuous manufacturing process, that can be vulnerable to risks of distortions in the supply chain, availability, and cost of raw materials.

Production-intensive, continuous-service industries –such as ours– can be vulnerable to risks of distortion in the supply chain. The raw materials we use have historically been available in adequate supply from multiple sources. For certain raw materials, however, there may be temporary shortages due to weather, transportation, production delays or other factors. In such an event, no assurance can be given that we would be able to secure our raw materials from sources other than our current suppliers on terms as favorable as our current terms, or at all. Any such shortages, as well as material increases in the cost of any of the principal raw materials that we use, including the cost to transport materials to our production facilities, could have a material adverse effect on our business, financial condition, and results of operations. We may not be able to pass on all or substantially all raw material price increases, now or in the future. In addition, we may not be able to hedge successfully against raw material cost increases.

Our manufacturing operations consume significant amounts of raw materials to manufacture glass, particularly silica sand, soda ash (natural or synthetic), as well as cullet (recycled glass) in variable percentages depending on the products manufactured. Sand is a natural and abundant raw material whose main limitation is transport. Our strategy is focused on attracting suppliers to

operate mines in the proximities of our sites. The availability and price of cullet varies widely from one region to another due to regulatory disparities concerning the collection and recycling systems, as well as the distance of cullet procurement centers from production sites. The soda ash market has experienced an imbalance between supply and demand resulting in a significant increase in price. As a response, we are trying to attract alternative competitive imports into our regions of activity.

The glass production industry is energy intensive. Vidrala relies on a continuous supply of energy, primarily natural gas but also electricity, to maintain manufacturing operations. In the recent past, energy prices have been subject to significant price volatility and will surely remain volatile in the future. Higher energy prices may have an adverse effect on Vidrala's operating income and profitability. At the 2023 closing date, the Vidrala Group had contracted protection or hedging instruments against increases in energy commodity prices for a nominal amount equivalent to EUR 31 million. Additionally, some energy supplies have been directly contracted at a fixed price. As a result of these measures, the Group estimates that it has approximately 50% and 15% of the consumption hedged for 2024 and 2025, respectively.

Regarding supply risk affecting key products for the production process, management initiatives include the continual and specialised search for supply sources and strengthening ties with suppliers, diversifying, and forging long-term relationships, establishing ongoing audit and standardisation processes and developing supply alternatives in all relevant areas. Nevertheless, the failure to obtain adequate supplies of raw materials or future price increases could have a material adverse effect on our business, financial condition, and results of operations.

4. Our business requires relatively high levels of capital expenditures, which we may be unable to fund.

Glass manufacturing is an energy-intensive, continuous process as melting furnaces are in operation 24 hours a day, 365 days a year. Consequently, the industrial process is intensive in capital (periodical replacements) and cost (labour and energy).

Our business requires relatively high levels of maintenance capital expenditures to replace furnaces and other production machinery when they reach their end of useful life. We may not be able to make such capital expenditures if we do not generate sufficient cash flow from operations, have funds available for borrowing under our existing credit facilities to cover these capital expenditure requirements or if we were restricted from incurring additional debt to cover such expenditures or as a result of a combination of these factors. If we are unable to meet our investment plans, we may not be able to maintain our manufacturing capacity, which may negatively impact our competitive position and ultimately, our revenues and profitability.

Moreover, cost structure is characterized by a high degree of fixed costs, resulting in a high level of operating leverage and lowering flexibility. As a result, operating at high utilization rates turns crucial for profitability levels.

5. Our sales are partially driven by varied seasonal demands.

Demand for some products is seasonal and some segments of our markets are more cyclical than others. As an example, our sales in the beer and soft drinks markets, that account for approximately 40% of annual sales, depend mainly on the domestic consumption patterns and experience a peak demand during the summer months or when tourism is stronger. Adverse weather conditions, such as unseasonably cool or wet weather in the spring and summer months, could adversely affect sales volumes and may have a material adverse effect on our business, financial condition, and results of operations. Wine and food product segments –which represent 32% and 8% of our sales, respectively– are less cyclical markets due to its export nature. But, also in these segments, weather conditions can affect crop outputs and adversely affect volumes of products needed to be packed.

In addition, we schedule temporary stoppages of our furnaces for rebuilding. If demand for glass packaging should unexpectedly rise during such a shutdown, we would not have the ability to fulfill such demand and may lose potential revenues. These shutdowns and seasonal sales patterns could adversely affect profitability.

6. An increase in manufacturing capacity without a corresponding increase in demand could cause prices to decline, which could have a material adverse effect on our business, financial condition, and results of operations.

As pointed above, profitability of glass packaging companies is heavily influenced by the supply of and demand for glass. We cannot assure that the glass container manufacturing capacity in any of our markets will not increase further in the future, nor can we assure that demand will meet supply. If glass container manufacturing capacity increases and there is no corresponding increase in demand, the prices we receive for our products could materially decline, which could have a material adverse effect on our business, financial condition, and results of operations.

In addition, the high levels of fixed costs for operating glass container manufacturing production plants encourage high levels of output, even during periods of reduced demand, which can lead to excess inventory levels and exacerbate the pressure on profit margins. Our profitability is dependent, in part, on our ability to spread fixed costs over an increasing number of products sold and shipped. Decreased demand or the need to reduce inventories could lower our ability to absorb fixed costs and materially impact financial condition and results of operations.

7. We face intense competition from other glass packaging producers, as well as from manufacturers of alternative types of packaging.

Vidrala operates in highly competitive markets. The industry is subject to intense competition from other glass packaging producers against whom we compete based on price, product characteristics, quality, reliability of delivery and the overall attractiveness of our customer service. Advantages or disadvantages in any of these competitive factors may be sufficient to cause customers to consider changing suppliers or to use an alternative form of packaging. Even though perceptions about service quality, project management skills and competence often influence customer decisions, price continues to be an important factor for many customers. As a result, Vidrala is exposed to strong price competition, which could have a material adverse effect on its business, results of operations and financial condition.

Our principal competitors in glass packaging include Owens-Illinois, Verallia and Ardagh. Glass packaging is naturally regional, as transport costs represent a relevant portion of the total cost structure. Despite this generally regional nature of the glass packaging markets, some export operations from low-cost regions, mainly from Eastern Europe could have a material negative impact on our business, financial condition, and results of operations.

In some instances, we also face the threat of vertical integration by our customers into the manufacture of their own packaging materials. Some customers may decide to develop their own glass packaging production activity to serve their packaging needs and to reduce their purchases of glass packaging. The potential vertical integration of our customers could introduce a new production capacity in the market, which may create an imbalance between the supply and demand for glass packaging that could have a material negative impact on our future performance. As a response, we have also widely invested in developing our own bottling activities, with the aim of securing competitive advantages and captivity of sales offering a global range of packaging services to brand owners.

In addition to competing with other manufacturers in the glass industry, we also compete with producers of other forms of rigid and non-rigid packaging, principally plastic packaging, and metal cans. Albeit glass packaging lost a relevant amount of share across the global consumer rigid packaging market over the last four decades, we believe that today the use of glass packaging for food and beverages is supported by favorable consumer preferences, dynamics towards sustainable packaging solutions and premiumisation.

Surveys across the developed world show that consumers and packagers increasingly prefer glass as the packaging material of choice. Anyway, if economic conditions are poor, we believe that consumers may be less likely to prefer glass packaging over other forms of packaging. We cannot ensure that our products will continue to be preferred by our customers' end-users and that consumer preference will not shift from glass packaging to non-glass packaging. A material shift in consumer preference away from glass packaging, or competitive pressures from our various competitors, could result in a decline in sales volume or pricing pressure that would have a material adverse effect on our business, financial condition, and results of operations. Furthermore, new threats from container and production

innovations in all forms of packaging could disadvantage our existing business. If we are unable to respond to competitive technological advances, our future performance could be materially adversely affected.

8. Customer concentration could adversely affect our business.

Our customer base is composed of a solid balance between blue chip customers, multinational brand owners and regional retailers. For the year ended December 31, 2023, our customer base was comprised by more than 1,600 different active customers. No customer accounts for more than 10% of revenue. Top ten clients represent approximately 35% of revenue. The 50th percentile of sales is composed of the main 20 customers.

We typically sell directly to customers under one to five-year arrangements. Although these arrangements have provided, and we expect they will continue to provide, the basis for long-term partnerships with our customers, there can be no assurance that our customers will not cease purchasing our products. If our customers unexpectedly reduce the amount of glass packaging they purchase from us, or cease purchasing our glass packaging our revenues could decrease and our inventory levels could increase, both of which could have an adverse effect on our business, financial condition, and results of operations. In addition, while we believe that the arrangements that we have with our customers will be renewed, there can be no assurance that such arrangements will be renewed upon their expiration or that the terms of any renewal will be as favorable to us as the terms of the current arrangements.

There is also the risk that our customers may shift their filling operations from the origin of production to the destiny of consumption. To adapt to risks of potential changes of filling locations, we are developing our own filling facilities in the United Kingdom, offering a global range of packaging and logistic services.

9. Our expansion strategy may adversely affect our business.

As part of our business strategy, and to remain competitive, we have in the past acquired complementary companies. Although going forward Vidrala intends to continue to pursue this business strategy, it may not be able to identify suitable acquisition targets or complete such acquisitions on favorable terms, if at all. On the other side, we could also incur in indemnification obligations relating to potential divestments.

If Vidrala does complete acquisitions, it may not ultimately strengthen its competitive position or achieve its goals to the extent anticipated, and any acquisitions that it completes could be viewed negatively by its customers, analysts, and investors.

In addition, if Vidrala is unsuccessful at integrating such acquisitions or the technologies associated with such acquisitions, its business results of operations and financial condition could be adversely affected. Any integration process may require significant time and resources, and Vidrala may not be able to manage this process successfully. In particular, any such process could divert management attention from other parts of Vidrala's

business. Vidrala may not successfully evaluate or utilise acquired technologies or personnel, or accurately forecast the financial impact of an acquisition transaction, including accounting charges. Vidrala may have to pay cash or incur debt, each of which could adversely affect its financial condition.

For example, the incurrence of indebtedness to finance such acquisitions could result in increased fixed charges and the application of financial covenants or other restrictions that could impede Vidrala's ability to manage its operations. Further, unsuccessful acquisitions may lead to substantial write-downs of goodwill recorded in connection with such transactions, as well as other unfavorable accounting effects. Any of the foregoing could materially adversely impact Vidrala's business, results of operations and financial condition.

Additionally, antitrust laws may contain provisions that require authorisation by certain antitrust authorities for the acquisition of, or entering into joint venture agreements with, companies with a relevant market share. Accordingly, Vidrala's ability to expand its business through acquisitions may be limited or delayed.

10. Our business may suffer if we do not retain our senior management and qualified staff.

Our success depends, partly, on the continued service of its senior management and key personnel. Any loss of services from Vidrala's senior management or key personnel, who have specific knowledge relating to Vidrala and to its industry, or who have longstanding relationships with key suppliers or are able to provide relationship-based customer services, would be difficult to replace and could harm its future operations.

11. Organised strikes or work stoppages by unionised employees may have a material adverse effect on our business.

Some of our operating companies are party to collective bargaining agreements with trade unions. These agreements cover the majority of our employees. Upon the expiration of any collective bargaining agreement, our operating companies' inability to negotiate acceptable contracts with trade unions could result in strikes by the affected workers and increased operating costs as a result of higher wages or benefits paid to union members. If the unionised workers were to engage in a strike or other work stoppage, we could experience a significant disruption of operations and/or higher ongoing labor costs, which may have a material adverse effect on our business, financial condition, and results of operations.

Labour laws applicable to Vidrala's business in certain jurisdictions are onerous and can be highly restrictive. In certain jurisdictions, our employees are partially or fully unionised, and in others, Vidrala may be subject to mandatory consultation processes with its employees in managing its business. These labour laws and formal consultative procedures could, among other things, limit Vidrala's flexibility to rationalise its workforce in response to poor market conditions or require Vidrala to change working condition

procedures. As a result, these limitations on Vidrala's flexibility with its workforce could have a material adverse effect on its business, results of operations or financial condition.

12. Changes in legal and/or product requirements have a material impact on our operations.

Changes in laws and regulations relating to deposits on and the recycling of glass packaging could affect our business if implemented on a large scale in the major markets in which we operate. Similarly, restrictions on bisphenol A and/or other legal developments could have an impact in our business. It is very difficult to predict the outcome and effect of potential legal developments of this kind.

13. We may be subject to litigation, arbitration and other proceedings that could have an adverse effect on us.

Risks inherent in our business expose us to litigation, including civil, administrative and criminal liability, competition, intellectual and industrial property, taxation, employment and environmental matters, personal injury, and contractual litigation with customers and suppliers. We cannot predict with certainty the outcome or effect of any claim or other litigation matter, or a combination of these.

In particular, consequences of a failure of control measures regarding safety and quality of our products could be severe. Customers and end-consumers may seek to recover these losses through litigation and, under applicable legal rules, may succeed in any such claim despite there being no negligence or other fault on our part. In addition, if our products fail to meet our usual rigorous standards, we may be required to incur substantial costs in taking appropriate corrective action (up to and including recalling products from consumers).

At the same time, if the product contained in packaging manufactured by us is contaminated, it is possible that the manufacturer of the product in question may allege that our packaging is the cause of the contamination, even if the packaging complies with contractual specifications.

If we are involved in any future litigation, costs associated with asserting our claims or defending such lawsuits may have an adverse effect on our business, financial position, results of operations.

14. Our existing insurance coverage may be insufficient and future coverage may be difficult or expensive to obtain.

Although we believe that our insurance policies provide adequate coverage for the risks inherent in our business, these insurance policies typically exclude certain risks and are subject to certain thresholds and limits. We cannot assure that our property, plant and equipment and inventories will not suffer damages due to unforeseen events or that the proceeds available from our insurance policies will be sufficient to protect us from all possible loss or damage resulting from such events.

We renew our insurance policies on an annual basis. The cost of coverage may increase to an extent that we may choose to reduce our policy limits or agree to certain exclusions from our coverage. Several factors may adversely affect available insurance coverage and result in increased premiums for available coverage and additional exclusions from coverage.

15. We may have exposure to greater than anticipated tax liabilities.

Currently, we have operations in many taxing jurisdictions, and are subject to, among others, income tax, withholding tax, and value added tax ("VAT"), as well as other sales-based taxes in such jurisdictions. In addition, we pay social security costs relating to its employees. There is a risk that its tax liabilities in one or more jurisdictions could be more than reported in respect of prior taxable periods and more than anticipated in respect of future taxable periods. As a result, the aggregate amount of income tax that Vidrala will pay in future taxable periods could be higher if earnings are lower than anticipated in jurisdictions with lower statutory rates and higher than anticipated in jurisdictions with higher statutory rates.

The jurisdictions in which we operate have transfer pricing regulations that require transactions involving associated companies to be carried out on an arm's length terms. We seek to ensure that all arrangements between members of Vidrala, such as intra-group transactions involving management services, royalties, IT service fees, cash-pool arrangements, intra-group loans and consultancy fees, are carried out on an arm's length basis. However, if the tax authorities in any relevant jurisdiction do not regard such arrangements as being made on an arm's length basis and successfully challenge those arrangements, the amount of tax payable by the relevant member or members of Vidrala, in respect of both current and previous years, may increase materially and penalties or interest may be payable.

In general, the determination of Vidrala's worldwide liability for income and other taxes involves a significant degree of judgment and there are many transactions and calculations where the ultimate tax determination is uncertain. Although Vidrala believes its estimates are reasonable, its ultimate tax liability may differ from the amounts recorded in its financial statements and may adversely affect its financial results in the period or periods for which such determination is made. From time to time, Vidrala establishes provisions with respect to such tax liabilities when it believes this to be appropriate. However, there can be no assurance that its ultimate tax liability will not exceed any reserves that may have been created.

16. Related risks to the conflict between Russia and Ukraine

In February 2022, Russia began the war in Ukraine. The conflict is still in force, although its effects on the financial markets have been significantly reduced.

The direct impact on Vidrala's business is limited, as the Group does not have assets or maintains any industrial or commercial activity, does not produce, sell or buy directly in Ukraine or Russia. However, the indirect impact was evident in the growing difficulties in global supply chains and, specially, in

the abnormal increases in energy prices. Vidrala has increased the flexibility of its natural gas supply contracts to accommodate, if necessary, supplies of alternative, more competitive fuels in a situation of energy crisis. However, if extreme volatilities were to occur again, a short-term deterioration in operating margins would be unavoidable until the measures take full effect or markets stabilise.

C) *Financial risk factors*

1. Vidrala's business is exposed to exchange rate fluctuations.

We operate at international level and are therefore exposed to currency risk on foreign currency operations.

Currency risk affecting the Group's present structure arise, mainly, from the risks inherent in the global expansion of the Group after the incorporation of Encirc Ltd. in 2015 and Vidroporto S.A. in 2023, whose businesses are largely conducted in sterling pounds and brazilian reais. In order to quantify the sensitivity to the currency at a consolidated level, as a result of the above, 38.20% of sales and 32.23% of operating income, EBITDA, obtained during the year 2023 are generated in Pounds Sterling and Brazilian Real, which may be affected by fluctuations in this currency against the Euro. There is also a risk of translating cash generated by the acquired businesses in Pounds Sterling and Brazilian Real to Euros, to repay a debt that was acquired in Euros. The depreciation of any of both currencies against the Euro could reduce its equivalent value in Euros, thus reducing cash.

Quantifying currency risk based on 2023 data, and using the Pound Sterling as an example, a depreciation against the Euro by an average of 5% over a year, without considering any hedging or insurance instruments, and the remaining variables remained constant, consolidated profit of the Group would be affected by approximately 1.5%, and annual cash flow would be reduced by approximately 1.6%.

2. Vidrala's business is exposed to interest rate fluctuations.

Vidrala's interest rate risk derives from non-current and current borrowings, which accrue an interest rate indexed to the Euribor, plus a spread. Vidrala analyses its exposure to interest rate risk on a dynamic basis and manages the interest rate risk on cash flows, when management considers it necessary, using interest-rate swaps.

In order to manage this risk factor, Vidrala uses financial derivatives that may qualify as hedging instruments and therefore hedge accounting. The corresponding accounting standard (IAS 39) does not specify the type of derivatives that may be considered hedging instruments except for options issued or sold. It does, however, specify the prerequisites for consideration as hedging instruments. In line with the management of foreign exchange risk, the arrangement of any financial derivative which is suspected not to comply with the prerequisites to be considered as a hedging instrument requires the express approval of the relevant management body. By way of example, the basic hedging instruments are interest rate swaps: through these derivatives,

these Group segments convert the variable interest rate reference of a loan to a fixed reference with respect to either all or part of the amount of the loan, affecting all or part of the life of the loan.

Vidrala's sensitivity to interest rate risk is limited to the direct effect of changes in interest rates applied to financial instruments subject to recognised interest in the balance sheet. In this sense, as a result of this risk control policy, at the end of 2023, Vidrala had contracted interest rate hedging instruments in the form of interest rate swaps for a notional of EUR 190 million, with progressive maturities up to 2026.

3. Vidrala may require additional financing in the future and may not be able to obtain such financing on favourable terms, or at all.

Vidrala expects that its current financial resources will be sufficient to fund its operations for the foreseeable future. However, it may need additional financing in the event of unexpected developments or opportunities. Vidrala may seek such additional funds from public and private securities offerings, corporate collaborations, borrowings under lines of credit or other sources. Additional capital may not be available on favourable terms, or at all. Any additional equity financing may be dilutive to shareholders, and any debt financing, if available, may include restrictive covenants limiting Vidrala's business flexibility. If Vidrala cannot raise more money when needed, it may have to alter its business strategy, including its acquisition strategy, reduce its capital expenditures, scale back its development plans or reduce its workforce, all of which could have a material adverse effect on its business, results of operations and financial condition.

4. Vidrala is subject to restrictive covenants, which could limit its operating, strategic and financial flexibility.

Vidrala's financing agreements (including agreements which refinance its existing agreements) contain covenants which could impose significant restrictions on Vidrala's operations, including restrictions on Vidrala's ability to, among other things, incur or guarantee additional debt, grant security, dispose of assets, cash collateralise guarantee facilities, repurchase share capital, make certain payments, including dividends or other distributions and make certain investments or acquisitions, including participating in joint ventures and restrictions on Vidrala's capital expenditure.

Those restrictive covenants could limit Vidrala's operating, strategic and financial flexibility, and therefore could materially adversely affect Vidrala's business, results of operations and financial condition.

Additionally, Vidrala indebtedness may have significant effects, which include, among others, the following: (a) the Group's ability in the long term to obtain additional financing or to refinance the debt may be limited due to its level of indebtedness, (b) Vidrala's indebtedness establishes financial and other restrictions, limiting its ability to, among other things, incur additional indebtedness, and encumber or dispose of assets; and additionally the failure to comply with such restrictions could result in an acceleration event, which, if not cured or waived by the lender, could have a material adverse effect on

the Group, (c) Vidrala's indebtedness could place it at a competitive disadvantage compared to those of its competitors that have less debt and reduce the Group's ability to adjust rapidly to changing market conditions and therefore become more vulnerable in case of a further economic downturn.

1.2 Essential information regarding the specific risks of the Commercial Paper

The main risks of the Commercial Paper are the following:

1. The Commercial Paper is not rated

The Commercial Paper is not rated. To the extent that any credit rating agencies assign credit ratings to the Commercial Paper, such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Commercial Paper. A rating or an absence of a rating is not a recommendation to buy, sell or hold securities.

2. There may not be an active public trading market for the Commercial Paper and the ability to transfer them is limited, which may adversely affect the value of the Commercial Paper

There may not be an active trading market for the Commercial Paper and there can be no assurance that an active trading market for the Commercial Paper will develop. We cannot predict the extent to which investor interest in our company will lead to the development of an active trading market or how liquid that trading market might become. The market price of our Commercial Paper may be influenced by many factors, some of which are beyond our control, including:

- changes in demand, the supply or pricing of our products;
- general economic conditions, including raw material prices;
- the activities of competitors;
- our quarterly or annual earnings or those of our competitors;
- investors' perceptions of us and the glass industry;
- the public's reaction to our press releases or our other public announcements;
- future sales of notes; and
- other factors described under these "Risk Factors".

As a result of these factors, you may not be able to resell your Commercial Paper at or above the initial offering price. In addition, securities trading markets experience extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of our Commercial Paper, regardless of our operating performance. If an active trading market does not develop, you may have difficulty selling any Commercial Paper that you buy.

3. Market risk

The Commercial Paper are fixed-income securities assets and their market price is subject to potential fluctuations, mainly due to the evolution of interest rates.

Therefore, the Issuer cannot ensure that the Commercial Paper will be traded at a market price that is equal to or higher than the subscription price.

4. Credit risk

The Commercial Paper is secured by the Issuer's total net worth. The credit risk arises from the potential inability of the counterparty to comply with the obligations set out in the agreement and involves the possible loss that a full or a partial breach of these obligations could cause.

5. Risk relating to changes in the credit quality of the Issuer

The Issuer's credit quality may be deteriorated due to an increase of its indebtedness or due to the deterioration of its financial ratios, which would imply a worsening of the Issuer's capacity to meet its payment obligations.

6. Liquidity risk

This is the risk by virtue of which investors may not be able to find a counterparty for the securities when they want to sell the Commercial Paper prior to their maturity date. Even though the admission (*incorporación*) of the Commercial Paper will be requested to MARF in order to mitigate this risk, an active trading on the market cannot be guaranteed.

Moreover, the Issuer has not entered into any liquidity agreement, and, consequently, no entity has undertaken to ensure put and call prices of the Commercial Paper. Therefore, investors may not find a counterparty for the Commercial Paper.

7. Enforcement risk

Enforcement of the Commercial Paper against the Issuer, and particularly court enforcement, may not secure prompt and full redemption of the Commercial Paper, in view of the statutory procedural mechanics to be followed in accordance with Spanish regulation and the potential excessive work load of the Spanish relevant court; this risk may be substantially increased in case of insolvency of the Issuer.

8. Order of priority and subordination risk

Legislative Decree ("*Real-Decreto Legislativo*") 1/2020, dated May 5 on insolvency ("**Insolvency Law**"), in case of insolvency of the Issuer (*concurso*), credits held by investors as a result of the Commercial Paper shall rank behind privileged credits, but ahead of subordinated credits (except if they could be classified as subordinated in accordance with Article 281 of the Insolvency Law. See section 11 of this Base Information Document.

In accordance with Article 281 of the Insolvency Law, the following are deemed to be subordinated credits, among others:

- Credits that, having been lodged late, are included by the insolvency administrators in the creditors list, as well as those which, not having been lodged, or having been lodged late, are included in such list subsequent communications or by the judge when deciding in relation to the contestation thereof.

- Credits held by any of the persons especially related to the debtor, as referred to in Article 283 of the Insolvency Law.

9. Commercial Paper may not be a suitable investment for all types of investors

Each prospective investor must determine the suitability or appropriateness of the investment in Commercial Paper based on its own circumstances and, in particular, must:

- (a) have sufficient knowledge and experience to carry out a substantial evaluation of the Commercial Paper, advantages and risks of its investment, the information contained in this Information Memorandum and the Issuer's public information;
- (b) have access to appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Commercial Paper, and the impact such investment will have on its portfolio;
- (c) have sufficient financial resources and liquidity to withstand all risks arising from an investment in the Commercial Paper, including the timing of repayment of principal and interest, or potential currency differences if the investor has financing needs denominated in a currency other than the Euro;
- (d) thoroughly understand the commercial, financial, legal and tax terms of the Commercial Paper and be familiar with the formulas that determine the effective amount of each Commercial Paper; and
- (e) be able to assess (either on their own or with the assistance of such financial, legal and other advisers as each prospective investor may deem appropriate) the potential economic, interest rate and any other factors which may affect their investment and their ability to withstand the risks which may materialise.

10. Compensation and settlement of the Commercial Paper

The Commercial Paper will be represented by book entries, with Iberclear and its participating entities responsible for maintaining their accounting records. The compensation and settlement of the Commercial Paper, as well as the repayment of principal to the Commercial Paper holders, will be carried out through Iberclear. Therefore, Commercial Paper holders will depend on the functioning of the Iberclear systems.

The Issuer is not responsible for the records related to the Commercial Paper holders made in the Central Register managed by Iberclear and in the other records maintained by the members of Iberclear, nor for the payments made to the Commercial Paper holders in accordance with them.

2. Information of the Issuer

2.1. Full name of the Issuer, including its address and identification data.

The full name of the Issuer is VIDRALA, S.A.

Its registered office is located at Barrio Munegazo, nº 22; 01400 Llodio (Alava) – Spain.

The Company is a public limited company (*sociedad anónima*) under the laws of the Kingdom of Spain. It was incorporated on 17 March 1965 by means of a deed granted before the Notary Public Mr. Miguel de Miguel de Miguel. It is registered with the Commercial Registry of Alava, under Volume 499, Page 147, Sheet VI-1551.

The Tax Identification Number of the Issuer is A/010004324.

The Legal Entity Identifier (LEI) of the Issuer is 95980020140005399488.

Its corporate website sits at <http://www.vidrala.com/en/>

2.2. Description of the Issuer.

A) *Main milestones*

1965: Vidrala is founded in the northern region of Spain (Llodio, Álava) to supply glass bottles to the strategic wine regions of La Rioja and Bordeaux.

1985: Vidrala successfully executes an initial public offering (“IPO”) in the Bilbao and Madrid stock exchanges.

1989: Vidrala expands domestically through the construction of a second greenfield in southeastern Spain.

2003: Vidrala acquires Ricardo Gallo Vidro, located in Marinha Grande (Portugal).

2005: Following antitrust remedies to a large M&A transaction in the industry –Owens-Illinois buying BSN Glasspack, former glass packaging division of Danone– Vidrala acquires two manufacturing sites: one in Castellar (Barcelona, Spain) and another one in Corsico (Milan, Italy).

2007: Vidrala acquires La Manufacture du Verre, the solely glass manufacturing plant in Belgium.

2015: Vidrala acquires Encirc, with glass manufacturing facilities in the UK & Ireland, together with filling and logistic services. This transformational acquisition was supported on strong market fundamentals and the guarantee of Encirc’s competitive commercial positioning in a region of demonstrated strategic interest.

2017: Vidrala acquires Santos Barosa, a strategic step for the Group, reinforcing our competitiveness and making us leaders of the Iberian market. Santos Barosa owned a major production facility located in Marinha Grande, Portugal, producing around 400,000 glass tons per year.

2019: Vidrala sells its manufacturing activity in Belgium.

2023: Vidrala acquires ‘The Park’ filling and logistics business in Bristol (UK) and ‘Vidroporto’ (Brazil).

2024: Vidrala sells its manufacturing activity in Italy.

B) *Main shareholders*

Vidrala is listed on the Bilbao and Madrid Stock Exchanges.

The persons below are holders as of 1 July 2024 of significant holdings (“*participaciones significativas*”) in the Issuer:

Shareholder	%
Mr. Carlos Delclaux Zulueta	7.729
Urdala, 21, S.L.	6.466
Bidaroa, S.L.	6.417
Addvalia Capital, S.A.	5.621
Mrs. Fuensanta de la Sota Poveda	3.769
Noronha Gallo, S.a.r.l.	3.738

C) *Brief description of the Issuer’s activity*

Vidrala is a consumer packaging company. Since its foundation in 1965 in Llodio, Alava, it has been engaged in the manufacturing and sale of glass containers for food and beverage products. The activities offered to the customer are complemented by filling and logistic services.

Vidrala sells its products to a strong customer base composed of a solid balance between blue chip customers, multinational brand owners and domestic packagers. Vidrala’s commercial positioning is focused on Iberia, UK & Ireland, and Brazil, among diverse product segments such as wine, beer, food preserves, water and soft drinks.

Today, Vidrala is one of the suppliers of reference in the glass packaging industry. The Group produces more than 9 billion bottles and jars per year, which are sold to over 1,600 customers.

Packaging for food and beverage products is an essential part of modern day living. Without containers, it would be impossible to distribute these products from the origin of production to the destiny of consumption. Additionally, consumers are becoming more aware, increasingly demanding sustainable packaging solutions and sustainability across the complete supply chain. As a result, the use of containers is becoming increasingly necessary.

Containers can be produced with different materials in a variety of shapes, sizes and characteristics. Each of them has a different effect on the environment as a result of the material used to produce it, the manufacturing process and, especially, whether it can be recycled or not. The packaging industry is constantly working to improve the environmental impact of its products. Glass has unique advantages in this respect; it is made from natural sources and is 100% recyclable an infinite number of times, without losses in quality or quantity. Recycling glass helps the environment, limiting the use of natural resources, saving energy consumption, reducing carbon emissions and absorbing waste.

Surveys show that consumers and packagers around the world opt for glass as their preferred material. Glass is safe, hygienic, inert and impermeable to

gases, vapours and liquids. It is the most beneficial material for health. It protects, preserves the flavour and properties of the packaged products. Moreover, glass helps brand owners to connect with end consumers, identifying and promoting their goods, acting as a marketing tool and an iconic representation of the product inside.

In conclusion, Vidrala progresses and consolidates itself as a key player in the packaging industry for food and beverage products, keeping the focus on offering an appropriate service level at a competitive cost, developing long-term business relationships with customers, and reinforcing the solvency of its capital structure. The evolution of the Group's financial results demonstrates the strength of the business model of Vidrala, a company that grows and evolves, being an organisation with a clear vision: placing people, customers and suppliers at the center of all the actions put in place.

D) *The Issuer's business model*

Vidrala's business model is characterised by three key aspects that create noteworthy entry barriers:

- LOGISTICS. Local sales nature. Natural characteristics of hollow glass containers limit logistics. Customers' packaging activity demands service on time and supply flexibility. Proximity to the customer and service quality determines sales capabilities.
- CONTINUOUS PROCESS. Capital intensive. Glass manufacturing is based on a continuous 24/365 activity. Production process is intensive in cost (labour and energy) and capital (periodical replacements). Technological development demands constant and complex adaptation.
- OPERATING GEARING. Utilisation rates. Cost and capital intensity creates a high level of operating leverage. High utilisation rates are crucial for profitability.

The global food and beverages market is large and growing and the use of primary packaging for these products increases gradually. Moreover, glass is gaining ground against alternative materials, supported by its unique characteristics in terms of recyclability, environmental sustainability, health, taste preservation and image. Under this long-term context, our internal management priorities remain firmly focused on customer, cost competitiveness and solvency of the capital structure, as the guarantees to consolidate the business under different economic cycles.

Acquisitions have contributed to build up a stronger, more diversified business model. A model with the capacity to expand margins, generate cash and reduce debt, thus creating shareholder value on a recurring basis. Therefore, the premises of our business stand on the need to balance growth and margins, investments and cash returns, through an adequate risk profile that secures the future of Vidrala in the long term.

E) The Issuer's 2023 financial performance

Net sales registered by Vidrala during the full year 2023 amounted to EUR 1,558.8 million, representing an increase of +15.8% over the previous year. On a constant currency basis, sales grew +15.3%, before considering the contribution from the scope change due to the consolidation of Vidroporto's results since December 1, 2023.

Operating profit –EBITDA– obtained over 2023 reached EUR 393.7 million. This represents an increase of +45.6% over the figure reported last year, reflecting a growth -on constant currency and comparable scope- of +43.5% with Vidroporto contributing an additional +2.9%. EBITDA margins reached 25.3% over sales. This represents an expansion of approximately 520 basis points over the previous year.

Net profit for the full year 2023 amounted to EUR 233.4 million. As a result, earnings per share during the period reached EUR 7.23 per share. This represents an increase of +53.5% over the previous period.

Net debt at December 31, 2023 stood at EUR 472.2 million. This is equivalent to a leverage ratio of 1.1x times last twelve months pro-forma EBITDA. This figures include disbursements for M&A transactions, The Park and Vidroporto, for a total amount of EUR 420 million, including the acquired debt.

Find below a summary table with relevant financial figures:

	Full Year 2023	Full Year 2022
Sales (EUR million)	1,558.8	1,345.6
EBITDA (EUR million)	393.7	270.4
EBITDA margin (as percentage of sales)	25.3%	20.1%
EBIT (EUR million)	289.8	184.2
Net profit (EUR million)	233.4	153.7
Free cash flow (EUR million)	153.5	-5.1
Debt (EUR million)	472.2	167.2
Debt / EBITDA (multiple)	1.1x	0.6x
Debt / shareholders' equity (multiple)	0.4x	0.2x
EBITDA / net financial expenses (multiple)	21.1x	147.88x
Total assets (EUR million)	2,481.9	1,953.5
Shareholders' equity (EUR million)	1,224.3	1,033.6

F) ESG Strategy

Vidrala's "Glass Made Good" Strategy places sustainability at the heart of Vidrala's Corporate Strategy. Vidrala is focused on integrating sustainability across all aspects of its operations, aligning with its four

pillars of People, Place, Planet, and Prosperity. This strategy is designed to drive significant progress towards reducing greenhouse gas emissions, promoting environmental responsibility, and ensuring the well-being and progress of our people. The Issuer is firmly committed to streamline the environmental impact of its processes, products and services. Progress of the Issuer's environmental efficiency is documented in detail in the statement of non-financial information / sustainability report, part of its annual report.

Glass is the most sustainable packaging material. It is made from natural and abundant raw materials. It is 100% recyclable, without any quantity or quality loss, so it can be shaped indefinitely without losing any of its properties. Glass packaging is safe, healthy and inert, thereby protecting and preserving the flavour and properties of the product inside, and not chemically reacting with the environment on the outside. The company's dedication to circular economy principles is evident in its push to increase the use of recycled glass, reducing the need for virgin raw materials and minimizing environmental impact.

Vidrala has been investing above historical industry standards in furnaces modernization. Furthermore, Vidrala's current commitment to the advancement of the glass industry is reinforced by strategically investing in modern, ultra-competitive energy-efficient hybrid furnaces and exploring alternative energy sources such as renewable electricity and renewable gases. These efforts aim to reduce carbon emissions and support the transition to a low-carbon economy. This includes initiatives such as projects to enhance energy efficiency, heat recovery systems, ensuring supply of renewable energy through investments in self-generation power facilities, securing renewable energy Power Purchase Agreements (PPAs) or the acquisition of guarantees of renewable origin, among others.

Besides, the company prioritizes the sustainability of its supply chain by engaging suppliers in decarbonization efforts, ensuring they set science-based targets to reduce emissions. Vidrala's comprehensive approach to sustainability not only enhances its operational efficiency but also contributes positively to global environmental goals, ensuring long-term value creation for all stakeholders.

2.3. Standalone and Consolidated financial statements of the Issuer for the financial years ended on 31 December, 2022 and 31 December, 2023.

The Issuer's standalone and consolidated financial statements for the financial years ended on 31 December, 2022 and 31 December, 2023, audited and without reservations, are included by reference to this Information Memorandum:

- 2022 Standalone and Consolidated Annual Accounts:

https://www.vidrala.com/default/documentos/1647_en-2022_individual_financial_information.pdf

https://www.vidrala.com/default/documentos/1668_en-2022_consolidated_financial_information.pdf

- **2023 Standalone and Consolidated Annual Accounts:**

https://www.vidrala.com/default/documentos/1816_en-2023_individual_financial_information.pdf

https://www.vidrala.com/default/documentos/1831_en-2023_consolidated_financial_information.pdf

3. Full name of the securities issue

Commercial Paper Programme Vidrala 2024.

4. Persons responsible

Mr. Raúl Gómez Merino, as representative, in the name and on behalf of VIDRALA, S.A., and jointly with the entities of the Issuer's group, the Group, is responsible for the entire content of this Base Information Memorandum (*Documento Base Informativo de Incorporación*) (the "**Information Memorandum**"), pursuant to his condition of Chief Executive Officer ("*Director General*") of the Issuer.

Mr. Raúl Gómez Merino hereby declares that the information contained in this Information Memorandum is, to the best of his knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not suffer from any omission that could affect the content.

5. Duties of the Registered Advisor of the MARF

BANCA MARCH, S.A. is a company incorporated on 24 June 1946, before the notary public of Madrid, Mr. Rodrigo Molina Pérez, that adapted its corporate bylaws to the current Capital Companies Act on 19 July 1990 before the notary public of Madrid, Mr. Luis Coronel de Palma, with number 3,703 of his official records, duly registered in the Commercial Registry of Balears, Volume 20, Book 104, Page 230, Sheet 195, and in the Registry of Registered Advisors pursuant to instruction (Instrucción Operativa) 8/2014 and having tax identification number A-07004021 ("**Banca March**" or the "**Registered Advisor**").

Banca March has been designated as Registered Advisor of the Issuer. Accordingly, the Registered Advisor shall enable the Issuer to comply with the obligations and responsibilities to be assumed on incorporating its issues into the multilateral trading system, the Alternative Fixed-Income Market ("**MARF**" or the "**Market**"), acting as specialist liaison between both, MARF and Vidrala, and as a means to facilitate the insertion and development of the same under the new securities trading regime.

Therefore, Banca March must provide MARF with any periodically information it may require and, on the other hand, MARF may require as much information as it may deem necessary regarding the actions to be carried out and its corresponding obligations, being authorised to perform as many actions as necessary, where appropriate, in order to verify the information provided.

The Issuer must have, at any time, a designated Registered Advisor registered in the "Market Registered Advisor Registry" (*Registro de Asesores Registrados del Mercado*).

Banca March has been designated as Registered Advisor of the Issuer in order to provide advisory services to Vidrala (i) on the admission to trading (*incorporación*) of the securities issued, (ii) on compliance with any obligations and responsibilities applicable

to the Issuer for taking part on MARF, (iii) on compiling and presenting the financial and business information required, and (iv) in order to ensure that the information complies with these regulatory requirements.

As Registered Advisor, Banca March with respect to the request for the admission (*incorporación*) to trading of the Commercial Paper on MARF:

- (i) has verified that the Issuer complies with the requirements of MARF's regulations for the admission (*incorporación*) of the securities to trading;
- (ii) has assisted the Issuer in the preparation of the Information Memorandum, has reviewed all the information provided by the Issuer to the Market in connection with the request for the admission (*incorporación*) to trading of the securities on MARF and has checked that the information provided complies with the requirements of applicable regulations and does not leave out any relevant information that could lead to confusion among potential investors.

Once the securities are admitted to trading, the Registered Advisor will:

- (i) review the information that the Issuer prepares for MARF periodically or on a one-off basis, and verify that this information meets the requirements concerning content and deadlines set out in the regulations;
- (ii) advise the Issuer on the events that might affect compliance with the obligations assumed when including its securities to trading on MARF, and on the best way of treating such events in order to avoid breach of said obligations;
- (iii) report to MARF any events that could represent a breach by the Issuer of its obligations in case it notices any potential and relevant breach that had not been rectified following notification; and
- (iv) manage, answer and deal with queries and requests for information from MARF regarding the situation of the Issuer, progress of its activity, the level of compliance with its obligations and any other data the Market may deem relevant.

Regarding the previous, the Registered Advisor shall perform the following actions:

- (i) maintain regular and necessary contact with the Issuer and analyse any exceptional situations that may arise concerning the evolution of the price, trading volumes and other relevant circumstances regarding trading of the Issuer's securities;
- (ii) sign any declarations which, in general, have been set out in the regulations as a consequence of the admission (*incorporación*) to trading of the securities on MARF, as well as with regard to the information required from companies with securities on the Market;
- (iii) forward to MARF, without delay, the communications received in response to queries and requests for information the latter may send.

6. Maximum outstanding balance

The maximum amount of the Commercial Paper programme will be a nominal of two hundred million euros (€200,000,000) (the "**Commercial Paper Programme**" or the "**Programme**").

Such balance refers to the total maximum limit that the aggregate value of the outstanding securities issued under the Commercial Paper Programme can reach at any time.

7. Description of the type and class of the securities. Nominal value

The Commercial Paper are securities issued at discount, which represent a debt for the Issuer, accrue interest and will be reimbursed at their nominal value on maturity.

An ISIN code will be assigned to each Commercial Paper with the same maturity issued under the Programme.

Each Commercial Paper will have a nominal value of one hundred thousand euros (€100.000), meaning that the maximum number of Commercial Paper in circulation at any given time shall not exceed two thousand (2,000).

8. Governing Law of the securities

The securities are issued in accordance with the Spanish legislation applicable to the Issuer or to the Commercial Paper. In particular, the Commercial Paper is issued pursuant to the Securities Market Act, in accordance with its current wording and with any other related regulations.

This Information Memorandum is the one required in Circular 2/2018, of 4 December, of MARF, on admission (*incorporación*) and removal of securities on the Alternative Fixed-Income Market.

The courts and tribunals of the city of Bilbao have exclusive jurisdiction to settle any disputes arising from or in connection with the Commercial Paper (including disputes regarding any non-contractual obligation arising from or in connection with the Commercial Paper).

9. Representation of the securities through book entries

The Commercial Paper to be issued under the Programme will be represented by book entries ("*anotaciones en cuenta*"), as set out in the mechanisms for trading on the MARF for which admission (*incorporación*) of the securities is requested. The party in charge of accounting records is Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("**Iberclear**"), with registered office in Madrid, Plaza de la Lealtad, 1, together with its Participating Entities pursuant to article 8.3 of the Securities Market Act and Royal Decree 814/2023 of 8 November on financial instruments, admission to trading, registration of negotiable securities and market infrastructures (*Real Decreto 814/2023, de 8 de noviembre, sobre instrumentos financieros, admisión a negociación, registro de valores negociables e infraestructuras de mercado*).

10. Currency of the issue

The Commercial Paper issued under the Programme will be denominated in Euros.

11. Order of priority

The present issue of Commercial Paper by Vidrala will not be secured by any *in rem* guarantees (*garantías reales*) or guaranteed by any personal guarantees (*garantías*

personales). The capital and the interest of the Commercial Paper will be secured by the Issuer's total net worth.

For the purposes of priority, should the Issuer file for insolvency, the investors are behind any privileged creditors that the Issuer has on that date, pursuant to the classification and order of priority of credits set out in the Insolvency Law.

12. Description of the rights inherent to the securities and the procedure to exercise such rights. Method and term for payment and delivery of the securities

In accordance with the applicable legislation, the Commercial Paper issued under the Programme will not represent, for the investor that acquires them, any present and/or future political rights over the Issuer.

The economic and financial rights of the investor associated to the acquisition and holding of the Commercial Paper will be those arising from the conditions of the interest rate, yields and redemption prices with which they are issued, specified in sections 13, 14 and 16 below.

The date of disbursement of the Commercial Paper will coincide with its date of issuance, and the effective value of the Commercial Paper will be paid to the Issuer by Banco Santander, S.A. (as paying agent), into the account specified by the Issuer on the corresponding date of issuance.

In all cases the Managers will issue a nominative and non-negotiable certificate of acquisition. The referred document will provisionally credit the subscription of the Commercial Paper until the appropriate book entry is practiced, which will grant its holder the right to request the relevant legitimacy certificate (*certificado de legitimación*). Furthermore, the Issuer will report the disbursement to MARF and Iberclear through the corresponding certificate.

13. Date of issue. Term of the Programme

The term of the Programme is of one (1) year from the date of incorporation of this Information Memorandum with MARF. As the Programme is a continuous type, the securities may be issued and subscribed on any day during its term. Notwithstanding the previous, the Issuer reserves the right not to issue new securities when it deems such action appropriate, pursuant to the cash needs of the Issuer or because it has found more advantageous conditions of funding.

14. Nominal interest rate. Indication of the yield and calculation method

The annual nominal interest will be set in each adjudication. The Commercial Paper will be issued at the interest rate agreed by and between Banco Santander, S.A., Bankinter, S.A., Banca March, S.A. and Norbolsa, S.V., S.A. (the "**Managers**") and the Issuer. The yield will be implicit in the nominal value of the Commercial Paper, to be reimbursed on the maturity date.

The interest at which the Managers transfer the Commercial Paper to third parties will be the rate freely agreed between the interested parties.

As these are discounted securities with an implicit rate of return, the cash amount to be paid out by the investor varies in accordance with the issue interest rate and period agreed.

Therefore, the cash amount of the Commercial Paper may be calculated by applying the following formulas:

- When the Commercial Paper is issued for a term of 365 days or less:

$$E = \frac{N}{1 + i \frac{d}{365}}$$

- When the Commercial Paper is issued for a term greater than 365 days:

$$E = \frac{N}{(1 + i) \frac{d}{365}}$$

Whereby:

- N = nominal amount of the Commercial Paper.
- E = cash amount of the Commercial Paper.
- d = number of days of the period to maturity.
- i = nominal interest rate, expressed as a decimal.

A table is included to help the investor, specifying the cash value tables for different rates of interest and redemption periods, and there is also a column showing the variation of the cash value of the Commercial Paper by increasing the period of this by 10 days.

EFFECTIVE VALUE OF €100,000 NOTIONAL NOTE

(Less than one year term)

Nominal rate (%)	7 DAYS			14 DAYS			30 DAYS			60 DAYS		
	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)
0.25%	99,995.21	0.25%	-6.85	99,990.41	0.25%	-6.85	99,979.46	0.25%	-6.85	99,958.92	0.25%	-6.84
0.50%	99,990.41	0.50%	-13.69	99,980.83	0.50%	-13.69	99,958.92	0.50%	-13.69	99,917.88	0.50%	-13.67
0.75%	99,985.62	0.75%	-20.54	99,971.24	0.75%	-20.53	99,938.39	1.62%	-20.52	99,876.86	0.75%	-20.49
1.00%	99,980.83	1.00%	-27.38	99,961.66	1.00%	-27.37	99,917.88	2.17%	-27.34	99,835.89	1.00%	-27.30
1.25%	99,976.03	1.26%	-34.22	99,952.08	1.26%	-34.20	99,897.37	2.71%	-34.16	99,794.94	1.26%	-34.09
1.50%	99,971.24	1.51%	-41.06	99,942.50	1.51%	-41.03	99,876.86	3.26%	-40.98	99,754.03	1.51%	-40.88
1.75%	99,966.45	1.77%	-47.89	99,932.92	1.76%	-47.86	99,856.37	3.82%	-47.78	99,713.15	1.76%	-47.65
2.00%	99,961.66	2.02%	-54.72	99,923.35	2.02%	-54.68	99,835.89	4.38%	-54.58	99,672.31	2.02%	-54.41
2.25%	99,956.87	2.28%	-61.55	99,913.77	2.27%	-61.50	99,815.41	4.93%	-61.38	99,631.50	2.27%	-61.15
2.50%	99,952.08	2.53%	-68.38	99,904.20	2.53%	-68.32	99,794.94	5.50%	-68.17	99,590.72	2.53%	-67.89
2.75%	99,947.29	2.79%	-75.21	99,894.63	2.79%	-75.13	99,774.48	6.06%	-74.95	99,549.98	2.78%	-74.61
3.00%	99,942.50	3.04%	-82.03	99,885.06	3.04%	-81.94	99,754.03	6.63%	-81.72	99,509.27	3.04%	-81.32
3.25%	99,937.71	3.30%	-88.85	99,875.50	3.30%	-88.74	99,733.59	7.20%	-88.49	99,468.59	3.29%	-88.02
3.50%	99,932.92	3.56%	-95.67	99,865.93	3.56%	-95.54	99,713.15	7.78%	-95.25	99,427.95	3.55%	-94.71
3.75%	99,928.13	3.82%	-102.49	99,856.37	3.82%	-102.34	99,692.73	8.35%	-102.00	99,387.34	3.81%	-101.38
4.00%	99,923.35	4.08%	-109.30	99,846.81	4.08%	-109.13	99,672.31	8.93%	-108.75	99,346.76	4.07%	-108.04
4.25%	99,918.56	4.34%	-116.11	99,837.25	4.34%	-115.92	99,651.90	9.52%	-115.50	99,306.22	4.33%	-114.70
4.50%	99,913.77	4.60%	-122.92	99,827.69	4.60%	-122.71	99,631.50	10.10%	-122.23	99,265.71	4.59%	-121.34

EFFECTIVE VALUE OF €100,000 NOTIONAL NOTE

Nominal rate (%)	(Less than one year term)						(Equal to one year term)			(More than one year term)		
	90 DAYS			180 DAYS			365 DAYS			730 DAYS		
	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)
0.25%	99,938.39	0.25%	-6.84	99,876.86	0.25%	-6.83	99,750.62	0.25%	-6.81	99,501.87	0.25%	-6.81
0.50%	99,876.86	0.50%	-13.66	99,754.03	0.50%	-13.63	99,502.49	0.50%	-13.56	99,007.45	0.50%	-13.53
0.75%	99,815.41	0.75%	-20.47	99,631.50	0.75%	-20.39	99,255.58	0.75%	-20.24	98,516.71	0.75%	-20.17
1.00%	99,754.03	1.00%	-27.26	99,509.27	1.00%	-27.12	99,009.90	1.00%	-26.85	98,029.60	1.00%	-26.72
1.25%	99,692.73	1.26%	-34.02	99,387.34	1.25%	-33.82	98,765.43	1.25%	-33.39	97,546.11	1.25%	-33.19
1.50%	99,631.50	1.51%	-40.78	99,265.71	1.51%	-40.48	98,522.17	1.50%	-39.87	97,066.17	1.50%	-39.59
1.75%	99,570.35	1.76%	-47.51	99,144.37	1.76%	-47.11	98,280.10	1.75%	-46.29	96,589.78	1.75%	-45.90
2.00%	99,509.27	2.02%	-54.23	99,023.33	2.01%	-53.70	98,039.22	2.00%	-52.64	96,116.88	2.00%	-52.13
2.25%	99,448.27	2.27%	-60.93	98,902.59	2.26%	-60.26	97,799.51	2.25%	-58.93	95,647.44	2.25%	-58.29
2.50%	99,387.34	2.52%	-67.61	98,782.14	2.52%	-66.79	97,560.98	2.50%	-65.15	95,181.44	2.50%	-64.37
2.75%	99,326.48	2.78%	-74.28	98,661.98	2.77%	-73.29	97,323.60	2.75%	-71.31	94,718.83	2.75%	-70.37
3.00%	99,265.71	3.03%	-80.92	98,542.12	3.02%	-79.75	97,087.38	3.00%	-77.41	94,259.59	3.00%	-76.30
3.25%	99,205.00	3.29%	-87.55	98,422.54	3.28%	-86.18	96,852.30	3.25%	-83.45	93,803.68	3.25%	-82.16
3.50%	99,144.37	3.55%	-94.17	98,303.26	3.53%	-92.58	96,618.36	3.50%	-89.43	93,351.07	3.50%	-87.94
3.75%	99,083.81	3.80%	-100.76	98,184.26	3.79%	-98.94	96,385.54	3.75%	-95.35	92,901.73	3.75%	-93.65
4.00%	99,023.33	4.06%	-107.34	98,065.56	4.04%	-105.28	96,153.85	4.00%	-101.21	92,455.62	4.00%	-99.29
4.25%	98,962.92	4.32%	-113.90	97,947.14	4.30%	-111.58	95,923.26	4.25%	-107.02	92,012.72	4.25%	-104.86
4.50%	98,902.59	4.58%	-120.45	97,829.00	4.55%	-117.85	95,693.78	4.50%	-112.77	91,573.00	4.50%	-110.37

Given the different types of issues that will be applied throughout the Commercial Paper Programme, we cannot predetermine the internal rate of return (IRR) for the investor. In any case, it will be determined in accordance with the formula detailed below:

$$IRR = \left[\left(\frac{N}{E} \right)^{\frac{365}{d}} - 1 \right]$$

Whereby:

IRR = effective annual interest rate, expressed as a decimal.

N = nominal amount of the Commercial Paper.

E = cash amount at the time of subscription or acquisition.

d = number of calendar days between the date of issue (inclusive) and the date of maturity (exclusive).

IRR will be the annual interest of the Notes described in this section for periods of time longer than 365 days.

15. Managers, Paying agent and depository entities

The entities which will be collaborating in the Programme (the “**Managers**”) are:

- Banco Santander, S.A.
- Bankinter, S.A.
- Banca March, S.A.
- Norbolsa, S.V., S.A.

A placement agreement has been entered into by the Issuer and the Managers for the Programme, including the possibility to sell to third parties.

The Issuer has the possibility to appoint new Managers under the Programme. In the case that a new Manager is appointed by the Issuer, a relevant information (“*otra información relevante*”) notice will be published on the website of MARF (<http://www.bolsasymercados.es>).

Banco Santander, S.A. will also act as paying agent (the “**Paying Agent**”).

The Issuer has not designated any securities’ depository entity. Each subscriber will designate, from among the participants in Iberclear, the entity in which to deposit its securities.

16. Redemption price and provisions regarding maturity of the securities. Date and methods of redemption

The Commercial Paper issued under the Programme will be redeemed at their nominal value on the date indicated in the document proving acquisition, applying, when appropriate, the corresponding withholding tax.

The Commercial Paper issued under the Programme may have a redemption period of between three (3) business days and seven hundred and thirty (730) calendar days (twenty-four (24) months).

Given that the Commercial Paper will be traded in MARF, their redemption will take place pursuant to the operating rules of the clearance system of the Market, being paid, on maturity date, the nominal amount of the securities to their legitimate holder. Banco Santander, S.A. as delegated paying agent does not take any liability whatsoever regarding reimbursement by the Issuer of the Commercial Paper on the maturity date.

Should the reimbursement coincide with a non-business day according to the T-2 calendar, reimbursement will be deferred to the first subsequent business day. This case will not have any effect on the amount to be paid.

17. Valid term to claim the reimbursement of the principal

In accordance with article 1.964 of the Spanish Civil Code, reimbursement of the nominal value of the securities will no longer be callable after five (5) years from maturity.

18. Minimum and maximum issue period

As previously stated, during the validity of this Information Memorandum the Commercial Paper issued may have a redemption period of between three (3) business days and seven hundred and thirty (730) calendar days (twenty-four (24) months).

19. Early redemption

The Commercial Paper will not include an early redemption option for the Issuer (*call*) or for the securities' holder (*put*). Regardless of the previous, the Commercial Paper may be early redeemed given that, for any reason, they are in legitimate possession of the Issuer.

20. Restrictions on the free transferability of the securities

In accordance with the applicable legislation, there are no specific or generic restrictions on the free transferability of the Commercial Paper to be issued.

21. Taxation of the securities

In accordance with the provisions set out in the legislation in force, the Commercial Paper qualifies for tax purposes as fixed-income securities with implicit yield. The incomes derived therefrom are classified for tax purposes as income from movable capital derived from the assignment of own capital to third parties and are subject to personal income taxes (Personal Income Tax (“**PIT**”), Corporate Income Tax (“**CIT**”) and Non-Resident Income Tax (“**NRIT**”) and its system of withholdings on account, under the terms and conditions established in their respective regulatory laws and other implementing regulations.

The applicable regulations, but not limited, will be the following:

- (a) Additional Provision One of Law 10/2014 of 26 June, on the regulation, supervision, and solvency of credit institutions (“**Law 10/2014**”).
- (b) Royal Decree 1065/2007 of 27 July, approving the General Regulation on tax management and inspection actions and procedures and the development of common rules on tax application procedures (“**RD 1065/2007**”).
- (c) Law 35/2006 of 28 November, governing Personal Income Tax and partial amendment of the laws on Corporate Tax, Non-Resident Income Tax and Wealth Tax (“**PIT Law**”) as well as articles 74 et seq. of Royal Decree 439/2007 of 30

March 2007, approving the Personal Income Tax Regulation and amending the Pension Plans and Funds Regulation, approved by Royal Decree 304/2004, of 20 February (“**PIT Regulation**”).

- (d) Law 27/2014, of 27 November, of the Corporate Income Tax Law (“**CIT Law**”) as well as articles 60 et seq. of the Corporate Tax Regulation approved through Royal Decree 634/2015, of 10 July (“**CIT Regulation**”).
- (e) Royal Legislative Decree 5/2004, of 5 March, which approves the consolidated text of the Non-Resident Income Tax Law (“**NRIT Law**”) and Royal Decree 1776/2004, of 30 July, which approves the Non-Resident Income Tax (“**NRIT Regulation**”).
- (f) Law 19/1991, of 6 June, on Wealth Tax (“**WT Law**”).
- (g) Law 38/2022, of 27 December, for the establishment of temporary taxes on energy and on credit institutions and financial credit establishments, and for the creation of the temporary solidarity tax on large fortunes and amending certain tax rules (“**Temporary Taxes Law**”).
- (h) Law 29/1987, of 18 December, on Inheritance and Gift Tax (“**IGT Law**”).
- (i) Law 6/2023, of 17 March, on Securities Markets and Investment Services (Securities Market Act).
- (j) Law 37/1992, of 28 December, on Value Added Tax (“**VAT Law**”).
- (k) Royal Legislative Decree 1/1993, of 24 September, approving the consolidated text of Law on Transfer Tax and Stamp Duty (“**TTSD Law**”).

All the above, without prejudice to the regional tax regimes that may be applicable in accordance with the provisions of the Economic Treaty and Agreement in force, respectively, in the *historical territories of Pais Vasco* and in the *Comunidad Foral de Navarra*, or those other exceptional ones that may be applicable due to the specific characteristics of the investor.

As a rule, in order to proceed with the transfer, redemption or reimbursement of fixed-income securities with implicit yield that are subject to withholding tax at the moment of their transfer, redemption or reimbursement, the prior acquisition must be proved through a notary public or through the financial institutions obliged to perform withholdings, together with the transfer, redemption or reimbursement value. The financial institutions through which the payment of interests is made, or which intervene in the transfer, redemption or reimbursement of the securities, shall be obliged to calculate the return attributable to the holder of the security and report it, both to the holder and to the Tax Administration, to which they shall also provide the data corresponding to the persons who intervene in the foregoing transaction.

Likewise, the holding of the Commercial Paper will be subject, as applicable, to the accrual date of the relevant taxes, to the Wealth Tax, the Temporary Solidarity Tax on Large Fortunes and the Inheritance and Gift Tax in accordance with the provisions of the current regulations in each case.

In any case, given that this summary is not intended to be an exhaustive description of all tax considerations, it is recommended that investors interested in acquiring the Commercial Paper to be issued consult their lawyers or tax advisors, who will be able to

provide them with personalized advice based on their circumstances. Likewise, investors and potential investors should consider any future changes in the law or its interpretation criteria.

Investors that are individuals with tax residence in Spanish territory

Personal Income Tax

Generally, income from movable capital obtained from the investment in the Commercial Paper by individuals that are tax resident in Spain is subject to withholding tax, as payment on account of the corresponding PIT to the recipient, at the current rate of 19%. The taxes withheld may be deducted against the PIT's gross tax due, giving rise, where appropriate, to the tax returns provided for in the current legislation.

Furthermore, the difference between the asset's subscription or acquisition value and its transfer, redemption, exchange or reimbursement value will be considered as an implicit income from movable capital and will be allocated to the savings taxable base in the tax period when the transfer, redemption or reimbursement takes place. The income so calculated will be subject to the tax rate resulting from the following tax scale (current tax scale in force):

Taxable base (up to euros)	Tax due (euros)	Remaining taxable base (up to euros)	Applicable rate (percentage)
0.00	0	6,000.00	19.00
6,000.00	1,140.00	44,000.00	21.00
50,000.00	10,380.00	150,000.00	23.00
200,000.00	44,880.00	100,000.00	27.00
300,000.00	71,880.00	upwards	28.00

For the purpose of determining the net income from movable capital the following expenses shall be deductible:

- (a) The expenses of administration and deposit of negotiable securities, in accordance with article 26 of the PIT Law. In this regard, administrative and deposit or custody expenses are those amounts charged by investment services companies, credit entities or other financial entities that, in accordance with the Securities Market Act, are intended to remunerate the service derived from the performance on behalf of their holders of the depository service of securities represented in the form of securities or the administration of securities represented in book entries.
- (b) In the case of transfer, reimbursement or redemption of securities, the ancillary acquisition and disposal expenses, in accordance with article 25.2.b) of the PIT Law. For the purposes of calculating the withholding tax base, these ancillary expenses will not be considered, in accordance with article 93.2 of the PIT Regulation.

Likewise, according to paragraph 4 of article 25.2.b) of the PIT Law, should the PIT taxpayer obtain a negative income from movable capital from the transfer of fixed-income securities and, in addition, the taxpayer has acquired homogeneous fixed-income securities within the two months before or after such transfer, said negative income will be time allocated in the future tax periods as long as the fixed-income securities held by the taxpayer are transferred.

To carry out the transfer or reimbursement of the Commercial Paper, the prior acquisition must be certified by a notary public or by financial institutions obliged to carry out the withholding tax, together with the acquisition price at which the transaction was carried out. The issuer may not proceed with the reimbursement when the holder does not prove its status by means of the appropriate acquisition certificate.

For the purposes of withholding tax payments, the following must be considered:

- (a) In the case of income obtained from the transfer of the Commercial Paper, the financial institution acting on behalf of the transferring party will be obliged to withhold the relevant withholding tax; and
- (b) In the event of income obtained from the reimbursement and redemption of the Commercial Paper, the Issuer will be subject to the withholding tax obligation, unless a financial entity has been entrusted with the execution of such transactions, in which case the latter will be subject to the withholding obligation.

In addition, to the extent that the regime contained in the First Additional Provision of Law 10/2014 applies to the Commercial Paper, the information regime provided in article 44 of Royal Decree 1065/2007 shall be applicable to the Commercial Paper issued at a discount for a term of 12 months or shorter.

In case the First Additional Provision of Law 10/2014 was not applicable or, applying, the issue of the Commercial Paper is not at discount, or its redemption period is longer than 12 months, the general obligation to provide information under the terms set out in article 42 of RD 1065/2007 shall apply.

Wealth tax

In accordance with article 9 of the PIT Law, individuals that are tax residents in Spain will be subject to Wealth Tax (“WT”). In this regard, in accordance with article 5.1.a) of the WT Law, they will be subject to taxation for their worldwide net wealth held as of 31 December of each calendar year, regardless of the place where the assets are located or where the rights can be exercised.

The taxable base of this tax is constituted by the value of the taxpayer’s net wealth, understood as the difference between the value of the assets and rights held by the taxpayer and the charges and levies that fall on such assets or rights. In particular, in the event of Commercial Paper, as they are securities representing the assignment to third parties of own capital, traded in organized markets, they will be computed, in accordance with article 13 of the WT Law, at their average trading value in the fourth quarter of each year.

Taxation will be required in accordance with the provisions established in the WT Law which, for these purposes, sets a minimum exemption of 700,000 euros for each taxpayer. The taxable base will be subject to the tax rate resulting from a tax scale whose rates

range between 0.2% and 3.5%, all without prejudice to the specific regulations approved, as applicable, for each Autonomous Region and of the applicable reductions and/or bonuses.

Law 11/2020, of 30 December, on the General State Budget for the year 2021 (“LPGE 2021”) repeals the second section of the sole article of Royal Decree-Law 13/2011, of 16 September, by which the Wealth Tax was restored, on a temporary basis. This also determines the repeal of the general bonus of 100% of the full amount of the tax, with effect from 1 January 2021.

Temporary Solidarity Tax on Large Fortunes

With the approval of the Temporary Taxes Law, the Temporary Solidarity Tax on Large Fortunes (the “**TSTLF**”) has been created, which would be in force, in principle, in the years 2022 and 2023. The regulations established that the Government would study, at the end of its term, whether it decides to extend the requirement of said tax or not in view of the TSTLF performance. In this regard, Fifth Additional Provision of the Royal-Decree Law 8/2023, of December 27, has established that the requirement of the TSTLF is extended indefinitely until the review of the patrimonial taxation takes place in the context of the amendment of the regional financing system.

Individuals who, on 31 December of each year, have a net wealth higher than €3,000,000 will be subject to this tax.

Individuals that are tax residents in Spain will be taxed for their worldwide assets and rights, regardless of they are located inside or outside Spain.

The taxable base of the TSTLF will be determined by the value of the taxpayer’s assets and rights, calculated by application of the rules provided for in the WT Law.

The taxable base will be reduced by a minimum exemption of €700,000. The following tax scale will apply:

Taxable base (up to euros)	Tax due (euros)	Remaining taxable base (up to euros)	Applicable rate (percentage)
0.00	0	3,000,000.00	0.00
3,000,000.00	0.00	2,347,998.03	1.7
5,347,998,03	39,915.97	5,347.998,03	2.1
10,695,996.06	152.223,93	upwards	3.5

For the calculation of the TSTLF liability, the WT liability paid will be deductible.

Inheritance and Gift Tax

Transfers of Commercial Paper for profit (due to death -inheritance or legacy- or gift) in favour of individuals resident in Spain are subject to Inheritance and Gift Tax (“**IGT**”) in the terms provided for in the IGT Law, being the acquirer of the securities the taxpayer, and without prejudice to the specific regulations approved, as applicable, for each Autonomous Region.

According to state regulations, the applicable tax rate on the taxable base ranges from 7.65% to 34%; the gross tax due resulting from the tax scale must be increased by certain multiplier coefficients depending on the taxpayer's pre-existing wealth and their kinship degree with the deceased or donor, which may ultimately result in an effective tax rate ranging from 0% to 81.6% of the taxable base.

Investors that are entities with tax residence on Spanish territory

Corporate Income Tax

CIT taxpayers will be taxed on the net profits obtained in the tax period. The net profits, once the relevant off-the-books adjustments have been made, will determine the taxable base subject to taxation. The applicable tax rate is, in general, 25%. However, other special tax rates may apply depending on the taxpayer's circumstances.

Income obtained by CIT taxpayers from investments in the Commercial Paper will be included in the CIT taxable base and taxed at the applicable tax rate.

Income obtained by CIT taxpayers from Commercial Paper will be tax exempt from the withholding tax obligation provided that the Commercial Paper: (i) are represented by book entries and (ii) are traded on an official secondary securities market in Spain or on MARF. If both requirements are not met, the withholding, as an account payment of CIT, will be made at the current rate of 19%. Any withholding tax withheld will be deductible from the CIT liability. Credit entities and other financial entities that enter into account agreements with their customers based on transactions involving financial assets shall be obliged to withhold regarding the income obtained by the holders of such accounts.

The procedure to introduce the exemption described in the previous paragraph will be the one set out in the Order of 22 December 1999, without prejudice to the information regime contained in article 44 of RD 1065/2007.

To carry out the transfer or reimbursement of the Commercial Paper, the prior acquisition must be certified by a notary public or by financial institutions obliged to carry out the withholding tax, together with the acquisition price at which the transaction was carried out. The issuer may not proceed with the reimbursement when the holder does not prove its status by means of the appropriate acquisition certificate.

In the event of income obtained from the transfer, the financial entity acting on behalf of the transferor will be subject to the withholding tax obligations.

In the event of income obtained from redemption or reimbursement, the entity subject to withholding tax obligations will be the issuing entity or the financial entity responsible for the transaction.

The financial entities by means of which the transfer or reimbursement is carried out will be obliged to determine the implicit yield attributable to the Commercial Paper holder and to notify such income to both the holder and the Tax Authorities.

Notwithstanding the foregoing, to the extent that the securities are subject to the regime set out in Additional Provision One of Law 10/2014, the procedure set out in article 44 of RD 1065/2007 will be applicable in accordance with the wording given

through Royal Decree 1145/2011, of 29 July, for the securities issued with a reimbursement of 12 or less months.

In case the Additional Provision One of Law 10/2014 was not applicable, or applying, the reimbursement period of the Commercial Paper was higher than 12 months, the general reporting obligations would be applicable in the terms provided for in article 42 of RD 1065/2007.

Wealth Tax

Legal entities are not subject to WT.

Extraordinary Solidarity Tax

Legal entities are not subject to Extraordinary Solidarity Tax.

Inheritance and Gift Tax

Legal entities do not pay IGT and will be subject to the CIT Law.

Investors that are not resident in Spanish territory

Non-residents income-tax for investors non-resident in Spain with a permanent establishment

The income obtained by the holders of the Commercial Paper who have the status of taxpayers under NRIT will qualify as income obtained in Spain, with or without a permanent establishment, under the terms of article 13 of the NRIT Law.

Income from Commercial Paper obtained by a permanent establishment in Spain will be taxed in accordance with the rules of Chapter III of the NRIT Law, without prejudice to the provisions of the Double Taxation Agreement entered into by Spain and the country where the relevant investor is tax resident (the “DTAs”).

The aforementioned income will be excluded from NRIT withholding tax in the same way as described for CIT taxpayers (legal entities resident in Spain). The procedure for making effective the exclusion of withholding or account payment of interest provided for CIT taxpayers will also be applicable to non-residents operating in Spain through a permanent establishment.

Non-residents income-tax for investors non-resident in Spain without permanent establishment

Income from Commercial Paper obtained by persons or entities non-resident in Spain that act, for these purposes, without a permanent establishment, will be taxed in accordance with the rules of the NRIT Law.

However, to the extent that the requirements set forth in the First Additional Provision of Law 10/2014 are met and, as applicable, the non-resident investor without a permanent establishment proves his status, the income derived will be exempt from the NRIT in the same terms as the income derived from public debt, regardless of the investor’s tax residence, in accordance with article 14.1 d) of the NRIT Law.

Otherwise, the income derived from the difference between the redemption, transfer, reimbursement, or exchange value of the securities issued under the Programme and their subscription or acquisition value, obtained by Non-resident investors will be subject to taxation at the rate of 19% and, in general, to withholding tax at the same

rate, without prejudice to those resulting from the DTAs entered into by Spain or the application of domestic exemptions. For the application of the provisions of the DTAs or domestic exemptions, it will be necessary to have evidence of tax residence by means of the relevant certificate validly issued by the tax authorities of the investor's country of tax residence in which the tax residence is expressly specified for the purposes provided for in the DTA.

For securities issued at discount for a term equal to or less than 12 months, for the exemption provided for in Law 10/2014 mentioned in the previous paragraph to be applicable, it will be necessary to comply with the procedure provided for in article 44 of RD 1065/2007, as amended by Royal Decree 1145/2011, of 29 July.

In the event that the First Additional Provision of Law 10/2014 does not apply or, if applicable, the Commercial Paper are not issued at discount or have a redemption term greater than 12 months, the general reporting obligations will apply in the terms provided for in article 42 of RD 1065/2007.

When the First Additional Provision of Law 10/2014 is not applicable to the Commercial Paper, the eventual application of a tax exemption covered by Spanish domestic regulations or double taxation agreements will be subject to the non-resident investor without a permanent establishment in Spain proving such condition by presenting the relevant tax residence certificate.

Failure to provide evidence of tax residence abroad will determine that the income derived from the Commercial Paper will be subject to withholding tax at the general rate currently in force of 19%.

Wealth Tax

Without prejudice to the provisions set out in the DTAs entered into by Spain, non-resident individuals in Spain will be subject to WT on the assets and rights they hold as of 31 December of each year when they were located in Spain or could be exercised or fulfilled in Spanish territory.

Taxpayers will be entitled to apply a minimum exemption of 700,000 euros. A WT rate scale whose marginal rates range from 0.2% to 3.5% will apply for tax year 2024. Specific regulations approved by each Autonomous Region may be applicable. The taxable base in this case will be the average trading value of the fourth quarter of each year.

Notwithstanding the above, securities whose income is exempt by virtue of the NRIT Law will be exempt from the WT.

Likewise, following the judgment of the European Union Court of Justice of 3 September 2014 (case C-127/12), which led to the amendment of the Fourth Additional Provision of the WT Law with effect from 1 January 2015, non-resident taxpayers who are resident in a Member State of the European Union or the EEA will be entitled to the application of the regulations approved by the Autonomous Region where the highest value of the assets and rights of which they are the holders and for which the tax is required, because they are located, can be exercised or shall be fulfilled in Spanish territory. This Fourth Additional Provision has subsequently been amended to include in its subjective scope non-residents who have their tax residence in third countries.

The LPGE 2021 foresees a derogation of the second paragraph of the sole article of the Royal Decree-Law 13/2011, of 16 September, by which the Wealth Tax was re-established, with a temporary basis. This also determines the derogation of the general bonus of 100% of the gross tax liability, with effect from 1st January 2021.

Temporary Solidarity on Large Fortunes Tax

Non-resident individuals will be subject to taxation under TSTLF for the holding of assets and rights that are located, could be exercised or fulfilled in Spanish territory.

Similar rules to those described in section above for resident individuals in Spain will apply to non-resident individual taxpayers.

Inheritance and Gift Tax

In accordance with the IGT Law, individuals not resident in Spain who acquire the securities or rights thereto by inheritance, legacy or gift and who are resident in a country with which Spain has entered into a DTA in relation to such tax, will be subject to taxation in accordance with the provisions of the respective agreement. For the application of such provisions, it will be necessary to have the evidence of tax residence by means of the relevant certificate validly issued by the tax authorities of the investor's residence country in which the residence is expressly specified for the purposes provided for in the agreement.

If a DTA does not apply, individuals not resident in Spain will be subject to IGT in accordance with regulations at the state level for the acquisition of assets located in Spanish territory or rights that could be exercised or fulfilled in such territory. The effective tax rate will range from 0% to 81.6%.

In general, non-residents are subject to IGT in accordance with tax regulations at state level. Notwithstanding the above, the judgment of the European Union Court of Justice of 3 September 2014 (case C-127/12) determined that the Kingdom of Spain had failed to comply with the EU laws by allowing differences in tax treatment in gifts and inheritances involving non-residents in Spain by preventing them from applying the Autonomous Regions' regulations. To eliminate cases of discrimination, the IGT Law was amended to introduce a series of rules that allow for a full equal tax treatment in the discriminatory situations indicated by the Court. Consequently, the tax benefits approved by certain Autonomous Regions are granted, where applicable, to residents in the European Union or the EEA. For these purposes:

- (a) In the event of acquisitions by inheritance, the taxpayer may opt to apply the Autonomous Region regulations where (a) the highest value of the assets and rights of the relict estate are located in Spain in the event that the deceased was resident in the European Union or the EEA; or (b) the deceased was a resident.
- (b) In the event of gifts, non-resident taxpayers who are resident in a Member State of the European Union or the EEA, may opt to apply the Autonomous Region regulations where the relevant movable assets has been located for a greater number of days in the immediately preceding five-year period, counted from date to date and ending on the day before the tax is accrued.

Likewise, the Spanish Supreme Court has issued several judgments (the first of which, of 19 February 2018, appeal number 62/2017) in which it determines that individuals

residing outside the European Union and the EEA can also benefit from the regional IGT bonus like any Spanish citizen or resident in the European Union and the EEA. The Court concludes that to do otherwise constitutes an infringement of the freedom of capital movement which, as the European Union Court of Justice has repeatedly stated, applies to third countries. The Tax Authority (*Dirección General de Tributos del Ministerio de Hacienda*), in binding tax rulings V3151-18 and V3193-18, has in fact admitted the possibility that this group of taxpayers may also choose to apply the regulations of the Autonomous Regions. The Central Economic-Administrative Court (*Tribunal Económico Administrativo Central*) also endorsed it in its Resolution 2652/2016 of 16 September 2019.

Currently, the aforementioned doctrine of the Spanish Supreme Court has been incorporated into the IGT Law through the amendment of the Second Additional Provision in which reference is made to the possibility for all non-resident taxpayers (regardless of whether they are resident in a state of the European Union, EEA or third country) to apply the Autonomous Regions regulations.

Reporting regime set out in article 44 of the Royal Decree 1065/2007

For the exemption contained in Law 10/2014 to apply, to the extent that the Commercial Paper are issued at discount for a term equal to or less than 12 months, the reporting obligations set out in article 44 of RD 1065/2007, which are summarized below, must be met.

In the event of securities originally registered with a securities clearing and settlement entity addressed in Spanish territory, entities that hold the securities registered in their third-party accounts, as well as entities that manage securities clearing and settlement systems based abroad that have an agreement with the aforementioned securities clearing and settlement entity addressed in Spanish territory, must provide the issuer, in each income payment, with a statement that, according to their records, contains the following information regarding the securities, in accordance with the Annex to such RD 1065/2007:

- Identification of the securities;
- Total amount to be reimbursed;
- Reimbursement date;
- Amount of income corresponding to taxpayers of PIT; and
- Amounts to be reimbursed that must be paid in full (which will be, in principle, those corresponding to taxpayers of NRIT and CIT).

The aforementioned statement shall be filed on the business day prior to the date of each redemption of the Commercial Paper, reflecting the situation at the closing of the market on that same day. Failure to file the aforementioned statement by any of the obliged entities on the date set out above will determine the obligation for the Issuer or the Paying Agent to pay the income corresponding to that entity for the net amount resulting from the application of the general withholding tax rate (currently 19%) to all of them.

Subsequently, if the obliged entity submits the statement prior to the 10th day of the month following to the month when the redemption of the Commercial Paper takes

place, the Issuer or the Paying Agent shall, as soon as it receives it, pay any excess amounts withheld.

All the foregoing shall apply without prejudice to the reporting obligations established in general in the tax regulations for issuers, as well as for entities resident in Spain that in their capacity as financial intermediaries, act as depositaries of the Commercial Paper in relation to PIT, CIT and NRIT with a permanent establishment in Spain taxpayers, who are holders of Commercial Paper in accordance with the records of such entities.

General reporting regime

In the event that the issue is not covered by the First Additional Provision of Law 10/2014, or if, being covered, the Commercial Paper are not issued at discount or are issued for a redemption period of more than 12 months, the reporting obligations contained in the PIT Regulation (article 92) and the CIT Regulation (article 63) would apply, by virtue of which, in order to proceed with the disposal or obtention of the reimbursement of financial assets with implicit yield that must be subject to withholding, the obligation to evidence the previous acquisition of them is established, as well as the price at which the transaction was carried out before the notary public or the financial entities obliged to retain (depository entities of the securities). Therefore, the financial entity acting on behalf of the depositor must issue certification of the following to the Issuer or the Paying Agent:

- (i) date of the transaction and identification of the Commercial Paper;
- (ii) name of the acquirer;
- (iii) tax identification number of the relevant acquirer or depositor; and
- (iv) acquisition price.

Three copies of the certification will be issued. Two copies of it will be delivered to the taxpayer, remaining the third one in the possession of the certifying person or entity (depository entity). The Issuer may not proceed with the reimburse or redemption when the holder of the Commercial Paper, through its depository entity, does not prove the prior acquisition by means of the relevant certificate. Therefore, once the Issuer or the Paying Agent has transferred the funds to the depository entities obliged to withhold, they will be obliged to calculate the yield attributable to the holder of the Commercial Paper and notify it to both the holder and the Tax Administration, as well as to carry out the relevant withholding when required in accordance with the above.

Indirect taxation in the acquisition and transfer of the securities issued

The acquisition and, where applicable, the subsequent transfer of the Commercial Paper is exempt from the Transfer Tax and Stamp Duty and the Value Added Tax, in the terms set out in article 338 of the Securities Market Act and in accordance with the laws regulating the aforementioned taxes.

22. Publication of the Information Memorandum

This Information Memorandum will be published on the website of MARF (<http://www.bolsasymercados.es>)

23. Description of the placement system and, if applicable, subscription of the issue. Placement by the Managers

The Managers may intermediate in the placement of the Commercial Paper, without prejudice to the Managers being able to subscribe the Commercial Paper in their own name.

For these purposes, the Managers may request the Issuer in any business day, between 10:00 and 14:00, volume quotations and interest rates for potential issues of Commercial Paper in order to carry out the corresponding book building process among qualified investors.

The amount, interest rate, issue and disbursement dates, maturity date, as well as the rest of the terms of each issue shall be agreed between the Issuer and the Manager or Managers involved. Such terms shall be confirmed by means of the delivery of a document which includes the conditions of the issue, to be sent by the Issuer to the relevant Managers and Paying Agent.

If the Commercial Paper are originally subscribed by the Manager or Managers for its subsequent transmission to the final investors, the price will be the one freely agreed by the interested parties, which may not be the same as the issue price (that is, the effective amount).

The interest to which the Managers transmit the Commercial Paper to the final investors will be the same as agreed by the Manager and the Issuer, and there can be no difference between the listing price of the Commercial Paper, that is, the interest rate that the Issuer is willing to satisfy and has notified to the Managers, and the interest rate to which the Managers place such Commercial Paper to the investors.

Issue and subscription of the Commercial Paper directly by investors

Likewise, the Programme provides the possibility that final investors who are considered “qualified investors” in accordance with the definition provided in article 2.e) of the Prospectus Regulation and “eligible counterparties” or “professional clients”, according to the definition attributed to each of these expressions in MiFID II and its development regulations (including articles 194 and 196 of the Securities Market Act) can subscribe for the Commercial Paper directly from the Issuer, always complying with any requirements that may arise from current legislation.

In such cases, the amount, interest rate, issue and disbursement date, maturity date, as well as the rest of the terms of each agreed issue will be those agreed by the Issuer and the final investors concerned on the occasion of each specific issue.

24. Costs for legal, financial and auditing services, and other services provided to the issuer regarding the admission (*incorporación*)

The costs for all legal, financial and auditing services, and other services provided to the Issuer for the admission to trading of the Commercial Paper sum up a total of € 45.000, excluding taxes, and including the fees of MARF and Iberclear.

25. Admission (*incorporación*) to trading of the securities

Deadline for the admission (incorporación) to trading

The admission (*incorporación*) to trading of the securities described in the present Information Memorandum will be requested for the multilateral trading facility known as the Alternative Fixed-Income Market (MARF). The Issuer hereby undertakes to carry out all the necessary actions so that the Commercial Paper is listed on MARF within seven (7) days from the date of issuance of the securities. For these purposes, as stated above, the date of issuance coincides with the date of disbursement. Under no circumstances will the deadline exceed the maturity of the Commercial Paper. In the event of breach of the aforementioned deadline, the reasons for the delay will be notified to MARF and will be published as relevant information (“*Otra información relevante*”). This is without prejudice to any possible contractual liability that may be incurred by the Issuer. The date of incorporation of the Commercial Paper must be, in any event, a date falling within the validity period of the Programme and under no circumstances will the listing period exceed the maturity date of the Commercial Paper.

MARF has the legal structure of a multilateral trading facility (MTF) (*sistema multilateral de negociación (SMN)*), under the terms set out in article 68 of the Securities Market Act, constituting an unofficial alternative market for the trading of fixed-income securities.

This Information Memorandum is the one required in Circular 2/2018, of 4 December, of MARF, on admission (*incorporación*) and removal of securities on the Alternative Fixed-Income Market, and the applicable proceedings on admission (*incorporación*) to trading and removal of MARF set out in its own Regulations and other applicable regulations.

Neither MARF, the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (CNMV) or the Managers have approved or carried out any verification or testing regarding the content of the Information Memorandum and the audited financial statements. The intervention of MARF does not represent a statement or recognition of the full, comprehensible and consistent nature of the information set out in the documentation provided by the Issuer.

It is recommended that the investor fully and carefully reads the present Information Memorandum prior to making any investment decision regarding the securities.

The Issuer hereby expressly declares that it is aware of the requirements and conditions necessary for the acceptance, permanence and removal of the securities on MARF, according to current legislation and its requirements, and expressly agrees to comply with them.

The Issuer hereby expressly declares that it is aware of the requirements for registration and settlement on Iberclear. The settlement of transactions will be performed through Iberclear.

Publication of the admission (*incorporación*) to trading.

The admission (*incorporación*) to trading will be published on the website of MARF (<http://www.bolsasymercados.es>).

26. Liquidity agreement

The Issuer has not entered into any liquidity undertaking with any entity regarding the Commercial Paper to be issued under the Programme.

In Llodio, July 23, 2024

As the person responsible for this Base Information Memorandum:

Mr. Raúl Gómez Merino

VIDRALA, S.A.

ANNEX 1
STANDALONE AND CONSOLIDATED 2022 AND 2023 ANNUAL ACCOUNTS

2022 Standalone and Consolidated Annual Accounts:

https://www.vidrala.com/default/documentos/1647_en-2022_individual_financial_information.pdf

https://www.vidrala.com/default/documentos/1668_en-2022_consolidated_financial_information.pdf

2023 Standalone and Consolidated Annual Accounts:

https://www.vidrala.com/default/documentos/1816_en-2023_individual_financial_information.pdf

https://www.vidrala.com/default/documentos/1831_en-2023_consolidated_financial_information.pdf

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