

FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "**FSMA**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

EU MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms dated 21 February 2022

PRINCIPALITY OF ANDORRA

Issue of EUR 500,000,000 1.25 per cent. Sustainability Notes due 23 February 2027

Legal entity Identifier (LEI): 549300ZPD490G9UI0A49

under the EUR 1,200,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 23 April 2021 which constitutes a base prospectus (the "**Base Prospectus**") for the purposes of the EU Prospectus Regulation. This document constitutes the Final Terms of the Notes described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information.

The Base Prospectus has been published on the website of the Luxembourg Stock Exchange at www.bourse.lu and on the website of the Issuer at <https://www.finances.ad/emissions-de-deute-public>.

The expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

1. (i) Series Number: 3
- (ii) Tranche Number: 1
- (iii) Date on which the Notes become fungible: Not Applicable
2. Specified Currencies: Currency or Euro ("€")
3. Aggregate Nominal Amount:
 - (i) Series: €500,000,000
 - (ii) Tranche: €500,000,000
4. Issue Price: 99.750 per cent. of the Aggregate Nominal Amount
5. (i) Specified Denominations: €100,000 and integral multiples of €100,000 in excess thereof
- (ii) Calculation Amount: €100,000
6. (i) Issue Date: 23 February 2022
- (ii) Interest Commencement Date: Issue Date
7. Maturity Date: 23 February 2027
8. Interest Basis: 1.25 per cent. per annum Fixed Rate
(see paragraph 12 below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the

Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.

10. Change of Interest or Redemption/Payment Basis: Not Applicable

11. Put/Call Options: Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

12. **Fixed Rate Note Provisions** Applicable

(i) Rate of Interest: 1.25 per cent. per annum payable in arrear on each Interest Payment Date

(ii) Interest Payment Date(s): 23 February in each year starting from 23 February 2023 up to and including the Maturity Date

(iii) Fixed Coupon Amount: €1,250.00 per Calculation Amount

(iv) Fixed Coupon Amount for a short or long Interest Period ("Broken Amount(s)": Not Applicable

(v) Day Count Fraction: Actual/Actual (ICMA)

13. **Floating Rate Note Provisions** Not Applicable

14. **Zero Coupon Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

15. Call Option Not Applicable

16. Put Option Not Applicable

17. Residual Maturity Call Option Not Applicable

18. Clean-Up Call Option Not Applicable

19. Final Redemption Amount of each Note €100,000 per Calculation Amount

20. Early Redemption Amount

Early Redemption Amount(s) €100,000 per Calculation Amount
per Calculation Amount payable
on redemption for taxation
reasons or on event of default or
other early redemption:

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | | |
|---|--|
| 21. Form of Notes: | Bearer Notes:

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on in the limited circumstances specified in the Permanent Global Note |
| 22. Additional Financial Centre(s) or other special provisions relating to payment dates: | Not Applicable |
| 23. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | No. |

Signed on behalf of the Principality of Andorra:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Admission to Trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date
- (ii) Estimate of total expenses related to admission to trading: €3,300

2. RATINGS

- Ratings: The Notes to be issued have been rated:
Fitch Ratings Ltd ("**Fitch**"): BBB+
- According to Fitch, a rating of "BBB+" indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.
- Fitch is established in the United Kingdom and is registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**"). The rating Fitch has given to the Notes is endorsed by Fitch Ratings Ireland Limited, which is established in the EEA and registered under Regulation (EU) No. 1060/2009.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

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

4. YIELD

- Indication of yield: 1.302 per cent.
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.*

5. OPERATIONAL INFORMATION

- ISIN: XS2445667236
- Common Code: 244566723
- Delivery: Delivery against payment
- Names and addresses of additional: Not applicable

Paying Agent(s) (if any):

Relevant Benchmark: Not applicable

6. **DISTRIBUTION**

(i) Method of Distribution: Syndicated

(ii) If syndicated:

(a) Names of Managers: Banco Santander, S.A.
Citigroup Global Markets Limited
Crédit Agricole Corporate and Investment Bank
Andorra Banc Agrícola Reig, S.A.
BSA BANC, S.A.
Mora Banc Grup, SA
Crédit Andorrà, SA
Vall Banc SA

(b) Stabilisation Manager(s), if any: Not Applicable

(iii) If non-syndicated, name of Manager: Not Applicable

(iv) Selling Restrictions: U.S.: Regulation S Compliance Category 1; TEFRA D

Andorra: Each of the Managers has represented and agreed that the Notes may only be offered, sold or distributed in the Principality of Andorra in accordance with the requirements set forth by the laws of Andorra, in particular, Law 7/2013, of 9 May, on the regime for the operative entities of the Andorran financial system and other provisions which govern the financial activities at the Principality of Andorra ("**Law 7/2013**") (*Llei 7/2013, del 9 de maig, sobre el règim jurídic de les entitats operatives del sistema financer andorrà i altres disposicions que regulen l'exercici de les activitats financeres al Principat d'Andorra*) and Law 8/2013, of 9 May, on the organisational requirements and operating conditions of the operating entities in the Andorran financial system, the investor protection, the market abuse and financial securities agreements ("**Law 8/2013**") (*Llei 8/2013, del 9 de maig, sobre els requisits organitzatius i les condicions de funcionament de les entitats operatives del sistema financer, la protecció de l'inversor, l'abús de mercat i els acords de garantia financera*) as well as any other related regulation that may be in force from time to time, as further amended, supplemented or restated governing the issue, offer and sale of securities in Andorra.

Accordingly, the Notes can only be publicly offered, marketed, promoted or negotiated in Andorra by locally licensed financial entities (*entitats operatives del sistema financer andorrà*). Managers that are not locally licensed financial entities (*entitats operatives del sistema financer andorrà*) may offer or distribute exclusively the Notes to locally licensed financial entities (*entitats operatives del sistema financer andorrà*) or sell them to Andorran eligible counterparties or professional investors, as defined in Law 8/2013, as long as the selling of such securities is expressly

solicited by such investors.

**7. REASONS FOR THE OFFER
AND ESTIMATED NET
AMOUNT OF PROCEEDS**

Reasons for the offer:

See "Use of Proceeds" in the Base Prospectus. In particular, an amount equal to the net proceeds of the Notes will be used to finance or refinance, in whole or in part, Eligible Green and Social Expenditures in accordance with the Issuer's Green, Social and Sustainability Framework (available on the Issuer's website at <https://www.finances.ad/emissions-de-deute-public>).

Estimated net proceeds:

€497,750,000