INFORMATION MEMORANDUM DATED 20 NOVEMBER 2023

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

(*incorporated with limited liability in Spain*)

€10,000,000,000
EURO-COMMERCIAL PAPER PROGRAMME

Arranger

BofA SECURITIES

Application has been made to the Irish Stock Exchange plc, trading as Euronext Dublin (**Euronext Dublin**) for euro-commercial paper notes issued during the twelve months after the date of this document under the €10,000,000,000 Euro-Commercial Paper Programme (the **Programme**) described in this document (the **Notes**) to be admitted to the official list of Euronext Dublin (the **Official List**) and trading on its regulated market (the **Regulated Market**).

There are certain risks related to any issue of Notes under the Programme, which potential investors should ensure they fully understand (see "*Risk Factors*" on pages 15 to 50 (inclusive) of this document).

Potential investors should note the statements on pages 173 to 177 (inclusive) regarding the tax treatment in the Kingdom of Spain (**Spain**) of income obtained in respect of the Notes and the disclosure requirements imposed on the Issuer relating to the Notes by Law 10/2014 of 26th June, on the regulation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*) (**Law 10/2014**).

Dealers

BBVA	**BofA SECURITIES**
BARCLAYS	**CITIGROUP**
GOLDMAN SACHS BANK EUROPE SE	**ING**
RABOBANK	**TRADITION**

UBS INVESTMENT BANK

IMPORTANT NOTICE

This information memorandum (together with any supplementary information memorandum and information incorporated herein by reference, the **Information Memorandum**) contains summary information provided by Banco Bilbao Vizcaya Argentaria, S.A. (**BBVA** or the **Issuer**) in connection with a euro-commercial paper programme (the **Programme**) under which the Issuer may issue and have outstanding at any time Notes up to a maximum aggregate amount of €10,000,000,000 or its equivalent in alternative currencies. Under the Programme, the Issuer may issue Notes outside the United States pursuant to Regulation S (**Regulation S**) of the United States Securities Act of 1933, as amended (the **Securities Act**). The Issuer has, pursuant to an amended and restated dealer agreement dated 20 November 2023 (as further amended, restated, supplemented or replaced from time to time, the **Dealer Agreement**), appointed Bank of America Europe DAC as arranger for the Programme (the **Arranger**) and appointed Banco Bilbao Vizcaya Argentaria, S.A., Bank of America Europe DAC, Barclays Bank Ireland PLC, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Coöperatieve Rabobank U.A., Goldman Sachs Bank Europe SE, ING Bank N.V., Tradition London Clearing Limited, and UBS Europe SE as dealers for the Notes (the **Dealers**) and authorised and requested the Dealers to circulate this Information Memorandum on its behalf to investors or potential investors of the Notes.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S) (U.S. PERSONS) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Information Memorandum or confirmed the accuracy or determined the adequacy of the information contained in this Information Memorandum. Any representation to the contrary is unlawful.

The Issuer accepts responsibility for the information contained in this Information Memorandum and declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Information Memorandum is, to the best of the knowledge of the Issuer, in accordance with the facts and does not omit anything likely to affect the import of such information.

This Information Memorandum comprises listing particulars (the **Listing Particulars**) for the purposes of giving information with regard to the issue of the Notes under the Programme. References throughout this document to this Information Memorandum shall be deemed to read Listing Particulars for such purpose.

Application has been made to Euronext Dublin for Notes to be admitted to the Official List and to trading on the Regulated Market. The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer. References in this Information Memorandum to the Notes being "listed" shall be construed accordingly. No Notes may be issued pursuant to the Programme on an unlisted basis.

Neither the Arranger nor the Dealers accept any responsibility, express or implied, for updating the Information Memorandum and neither the delivery of the Information Memorandum or any Pricing Supplement (as defined below) nor any offer or sale made on the basis of the information contained in this Information Memorandum shall, under any circumstances, create any implication that this

Information Memorandum is accurate at any time subsequent to the date thereof with respect to the Issuer or that there has been no change in the business, financial condition or affairs of the Issuer since the date thereof.

No person is authorised by the Issuer to give any information or to make any representation not contained in this Information Memorandum or any Pricing Supplement and any information or representation not contained therein must not be relied upon as having been authorised.

Neither the Arranger nor any Dealer has independently verified the information contained in this Information Memorandum. Accordingly, no representation or warranty or undertaking (express or implied) is made, and no responsibility or liability is accepted by the Arranger or the Dealers as to the authenticity, origin, validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained or incorporated by reference in this Information Memorandum or in or from any accompanying or subsequent material or presentation. Neither the Arranger nor any Dealer accepts any liability in relation to the information contained in this Information Memorandum or any other information provided by the Issuer in connection with the Programme.

The information contained in this Information Memorandum or any other information provided by the Issuer in connection with the Programme is not intended to provide the basis of any credit, taxation or other evaluation and should not be construed as a recommendation or financial advice by the Arranger, the Dealers or the Issuer that any recipient should purchase Notes. Each such recipient must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Programme as it may deem necessary and must base any investment decision upon such independent assessment and investigation and not on this Information Memorandum or any other information supplied in connection with the Programme.

Neither the Arranger nor any Dealer undertakes to review the business or financial condition or affairs of the Issuer during the life of the Programme, nor undertakes to advise any recipient of this Information Memorandum of any information or change in such information coming to the Arranger's or any Dealer's attention.

Neither the Arranger nor any Dealer accepts any responsibility for the assessment of the Sustainable Debt Financing Framework, including the assessment of the applicable eligibility criteria in relation to the Sustainable Notes set out therein.

Neither the Arranger nor any of the Dealers accepts any liability in relation to this Information Memorandum or its distribution by any other person. Neither this Information Memorandum nor any Pricing Supplement is intended to constitute an offer or invitation to any person to purchase Notes. The distribution of this Information Memorandum and any Pricing Supplement and the offering for sale of Notes or any interest in such Notes or any rights in respect of such Notes, in certain jurisdictions, may be restricted by law. Persons obtaining this Information Memorandum or any Notes or any interest in such Notes or any rights in respect of such Notes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. In particular, but without limitation, such persons are required to comply with the restrictions on offers or sales of Notes and on distribution of this Information Memorandum or any Pricing Supplement and other information in relation to the Notes and the Issuer set out under “Selling Restrictions” below.

Notice of the aggregate amount of Notes, the issue price of Notes and any other terms and conditions not contained herein to be completed in relation to each issue of Note that is intended to be admitted to the Official List and to trading on the Regulated Market will be set out in the pricing supplement (the **Pricing Supplement**) attached to or endorsed on the Notes (which may be in global form (the **Global Note**) or in definitive form) (see “*Form of the Notes*” on page 94 below). The Pricing Supplement will be supplemental to and must be read in conjunction with the full terms and conditions of the Notes. Copies of each Pricing Supplement containing details of each particular issue of Notes will be available

from the specified office set out below of the Issuing and Paying Agent (as defined below). Copies of each Pricing Supplement in relation to each particular issue of Notes to be listed on Euronext Dublin will also be published on the website of Euronext Dublin and the Central Bank of Ireland.

A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the **FSMA**)) received in connection with the issue or sale of any Notes will only be made in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

MiFID II PRODUCT GOVERNANCE / UK MiFIR PRODUCT GOVERNANCE – TARGET MARKET

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID II Product Governance Rules**) and/or the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer (each a **Manufacturer**) in respect of those Notes, but otherwise none of the Arranger, the Dealers or any of their respective affiliates will be a Manufacturer.

Solely by virtue of appointment as Arranger or Dealer, as applicable, on this Programme, neither the Arranger nor the Dealers nor any of their respective affiliates will be a Manufacturer for the purpose of the MiFID II Product Governance Rules or the UK MiFIR Product Governance Rules.

The Pricing Supplement in respect of any Notes will include a legend entitled "**MiFID II Product Governance**" and may also include a legend entitled "**UK MiFIR Product Governance Rules**", which will outline each Manufacturer's product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5th February, 2018 and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, **MiFID II**) and/or 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 target market assessment) and determining appropriate distribution channels.

SPANISH TAX RULES

Article 44 of the regulations approved by Royal Decree 1065/2007 of 27th July, as amended by Royal Decree 1145/2011 of 29th July (as so amended, **RD 1065/2007**), sets out the reporting obligations applicable to preference shares and debt instruments (including debt instruments issued at a discount for a period equal to or less than twelve months) issued under the First Additional Provision of Law 10/2014.

General

The procedure described in this Information Memorandum for the provision of information required by Spanish law and regulation is a summary only, and may be updated and/or amended at any time as a result of any change in, or amendment to, the laws or regulations applicable in Spain or any change in the application or binding official interpretation or administration of any such laws or regulations. None of the Issuer, the Arranger or the Dealers assumes any responsibility therefor.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Under Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19th July, 2002, all companies governed by the law of a European Union (the **EU**) Member State (each, a **Member**

State) and whose securities are admitted to trading on a regulated market of any Member State must prepare their consolidated financial statements in conformity with International Financial Reporting Standards adopted by the EU (**EU-IFRS**).

The Issuer's audited consolidated financial statements as at and for each of the years ending 31st December, 2022 (the **2022 Consolidated Financial Statements**), 31st December, 2021 and 31st December, 2020 (together, the **Consolidated Financial Statements**), as included in the annual report of the Group (as defined below) on Form 20-F for the year ended 31st December, 2022 filed with the U.S. Securities and Exchange Commission (the **SEC**) on 6th March, 2023 (the **Form 20-F**) and incorporated by reference in this Information Memorandum, are in compliance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (**IFRS-IASB**) and in accordance with EU-IFRS applicable as of 31st December, 2022, reflecting the Bank of Spain's Circular 4/2017 of 27th November (as amended) and any other legislation governing financial reporting applicable to the Issuer and its consolidated subsidiaries (the **Group**) and with the format and mark-up requirements established in EU Delegated Regulation 2019/815 of the European Commission.

The following principles should be noted in reviewing the financial information contained in this Information Memorandum:

- Unless otherwise stated, any reference to loans refers to both loans and leases.
- All references to any financial information in this Information Memorandum are to the consolidated financial information of the Group, unless otherwise stated.
- Interest income figures, when used, do not include interest income on non-accruing loans to the extent that cash payments have been received in the period in which they are due.
- Financial information with respect to segments or subsidiaries may not reflect consolidation adjustments.
- Certain numerical information in this Information Memorandum may not compute due to rounding. In addition, information regarding period-to-period changes is based on numbers which have not been rounded.

In this Information Memorandum, references to:

- **euro** and **€** denote the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;
- **Sterling** and **£** denote the lawful currency of the UK;
- **U.S. dollars, USD** and **U.S.$** denote the lawful currency of the United States of America;
- **Mexican peso** refers to the lawful currency of the United Mexican States;
- **Turkish Lira** and **TL** refer to the lawful currency of the Republic of Turkey; and
- **JPY** and **¥** are to Japanese Yen.

Where this Information Memorandum refers to the provisions of any other document, such reference should not be relied upon and the document must be referred to for its full effect.

In this Information Memorandum, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have been previously published or are being published simultaneously with this Information Memorandum and have been filed with Euronext Dublin, are incorporated by reference in, and form part of, this Information Memorandum:

(a) the Form 20-F of the Issuer for the financial year ended 31st December, 2022 as filed with the SEC on 6th March, 2023 (which includes on pages F-1 to F-3 thereof the auditor's reports and on pages F-4 to F-219 thereof, the consolidated financial statements for each of the years ending 31st December, 2022, 31st December, 2021 and 31st December, 2020) (available at: https://www.sec.gov/ix?doc=/Archives/edgar/data/0000842180/000084218023000010/bbva-20221231.htm);

(b) the Form 6-K of the Issuer for the six month period ending 30th June, 2023 as filed with the SEC on 28th July, 2023 (which includes the unaudited condensed interim consolidated financial statements of the Issuer as of and for each of the six month periods ending 30th June, 2023 and 30th June, 2022 (available at https://www.sec.gov/ix?doc=/Archives/edgar/data/0000842180/000084218023000021/bbva-20230630.htm);

(c) the Form 6-K of the Issuer for the nine month period ending 30th September, 2023 as filed with the SEC on 31st October, 2023 (which includes the unaudited condensed interim consolidated financial statements of the Issuer as of and for each of the nine month periods ending 30th September, 2023 and 30th September, 2022 (available at https://www.sec.gov/Archives/edgar/data/842180/000084218023000025/form6-kseptember2023.htm);

(d) the section entitled "Alternative Performance Measures (APMs)" set out on pages 193 to 207 (inclusive) of the Management Report included in the Group's Annual Report 2022 (available at: https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/03/Annual-Report-BBVA_2022_ENG.pdf).

(e) the translated English language Unaudited Condensed Interim Consolidated Financial Statements (the **Interim Financial Statements**) and Interim Consolidated Management Report (the **Management Report**) as of and for the nine months ending 30th September, 2023 of the Issuer as furnished to the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores* or the **CNMV**) on 31st October, 2023 (which includes (i) the unaudited condensed interim consolidated financial statements of the Issuer as at 30th September, 2023 and for the nine month period ending 30th September, 2023, the auditors' limited review report thereon and certain other information; and (ii) the section entitled "Alternative Performance Measures (APMs)" set out on pages 50 to 59 (inclusive) of the Management Report);

(f) the audited stand-alone financial statements of the Issuer as of and for the year ended 31st December, 2022 as furnished to the CNMV under Circular 4/2017; and

(g) the audited stand-alone financial statements of the Issuer as of and for the year ended 31st December, 2021 as furnished to the CNMV under Circular 4/2017.

In addition, any audited annual and unaudited interim consolidated financial statements of the Issuer in each case published after the date of this Information Memorandum shall be deemed to be incorporated in, and to form part of, this Information Memorandum upon the publication and filing of such financial statements with Euronext Dublin.

Any statement contained herein or in a document incorporated by reference herein or contained in any supplementary information memorandum or in any document which is subsequently incorporated by reference herein shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede earlier statements contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum.

Any supplement to this Information Memorandum will be subject to the approval of Euronext Dublin prior to its publication.

No website referred to in this Information Memorandum forms part of the document for the purposes of listing the Notes on Euronext Dublin.

The Issuer will provide, without charge to each person to whom a copy of this Information Memorandum has been delivered, upon the request of such person, a copy of any or all the documents deemed to be incorporated by reference herein unless such documents have been modified or superseded as specified above, in which case the modified or superseded version of such document will be provided. Requests for such documents should be directed to the Issuer at its office set out at the end of this Information Memorandum. In addition, such documents will be available, without charge at the principal office in England of the Issuing and Paying Agent (each as set out at the end of this Information Memorandum). Except as provided above, no other information, including information on the website of the Issuer, is incorporated by reference into this Information Memorandum.

OVERVIEW OF THE TERMS OF THE PROGRAMME

Issuer:	Banco Bilbao Vizcaya Argentaria, S.A. (**BBVA**).
Issuer Legal Entity Identifier (LEI):	K8MS7FD7N5Z2WQ51AZ71
Risk Factors:	There are certain factors that may affect the ability of the Issuer to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the risks associated with Notes issued under the Programme. All of these are set out under "*Risk Factors*" and include certain market risks.
Arranger:	Bank of America Europe DAC.
Dealers:	Banco Bilbao Vizcaya Argentaria, S.A. Bank of America Europe DAC Barclays Bank Ireland PLC Citigroup Global Markets Europe AG Citigroup Global Markets Limited Coöperatieve Rabobank U.A. Goldman Sachs Bank Europe SE ING Bank N.V. Tradition London Clearing Limited UBS Europe SE and any other Dealers appointed in accordance with the Dealer Agreement.
Issuing and Paying Agent:	The Bank of New York Mellon, London Branch.
Purpose of the Programme:	The net proceeds from the sale of Notes will be applied for general corporate purposes.
Maximum amount of the Programme:	The outstanding nominal amount of the Notes issued under the Programme will not exceed €10,000,000,000 (or its equivalent in other currencies) at any time. The maximum amount of the Programme may be increased from time to time in accordance with the Dealer Agreement.
Characteristics and form of the Notes:	Notes will be issued in bearer form. The Notes will initially be in global form (**Global Notes**). Each Global Note which is not intended to be issued in new global note form (a **Classic Global Note** or **CGN**), as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with a common depositary for the Relevant Clearing Systems (as defined below) and each Global Note which is intended to be issued in new global note form (a **New Global Note** or **NGN**), as specified in the relevant Pricing Supplement, will be delivered on or around the relevant issue date to a Common Safekeeper (as defined below) for the Relevant Clearing Systems

(as defined herein). A Global Note will be exchangeable into definitive notes (**Definitive Notes**) in whole (but not in part) only in the limited circumstances set out in that Global Note (for further details, see "*Form of the Notes*").

Common Safekeeper means, in relation to each issue of NGNs which is intended to be held in a manner that would allow Eurosystem eligibility, the common safekeeper which is appointed by the Relevant Clearing Systems in respect of such NGN or such other entity as the Issuer and Issuing and Paying Agent may agree from time to time, in accordance with the provisions of the amended and restated issue and paying agency agreement dated 10th December, 2021, as supplemented by a supplemental issue and paying agency agreement dated 21 November, 2022 and a second supplemental issue and paying agency agreement dated 20 November 2023 (as further amended, restated, supplemented or replaced from time to time, the **Issue and Paying Agency Agreement**), and which is eligible to hold such NGN for the purpose of the requirements relating to collateral for Eurosystem monetary and intra-day credit operations. If the Common Safekeeper as at the relevant issue date ceases to be so eligible after the relevant issue date, the relevant Notes will no longer qualify for Eurosystem eligibility unless a new Common Safekeeper is appointed who is so eligible.

Remuneration: Notes may be issued at a discount or may bear a fixed or a floating rate of interest.

Currencies of issue of the Notes: Notes may be denominated in U.S. dollars, euro, Sterling, Japanese Yen or any other currency subject to compliance with any applicable legal and regulatory requirements.

Maturity of the Notes: The tenor of Notes shall not be less than one day nor more than 364 days from (and including) the date of issue, to (but excluding) the maturity date, subject to compliance with any applicable legal and regulatory requirements.

Redemption for taxation reasons: The Notes may be redeemed (in whole but not in part) at the option of the Issuer and prior to their stated maturity for taxation reasons only. The terms of any such redemption will be indicated in the terms of the Notes and the relevant Pricing Supplement.

Minimum denomination of the Notes: Notes may have any denomination, subject to compliance with any applicable legal and regulatory requirements. The initial minimum denominations for Notes are USD500,000, €500,000, £200,000 and ¥100,000,000 and, in each case, integral multiples of units of 1,000 in excess thereof. The minimum denominations of Notes denominated in other currencies will be in accordance with any applicable legal and regulatory requirements. Minimum denominations may be changed from time to time.

Status of the Notes: The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, representing, in the case of each Note, a separate and independent obligation of the Issuer, and,

upon the insolvency proceeding (*concurso de acreedores*) of the Issuer, in accordance with and to the extent permitted by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain (including, without limitation, Additional Provision 14.2 of Law 11/2015), the payment obligations of the Issuer under the Notes with respect to claims for principal (which claims will constitute ordinary claims) will rank:

(i) junior to any (A) privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015) and (B) claims against the insolvency estate (*créditos contra la masa*);

(ii) *pari passu* without any preference or priority among themselves and with all other Senior Preferred Obligations; and

(iii) senior to (A) any Senior Non-Preferred Obligations and (B) all subordinated obligations of, or subordinated claims against, the Issuer (*créditos subordinados*), present and future,

such that any claim for principal in respect of the Notes will be satisfied, as appropriate, only to the extent that all claims ranking senior to it have first been satisfied in full and then *pro rata* with any claims ranking *pari passu* with it, in each case as provided above.

For the purposes of this Information Memorandum:

Insolvency Law means the restated text of the Insolvency Law approved by Royal Legislative Decree 1/2020, of 5th May *(Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended, replaced or supplemented from time to time;

Law 11/2015 means Law 11/2015, of 18th June, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*), as amended, replaced or supplemented from time to time;

ordinary claims means the class of claims with respect to unsecured, non-privileged and unsubordinated obligations (*créditos ordinarios*) of the Issuer which, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer and pursuant to Articles 269, 433 and 435 of the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain, rank (i) junior to privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015 and any secured claims), and claims

against the insolvency estate (*créditos contra la masa*) and (ii) senior to subordinated claims (*créditos subordinados*);

Senior Non-Preferred Obligations means the obligations of the Issuer with respect to all ordinary claims, present and future, which, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer are expressed to rank within the ordinary claims but junior to Senior Preferred Obligations; and

Senior Preferred Obligations means the obligations of the Issuer with respect to (i) the payment of principal under the Notes and (ii) all other ordinary claims, present and future, other than Senior Non-Preferred Obligations.

For further details see "*Form of the Notes*".

Governing law that applies to the Notes:

Save as provided below, the Notes and any non-contractual obligations arising out of or in connection therewith, will be governed by, and shall be construed in accordance with either, English law or Spanish law as specified in the applicable Pricing Supplement.

In the case of Notes governed by English law, the status of the Notes, the recognition of the Spanish Bail-in Power and any non-contractual obligations arising out of or in connection therewith will be governed by, and shall be construed in accordance with, Spanish law. The Notes are issued in accordance with the formalities prescribed by Spanish law.

Listing:

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and to trading on the Regulated Market. The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer. No Notes may be issued pursuant to the Programme on an unlisted basis.

Settlement system:

Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A. (**Clearstream, Luxembourg**) and/or such other securities clearance and/or settlement system(s) which is authorised to hold securities as eligible collateral for Eurosystem monetary policy and intra-day credit operations, as agreed between the Issuer and the relevant Dealer(s) (together, the **Relevant Clearing Systems**).

In the case of Notes governed by English law, accountholders in the Relevant Clearing Systems will, in respect of Global Notes, have the benefit of a deed of covenant dated 10th December, 2021 and made by the Issuer (the **Deed of Covenant**), copies of which may be inspected during normal business hours at the specified office of the Issuing and Paying Agent.

Selling restrictions:

Offers and sales of Notes and the distribution of this Information Memorandum and other information relating to the Issuer or any

Notes are subject to certain restrictions, details of which are set out under "*Subscription and Sale*" below.

Taxation:

Save as set out below, all payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by Spain. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.

The Issuer considers that, according to RD 1065/2007, it is not obliged to withhold any tax amount provided that the simplified information procedures established therein (which do not require identification of the Noteholders) are complied with by the Issuing and Paying Agent, as described in "*Taxation*

– Tax Reporting Obligations of the Issuer".

For further information regarding the interpretation of RD 1065/2007 please refer to "*Risk Factors – Spanish Tax Rules*".

For further details, see "*Taxation*

" below.

Notices:

Unless otherwise specified in the relevant Pricing Supplement, all notices concerning Notes listed on Euronext Dublin shall be published on the website of Euronext Dublin or, in lieu of such publication and if so permitted by the rules of Euronext Dublin, the Issuer may deliver all such notices to the Relevant Clearing System(s) or publish such notices by any other means acceptable to Euronext Dublin.

RISK FACTORS

In purchasing Notes, investors expose themselves to the risk that the Issuer may become insolvent, subject to early intervention or resolution, or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer believes that the factors described below represent the principal factors which could materially adversely affect its businesses and ability to make payments due under the Notes. In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Prospective investors should also read the detailed information set out elsewhere in, or incorporated by reference into, this Information Memorandum and reach their own views prior to making any investment decision.

Unless otherwise stated, terms used in this section have the meanings given to them in "Regulatory Framework".

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS IN RESPECT OF NOTES ISSUED UNDER THE PROGRAMME

Macroeconomic and Geopolitical Risks

A deterioration in economic conditions, including inflationary pressures, or the institutional environment in the countries where the Group operates could have a material adverse effect on the Group's business, financial condition and results of operations

The Group is sensitive to the deterioration of economic conditions or the alteration of the institutional environment of the countries in which it operates, and especially Spain, Mexico and Turkey, which respectively represented 57.8 per cent., 22.8 per cent. and 9.1 per cent. of the Group's assets as of 30th September, 2023, respectively (60.0 per cent., 20.0 per cent. and 9.3 per cent. as of 31st December, 2022, respectively, and 62.4 per cent., 17.8 per cent. and 8.5 per cent. as of 31st December, 2021, respectively). For the periods ended 31st December, 2022, and 2021, the Group's attributable profit amounted to €6,358 million and €4,653 million, respectively (€5,961 million and €4,795 million, respectively, for the periods ended 30th September, 2023 and 2022) and the adjusted attributable profit was €6,559 million and €5,069 million, respectively (€5,961 million and €4,997 million, respectively, for the periods ended 30th September, 2023 and 2022). The share of the adjusted attributable profit of Spain, Mexico, Turkey and South America was 28.4 per cent., 63.2 per cent., 7.7 per cent. and 11.1 per cent., respectively, for the period ended 31st December, 2022, and 30.5 per cent., 50.3 per cent., 14.6 per cent. and 9.4 per cent., respectively, for the period ended 31st December, 2021 (35.4 per cent., 66.9 per cent. 6.1 per cent. and 8.3 per cent., respectively, for the period ended 30th September, 2023 and 30.1 per cent., 58.4 per cent., 6.7 per cent. and 12.5 per cent., respectively, for the period ended 30th September 2022). The share of the Group's gross margin of Spain, Mexico, Turkey and South America was 24.7 per cent., 43.5 per cent., 12.8 per cent. and 17.1 per cent., respectively, for the period ended 31st December, 2022 and 28.0 per cent., 36.1 per cent., 16.2 per cent. and 15.0 per cent., respectively, for the period ended 31st December, 2021 (26.4 per cent., 47.4 per cent., 10.5 per cent. and 16.2 per cent., respectively, for the period ended 30th September, 2023 and 25.3 per cent., 42.0 per cent., 12.9 per cent. and 17.5 per cent., respectively, for the period ended 30th September. 2022). Additionally, the Group is exposed to sovereign debt, especially sovereign debt in these geographical areas.

The global economy is currently facing a number of extraordinary challenges. The war in Ukraine and the sanctions imposed against and by Russia have led to significant disruption, instability and volatility in global markets, as well as higher inflation and lower economic growth. The economic effects include higher commodity prices, mainly of energy commodities. While some of the these tendencies have moderated in recent months, they have recently been exacerbated, and may be further exacerbated, by the growing tensions in the Middle East, which have led to a spike in energy prices and may exert further downward pressure on growth and upward pressure on inflation. Another global macroeconomic risk is the possibility of a sharp growth slowdown in China, which could lead to lower GDP expansion than currently expected in many geographies. Although it may be possible to offset part of the expected growth slowdown in China through the adoption of certain fiscal, monetary and regulatory measures, there are risks related to tensions in the real estate markets and the possible effects of U.S. economic sanctions, among others.

Geopolitical and economic risks have also increased in recent years as a result of trade tensions between the United States and China, Brexit and the rise of populism, among other factors. Growing tensions may lead, among other things, to a deglobalisation of the world economy, an increase in protectionism, a general reduction of international trade in goods and services and a reduction in the integration of financial markets, any of which could materially and adversely affect the Group's business, financial condition and results of operations.

Moreover, the world economy could be vulnerable to other factors, including (but not limited to), widespread health crises (such as the Covid-19 (coronavirus) pandemic or other epidemic contagious diseases), aggressive interest rate hikes by central banks due to high inflationary pressures, which could cause a significant growth slowdown - and, even, a sharp economic recession - as well as new episodes of financial stress.

The Group's results of operations have been particularly affected by the increases in interest rates adopted by central banks in an attempt to tame inflation, contributing to the rise in both interest revenue and interest expenses. In addition, increases in interest rates could adversely affect the Group by reducing the demand for credit, limiting the Group's ability to generate credit for its clients and leading to an increase in the default rate of its borrowers and other counterparties. In particular, the U.S. Federal Reserve (the **Fed**) and the European Central Bank (the **ECB**) have increased their policy interest rates over the last two years. Although uncertainty is high, policy rates (refinancing rates in the case of the ECB) may remain high, at around 5.50 per cent. in the United States and 4.50 per cent. in the Eurozone for a relatively long period of time. Furthermore, liquidity reduction measures by the Fed and the ECB are expected to continue to contribute to the monetary tightening process. Moreover, the Group's results of operations have been affected by the high inflation in all countries in which BBVA operates, especially Turkey and South America.

The Group is exposed, among others, to the following general risks with respect to the economic and institutional environment in the countries in which it operates: a deterioration in economic activity in the countries in which it operates, including recession scenarios; more persistent inflationary pressures, which could trigger a more severe tightening of monetary conditions; stagflation due to more intense or prolonged supply crises; changes in exchange rates; an unfavourable evolution of the real estate market; very high oil and gas prices, which could have a negative impact on disposable income levels in areas that are net energy importers, such as Spain or Turkey, to which the Group is particularly exposed; changes in the institutional environment of the countries in which the Group operates, which could give rise to sudden and sharp drops in GDP and/or changes in regulatory or government policy, including in terms of exchange controls and restrictions on the distribution of dividends or the imposition of new taxes or charges; growth in the public debt or in the external deficit in the countries where the Group operates, which could lead to a downward revision of the credit ratings of the sovereign debt and even a possible default or restructuring of such debt; and episodes of volatility in the financial markets, which could cause significant losses for the Group. In particular, in Argentina, overall macroeconomic conditions have continued to deteriorate, increasing the risk of economic and financial turbulence in the

context of general elections in the last quarter of 2023. Further, political uncertainty in Spain since the general elections held in July could have an adverse impact on Spain's economy.

Any of these factors may have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the political, economic and social conditions in Turkey

In May 2022, the Group increased its shareholding stake in Türkiye Garanti Bankası A.Ş. (**Garanti BBVA**) from 49.85 per cent. to 85.97 per cent. following the completion of a voluntary takeover bid (see Note 3 of the 2022 Consolidated Financial Statements (as defined in "*Documents Incorporated by Reference*" below)).

There are increasing signs of changes in economic policy, in general, and monetary policy, in particular, since the general elections held in May 2023, which may lead to a gradual correction of the current macroeconomic distortions, especially the high external financing needs. Nonetheless, the situation remains unstable, characterised by a strong depreciation of the Turkish lira, high inflation, a significant trade deficit, low central bank foreign reserves and high external financing costs. The earthquakes of February 2023 have deepened Turkey's economic struggles. In addition to the vast human losses, the earthquakes and the government's response thereto have added to pressure on inflation as well as the external and tax balances. Continuing unfavourable economic conditions in Turkey may result in a potential deterioration in the purchasing power and creditworthiness of the Group's clients (both individuals and corporations). In addition, the relatively low official interest rates (despite the recent upward adjustments) in a context of still high inflation, the policies affecting the banking sector and currency depreciation have affected and may continue to affect the Group's results.

Additionally, certain geopolitical factors, such as the war in Ukraine and the recent turbulence in the Middle East, and internal political developments, generate uncertainty about the evolution of the economy and could trigger scenarios of greater instability.

There can be no assurance that these and other factors will not have an impact on Turkey and will not cause further deterioration of the Turkish economy, which may have a material adverse effect on the Turkish banking sector and the Group's business, financial condition and results of operations in Turkey.

Business Risks

The Group's businesses are subject to inherent risks concerning borrowers and counterparties' credit quality and the value of collateral, particularly in Spain, that strengthens its lending portfolio

The total maximum credit risk exposure of the Group (calculated as set forth in Note 7.2.2 to the 2022 Consolidated Financial Statements) as of 30th September, 2023 and 31st December, 2022 was €891,901 million and €815,533 million, respectively (€753,730 million as of 31st December, 2021). The maximum exposure of loans and advances to customers at amortised cost as of 30th September, 2023 and 31st December, 2022 was €387,565 and €368,588 million, respectively (€330,055 million as of 31st December, 2021). The accumulated loss allowances of loans and advances to customers at amortised cost as of 31st December, 2022 amounted to €11,237 million (€11,116 million as of 31st December, 2021).

As of 30th September 2023 and 31st December, 2022, the impairment on financial assets not measured at fair value through profit or loss (impairment of financial assets) was a negative balance of €3,203 million and €3,379 million, respectively (which as of 31st December, 2022 was 11 per cent. higher than the negative balance for the previous year of €3,034 million as of 31st December, 2021). This was due to higher requirements from retail portfolios in the main geographical areas, in a context of activity

growth and the deterioration of the macroeconomic environment with the downward revision of growth expectations in an inflationary environment and general increase in the prices of energy raw materials and interest rates. The Group has exposures to many different products and counterparties, and the credit quality of its exposures can have a significant effect on the Group's earnings. Adverse changes in the credit quality of the Group's counterparties (including borrowers) or in their behaviour or businesses, or any adverse changes in the collateral they may have provided, may reduce the value of the Group's assets, and materially increase the Group's write-downs and loss allowances. Credit risk can be affected by a range of factors, including an adverse economic environment, a decrease in consumption or corporate or government spending, changes in the rating of individual contractual counterparties, their debt levels and the environment in which they operate, increased unemployment, higher commodity prices (especially energy commodities), reduced asset values, increased retail or corporate insolvency levels, changes in interest rates (as well as the timing, magnitude and pace of these changes), litigation and legal and regulatory developments.

The Group's non-performing loans (**NPL**) ratio (as defined in the Alternative Performance Measures section of the Consolidated Management Report 2022 (as defined in "*Documents Incorporated by Reference*" below)), which was 3.3 per cent., 3.4 per cent., and 4.1 per cent. as of 30th September, 2023, 31st December 2022 and 31st December, 2021, respectively, has remained at sound levels. The recent increases in interest rates and possible further successive rate increases may cause a deterioration in the Group's default rate and an increase in the Group's risk-weighted assets (**RWAs**). The Group's coverage ratio (as defined in the Alternative Performance Measures section of the Consolidated Management Report 2022) stood at 79 per cent., 81 per cent. and 75 per cent. as of 30th September, 2023, 31st December, 2022 and 31st December, 2021, respectively.

Furthermore, economic deterioration typically results in a decrease in the price of real estate assets. The Group remains significantly exposed to the real estate market, mainly in Spain and, to a lesser extent, Mexico and Turkey, due to the fact that many of its loans are secured by real estate assets and due to the significant volume of real estate assets that it maintains on its balance sheet. As of 31st December, 2022 and 31st December, 2021, the Group's exposure to the construction and real estate sectors (excluding the mortgage portfolio) in Spain was equivalent to €9,549 million and €9,504 million, respectively, of which €1,861 million and €2,123 million, respectively, corresponded to loans for construction, real estate development and house purchases in Spain (representing 1.1 per cent. and 1.3 per cent., respectively, of the Group's loans and advances to customers in Spain (excluding the public sector) and 0.3 per cent. of the Group's consolidated assets as of each of 31st December, 2022 and 2021). The total real estate exposure (excluding the mortgage portfolio), including developer credit and foreclosed assets without other assets, reflected a coverage ratio of 34 per cent. in Spain as of 31st December, 2022. A fall in the price of real estate assets in Spain (or, to a lesser extent, Mexico or Turkey) would reduce the value of any real estate securing loans granted by the Group and, therefore, in the event of default, the amount of the expected losses related to such loans would increase. In addition, it could also have a significant adverse effect on the default rates of the Group's residential mortgage portfolio, the balance of which, as of 30th September, 2023, 31st December, 2022 and 31st December, 2021 was €93,306 million, €91,569 million and €91,324 million, respectively, at a global level.

The impact of an increase in default rates on the Group will depend on its magnitude, timing and pace, and could be significant. Furthermore, it is possible that the Group has incorrectly assessed the creditworthiness or willingness to pay of its counterparties, that it has underestimated the credit risks and potential losses inherent in its credit exposure and that it has made insufficient provisions for such risks in a timely manner. The processes involved in making such assessments, which have a crucial impact on the Group's results and financial condition, require difficult, subjective and complex calculations, including forecasts of the impact that macroeconomic conditions could have on these counterparties. In particular, the Group's estimates of losses derived from its exposure to credit risk may prove to be inadequate or insufficient in the current environment of economic uncertainty, which

could affect the adequacy of the provisions for insolvencies provided by the Group. An increase in non-performing or low-quality loans could significantly and adversely affect the Group's business, financial condition and results of operations.

As of 31st December, 2022 and 31st December, 2021, the gross amount of loans of the Group subject to refinancing and restructuring of the Group was €15,120 million and €17,949 million, respectively (which represents a 16 per cent. decrease between 2021 and 2022), mainly concentrated in Spain and Turkey, which represents 4.2 per cent. and 5.6 per cent., respectively, of total loans and advances to customers net of loan loss provisions. These loans subject to refinancing and restructuring have an associated collateral value of €5,192 million and €6,668 million, respectively, and 54 per cent. and 51 per cent., respectively, of those loans were classified as impaired as of these respective dates.

As of 31st December, 2022 and 31st December, 2021, assets from foreclosures and recoveries, net of impairment losses amounted to €714 million and €837 million, respectively.

The Group's business is particularly vulnerable to interest rates and is exposed to risks associated with the continuity of certain reference rates and the transition to alternative reference rates

The Group's results of operations are substantially dependent upon the level of its net interest income, which is the difference between interest income from interest-earning assets and interest expense on interest-bearing liabilities. It is possible that changes in market interest rates affect the Group's interest-earning assets differently from the Group's interest-bearing liabilities. This, in turn, may lead to a reduction in the Group's net interest margin, which could have a significant adverse effect on its results. Moreover, changes in interest rates may affect the Group's credit risk exposure. In Spain, the net interest margin for the period ended 30th September, 2023, increased by 50.8 per cent., as compared to the corresponding period for the previous year; in Mexico it has increased by 37.9 per cent. (23.3 per cent. at constant exchange rates); in Turkey it has decreased by 19.3 per cent. (an increase of 21.3 per cent. at constant exchange rates) and in South America it has increased by 26.6 per cent. (67.6 per cent. at constant exchange rates).

Interest rates are highly sensitive to many factors beyond the Group's control, including fiscal and monetary policies of governments and central banks, regulation of the financial sector, domestic and international economic and political conditions and other factors. The COVID-19 pandemic triggered a process of cuts in reference interest rates, which were then progressively reversed by central banks in order to combat inflation, with four interest rate increases implemented by the ECB since July 2022 through 31st December 2022, one more in February 2023, March 2023, May 2023, June 2023, August 2023 and another one in September 2023. Although uncertainty is high, refinancing rates may remain high at around 4.50 per cent. in the Eurozone for a relatively long period of time. However, interest rate policies are being implemented at a different pace across regions and it is possible that such policies could be changed in case concerns about economic growth or financial stability arise among other considerations. The Group's results of operations have been affected by the increases in the interest rates adopted by central banks in an attempt to tame inflation, contributing both to a rise in net interest income and a rise in funding costs. Further increases in interest rates will depend, among other factors, on the evolution of inflation and could adversely affect the Group by reducing the demand for credit, limiting its ability to generate credit for its clients and/or increasing the default rate of its borrowers and counterparties.

In particular, the repayment capacity of loans tied to variable interest rates is more sensitive to changes in rates. As of 31st December, 2022 and 31st December, 2021, 49.2 per cent. and 50.2 per cent., respectively, of the total transactions with a maturity greater than one year included in "Loans and advances to customers" had floating interest rates. See Note 7.3.1 of the 2022 Consolidated Financial Statements where the interest rate sensitivity analysis is detailed.

With regard to the risk of variation in the market value of assets and liabilities, as of 31st December, 2022, the average value at risk (**VaR**) was €27 million. By type of market risk assumed by the Group's trading portfolio, the main such risk for the Group continues to be linked to interest rates, representing 54 per cent. of the total at the end of 2022 (including spread risk) and decreasing the relative weight compared to the end of 2021 (when this was 57 per cent.). Exchange risk represents 22 per cent. of the total, an increase compared to the end of the year 2021 (when exchange risk was 16 per cent.), while variable income risk and volatility and correlation risk also increased, representing 11 per cent. at the end of the year 2022 (as compared to 9 per cent. at the end of the year 2021). As of 31st December, 2022, the VaR balance was €29 million (€32 million corresponding to interest and spread risk, €13 million to exchange rate risk, €7 million to equity risk, €5 million to volatility risk and €28 million of diversification effects).

Moreover, the transition away from and discontinuation of interbank offer rates (**IBORs**) could have an adverse effect on the Group. In recent years, international regulators have been driving a transition from the use of IBORs, including the London interbank offered rate (**LIBOR**), the euro interbank offered rate (**EURIBOR**) and the euro overnight index average (**EONIA**), to alternative risk-free rates (**RFRs**). This has resulted in regulatory reform and changes to existing IBORs, with further changes anticipated. These reforms and changes may cause an IBOR to perform differently than it has done in the past or to be discontinued. The Group is particularly exposed to EURIBOR-based financial instruments. However, as of 30th September, 2023, the Group considers that there are limited transition risks relating to EURIBOR as it has been replaced by the hybrid EURIBOR which uses a methodology that meets the requirements of the European Regulation of Reference Indices.

Although the transition from LIBOR EUR, CHF, JPY and GBP has been carried out without relevant impacts, the Group continues to maintain financial assets and liabilities whose contracts are referenced to USD LIBOR, when used, among others, for loans, deposits and debt issuances, as well as underlying derivative financial instruments, and the Group continues to work to adapt or modify the related documentation. The uncertainty about the nature and extent of USD LIBOR reforms and changes, and how they might affect financial instruments, could negatively impact the valuation and/or trading of a wide range of financial instruments that use USD LIBOR, including securities, loans, deposits and derivative instruments based on USD LIBOR issued by the Group or otherwise included in the financial assets and liabilities of the Group. Such uncertainty may also affect the availability and cost of hedging instruments and debt.

The implementation of any alternative RFRs may be impossible or impracticable under the existing terms of certain financial instruments. Such transition could also result in pricing risks arising from how changes to reference rates could impact pricing mechanisms in some instruments, and could have an adverse effect on the value of, return on and trading market for such financial instruments and on the Group's profitability. In addition, the transition to RFRs will require important operational changes to the Group's systems and infrastructure, as all systems will need to account for the changes in the reference rates.

Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group faces increasing competition and is exposed to a changing business model

The markets in which the Group operates are highly competitive and it is expected that this trend will continue in the coming years with the increasing entry of non-bank competitors (some of which have large client portfolios and strong brand recognition) and the emergence of new business models. In recent years, the financial services sector has undergone a significant transformation driven by the development of mobile technologies, data-driven innovation, and the entry of new players into activities previously controlled by financial institutions. Although the Group is making efforts to adapt to these changes through its digital transformation, its competitive position is also affected by some regulatory

asymmetries that benefit non-bank operators. For example, banking groups are subject to prudential regulations that have implications for most of their businesses, including those in which they compete with non-bank operators (such as FinTech or BigTech) that are only subject to regulations specific to the activity they develop or that benefit from loopholes in the regulatory environment. This means, for example, that when banking groups carry out financial activities through the use of new technologies, they are generally subject to additional internal governance rules that place such groups at a competitive disadvantage.

Moreover, the widespread adoption of new technologies, including crypto currencies and alternative payment systems that do not use the banking system, could erode the Group's business or require the Group to make substantial investments to modify or adapt existing products and services including its mobile and internet banking capabilities. Likewise, the increasing use of these new technologies and mobile banking platforms could have an adverse impact on the Group's investments in facilities, equipment and employees of the branch network. A faster pace of transformation towards mobile and online banking models could require changes in the Group's commercial banking strategy, including the closure or sale of some branches and the restructuring of others, and the significant reduction in employees. These changes could result in significant expenses as the Group reconfigures and transforms its commercial network. In addition, the trend towards the consolidation in the banking industry has created larger banks with which the Group must compete. Failure to implement such changes efficiently and on a timely basis could have a material adverse impact on the Group's competitive position or otherwise have a material adverse effect on the Group's business, financial condition or results of operations (see Note 24 of the 2022 Consolidated Financial Statements).

The future success of the Group depends, in part, on its ability to use technology to provide suitable products and services for customers. While the Group has focused on developing its technological capabilities in recent years and is committed to digitisation, its ability to compete successfully is likely to be adversely affected by, on the one hand, the existing uneven playing field between banks and non-bank players, and on the other hand, the increasing relevance of access to digital data and interactions for customer relationship management, which places digital platforms at an advantage. Digital platforms (such as those maintained by large technology or social media companies and FinTechs) increasingly dominate access to data and control over digital interactions, and are already eroding the Group's results in highly relevant markets such as payments. These platforms can leverage their advantage in access to data to compete with the Group in other markets and could reduce the Group's operations and margins in its core businesses such as lending or wealth management. Some of the Group's competitors have created alliances with BigTech that may affect the Group's ability to compete successfully and could adversely affect the Group. In the event that the Group is not successful in addressing increasing competition, its business, financial condition and results of operations could be materially and adversely affected.

The Group faces risks related to its acquisitions and divestitures

The Group has acquired and sold several companies and businesses over the past few years. On 15th November, 2021, BBVA announced its decision to launch a voluntary takeover offer (**VTO**) for the entire share capital of Garanti BBVA not already owned by BBVA. On 18th May, 2022, BBVA announced the end of the offer acceptance period and the acquisition of an additional 36.12 per cent. (taking its total shareholding following the VTO to 85.97 per cent.). Other recent transactions are the sale of BBVA USA Bancshares Inc. and other Group companies in the United States and the sale of BBVA Paraguay (see Note 3 of the 2022 Consolidated Financial Statements).

The Group may not complete any ongoing or future transactions in a timely manner, on a cost-effective basis or at all and, if completed, they may not have the expected results. In addition, if completed, the Group's results of operations could be adversely affected by divestiture or acquisition-related charges and contingencies. The Group may be subject to litigation in connection with, or as a result of, divestitures or acquisitions, including claims from terminated employees, customers or third parties. In

the case of an acquisition, the Group may be liable for potential or existing litigation and claims related to an acquired business, including because either the Group is not indemnified for such claims or the indemnification is insufficient. Further, in the case of a divestiture, the Group may be required to indemnify the buyer in respect of similar or other matters, including claims against the divested entity or business.

In the case of an acquisition, even though the Group reviews the companies it plans to acquire, it is often not possible for these reviews to be complete in all respects and there may be risks associated with unforeseen events or liabilities relating to the acquired assets or businesses that may not have been revealed or properly assessed during the due diligence processes, resulting in the Group assuming unforeseen liabilities or an acquisition not performing as expected. In addition, acquisitions are inherently risky because of the difficulties that may arise in integrating people, operations and technologies. There can be no assurance that any of the businesses the Group acquires can be successfully integrated or that they will perform well once integrated.

Acquisitions may also lead to potential write-downs that adversely affect the Group's results of operations. Any of the foregoing may cause the Group to incur significant unexpected expenses, may divert significant resources and management attention from the Group's other business concerns, or may otherwise have a material adverse effect on the Group's business, financial condition and results of operations.

The Group faces risks derived from its international geographic diversification and its significant presence in emerging countries. The Group's ability to distribute dividends depends, in part, on the receipt of dividends from its subsidiaries

The Group is made up of commercial banks, insurance companies and other financial services companies in various countries and its performance as a global business depends on its ability to manage its different businesses under various economic, social and political conditions, facing different legal and regulatory requirements in many of the jurisdictions in which it operates (including, among others, different supervisory regimes and different tax and legal regimes related to the repatriation of funds or the nationalisation or expropriation of assets).

In addition, the Group's international operations may expose it to risks and challenges to which its local competitors may not be exposed, such as currency risk (as of 31st December, 2022 and 31st December 2021, 44.7 per cent. and 41.5 per cent. of the Group's assets, respectively, and 42.1 per cent., and 37.8 per cent. of the Group's liabilities, respectively, were denominated in currencies other than euro), the difficulty of managing or supervising a local entity from abroad, political risks (which could affect only foreign investors) or limitations on the distribution or repatriation of dividends (for example, the repatriation of dividends from each of BBVA's Venezuelan and Argentinean subsidiaries (whose book values were €109 million and €1,396 million, respectively, as of 31st December, 2022, and €78 million and €1,130 million, respectively, as of 31st December, 2021) is subject to certain restrictions and there is no assurance that further restrictions will not be imposed), thus worsening its position compared to that of local competitors.

In 2022, dividend income from its subsidiaries represented €3,347 million, which was approximately 35.2 per cent. of the gross margin of the Issuer. This represented an increase of 97.0 per cent. compared to 2021. This was due in part to the Group's decision to follow a 'Multiple Point of Entry' strategy, in accordance with the framework for the resolution of financial entities designed by the Financial Stability Board (**FSB**), by which each of the Group's subsidiaries are self-sufficient and each subsidiary is responsible for managing its own capital and liquidity. This means that the payment of dividends, distributions and advances by the Group's subsidiaries to BBVA depends not only on the results of those subsidiaries, but also on the context of their operations and liquidity needs, and may be further limited by legal, regulatory and contractual restrictions. Furthermore, the Issuer's right, as a shareholder, to participate in the distribution of assets resulting from the eventual liquidation or any reorganisation

of its subsidiaries will be effectively subordinated to the rights of the creditors of those subsidiaries, including their commercial creditors.

There can be no guarantee that the Group will be successful in developing and implementing policies and strategies in all of the countries in which it operates, some of which have experienced significant economic, political and social volatility in recent decades. In particular, the Group has a significant presence in several emerging countries, such as Mexico and Turkey, and is therefore vulnerable to any deterioration in economic, social or political conditions in these countries. Emerging markets are generally affected by the conditions of other commercially or financially related markets and by the evolution of global financial markets in general (they may be affected, for example, by the evolution of GDP and interest rates in the United States and the exchange rate of the U.S. dollar), as well as by fluctuations in the prices of commodities. The risks associated with investing in emerging economies, in general, or in emerging markets where the Group operates, in particular, could trigger capital outflows from those economies, negatively affecting them, and therefore the Group. Moreover, emerging countries are more prone to experience significant volatility in inflation and foreign exchange rates, which may have a material impact on the Group's results of operations, assets (including RWAs) and liabilities. For example, in Turkey, annual inflation estimated by the Turkish Statistical Institute (Turkstat) was 61.5 per cent. (in comparison to 64.3 per cent. in December 2022) and the exchange rate averaged 27.0 Turkish liras per euro in September 2023 (in comparison to 20.0 Turkish liras per euro in December 2022). As of 31st December, 2022, the estimated sensitivities of the Group's result attributable to the owners of the parent company, taking into account the coverage against depreciations and appreciations of 1 per cent. of the average foreign exchange rate for the Mexican peso and Turkish lira was €19 million and €4 million, respectively. To the extent that hedging positions are periodically moderated, the sensitivity estimate attempts to reflect an average (or effective) sensitivity in the year against depreciations and appreciations.

The Group's operations in emerging countries are also exposed to heightened political risks, such as changes in governmental policies, expropriation, nationalisation, interest rate limits, exchange controls, capital controls, government restrictions on dividends or bank fees and adverse tax policies. For example, the repatriation of dividends from BBVA's Venezuelan, Argentinian and Turkish subsidiaries is subject to certain restrictions and there is no assurance that further restrictions will not be imposed. Since BBVA's ability to pay dividends depends, in part, on the receipt of dividends from its subsidiaries, such restrictions may, in turn, affect BBVA's ability to pay dividends.

If the Group failed to adopt effective and timely policies and strategies in response to the risks and challenges it faces in each of the regions where it operates, particularly in emerging countries, the Group's business, financial condition and results of operations could be materially and negatively affected.

The Group is exposed to various risks in connection with climate change

Climate change, which is resulting in an increase in the intensity and frequency of extreme weather events and environmental degradation, presents short, medium and long-term risks to the Group and its customers and counterparties, with the risks expected to increase over time. Risks posed by climate change may be classified into transition and physical risks.

Transition risks refer to changes in, among others, regulations, technologies and market preferences linked to the transition toward a less carbon-dependent economy, including the following:

– *Legal and regulatory risks:* legislative or regulatory changes regarding how banks manage climate risk or that otherwise affect banking practices or the disclosure of climate-related information may result in higher compliance, operational and credit risks and costs. The Group's customers and counterparties may also face similar challenges. Moreover, there are significant risks and uncertainties inherent in the development of adequate, climate change-

related risk assessments and modelling capabilities and the collection of customer, third party or other data, which may result in the Group's systems or frameworks (or those of its customers and counterparties, where applicable) being inadequate, inaccurate or susceptible to incorrect customer, third party or other data.

- *Technological risks*: certain of the Group's customers and counterparties may be adversely affected by the progressive transition to a low-carbon economy and/or risks associated with new low-carbon technologies. If the Group's customers and counterparties fail to adapt to the transition to a low-carbon economy, or if the costs of doing so adversely affect their creditworthiness, this could adversely affect the Group's relevant loan portfolios.

- *Market risks*: the funding costs of businesses that are perceived to be more exposed to climate change could increase, which may result in the deterioration of their creditworthiness and credit ratings, adversely affecting the Group's relevant loan portfolios. The Group could also be adversely affected by changes in demand brought by climate change, as well as changes in energy supply and prices, among others.

- *Reputational risks*: the perception of climate change as a risk by society, shareholders, customers, governments and other stakeholders continues to increase, including in relation to the financial sector's operations and strategy. This may result in increased scrutiny of the Group's activities, as well as its climate-related policies, goals and disclosure. The Group's reputation may be harmed if its efforts to reduce environmental and social risks are deemed to be insufficient. Divergent views on ESG policies may also have a negative impact on the Group's reputation. Increased scrutiny of climate change-related policies, goals and disclosure may result in litigation and regulatory investigations and actions. The Group has disclosed certain aspirational climate-related goals and such goals, which are being pursued over the long-term, may prove to be considerably more costly or difficult than currently expected, or even impossible to achieve, including as a result of changes in environmental and energy regulation and policy, the pace of technological change and innovation and the actions of governments, the Group's customers and competitors.

The physical risk arising from climate change could result from increased frequency and/or severity of adverse weather events or the impact of climate change over the long term. The activities of the Group or those of its customers or counterparties could be adversely affected by the physical risks arising from climate change. For example, extreme weather events may damage or destroy the properties and other assets of the Group or those of its customers or counterparties, result in increased costs, or other disrupt their respective operations (for example, if supply chains are disrupted as a result), diminishing – in the case of the Group's customers or counterparties – their repayment capacity and, if applicable, the value of assets is pledged as collateral to the Group. The Group is also exposed to potential long-term risks arising from climate change, such as increases in credit-related costs due to deteriorating macroeconomic conditions, which may be caused in part by an increase in infectious diseases or other ailments resulting from climate change. The Group could also be adversely affected by widespread declines in asset values as a result of climate change or climate-related risks, reduced availability of insurance and significant interruptions to business operations, and may be required to change its business models in response to those consequences. Any of these factors may have a material adverse effect on the Group's business, financial condition and results of operations.

The outbreak and global spread of epidemics could have a material adverse effect on the Group's business, financial condition and results of operations

The economic condition of the countries in which the Group operates may be adversely affected by an outbreak of any contagious diseases, such as COVID-19 (coronavirus), that develop into a regional or global epidemic and other large scale public health events. The measures that may be taken by governments, regulators and businesses to respond to any such events may lead to slower or negative

economic growth, supply disruptions, inflationary pressures and significant increases in public debt, as well as adversely affecting the Group's borrowers and counterparties, leading to increased loan losses. Such measures could also impact on the business and operations of third parties that provide critical services to the Group and could make it more difficult for the Group to maintain the required service levels.

During the outbreak of COVID-19, the Group experienced a decline in activity including, as a result, in branch closures and remote working requirements, and was affected by a number of regulatory measures, such as variations in reference interest rates, the modification of prudential requirements, the temporary suspension of dividend payments, changes to the terms of payment deferrals and the granting of guarantees or public guarantees for credit granted to companies and self employed persons, as well as changes in the financial assets purchase programmes implemented by the ECB. As of 31st December, 2022 and 2021, the outstanding balance of loans for which payment deferrals and/or financing with a public guarantee were granted at the Group level amounted to €32,059 million and €38,025 million, respectively (granted to 2.04 million and 2.45 million customers, respectively), equivalent to 8.2 per cent. and 10.9 per cent., respectively, of the lending portfolio of which 56.5 per cent. and 57.7 per cent., respectively, are payment deferrals and 43.5 per cent. and 42.3 per cent., respectively, are financing with a public guarantee, with an average Instituto de Crédito Oficial guarantee coverage of 76 per cent as of 31st December, 2022.

If outbreaks of new contagious diseases occur in the future, the Group may experience an adverse impact, which may be material, on its business, financial condition and results of operations. Further, pandemics such as the COVID-19 pandemic may exacerbate other risks disclosed in this "*Risk Factors*" section.

Any of these factors may have a material adverse effect on the Group's business, financial condition and results of operations.

Financial Risks

The Group has a continuous demand for liquidity to finance its activities and the withdrawal of deposits or other sources of liquidity could significantly affect it

Traditionally, one of the Group's main sources of financing has been savings accounts and demand deposits. As of 30th September, 2023, 31st December, 2022 and 31st December 2021, the balance of customer deposits represented 74 per cent., 75 per cent. and 72 per cent., respectively, of the Group's total financial liabilities at amortised cost. However, the volume of wholesale and retail deposits can fluctuate significantly, including as a result of factors beyond the Group's control, such as general economic conditions, changes in economic policy or administrative decisions that diminish their attractiveness as savings instruments (for example, as a consequence of changes in taxation, coverage by guarantee funds for deposits or expropriations) or competition from other savings or investment instruments (including deposits from other banks).

Likewise, changes in interest rates and credit spreads may significantly affect the cost of the Group's short and long-term wholesale financing. Changes in credit spreads are driven by market factors and are also influenced by the market's perception of the Group's solvency. As of 30th September, 2023, 31st December, 2022, and 31st December 2021, debt securities issued by the Group represented 12.0 per cent., 10.5 per cent. and 11.4 per cent., respectively, of the total financial liabilities at amortised cost of the Group.

In addition, the Group has made and continues to make significant use of public sources of liquidity, such as the ECB's extraordinary measures taken in response to the financial crisis since 2008 or those taken in connection with the crisis caused by the COVID-19 pandemic. In its monetary policy decision of 27th October, 2022, the ECB decided to adjust the interest rates applicable to its Targeted

Longer-Term Refinancing Operations III (**TLTRO III**) from 23rd November, 2022 and offer credit institutions additional voluntary early repayment dates for these operations. In December 2022, BBVA began the repayment of the TLTRO III program in an amount of €24 billion, corresponding to approximately two thirds of the total drawn amount. The amount recorded in "Deposits from central banks - Time deposits" includes the drawdowns of the TLTRO III facilities of the ECB, mainly by BBVA, amounting to €3,660 million as of 30th September, 2023 (€26,711 million as of 31st December, 2022 and €38,692 million as of 31st December, 2021).

As of 31st December, 2022, the Loan-to-Stable Customer Deposits ratio (LtSCD) in the Group is 96 per cent. This ratio measures the relationship between net lending (which includes loans and advances to customers included in the following line items in the consolidated balance sheet: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at amortized cost", net of loss allowances) and stable customer funds (comprising the financing obtained and managed by the Liquidity Management Units (LMUs) among their target customers – see Note 7.5.1 to the 2022 Consolidated Financial Statements).

In the event of a withdrawal of deposits or other sources of liquidity, especially if it is sudden or unexpected, the Group may not be able to finance its financial obligations or meet the minimum liquidity requirements that apply to it, and may be forced to incur higher financial costs, liquidate assets and take additional measures to reduce leverage. Furthermore, the Group could be subject to the adoption of early intervention measures or, ultimately, to the adoption of a resolution measure by the Relevant Spanish Resolution Authority (as defined below) (see *"Regulatory Framework – Resolution"*). Any of the above could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group depends on its credit ratings and sovereign credit ratings, especially on Spain's credit ratings

Rating agencies periodically review the Group's debt credit ratings. Any reduction, effective or anticipated, in any such ratings of the Group, whether below investment grade or otherwise, could limit or impair the Group's access to capital markets and other possible sources of liquidity and increase the Group's financing cost, and entail the breach or early termination of certain contracts or give rise to additional obligations under those contracts, such as the need to grant additional guarantees. The Group estimates that if, on 31st December, 2022, rating agencies had downgraded the Issuer's long-term senior debt rating by one notch, it would have had to provide additional guarantees/collateral amounting to €54.2 million under its derivative and other financial contracts. A hypothetical two-notch downgrade would have involved an outlay of €133.1 million in additional guarantees/collateral. Furthermore, if the Group were required to cancel its derivative contracts with some of its counterparties and were unable to replace them, its market risk would worsen. Likewise, a reduction in the credit rating could affect the Group's ability to sell or market some of its products or to participate in certain transactions, and could lead to the loss of customer deposits and make third parties less willing to carry out commercial transactions with the Group (especially those that require a minimum credit rating), having a significant adverse impact on the Group's business, financial condition and results of operations.

Furthermore, the Group's credit ratings could be affected by variations in sovereign credit ratings, particularly the rating of Spanish sovereign debt. The Group holds a significant portfolio of debt issued by the Kingdom of Spain, by the Spanish autonomous communities and by other Spanish issuers. As of 31st December, 2022 and 31st December, 2021 the Group's exposure (EBA criteria) to the Kingdom of Spain's public debt portfolio was €39,485 million and €38,626 million, respectively, representing 5.5 per cent. and 5.8 per cent. of the consolidated total assets of the Group, respectively. Any decrease in the credit rating of the Kingdom of Spain could adversely affect the valuation of the respective debt portfolios held by the Group and lead to a reduction in the Group's credit ratings. Additionally, counterparties to many of the credit agreements signed with the Group could also be affected by a

decrease in the credit rating of the Kingdom of Spain, which could limit their ability to attract additional resources or otherwise affect their ability to pay their outstanding obligations to the Group. The Group's exposure to the public debt portfolio of the rest of Europe, Mexico and Turkey as of 31st December, 2022 was €6,227 million, €33,726 million and €9,871 million, respectively (as of 31st December, 2021, it was €8,336 million, €32,445 million and €5,827 million, respectively), representing 0.9 per cent., 4.7 per cent. and 1.4 per cent., respectively, of the consolidated total assets of the Group (as of 31st December, 2021 it represented 1.3 per cent., 4.9 per cent. and 0.9 per cent., respectively). Downgrades and rating revisions for these countries would therefore also have an impact on the Group's financial position.

In the future, new reviews or changes in BBVA's credit ratings could occur as a result of the current or future economic situation and geopolitical conditions, which could have a significant adverse effect on the Group's business, financial condition and results of operations.

Legal, Regulatory, Tax and Compliance Risks

Legal Risks

The Group is party to a number of legal and regulatory actions and proceedings

The financial sector faces an environment of increasing regulatory and litigation pressure. The Group is party to government procedures and investigations, such as those carried out by the antitrust authorities which, among other things, have in the past and could in the future result in sanctions, as well as lead to claims by customers and others.

The various Group entities are also frequently party to individual or collective judicial proceedings (including class actions) resulting from their activity and operations, as well as arbitration proceedings. More generally, in recent years, regulators have increased their supervisory focus on consumer protection and corporate behaviour, which has resulted in a larger number of regulatory actions.

In Spain and in other jurisdictions where the Group operates, legal and regulatory actions and proceedings against financial institutions, prompted in part by certain recent national and supranational rulings in favour of consumers (with regards to matters such as credit cards and mortgage loans), have increased significantly in recent years and this trend could continue in the future. Legal and regulatory actions and proceedings faced by other financial institutions in relation to these and other matters, especially if such actions or proceedings result in favourable resolutions for the consumer, could also adversely affect the Group.

All of the above may result in a significant increase in operating and compliance costs and/or a reduction in revenues, and it is possible that an adverse outcome in any proceedings (depending on the amount thereof, the penalties imposed or the resulting procedural or management costs for the Group) could materially and adversely affect the Group, including by damaging its reputation.

It is difficult to predict the outcome of legal and regulatory actions and proceedings, both those to which the Group is currently exposed and those that may arise in the future, including actions and proceedings relating to former Group subsidiaries or in respect of which the Group may have indemnification obligations. Any of such outcomes could be adverse to the Group. In addition, a decision in any matter, whether against the Group or against another credit entity facing similar claims as those faced by the Group, could give rise to other claims against the Group. In addition, these actions and proceedings draw resources away from the Group and may require significant attention on the part of the Group's management and employees.

As of 30th September, 2023 and 31st December, 2022, the Group had €670 million and €685 million (€623 million as of 31st December, 2021) respectively, in provisions for the proceedings it is facing

(which are included in the line item "Provisions for taxes and other legal contingencies" in the consolidated balance sheet) of which €524 million as of 31st December, 2022 (€533 million as of 31st December, 2021) corresponded to legal contingencies and €161 million as of 31st December, 2022 (€91 million as of 31st December, 2021) corresponded to tax related contingencies. Most of these provisions for legal contingencies correspond to the Issuer and its subsidiaries registered in Spain, which account for approximately 78 per cent. of these provisions. However, the uncertainty arising from these proceedings (including those for which no provisions have been made, either because it is not possible to estimate any such provisions or for other reasons) makes it impossible to guarantee that the possible losses arising from such proceedings will not exceed, where applicable, the amounts that the Group currently has provisioned and, therefore, could affect the Group's consolidated results.

As a result of the above, legal and regulatory actions and proceedings currently faced by the Group or to which it may become subject in the future or which may otherwise affect the Group, whether individually or in the aggregate, if resolved in whole or in part adversely to the Group's interests, could have a material adverse effect on the Group's business, financial condition and results of operations.

The Spanish judicial authorities are carrying out a criminal investigation relating to possible bribery, revelation of secrets and corruption by BBVA

Spanish judicial authorities are investigating the activities of Centro Exclusivo de Negocios y Transacciones, S.L. (**Cenyt**). Such investigation includes the provision of services by Cenyt to BBVA. On 29th July, 2019, BBVA was named as an investigated party (*investigado*) in a criminal judicial investigation (Preliminary Proceeding No. 96/2017 – Piece No. 9, Central Investigating Court No. 6 of the National High Court) for alleged facts which could constitute bribery, revelation of secrets and corruption. On 3rd February, 2020, BBVA was notified by the Central Investigating Court No. 6 of the National High Court of the order lifting the secrecy of the proceedings. Certain current and former officers and employees of the Group, as well as former directors, have also been named as investigated parties in connection with this investigation. BBVA has been and continues to be proactively collaborating with the Spanish judicial authorities, including sharing with the courts information obtained in the internal investigation hired by the Issuer in 2019 to contribute to the clarification of the facts. As at the date of this Information Memorandum, no formal accusation against BBVA has been made.

This criminal judicial proceeding is in the pre-trial phase. Therefore, it is not possible at this time to predict the scope or duration of such proceeding or any related proceeding or its or their possible outcomes or implications for the Group, including any fines, damages or harm to the Group's reputation caused thereby.

Regulatory, Tax and Compliance Risks

The financial services sector is one of the most regulated sectors in the world. The Group is subject to a broad regulatory and supervisory framework, which has increased significantly in the last decade. Regulatory activity in recent years has affected multiple areas, including changes in accounting standards; strict regulation of capital, liquidity and remuneration; bank charges and taxes on financial transactions; regulations affecting mortgages, banking products and consumers and users; recovery and resolution measures; stress tests; prevention of money laundering and terrorist financing; market abuse; conduct in the financial markets; anti-corruption; and requirements as to the periodic publication of information. Governments, regulatory authorities and other institutions continually make proposals to strengthen the resistance of financial institutions to future crises. Further, there is an increasing focus on the climate-related financial risk management capabilities of banks.

Furthermore, the international nature of the Group's operations means that the Group is subject to a wide and complex range of local and international regulations in these matters, sometimes with overlapping scopes and areas regulated. This complexity, which can be exacerbated by differences and

changes in the interpretation or application of these standards by local authorities, makes compliance risk management difficult and costly, requiring highly sophisticated monitoring, qualified personnel and general training of employees.

Any change in the Group's business that is necessary to comply with any particular regulations at any given time, especially in Spain, Mexico or Turkey, could lead to a considerable loss of income, limit the Group's ability to identify business opportunities, affect the valuation of its assets, force the Group to increase its prices and, therefore, reduce the demand for its products, impose additional costs on the Group or otherwise adversely affect its business, financial condition and results of operations. See "*Regulatory Framework*".

The Group is subject to a comprehensive regulatory and supervisory framework, including resolution regulations, which could have a significant adverse effect on its business, financial condition and results of operations.

The Group is subject to a comprehensive regulatory and supervisory framework, the complexity and scope of which has increased significantly since the previous 2008 financial crisis and the crisis caused by the COVID-19 pandemic. In particular, the banking sector is subject to continuous scrutiny at the political level and by the supervisory bodies, and it is foreseeable that in the future there will continue to be political intervention in regulatory and supervisory processes, as well as in the governance of the main financial entities. For these reasons, the laws, regulations and policies to which the Group is subject, as well as their interpretation and application, may change at any time. In addition, supervisors and regulators have significant discretion in carrying out their duties, which gives rise to uncertainty regarding the interpretation and implementation of the regulatory framework. Moreover, regulatory fragmentation and the implementation by some countries of more flexible or stricter rules or regulations could also negatively affect the Group's ability to compete with financial institutions that may or may not have to comply with any such rules or regulations, as applicable.

During the Covid-19 pandemic, the Group was affected by the measures or recommendations adopted by regulatory authorities in the banking sector, such as variations in reference interest rates, the modification of prudential requirements, the temporary suspension of dividend payments, changes to the terms of payment deferrals and the granting of guarantees or public guarantees for credit granted to companies and self employed persons, as well as changes in the financial assets purchase programmes implemented by the ECB. As of 31st December, 2022 and 2021, the outstanding balance of loans for which payment deferrals and/or financing with a public guarantee were granted at the Group level amounted to €32,059 million and €38,025 million, respectively (granted to 2.04 million and 2.45 million customers, respectively), equivalent to 8.2 per cent. and 10.9 per cent., respectively, of the lending portfolio of which 56.5 per cent. and 57.7 per cent., respectively, are payment deferrals and 43.5 per cent. and 42.3 per cent., respectively, are financing with a public guarantee, with an average Instituto de Crédito Oficial guarantee coverage of 76 per cent as of 31st December, 2022.

Regulatory changes over the last decade, as well as those currently being proposed (including changes in the interpretation or application of existing regulations), have increased and may continue to substantially increase the Group's operating expenses and adversely affect its business model. For example, the imposition of prudential capital standards has limited and is expected to continue to limit the ability of subsidiaries to distribute capital to the Issuer, while liquidity standards may lead the Group to hold a higher proportion of financial instruments with higher liquidity and lower performance, which can adversely affect its net interest margin. The Group's regulatory and supervisory authorities may also require the Group to review or increase its loan loss allowances and record asset impairments, which could have an adverse effect on its financial condition.

Any legislative or regulatory measure, any necessary change in the Group's business operations, as a consequence of such measures, as well as any failure to comply with them, could result in a significant loss of income, represent a limitation on the ability of the Group to take advantage of business

opportunities and offer certain products and services, affect the value of the Group's assets, force the Group to increase prices (which could reduce the demand for its products), impose additional compliance costs or result in other possible adverse effects for the Group.

One of the most significant regulatory changes resulting from the previous 2008 global financial crisis, was the introduction of resolution regulations (see *"Regulatory Framework – Resolution"*). In the event that the Relevant Spanish Resolution Authority considers that the Group is in a situation where conditions for early intervention or resolution are met, it may adopt the measures provided for in the applicable resolution regulations, including without prior notice. Such measures could include, among others, the write down and/or conversion into equity (or other securities or obligations) of the Group's unsecured debt. Likewise, the Relevant Spanish Resolution Authority may apply Non-Viability Loss Absorption (see "*Regulatory Framework – Resolution*") in the event that it determines that the entity meets the conditions for its resolution or that it will be no longer viable unless capital instruments are written down or converted into equity or extraordinary public support is provided.

Any such determination or the mere possibility that such determination could be made, could materially and adversely affect the Group's business, financial condition and results of operations, as well as the market price and behaviour of certain securities issued by the Group (or their terms, if amended following any exercise of the Bail-In Tool (as defined in "*Regulatory Framework – Resolution"*)). For more information, see "*Regulatory Framework*".

Increasingly onerous capital and liquidity requirements may have a material adverse effect on the Group's business, financial condition and results of operations

As described in *"Regulatory Framework – Solvency and capital requirements*", in its capacity as a Spanish credit institution, the Group is subject to compliance with a "Pillar 1" solvency requirement, a "Pillar 2" solvency requirement and a "combined buffer requirement", at both the individual and consolidated levels.

As a result of the most recent supervisory review and evaluation process (**SREP**) carried out by the ECB, BBVA must maintain, at a consolidated level, from 1st January, 2023, a common equity tier 1 (**CET1**) ratio of 8.77 per cent. and a total capital ratio of 13.02 per cent. The consolidated overall capital requirement includes: (i) the "Pillar 1" minimum capital requirement of 4.50 per cent. of CET1; (ii) the minimum capital requirement of "Pillar 2" of 1.71 per cent. (of which at least 0.96 per cent. must be met with CET1), of which 0.21 per cent. (0.12 per cent. must be met with CET1) is determined on the basis of the ECB's prudential provisioning expectation, which as of 1st January, 2023 is no longer treated as a deduction from CET1; (iii) the capital conservation buffer (2.5 per cent. of CET1); (iv) the capital buffer for Other Systemically Important Institutions (O-SIIs) (0.75 per cent. of CET1); and (v) the capital buffer for Countercyclical Risk (0.06 per cent. of CET1). Likewise, BBVA must maintain, at an individual level, a CET1 ratio of 7.92 per cent. and a total capital ratio of 12.07 per cent. These ratios include a Pillar 2 requirement at the individual level of 1.5 per cent., of which at least 0.84 per cent. shall be met with CET1. These figures also include the 0.07 per cent. counter-cyclical buffer applicable to BBVA at an individual level.

As of 30th September, 2023 and 31st December, 2022, the Group's phased-in total capital ratio was 16.51 per cent. and 15.98 per cent., respectively (17.24 per cent. as of 31st December, 2021) on a consolidated basis and 16.93 per cent. as of 31st December, 2022 (19.64 per cent. as of 31st December, 2021) on an individual basis, and its CET1 phased-in capital ratio was 12.73 per cent. and 12.68 per cent. as of 30th September, 2023 and 31st December, 2022, respectively (12.98 per cent. as of 31st December, 2021) on a consolidated basis and 12.77 per cent. as of 31st December 2022 (14.14 per cent. as of 31st December, 2021) on an individual basis, and the Group's fully loaded total capital ratio was 16.51 per cent. and 15.94 per cent. as of 30th September, 2023 and 31st December, 2022, respectively (16.99 per cent. as of 31st December, 2021) on a consolidated basis and 16.95 per cent. as of 31st December, 2022 (19.68 per cent. as of 31st December, 2021) on an individual basis, while the Group's

fully loaded CET1 ratio was 12.73 per cent. and 12.61 per cent. as of 30th September, 2023 and 31st December, 2022, respectively (12.75 per cent. as of 31st December, 2021) on a consolidated basis and 12.74 per cent. as of 31st December, 2022 (14.11 per cent. as of 31st December, 2021) on an individual basis.

Such ratios exceed the applicable regulatory requirements described above, but there can be no assurance that the total capital requirements imposed on the Issuer and/or the Group from time to time may not be higher than the levels of capital available at such point in time. There can also be no assurance as to the result of any future SREP carried out by the ECB and whether this will impose any further additional "Pillar 2" own funds requirements on the Issuer and/or the Group.

Additionally, as described in *"Regulatory Framework – MREL*", the Issuer, as a Spanish credit institution, must maintain a minimum level of own funds and eligible liabilities (the **MREL requirement** and the own funds and eligible liabilities satisfying the MREL requirement, **MREL**). On 14th June, 2023, BBVA announced that it had received a communication from the Bank of Spain of its new MREL requirement, as determined by the Single Resolution Board (the **SRB**), repealing and superseding the previous MREL requirement communicated in March 2022.

In accordance with this new communication, BBVA has to reach, from 1st January, 2024, a volume of MREL equal to 22.11 per cent. of the total RWAs of its resolution group, on a sub-consolidated level[1] (the **MREL in RWAs**), of which 13.5 per cent. of the total RWAs of BBVA's resolution group shall be met with subordinated instruments (the **MREL in RWAs subordination requirement**). The MREL in RWAs and the MREL in RWAs subordination requirement do not include the combined buffer requirement which, according to applicable regulations and supervisory criteria, is currently 3.32 per cent. (setting the MREL in RWAs including the combined buffer requirement at 25.43 per cent. and the MREL in RWAs subordination requirement including the combined buffer requirement at 16.82 per cent.).

As of 30th September, 2023 and 31st December, 2022, the MREL of the resolution group amounted to 27.23 per cent. and 26.45 per cent., respectively (28.24 per cent. as of 31st December, 2021) of its RWAs, and the own funds and subordinated eligible liabilities corresponded to 22.50 per cent. and 21.74 per cent, respectively (24.65 per cent. as of 31st December, 2021).

In addition, BBVA had to maintain, from 1st January, 2022, an amount of MREL in terms of the total exposure considered for calculating the leverage ratio equal to 7.27 per cent. (the **MREL in LR**) of which 5.61 per cent., in terms of the total exposure considered for calculating the leverage ratio, shall be satisfied with subordinated instruments (the **MREL in LR subordination requirement**).

As of 30th September, 2023 and 31st December, 2022, the resolution group has MREL in LR of 11.31 per cent. and 11.14 per cent., respectively, (11.31 per cent. as of 31st December, 2021) and MREL in LR subordination requirement of 9.35 per cent. and 9.16 per cent., respectively (9.88 per cent. as of 31st December, 2021) in terms of total exposure taken into account for the calculation of the leverage ratio.

The BBVA resolution group consists of the Issuer and its subsidiaries belonging to the same European resolution group and, as of 30th September, 2023, the RWAs of the resolution group amounted to €207,953 million and the total exposure considered for calculating the leverage ratio amounted to €500,586 million.

[1] Pursuant to BBVA Group's MPE (Multiple Point of Entry) resolution strategy, as established by the SRB, the resolution group consists of Banco Bilbao Vizcaya Argentaria S.A. and the subsidiaries that belong to the same European resolution group. As of December 31, 2022 the RWAs of the resolution group amounted to 206,987 million euros and the total exposure considered for calculating the leverage ratio amounted to 491,430 million euros.

As of the date of this Information Memorandum, no "Pillar 2" MREL requirement has been imposed on BBVA and BBVA complies with the MREL in RWAs, the MREL in RWAs subordination requirement, the MREL in LR and the MREL in LR subordination requirement.

However, both the capital and the MREL requirements, the own funds and the eligible liabilities available for MREL purposes are subject to interpretation and change and, therefore, no assurance can be given that the Group's interpretation is the appropriate one or that the Issuer and/or the Group will not be subject to more stringent requirements at any future time. Likewise, no assurance can be given that the Issuer and/or the Group will be able to fulfil whatever future requirements may be imposed, even if such requirements were to be equal or lower than those currently in force. There can also be no assurances as to the ability of the Issuer and/or the Group to comply with any capital target announced to the market at any given time, which could be adversely perceived by investors and/or supervisors, who could interpret that a lack of capital-generating capacity for the Issuer and/or the Group exists or that the capital structure has deteriorated, either of which could adversely affect the market value or behaviour of securities issued by the Issuer and/or the Group (any of its capital instruments and eligible liabilities) and, therefore, lead to the implementation of new recommendations or requirements regarding "Pillar 2" or (should the Relevant Spanish Resolution Authority interpret that obstacles may exist for the viability of the resolution of the Issuer and/or the Group), MREL. Further, the Issuer and/or the Group may report amounts different from consensus estimates, as occurred with respect to the CET1 ratios of the Issuer and the Group as of 31st December, 2021, which may also affect market perceptions of the Issuer and the Group.

If the Issuer or the Group failed to comply with its "combined buffer requirement" it would have to calculate the Maximum Distributable Amount (**MDA**) and, until such calculation has been undertaken and reported to the Bank of Spain, the Issuer would not be able to make any (i) distributions relating to CET1 capital; (ii) payments related to variable remuneration or discretionary pension benefits; and (iii) distributions linked to additional tier 1 (**AT1**) instruments (**discretionary payments**). Once the MDA has been calculated and reported, such discretionary payments would be limited to the calculated MDA. Likewise, should the Issuer or the Group not meet the applicable combined buffer requirement, it could result in the imposition of additional requirements of "Pillar 2". Regarding MREL, failure by the Issuer to meet its respective "combined buffer requirement" for these purposes, taken together with its MREL requirements (the **MREL-MDA**) could result in the imposition of restrictions or prohibitions on discretionary payments. Additionally, failure to comply with the capital requirements may result in the implementation of early intervention measures or, ultimately, resolution measures by the resolution authorities. (see "*Regulatory Framework – Solvency and capital requirements"*)

Regulation (EU) 2019/876 of the European Parliament and of the Council, of 20th May, 2019 (as amended, replaced or supplemented at any time, **CRR II**) establishes a binding requirement for the leverage ratio effective from 28th June, 2021 of 3 per cent. of Tier 1 capital (as of 30th September, 2023, 31st December, 2022 and 31st December, 2021 the phased-in leverage ratio of the Group was 6.59 per cent., 6.49 per cent. and 6.80 per cent., respectively and fully loaded it was 6.59 per cent., 6.46 per cent. and 6.69 per cent., respectively). Any failure to comply with this leverage ratio buffer may also result in the need to calculate and report the MDA, and restrictions on discretionary payments. Moreover, CRR II proposes new requirements that capital instruments must meet in order to be considered AT1 or Tier 2 instruments. Once the grandfathering period in CRR II has elapsed, AT1 and/or Tier 2 instruments which do not comply with the new requirements at such date will no longer be considered as capital instruments.

Additionally, the implementation of the ECB's expectations regarding prudential provisions for NPLs (published on 15th May, 2018) and the ECB's review of internal models being used by banks subject to its supervision for the calculation of their RWAs (**TRIMs**), as well as complementary regulatory initiatives like the EBA's roadmap to repair internal models used to calculate own funds requirements for credit risk under the Internal Ratings Based (IRB) approach, could result in the need to increase provisions for future NPLs and increases in the Group's capital needs.

Furthermore, the implementation of the Basel III reforms described in "*Regulatory Framework – Solvency and capital requirements"* (including changes to the calculation of the Group's Operational Risk) could result in an increase of the Issuer's and the Group's total RWAs and, therefore, could also result in a decrease of the Issuer's and the Group's capital ratios. Likewise, the lack of uniformity in the implementation of the Basel III reforms across jurisdictions in terms of timing and applicable regulations could give rise to inequalities and competition distortions. Moreover, the lack of regulatory coordination, with some countries bringing forward the application of Basel III requirements or increasing such requirements, could adversely affect an entity with global operations such as the Group and could affect its profitability.

Additionally, should the Total Loss Absorbing Capacity (TLAC) requirements currently only imposed upon financial institutions of global systemic importance (**G-SIBs**), be imposed on non-G-SIBs entities or should the Group once again be classified as a G-SIB, additional minimum requirements similar to MREL could in the future be imposed upon the Group.

There can be no assurance that the above capital or MREL requirements will not adversely affect the Issuer's or its subsidiaries' ability to make discretionary payments, or result in the cancellation of such payments (in whole or in part), or require the Issuer or such subsidiaries to issue additional securities that qualify as eligible liabilities or regulatory capital, to liquidate assets, to curtail business or to take any other actions, any of which may have adverse effects on the Group's business, financial condition and results of operations. Furthermore, an increase in capital or MREL requirements could adversely affect the return on equity and other of the Group's financial results indicators. Moreover, the Issuer's or the Group's failure to comply with their capital or MREL requirements could have a significant adverse effect on the Group's business, financial condition and results of operations.

Lastly, the Group must also comply with liquidity and funding ratios. Several elements of the liquidity coverage ratio (**LCR)** and net stable financing ratio (**NSFR**) as introduced by national banking regulators and fulfilled by the Group, may require implementing changes in some of its commercial practices, which could expose the Group to additional expenses (including an increase in compliance expenses), affect the profitability of its activities or otherwise lead to a significant adverse effect on the Group's business, financial condition or results of operations. As of 30th September, 2023 and 31st December, 2022, the Group's LCR was 143 per cent. and 159 per cent., respectively (165 per cent. as of 31st December, 2021) and its NSFR was 130 per cent. and 135 per cent., respectively (135 per cent. as of 31st December, 2021). For further information, see *"Regulatory Framework – Solvency and capital requirements"*.

The Group is exposed to tax risks that may adversely affect it

The size, geographic diversity and complexity of the Group and its commercial and financial relationships with both third parties and related parties result in the need to consider, evaluate and interpret a considerable number of tax laws and regulations, as well as any relevant interpretative materials, which in turn involve the use of estimates, the interpretation of indeterminate legal concepts and the determination of appropriate valuations in order to comply with the tax obligations of the Group. In particular, the preparation of the Group's tax returns and the process for establishing tax provisions involve the use of estimates and interpretations of tax laws and regulations, which are complex and subject to review by the tax authorities. Any error or discrepancy with tax authorities in any of the jurisdictions in which the Group operates may give rise to prolonged administrative or judicial proceedings that may have a material adverse effect on the Group's results of operations.

In addition, governments in different jurisdictions, including Spain, are seeking to identify new funding sources, and they have recently focused on the financial sector. The Group's presence in various jurisdictions increases its exposure to regulatory and interpretative changes, which could lead to (i) an increase in the types of tax to which the Group is subject, including in response to the demands of various political forces such as the regulation of a minimum effective tax rate introduced in the Spanish

Corporate Income Tax Law and the Non-Residents Income Tax Law by Law 22/2021, of 28th December, in the General State Budget for 2022, with effects as of 1st January, 2022 (i.e. the minimum net tax liability is 18 per cent. of the tax base for credit institutions) or EU Council Directive 2022/2523 of 14th December, 2022 that guarantees a minimum level of global taxation of multinational groups in the European Union with income of at least €750 million and that is pending to be transposed into Spanish regulation before 31st December, 2023, (ii) changes in the calculation of tax bases, and exemptions therefrom, such as is provided in the Spanish Corporate Income Tax Law to limit the exemption for dividends and capital gains from domestic and foreign subsidiaries to 95 per cent., which would mean that 5 per cent. of the dividends and capital gains of Group companies in Spain will be subject to, and not exempt from, corporate tax or, (iii) the creation of new taxes, like the common financial transaction tax (**FTT**) in the proposed Tax Directive of the European Commission for the Financial Transactions Tax (which would tax the acquisitions of certain securities, negotiated in markets where the Group operates) and the Spanish FTT which came into effect in Spain in January 2021 or the creation of a temporary tax on extraordinary profits applicable to credit institutions operating in Spain amounting to 4.8 per cent. of net income from interest and commissions generated in Spain, which is currently intended to apply to fiscal years 2023 and 2024 (the estimated impact for 2023 is expected to be €225 million) all of which may have adverse effects on the business, financial condition and results of operations of the Group.

The Group is exposed to compliance risks

The Group, due to its role in the economy and the nature of its activities, is singularly exposed to certain compliance risks. In particular, the Group must comply with regulations regarding customer conduct, market conduct, the prevention of money laundering and the financing of terrorist activities, the protection of personal data, the restrictions established by national or international sanctions programs and anti-corruption laws (including the US Foreign Corrupt Practices Act of 1977 and the UK Bribery Act of 2010), the violations of which could lead to very significant penalties. These anti-corruption laws generally prohibit providing anything of value to government officials for the purposes of obtaining or retaining business or securing any improper business advantage. As part of the Group's business, the Group directly or indirectly, through third parties, deals with entities whose employees are considered to be government officials. The Group's activities are also subject to complex customer protection and market integrity regulations.

Generally, these regulations require banking entities to, among other measures, use diligence measures to manage compliance risk. Sometimes, banking entities must apply enhanced due diligence measures due to the very nature of their activities (among others, private banking, money transfer and foreign currency exchange operations), as they may present a higher risk of money laundering or terrorist financing.

Although the Group has adopted policies, procedures, systems and other measures to manage compliance risk, it is dependent on its employees and external suppliers for the implementation of these policies, procedures, systems and other measures, and it cannot guarantee that these are sufficient or that the employees (120,457, 115,675 and 110,432 as of 30th September, 2023, 31st December, 2022, and 31st December, 2021, respectively) or other persons of the Group or its business partners, agents and/or other third parties with a business or professional relationship with the Group do not circumvent or violate current regulations or the Group's ethics and compliance regulations, acts for which such persons or the Group could be held ultimately responsible and/or that could damage the Group's reputation. In particular, acts of misconduct by any employee, and particularly by senior management, could erode trust and confidence and damage the Group's reputation among existing and potential clients and other stakeholders. Actual or alleged misconduct by Group entities in any number of activities or circumstances, including operations, employment related offenses such as sexual harassment and discrimination, regulatory compliance, the use and protection of data and systems, and the satisfaction of client expectations, and actions taken by regulators or others in response to such misconduct, could lead to, among other things, sanctions, fines and reputational damage, any of which

could have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, the Group may not be able to prevent third parties outside the Group from using the banking network in order to launder money or carry out illegal or inappropriate activities. Further, financial crimes continually evolve and emerging technologies, such as cryptocurrencies and blockchain, could limit the Group's ability to track the movement of funds. Additionally, in adverse economic conditions, it is possible that financial crime attempts will increase significantly.

If there is a breach of the applicable regulations or the Group's ethics and compliance regulations or if the competent authorities consider that the Group does not perform the necessary due diligence inherent to its activities, such authorities could impose limitations on the Group's activities, the revocation of its authorisations and licenses, and economic penalties, in addition to having significant consequences for the Group's reputation, which could have a significant adverse impact on the Group's business, financial condition and results of operations. Furthermore, the Group from time to time conducts investigations related to alleged violations of such regulations and the Group's ethics and compliance regulations, and any such investigation or any related proceedings could be time consuming and costly, and its results difficult to predict.

Any attack, failure or deficiency in the Group's systems could, among other things, lead to the misappropriation of funds of the Group's clients or the Group itself and the unauthorised disclosure, destruction or use of confidential information, as well as preventing the normal operation of the Group, and impair its ability to provide services and carry out its internal management. Furthermore, this could result in the loss of customers and business opportunities, damage to computers and systems, violation of regulations regarding data protection and/or other regulations, exposure to litigation, fines, sanctions or interventions, loss of confidence in the Group's security measures, damage to its reputation, reimbursements and compensation, and additional regulatory compliance expenses and could have a significant adverse impact on the Group's business, financial condition and results of operations.

BBVA's financial statements are based in part on assumptions and estimates which, if inaccurate, could cause material misstatement of the results of its operations and financial condition

The preparation of financial statements in compliance with IFRS-IASB requires the use of estimates. It also requires management to exercise judgment in applying relevant accounting policies. The key areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the consolidated and individual financial statements, include the classification, measurement and impairment of financial assets, particularly where such assets do not have a readily available market price, the assumptions used to quantify certain provisions and for the actuarial calculation of post-employment benefit liabilities and commitments, the useful life and impairment losses of tangible and intangible assets, the valuation of goodwill and purchase price allocation of business combinations, the fair value of certain unlisted financial assets and liabilities, the recoverability of deferred tax assets and the exchange and inflation rates of certain countries where the Group operates. There is a risk that if the judgment exercised or the estimates or assumptions used subsequently turn out to be incorrect then this could result in significant loss to the Group beyond that anticipated or provided for, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Observable market prices are not available for many of the financial assets and liabilities that the Group holds at fair value and a variety of techniques to estimate the fair value are used. Should the valuation of such financial assets or liabilities become observable, for example as a result of sales or trading in comparable assets or liabilities by third parties, this could result in a materially different valuation to the current carrying value in the Group's financial statements.

The further development of standards and interpretations under IFRS-IASB could also significantly affect the results of operations, financial condition and prospects of the Group.

Operational Risks

Attacks, failures or deficiencies in the Group's procedures, systems and security or those of third parties to which the Group is exposed could have a significant adverse impact on the Group's business, financial condition and results of operations, and could be detrimental for its reputation

The Group's activities depend to a large extent on its ability to process and report effectively and accurately on a high volume of highly complex transactions with numerous and diverse products and services (by their nature, generally ephemeral), in different currencies and subject to different regulatory regimes. Therefore, it relies on highly sophisticated information technology (**IT**) systems for data transmission, processing and storage. However, IT systems are vulnerable to various problems, such as hardware and software malfunctions, computer viruses, hacking, and physical damage to IT centres. BBVA's exposure to these risks has increased significantly in recent years due to the Group's implementation of its ambitious digital strategy. The Group acquired 11.2 million new customers through its own channels in 2022. As a result of the improvement in digital capacities, the acquisition of customers through these channels has increased steadily over recent years, and in 2022 reached an all-time high at over 6.2 million, accounting for 55 per cent. of all new customers. Mobile customers have grown by 65 per cent. since December 2019 reaching 47.4 million and accounting for 70 per cent. of the total. Digital sales now amount to 78 per cent. of the total units sold. Digital services, as well as other alternatives that BBVA offers users to become BBVA customers, have become even more important after the COVID-19 outbreak and the ensuing restrictions on mobility in the countries in which the Group operates. As of December 2022, one in three new clients chose digital channels to start their relationship with BBVA. The Group suffers cybersecurity incidents and system failures from time to time.

Any attack, failure or deficiency in the Group's systems could, among other things, lead to the misappropriation of funds of the Group's clients or the Group itself and the unauthorised disclosure, destruction or use of confidential information, as well as preventing the normal operation of the Group, and impairing its ability to provide services and carry out its internal management. In addition, any attack, failure or deficiency could result in the loss of customers and business opportunities, damage to computers and systems, violation of regulations regarding data protection and/or other regulations, exposure to litigation, fines, sanctions or interventions, loss of confidence in the Group's security measures, damage to its reputation, reimbursements and compensation, and additional regulatory compliance expenses and could have a significant adverse impact on the Group's business, financial condition and results of operations. Furthermore, it is possible that such attacks, failures or deficiencies will not be detected on time or ever. The Group is likely to be forced to spend significant additional resources to improve its security measures in the future. As cyber-attacks are becoming increasingly sophisticated and difficult to prevent, the Group may not be able to anticipate or prevent all possible vulnerabilities, nor to implement preventive measures that are effective or sufficient.

Customers and other third parties to which the Group is significantly exposed, including the Group's service providers (such as data processing companies to which the Group has outsourced certain services), face similar risks. Any attack, failure or deficiency that may affect such third parties could, among other things, adversely affect the Group's ability to carry out operations or provide services to its clients or result in the unauthorised disclosure, destruction or use of confidential information. Furthermore, the Group may not be aware of such attack, failure or deficiency in time, which could limit its ability to react. Moreover, as a result of the increasing consolidation, interdependence and complexity of financial institutions and technological systems, an attack, failure or deficiency that significantly degrades, eliminates or compromises the systems or data of one or more financial institutions could have a significant impact on its counterparts or other market participants, including the Group.

RISKS RELATED TO EARLY INTERVENTION AND RESOLUTION

The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes

See "*Regulatory Framework – Resolution*" for a description of the Spanish Bail-in Power.

The powers set out in the BRRD (which has been implemented in Spain through Law 11/2015 and Royal Decree 1012/2015 of 6th November by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of 20th December on credit entities' deposit guarantee fund is amended (as amended, replaced or supplemented from time to time, **RD 1012/2015**)) and the SRM Regulation impact how credit institutions and investment firms are managed, as well as, in certain circumstances, the rights of creditors. Pursuant to Law 11/2015, upon any application of the Spanish Bail-in Power, holders of Notes (including Sustainable Notes) may be subject to, among other things, a write-down (including to zero) and/or conversion into equity or other securities or obligations of such Notes. The exercise of any such powers (or any of the other resolution powers and tools) may result in such Noteholders losing some or all of their investment or otherwise having their rights under such Notes adversely affected. Such exercise could also involve modifications to, or the disapplication of, provisions in the terms and conditions of the Notes, including, among other provisions, the principal amount or any interest payable on the Notes, or the maturity date or any other dates on which payments may be due, as well as the suspension of payments for a certain period. As a result, the exercise of the Spanish Bail-in Power with respect to the Notes or the taking by the Relevant Spanish Resolution Authority of any other action, or any suggestion that the exercise or taking of any such action may happen, could materially adversely affect the rights of Noteholders, the market price or value or trading behaviour of any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes.

The Sustainable Notes are fully subject to the exercise of the Spanish Bail-in Power that may be applied to the Issuer at any time in accordance with the Applicable Banking Regulations and the applicable terms and conditions of any Sustainable Notes.

The exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Notes (including Sustainable Notes) is likely to be inherently unpredictable and may depend on a number of factors which may also be outside of the Issuer's control. In addition, as the Relevant Spanish Resolution Authority will retain a broad element of discretion, it may exercise any of its powers without any prior notice to the holders of the Notes. Holders of the Notes may not be able to refer to publicly available criteria in order to anticipate any potential exercise of any such Spanish Bail-in Power. Because of this inherent uncertainty, it will be difficult to predict when, if at all, the exercise of any such powers by the Relevant Spanish Resolution Authority may occur.

This uncertainty may adversely affect the value of the Notes. The price and trading behaviour of the Notes may be affected by the threat of a possible exercise of any power under Law 11/2015 and/or the SRM Regulation (including any early intervention measure before any resolution) or any suggestion of such exercise, even if the likelihood of such exercise is remote. Moreover, the Relevant Spanish Resolution Authority may exercise any such powers without providing any advance notice to the holders of the Notes.

In addition, the EBA has published certain regulatory technical standards and implementing technical standards to be adopted by the European Commission and certain other guidelines. These standards and guidelines could be potentially relevant to determining when or how a Relevant Spanish Resolution Authority may exercise the Spanish Bail-in Power. Such standards and guidelines include guidelines on the treatment of shareholders in bail-in or the write-down and conversion of capital instruments, and on the rate of conversion of debt to equity or other securities or obligations in any bail-in. No assurance

can be given that these standards and guidelines will not be detrimental to the rights of a Noteholder under, and the value of a Noteholder's investment in, the Notes.

Finally, any compensation right to which any holder of the Notes may be entitled under the BRRD (as implemented in Spain), the SRM Regulation and Applicable Banking Regulations as described under "*Regulatory Framework – Resolution*" is unlikely to compensate that holder for the losses it has actually incurred and, in any event, there is likely to be a considerable delay in the recovery of such compensation.

Noteholders may not be able to exercise their rights on a default in the event of the adoption of any early intervention or resolution measure under Law 11/2015 and the SRM Regulation

The Issuer may be subject to a procedure of early intervention or resolution pursuant to the BRRD as implemented through Law 11/2015 and RD 1012/2015 and the SRM Regulation if the Issuer or its group of consolidated credit entities is in breach (or due, among other things, to a rapidly deteriorating financial condition, it is likely in the near future to be in breach) of applicable regulatory requirements relating to solvency, liquidity, internal structure or internal controls or the conditions for resolution referred to in "*Regulatory Framework – Resolution*" are met.

Pursuant to Law 11/2015 the adoption of any early intervention or resolution procedure shall not itself constitute a default on behalf of the Issuer or entitle any counterparty of the Issuer to exercise any rights it may otherwise have in respect thereof and any provision providing for such rights shall further be deemed not to apply. However, this does not limit the ability of a counterparty to exercise its rights accordingly where a default on behalf of the Issuer arises either before or after the exercise of any such early intervention or resolution procedure and does not necessarily relate to the exercise of any relevant measure or power which has been applied pursuant to Law 11/2015.

Any enforcement by a Noteholder of its rights under the Notes following the adoption of any early intervention or resolution procedure will, therefore, be subject to the relevant provisions of the BRRD, Law 11/2015 and the SRM Regulation in relation to the exercise of the relevant measures and powers pursuant to such procedure, including the resolution tools and powers referred to in "*Regulatory Framework – Resolution*". Any such claims of a Noteholder will consequently be limited by the application of any measures pursuant to the provisions of Law 11/2015 and the SRM Regulation. There can be no assurance that the taking of any such action (or any threat or suggestion that such action may be taken) would not adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes, and the enforcement by a holder of any rights it may otherwise have been limited in these circumstances.

RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

The market continues to develop in relation to SONIA, SOFR and €STR as a reference rate

Where the applicable Pricing Supplement for a series of Notes specifies that the Rate of Interest for such Notes will be determined by reference to the Sterling Overnight Index Average rate (**SONIA**), the secured overnight financing rate (**SOFR**) or the Euro Short-Term Rate (**€STR** and **SONIA-Linked Notes**, **SOFR-Linked Notes** and **€STR-Linked Notes**, respectively), interest will be determined on the basis of Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, respectively (each as defined in the terms and conditions of the Notes). Compounded Daily SONIA, Compounded Daily SOFR and Compounded Daily €STR differ from Sterling LIBOR, U.S. dollar LIBOR and EURIBOR, respectively, in a number of material respects, including (without limitation) that Compounded Daily SONIA, Compounded Daily SOFR and Compounded Daily €STR are backwards-looking, compounded, risk-free or secured overnight rates, whereas Sterling LIBOR, U.S. dollar LIBOR and EURIBOR are expressed on the basis of a forward-looking term and include a credit risk-element based on inter-bank lending. As such, investors should be aware that there may be a

material difference in the behaviour of Sterling LIBOR and SONIA, U.S. dollar LIBOR and SOFR or EURIBOR and €STR as interest reference rates for SONIA-Linked Notes, SOFR-Linked Notes and €STR-Linked Notes, respectively. The use of SONIA, SOFR and €STR as a reference rate for Eurobonds is relatively recent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of debt securities referencing SONIA, SOFR and/or €STR.

Each of the Bank of England, the Federal Reserve Bank of New York (the **FRBNY**) and ECB publish certain historical indicative secured overnight financing rates, although such historical indicative data inherently involves assumptions, estimates and approximations. Potential investors in SONIA-Linked Notes, SOFR-Linked Notes and €STR-Linked Notes should not rely on such historical indicative data or on any historical changes or trends in SONIA, SOFR or €STR, as the case may be, as an indicator of the future performance of SONIA, SOFR or €STR, respectively. For example, since the initial publication of SOFR, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmark or market rates (see "*SOFR, SONIA and €STR may be more volatile than other benchmarks or* market rates" below). Accordingly, SONIA, SOFR and €STR over the term of any SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes, respectively, may bear little or no relation to the historical actual or historical indicative data.

Prospective investors in any Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR should be aware that the market continues to develop in relation to each of SONIA, SOFR and €STR as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR, U.S. dollar LIBOR and EURIBOR, respectively. For example, market participants and relevant working groups continue to explore forward-looking 'term' SONIA, SOFR or €STR reference rates (which seek to measure the market's forward expectation of an average SONIA or SOFR rate over a designated term). The adoption of SONIA, SOFR or €STR may also see component inputs into swap rates or other composite rates transferring from Sterling LIBOR, U.S. dollar LIBOR or EURIBOR, respectively, or another reference rate to SONIA, SOFR or €STR.

The market or a significant part thereof may adopt an application of SONIA, SOFR or €STR that differs significantly from that set out in the Terms and Conditions of the Notes in the case of Notes issued under the Programme for which Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, respectively is specified as being applicable in the applicable Pricing Supplement. Furthermore, the Issuer may in the future issue Notes referencing SONIA, SOFR or €STR that differ materially in terms of the interest determination provisions when compared with the provisions for such determination as set out in paragraphs 12(b), 12(c) and 12(d) of the Global Note, respectively. The nascent development of Compounded Daily SONIA, Compounded Daily SOFR and Compounded Daily €STR as an interest reference rate for the Eurobond markets, as well as continued development of SONIA, SOFR and €STR-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA, SOFR or €STR-referenced Notes issued under the Programme from time to time.

In addition, the manner of adoption or application of SONIA, SOFR and €STR reference rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA, SOFR or €STR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA, SOFR or €STR reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR.

Since SONIA, SOFR and €STR are relatively new market reference rates, Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR may have no established trading market when issued, and an established trading market may never develop or may

not be very liquid. Market terms for debt securities referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, such as the spread over the reference rate reflected in the interest rate provisions, may evolve over time, and trading prices of such debt securities may be lower than those of later issued debt securities as a result. Further, if Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR do not prove to be widely used in securities, the trading price of Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, respectively, may be lower than those of debt securities referencing other reference rates that are more widely used.

Investors in Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that SONIA, SOFR or €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in such Notes. If the manner in which SONIA, SOFR or €STR is calculated is changed, that change may result in a reduction in the amount of interest payable on Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, respectively, and the trading prices of such Notes.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

Any failure of SONIA, SOFR or €STR to gain market acceptance could adversely affect SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes, respectively

According to the Alternative Reference Rates Committee, convened by the Board of Governors of the FRBNY, SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to U.S. dollar LIBOR in part because it is considered a good representation of general funding conditions in the overnight U.S. Treasury repurchase agreement market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. Similar considerations apply in respect of SONIA and €STR. This may mean that market participants would not consider SONIA, SOFR or €STR a suitable replacement or successor for all of the purposes for which Sterling, U.S. dollar LIBOR or EURIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen market acceptance of SONIA, SOFR or €STR. Any failure of SONIA, SOFR or €STR to gain market acceptance could adversely affect the return on and value and market price of Notes which reference Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR and the price at which investors can sell such Notes in the secondary market.

The amount of interest payable with respect to each Interest Period will only be determined near the end of the Interest Period for SONIA-Linked Notes, SOFR-Linked Notes and €STR-Linked Notes

The Rate of Interest on Notes referencing Compounded Daily SONIA, and Compounded Daily SOFR and Compounded Daily €STR is only capable of being determined at the end of the relevant SONIA Observation Period (as defined in paragraph 12(b) of the Global Note) or SOFR Observation Period (as defined in paragraph 12(c) of the Global Note) or €STR Observation Period (as defined in paragraph 12(d) of the Global Note) and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in any such Notes to estimate reliably the amount of interest which will be payable on such Notes on each Interest Payment Date, and some investors may be unable or unwilling to trade such Notes without changes to their information technology systems, both of which factors could adversely impact the liquidity of such Notes.

SOFR, SONIA and €STR may be more volatile than other benchmarks or market rates

Since the initial publication of SOFR, daily changes in SOFR have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as U.S. dollar LIBOR. Although changes in Compounded SOFR generally are not expected to be as volatile as changes in daily levels of SOFR, the return on and value and market price of Notes which reference Compounded Daily SOFR may fluctuate more than floating rate securities that are linked to less volatile rates. In addition, the volatility of SOFR has reflected the underlying volatility of the overnight U.S. Treasury repo market. The FRBNY has at times conducted operations in the overnight U.S. Treasury repo market in order to help maintain the federal funds rate within a target range. There can be no assurance that the FRBNY will continue to conduct such operations in the future, and the duration and extent of any such operations is inherently uncertain. Similar considerations may also apply in respect of SONIA and €STR. The effect of any such operations, or of the cessation of such operations to the extent they are commenced, is uncertain and could be materially adverse to investors in SOFR-Linked Notes, SONIA-Linked Notes or €STR-Linked Notes, as applicable.

The interest rate on SONIA-Linked Notes, SOFR-Linked Notes and €STR-Linked Notes will be based on Compounded Daily SONIA, Compounded Daily SOFR and Compounded Daily €STR, respectively, which are relatively new in the marketplace and may be determined by reference to the SONIA Compounded Index, the SOFR Index or the €STR Compounded Index, respectively, relatively new market indexes

For each Interest Period, the interest rate on any Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR is based on Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, respectively, which is calculated on a daily compounded basis (or, where Index Determination is specified as being applicable in the applicable Pricing Supplement, by reference to the relevant index) and not the SONIA, SOFR or €STR rate published on or in respect of a particular date during such Interest Period or an arithmetic average of SONIA, SOFR or €STR rates during such Interest Period. Each of the SONIA Compounded Index, the SOFR Index and the €STR Compounded Index measures the cumulative impact of compounding SONIA, SOFR or €STR, respectively, on a unit of investment over time. The value of the SONIA Compounded Index, the SOFR Index or the €STR Compounded Index, on a particular business day reflects the effect of compounding SONIA, SOFR or €STR, respectively, on such business day and allows the calculation of Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR averages, as applicable, over custom time periods. For this and other reasons, the interest rate on Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR during any Interest Period will not be the same as the interest rate on other SONIA, SOFR or €STR linked investments that use an alternative basis to determine the applicable interest rate. Further, if the SONIA, SOFR or €STR rate in respect of a particular date during an Interest Period is negative, its contribution to the relevant compounded rate will be less than one, resulting in a reduction to such compounded rate used to calculate the interest payable on any Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR on the interest payment date for such Interest Period.

Very limited market precedent exists for securities that use SONIA, SOFR or €STR as the interest rate and the method for calculating an interest rate based upon SONIA, SOFR or €STR in those precedents varies. In addition, the Bank of England, the FRBNY and the ECB only began publishing the SONIA Compounded Index, the SOFR Index and the €STR Compounded Index, respectively, very recently. Accordingly, the specific formulas for Compounded Daily SONIA, Compounded Daily SOFR and Compounded Daily €STR set out in the Conditions and the use of the SONIA Compounded Index, SOFR Index or €STR Compounded Index for the purposes of calculating Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, respectively, may not be widely adopted by other market participants, if at all. If the market adopts a different calculation method that would likely

adversely affect the market value of any respective SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes.

There can be no assurance that SONIA, SOFR or €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of holders of SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes, respectively

SONIA, SOFR and €STR are published by the Bank of England, the FRBNY and the ECB as the respective administrators of SONIA, SOFR and €STR based on data received from sources other than the Issuer. The Issuer has no control over the determination, calculation or publication of SONIA, SOFR or €STR. The administrator of SONIA, SOFR or €STR may make changes that could change the value of SONIA, SOFR or €STR, as the case may be, or discontinue SONIA, SOFR or €STR, respectively, and have no obligation to consider the interests of holders of SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes in doing so. Each of the Bank of England, the FRBNY or ECB (or, in each case, a successor), as the respective administrator of SONIA, SOFR and €STR, respectively, may make methodological or other changes that could change the value of SONIA or SOFR, including changes related to the method by which SONIA, SOFR or €STR is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR and €STR. In addition, the respective administrators of SONIA, SOFR or €STR may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR (in which case a fallback method of determining the interest rate on any SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes will apply, as further described in paragraphs 12(b), (c) and (d) of the Global Note, respectively.

There can be no assurance that SONIA, SOFR or €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of holders of SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes, respectively. If the manner in which SONIA, SOFR or €STR is calculated is changed, that change may result in a reduction of the amount of interest payable on any respective SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes, which may adversely affect the trading prices of such Notes. If the rate at which interest accrues on any SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes for any Interest Period declines to zero or becomes negative, no interest will be payable on such Notes on the Interest Payment Date for such Interest Period. The administrator of each of SONIA, SOFR and €STR has no obligation to consider the interests of holders of SONIA-Linked Notes, SOFR-Linked Notes or €STR-Linked Notes, respectively, in calculating, adjusting, converting, revising or discontinuing SONIA, SOFR or €STR, as the case may be. In addition, the administrator of each of SONIA, SOFR or €STR may withdraw, modify or amend the published SONIA, SOFR or €STR rate or other SONIA, SOFR or €STR data, respectively, in its sole discretion and without notice.

The SONIA Compounded Index, SOFR Index or €STR Compounded Index may be modified or discontinued, which could adversely affect the value and market price of any Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR where Index Determination is specified as being applicable in the applicable Pricing Supplement

The SONIA Compounded Index, the SOFR Index and the €STR Compounded Index are published by the Bank of England, the FRBNY and the ECB, respectively, based on data received by them from sources other than the Issuer, and the Issuer has no control over their methods of calculation, publication schedule, rate revision practices or the availability of the SONIA Compounded Index, the SOFR Index or the €STR Compounded Index at any time. There can be no guarantee, particularly given its relatively recent introduction, that the SONIA Compounded Index, the SOFR Index or the €STR Compounded Index will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in any Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, respectively, where Index Determination is applicable. If the manner in which the SONIA Compounded Index, the SOFR Index or the €STR Compounded Index is calculated,

including the manner in which SONIA, SOFR or €STR, respectively, is calculated, is changed, that change may result in a reduction in the amount of interest payable on any Notes referencing Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR where Index Determination is applicable and the trading prices of such Notes. In addition, the Bank of England, the FRBNY or the ECB may withdraw, modify or amend the published SONIA Compounded Index, SOFR Index or €STR Compounded Index, respectively, or other SONIA, SOFR or €STR data in its sole discretion and without notice. The interest rate for any Interest Period will not be adjusted for any modifications or amendments to the SONIA Compounded Index, the SOFR Index or the €STR Compounded Index or other SONIA, SOFR or €STR data that the Bank of England, the FRBNY or the ECB may publish after the interest rate for that Interest Period has been determined.

The occurrence of a SOFR Benchmark Transition Event may adversely affect the return on and the market value of SOFR-Linked Notes

Investors should be aware that in the case of SOFR-Linked Notes, the terms and conditions of the Notes provide for certain fallback arrangements in the event that SOFR ceases to exist or be published or another Benchmark Transition Event occurs and these fallback arrangements include the possibility that the Rate of Interest could be determined, without any separate consent or approval of the Noteholders, by reference to a SOFR Benchmark Replacement and that a SOFR Benchmark Replacement Adjustment may be applied to such SOFR Benchmark Replacement. Certain amendments to the terms and conditions of such Notes may also be made without the consent or approval of holders of the relevant Notes.

In the case of any SOFR Benchmark Replacement, SOFR Benchmark Replacement Adjustment and related amendments, the relevant replacement and adjustment (if any) and any such amendments shall be determined by the SOFR Benchmark Replacement Agent. Any SOFR Benchmark Replacement Adjustment that is applied may not be effective to reduce or eliminate economic prejudice to investors. The use of a SOFR Benchmark Replacement (including the application of SOFR Benchmark Replacement Adjustment) will still result in any SOFR-Linked Notes performing differently (which may include payment of a lower Rate of Interest) than they would if SOFR were to continue to apply in its current form.

If the Issuer or an affiliate of the Issuer is appointed as SOFR Benchmark Replacement Agent, then depending on the circumstances in which any such discretion is required to be exercised, such exercise could present the Issuer or such affiliate with a conflict of interest.

Any such consequences could have a material adverse effect on the value, market price or liquidity of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of SOFR or any other relevant reference rate could affect the ability of the Issuer to meet its obligations under the relevant SOFR-Linked Notes and could also have a material adverse effect on the value, market price or liquidity of, and the amount payable under, such Notes. Investors should consider these matters when making their investment decision with respect to any SOFR-Linked Notes.

The application of an amount equal to the net proceeds of Sustainable Notes as described in "Use of Proceeds" may not meet investor expectations or be suitable for an investor's investment criteria

Prospective investors in any Notes where the "*Reasons for the offer*" in Part B of the applicable Pricing Supplement are stated to be for "green", "social" or "sustainability" purposes as described in "*Use of Proceeds*" below (**Green Notes**, **Social Notes** or **Sustainability Notes**, respectively, and, together, **Sustainable Notes**), should have regard to the information in "*Use of Proceeds*" regarding the use of the net proceeds of those Sustainable Notes and must determine for themselves the relevance of such information for the purpose of any investment in such Sustainable Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer or the

Dealers that the use of such proceeds for any Eligible Projects (as defined in the "*Use of Proceeds*" section below) will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "social" or "sustainable" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green", "social" or "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change.

A basis for the determination of such "green" project definition has been established in the EU with the publication in the Official Journal of the EU on 22nd June, 2020 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18th June, 2020 (the **Sustainable Finance Taxonomy Regulation**) on the establishment of a framework to facilitate sustainable investment (the **EU Sustainable Finance Taxonomy**). The EU Sustainable Finance Taxonomy is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the Sustainable Finance Taxonomy Regulation (including, for example, through Commission Delegated Regulation (EU) 2021/2139). While BBVA's Sustainable Debt Financing Framework (November 2022) published on its website (https://shareholdersandinvestors.bbva.com) (including as amended, supplemented, restated or otherwise updated on such website from time to time where so specified, the **Sustainable Debt Financing Framework**) is in alignment with the relevant objectives for the EU Sustainable Finance Taxonomy, until the technical screening criteria for such objectives have been developed it is not known whether the Sustainable Debt Financing Framework will satisfy those criteria. Accordingly, alignment with the EU Sustainable Finance Taxonomy, once the technical screening criteria are established, is not certain and no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Eligible Projects will meet any or all investor expectations regarding such "green", "social" or "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Projects.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by the Issuer) which may or may not be made available in connection with the issue of any Sustainable Notes and in particular with any Eligible Projects to fulfil any environmental, social, sustainability and/or other criteria. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any such Sustainable Notes. Any such report, assessment, opinion or certification is only current as of the date it was issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such report, assessment, opinion or certification for the purpose of any investment in such Sustainable Notes. Currently, the providers of such reports, assessments, opinions and certifications are not subject to any specific oversight or regulatory or other regime. Neither the Sustainable Debt Financing Framework nor any of the above reports, assessments, opinions or certifications are incorporated in or form part of this Information Memorandum.

In the event that any Sustainable Notes are listed or admitted to trading on any dedicated "green", "environmental", "social" or "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. Furthermore, the criteria

for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Sustainable Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Notes.

While it is the intention of the Issuer to apply an amount equal to the net proceeds of any Sustainable Notes and obtain and publish the relevant reports, assessments, opinions and certifications in, or substantially in, the manner described in "*Use of Proceeds*", there can be no assurance that the Issuer will be able to do this. Nor can there be any assurance that any Eligible Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer.

Any such event or failure to apply an amount equal to the net proceeds of any issue of Sustainable Notes for any Eligible Projects, or to obtain and publish any such reports, assessments, opinions and certifications, as well as the existence of any potential mismatch between the duration of the Eligible Projects and the term of any Sustainable Notes will not (i) constitute an event of default under the relevant Sustainable Notes, or (ii) give rise to any other claim or right (including any right to accelerate the Notes) of a holder of such Sustainable Notes against the Issuer, or (iii) lead to an obligation of the Issuer to redeem such Notes.

The Sustainable Notes are issued subject to their applicable terms and conditions including, without limitation, in relation to their status, interest payments and redemption as described in the "*Form of the Notes*" and the applicable Pricing Supplement, regardless of the issue of such Notes as Sustainable Notes. The Sustainable Notes are further subject to the exercise of the Spanish Bail-in Power in exactly the same manner as for any other Notes.

Further, the performance of the Sustainable Notes will in no circumstances be linked to the performance of any Eligible Projects that may be identified by the Issuer and no segregation of assets and liabilities regarding any Sustainable Notes or Eligible Projects will occur at any time. Payments of principal and interest on any Sustainable Notes shall not depend on the performance of any Eligible Project nor will holders of any Sustainable Notes have any preferred right against the assets of any Eligible Project.

The withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, and/or any such Sustainable Notes no longer being listed or admitted to trading on any stock exchange or securities market, as aforesaid, may have a material adverse effect on the value of such Sustainable Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

RISKS RELATED TO NOTES GENERALLY

Set out below is a brief description of material risks relating to the Notes generally:

The Issuer may redeem the Notes for tax reasons. This may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

An optional redemption feature may limit the market value of the Notes. During any period when the Issuer may elect to redeem Notes, or during which there is an actual or perceived increased likelihood that the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

Should the Issuer elect to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes, an investor generally would not be able to reinvest the redemption proceeds at such times at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

It is not possible to predict whether or not any further change in the laws or regulations of Spain or the application or binding official interpretation thereof, or any of the other events referred to above, will occur and so lead to the circumstances in which the Issuer is able to elect to redeem the Notes, and if so whether or not the Issuer will elect to exercise such option to redeem the Notes. There can be no assurances that, in the event of any such early redemption, Noteholders will be able to reinvest the proceeds at a rate that is equal to the return on the Notes.

Claims of holders under the Notes are effectively junior to those of certain other creditors

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, representing, in the case of each Note, a separate and independent obligation of the Issuer, and, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer, in accordance with and to the extent permitted by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain (including, without limitation, Additional Provision 14.2 of Law 11/2015), the payment obligations of the Issuer under the Notes with respect to claims for principal (which claims will constitute ordinary claims) will rank: (i) junior to any (A) privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015) and (B) claims against the insolvency estate (*créditos contra la masa*); (ii) *pari passu* without any preference or priority among themselves and with all other Senior Preferred Obligations; and (iii) senior to (A) any Senior Non-Preferred Obligations and (B) all subordinated obligations of, or subordinated claims against, the Issuer (*créditos subordinados*), present and future. Terms used in this paragraph have the meanings given to them in "*Overview of the Terms of the Programme*".

In addition, on 18th April, 2023, the European Commission published a proposal for the further amendment of the BRRD, including, among other things, the amendment of the ranking of claims in insolvency to provide for a general depositor preference, pursuant to which the insolvency laws of Members States would be required by the BRRD to extend the legal preference of claims in respect of deposits relative to ordinary unsecured claims to all deposits. The implementation of this proposal is subject to further legislative procedures but if it is implemented in its current form, this would mean that the Notes will rank junior to the claims of all depositors, including deposits of large corporates and other deposits that are currently excluded from the above privileged claims. Any such general depositor preference would also impact upon any application of the Spanish Bail-in Power, as such application is to be carried out in the order of the hierarchy of claims in normal insolvency proceedings. Accordingly, this would mean that following any such amendment of the insolvency laws of Spain to establish a general depositor preference, any resulting write-down or conversion of the Notes by the Relevant Spanish Resolution Authority would be carried out before any write-down or conversion of the claims of depositors such as those of large corporates that previously would have been written-down or converted alongside the Notes. By removing the requirement for such deposits to be written-down or converted in this manner, one of the stated objectives of this proposed amendment is to reduce the likelihood of deposits generally needing to be included in any such write-down or conversion upon any application of the Spanish Bail-in Power and improve the process for the application of the Spanish Bail-in Power. However, this may have the corresponding impact of increasing the likelihood of any write-down or conversion of the Notes.

Upon insolvency, the obligations of the Issuer under the Notes will also be effectively subordinated to all of the Issuer's secured indebtedness, to the extent of the value of, or the proceeds realised from, the assets securing such indebtedness. The Notes are further structurally subordinated to all indebtedness

of subsidiaries of the Issuer insofar as any right of the Issuer to receive any assets of such companies upon their winding up will be effectively subordinated to the claims of the creditors of those companies in the winding-up.

Moreover, the BRRD, Law 11/2015 and the SRM Regulation contemplate that Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. This may involve the variation of the terms of the Notes or a change in their form, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. See "*Risks related to Early Intervention and Resolution – The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes*" and "*Regulatory Framework – Resolution"*

Spanish Tax Rules

Article 44 of RD 1065/2007 sets out the reporting obligations applicable to preference shares and debt instruments issued under Law 10/2014. The procedures apply to interest deriving from preference shares and debt instruments to which Law 10/2014 refers, including debt instruments issued at a discount for a period equal to or less than twelve months.

According to the literal wording of Article 44.5 of RD 1065/2007 income derived from securities originally registered with the entities that manage clearing systems located outside Spain, and are recognised by Spanish law or by the law of another OECD country (such as Euroclear or Clearstream, Luxembourg), will be paid free of Spanish withholding tax provided that the Paying Agent appointed by the Issuer submits a statement to the Issuer, the form of which is included in the Agency Agreement, with the following information:

(i) identification of the securities;

(ii) payment date;

(iii) total amount of income paid on the relevant date; and

(iv) total amount of the income corresponding to each clearing system located outside Spain.

These obligations refer to the total amount paid to investors through each foreign clearing house.

In accordance with Article 44.6 of RD 1065/2007 the relevant Issuing and Paying Agent should provide the Issuer with the statement on the business day immediately prior to each interest payment date. The statement must reflect the situation at the close of business of that same day. In the event that on such date, the entity obliged to provide the declaration fail to do so, the Issuer or the Issuing and Paying Agent on its behalf will make a withholding at the general rate of 19 per cent.

If, before the tenth day of the month following the month in which interest is paid, the obliged entity provides the statement, the Issuer will reimburse the amounts withheld.

Prospective investors should note that the Issuer does not accept any responsibility in relation to any failure in the delivery of the relevant statement by the Issuing and Paying Agent in connection with each payment of interest under the Notes. Accordingly, the Issuer will not be liable for any damage or loss suffered by any beneficial owner who would otherwise be entitled to an exemption from Spanish withholding tax but whose payments are nonetheless paid net of Spanish withholding tax because the relevant statement was not duly delivered to the Issuer. Moreover, the Issuer will not pay any additional amounts with respect to any such withholding tax.

In the event that the currently applicable procedures are modified, amended or supplemented by, among other things, any Spanish law, regulation, interpretation or ruling of the Spanish tax authorities, the Issuer will notify the Noteholders of such information procedures and their implications, as the Issuer may be required to apply withholding tax on interest payments in respect of the Notes if the Noteholders do not comply with such information procedures.

General

The procedure described in this Information Memorandum for the provision of information required by Spanish laws and regulations is a summary only, and none of the Issuer, the Arranger or the Dealers, assumes any responsibility therefore. In the event that the currently applicable procedures are modified, amended or supplemented by, among other things, any Spanish law, regulation, interpretation or ruling of the Spanish tax authorities, the Issuer will notify the Noteholders of such information procedures and their implications, as the Issuer may be required to apply withholding tax on interest payments in respect of the Notes if the Noteholders do not comply with such information procedures.

The rights of Noteholders could be adversely affected by a change in Spanish law, English law or administrative practice

The terms and conditions of the Notes (except for the status of the Notes, the exercise and effect of any Spanish Bail-In Power by the Relevant Spanish Resolution Authority and any non-contractual obligations arising therefrom) are based on English law and Spanish law, as applicable, in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to Spanish and/or English law or administrative practice after the date of this Information Memorandum and any such change could materially adversely impact the rights of any Noteholders.

Reliance on Euroclear and Clearstream, Luxembourg procedures

The Notes will be represented on issue by a Global Note that will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Pricing Supplement, investors will not be entitled to receive Notes in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Note. While the Notes are represented by the Global Note, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Notes are represented by the Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Risks related to the market generally

Set out below is a brief description of the material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active secondary market in respect of the Notes may never be established or may be illiquid and the market price of the Notes may be subject to factors outside of the Issuer's control, all of which could adversely affect the value at which an investor could sell Notes

The Notes may have no established trading market when issued, and one may never develop. If an active trading market does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If a market does develop, it may not be very liquid. The market price of the Notes could also be affected by market conditions more generally and other factors outside of the Issuer's control and unrelated to the Group's business, financial condition and results of operations. Therefore, investors may not be able to sell their Notes at a particular time or may not be able to sell their Notes at a favourable price.

Although applications have been made for Notes issued under the Programme to be admitted to the Official List and to trading on the Regulated Market, there is no assurance that such applications will be accepted, that any particular issue of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular issue of Notes. The liquidity of any market for the Notes will depend on a number of factors including:

- the number of holders of the Notes;
- the Issuer's ratings published by major credit rating agencies;
- the Issuer's financial performance;
- the market for similar securities;
- the interest of securities dealers in making a market in the Notes; and
- prevailing interest rates.

No assurance can be given that an active market for the Notes will develop or, if developed, that it will continue.

If an investor holds Notes which are not denominated in the investor's home currency, that investor will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in the Specified Currency (as specified in the applicable Pricing Supplement). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency and/or the Specified Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The value of fixed rate Notes may be adversely affected by movements in market interest rates

Investment in fixed rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the fixed rate Notes, this will adversely affect the market value of the fixed rate Notes as the return realised on the fixed rate Notes may then be less than the return an investor could realise from another equivalent investment at the relevant time.

DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

HISTORY AND DEVELOPMENT OF THE ISSUER

BBVA's predecessor bank, BBV (Banco Bilbao Vizcaya), was incorporated as a public limited company (a *sociedad anónima* or S.A.) under the Spanish Corporations Law on 1st October, 1988. BBVA was formed following the merger of Argentaria into BBV (Banco Bilbao Vizcaya), which was approved by the shareholders of each entity on 18th December, 1999 and registered on 28th January, 2000. It conducts its business under the commercial name "BBVA". BBVA is registered with the Commercial Registry of Vizcaya (Spain) (Volume 2,083, Sheet 1, Page BI-17.A, first inscription). It has its registered office at Plaza de San Nicolás 4, Bilbao, Spain, 48005, and has its main place of business at Calle Azul, 4, 28050, Madrid, Spain (telephone number: +34 91 374 6201). BBVA is incorporated for an unlimited term. The Legal Entity Identifier (LEI) of BBVA is K8MS7FD7N5Z2WQ51AZ71. The website of the Issuer is https://www.bbva.com/en/. The information contained in such web page shall not be deemed to constitute a part of this Information Memorandum unless specifically incorporated by reference.

BBVA's corporate purpose contained in Article 3 of its Bylaws is to engage in all kinds of activities, operations, acts, contracts and services within the banking business or directly or indirectly related to it, that are permitted or not prohibited by prevailing provisions and ancillary activities. Its corporate purpose also includes the acquisition, holding, utilisation and divestment of securities, public offerings to buy and sell securities, and any kind of holdings in any company or enterprise.

CAPITAL EXPENDITURES

BBVA's principal investments are financial investments in its subsidiaries and affiliates. The main capital expenditures from 2022 to the date of this Information Memorandum were the following:

2023 to date

In 2023 to date, there were no significant capital expenditures.

2022

Announcement of the agreement with Neon Payments Limited

On 14th February, 2022, BBVA announced the agreement with the company Neon Payments Limited, a company incorporated and domiciled in the United Kingdom (**Neon Payments**) for the subscription of 492,692 preference shares, representing approximately 21.7 per cent of its share capital, through a share capital increase and in consideration of USD 300 million (equal to €263 million, using the applicable 1.14 EUR/USD exchange rate as of 11th February, 2022).

Neon Payments is the owner of 100 per cent. of the shares of the Brazilian company Neon Pagamentos S.A.

As of 14th February, 2022, BBVA was already the indirect owner of approximately 10.2 per cent. of the share capital of Neon Payments through companies in which BBVA owns more than 99 per cent. of the share capital. As of 31st December 2022, BBVA held, directly and indirectly, approximately 29.2 per cent. of the share capital of Neon Payments. Despite owning more than 20 per cent. of the share capital of Neon Payments, BBVA's ability to influence Neon Payments financial and operating decisions and policies is very limited, so the investment is recognised under the heading "Non-trading financial assets mandatorily at fair value through profit or loss".

Voluntary takeover offer for the entire share capital of Türkiye Garanti Bankası A.Ş. (Garanti BBVA)

On 15th November, 2021, BBVA announced a VTO addressed to the holders of the 2,106,300,000 shares[2] of Garanti BBVA not controlled by BBVA, representing 50.15 per cent. of Garanti BBVA's total share capital. BBVA submitted for authorisation an application for the VTO to the supervisor of the securities markets in Turkey, the Capital Markets Board (the **CMB**) on 18th November, 2021.

On 31st March, 2022, the CMB approved the offer information document and on the same day BBVA announced the commencement of the VTO acceptance period on 4th April, 2022.

On 25th April, 2022, BBVA informed of an increase of the cash offer price per Garanti BBVA share, from the initially announced price (12.20 Turkish Lira) to 15.00 Turkish Lira. On 18th May, 2022, BBVA announced the finalisation of the offer acceptance period, with the acquisition of 36.12 per cent. of Garanti BBVA's share capital in the VTO. The total amount paid by BBVA was approximately 22,758 million Turkish Lira (equivalent to approximately €1,390 million, using the effective exchange rate of 16.14 Turkish Lira per euro, including the expenses associated with the transaction and net of the collection of the dividends corresponding to the stake acquired).

The transaction has given rise to a capital gain of €924 million (including the impacts after the application of IAS 29). An amount of €3,609 million has been recorded under the heading "Other reserves". Additionally, the "Accumulated other comprehensive income (loss)" corresponding to the 36.12 per cent. acquired from minority interests has been reclassified to the "Accumulated other comprehensive income (loss)" amounting to a loss of €2,685 million. The total derecognition associated with the transaction of the heading "Minority interests" considering "Other items" and "Accumulated other comprehensive income (loss)" amounted to a loss of €2,541 million.

The percentage of the total share capital of Garanti BBVA owned by BBVA (after the completion of the VTO on 18th May, 2022) is 85.97 per cent.

CAPITAL DIVESTITURES

BBVA's principal divestitures are financial divestitures in its subsidiaries and affiliates. The main capital divestitures from 2022 to the date of this Information Memorandum were the following:

2022 and 2023 to date

In 2022 and 2023 to date, there were no significant capital divestitures.

BUSINESS OVERVIEW

The Group is a customer-centric global financial services group founded in 1857. Internationally diversified and with strengths in the traditional banking businesses of retail banking, asset management and wholesale banking, the Group is committed to offering a compelling digital proposition focused on the customer experience.

For this purpose, the Group is focused on increasingly offering products online and through mobile channels, improving the functionality of its digital offerings and refining the customer experience, contributing to the delivery of its strategy in a sustainable and inclusive way. BBVA is committed to sustainability, which is impacting the banking business, as part of its daily activities, encompassing not only relations with customers but also internal processes.

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[2] All references to "shares" or "share" in the case of Garanti BBVA shall be deemed to be made in respect of lots of 100 shares, which is the trading unit at Borsa Istanbul.

Standards and interpretations that became effective in 2023 to date

Entry into force of IFRS 17 – Insurance contracts

IFRS 17 has superseded IFRS 4 as the accounting standard applicable to the recognition, measurement and presentation of contracts that transfer significant insurance risk, based on a model that uses updated assumptions at each reporting period. The Group has applied IFRS 17 to "insurance contracts" as of 1st January, 2023. As IFRS 17 requires at least one year of comparative information, the balance sheet as of 31st December, 2022 and the income statement for the year 2022 have been restated.

IFRS 17 has introduced substantial changes in the accounting of insurance contracts with the aim of achieving greater homogeneity and increasing comparability among entities. For this reason, the Group has developed an accounting policy on insurance contracts under IFRS 17 and an operational guide to govern the calculation process, which seeks to ensure adequate control in the preparation of the financial information. See Note 2.1 to the Consolidated Interim Financial Statements.

Amendments to IAS 1 "Presentation of financial statements" and IAS 8 "Accounting policies, changes in accounting estimates and errors"

In February 2021 the IASB issued amendments to this IAS with the aim of improving the quality of the disclosures in relation to the accounting policies applied by the entities with the ultimate aim of providing useful and material information in the financial statements. The amendments to IAS 1 require entities to disclose accounting policies that are material rather than significant accounting policies and provide guidance to help apply the concept of materiality in financial statement disclosures. The amendments to IAS 8 introduce clarifications to distinguish between the concept of accounting estimate and that of accounting policy. The amendments have entered into force on 1st January, 2023, with no significant impact on the consolidated financial statements of the Group.

Amendment IAS 12 – Income taxes

The IASB issued an amendment to IAS 12 to clarify that entities should recognise deferred tax arising on transactions such as leases or decommissioning obligations. The amendment requires entities to recognise a deferred tax asset and liability separately when the temporary differences arising in the recognition of an asset and a liability are the same, not being possible to apply the initial recognition exception provided for in the standard. The purpose of the amendments has been to reduce the diversity in the presentation of information on deferred taxes in said transactions. The modification has entered into force on 1st January, 2023, although its early application was allowed, with no significant impact on the consolidated financial statements of the Group.

Operating Segments

As of 30th September, 2023, the structure of the operating segments used by the Group for management purposes remained the same as in 2022.

Set forth below are the Group's current five operating segments:

- Spain;
- Mexico;
- Turkey;
- South America; and

- Rest of Business.

In addition to the operating segments referred to above, the Group has a Corporate Center which includes those items that have not been allocated to an operating segment. It includes the Group's general management functions, including costs from central units that have a strictly corporate function, management of structural exchange rate positions carried out by the Financial Planning unit, certain proprietary portfolios, certain tax assets and liabilities, certain provisions related to commitments with employees, and goodwill and other intangibles, as well as the financing of such asset portfolios. It also includes the results of the Group's stake in the venture capital fund Propel Venture Partners.

For certain relevant information concerning the preparation and presentation of the financial information included in this Information Memorandum, see "*Presentation of Financial Information*".

The breakdown of the Group's total assets by each of BBVA's operating segments and the Corporate Center as of 30th September, 2023 and 31st December, 2022 was as follows:

	As of 30th September, 2023	As of 31st December, 2022
	(in millions of euros)	
Spain	437,757	427,116
Mexico	173,017	142,557
Turkey	69,272	66,036
South America	67,136	61,951
Rest of Business	55,740	49,952
Subtotal Assets by Operating Segment	**802,923**	**747,613**
Corporate Center and adjustments[(1)]	(45,187)	(35,521)
Total Assets Group	**757,736**	**712,092**

(1) Includes balance sheet intra-group adjustments between the Corporate Center and the operating segments.

The following table sets forth information relating to the profit (loss) attributable to parent company for each of BBVA's operating segment and the Corporate Center for the nine months ended 30th September, 2023 and 2022. Such information is presented under management criteria; however, for the nine months ended 30th September, 2023, there are no differences between the sum of the income statements of BBVA's operating segments and the Corporate Center (calculated in accordance with management operating criteria used to report segment financial information) and the consolidated income statement of the Group.

	Profit / (Loss) Attributable to Parent Company		Per cent. of Profit / (Loss) Attributable to Parent Company	
	Nine months ended 30th September,			
	2023	2022	2023	2022
	(in millions of euros)		(in percentage)	
Spain	2,110	1,304	29.0	24.3
Mexico	3,987	2,918	54.8	54.4
Turkey	367	333	5.0	6.2
South America	496	625	6.8	11.7
Rest of Business	322	182	4.4	3.4
Subtotal operating segments	**7,282**	**5,361**	**100.0**	**100.0**
Corporate Center	(1,321)	(566)		
Profit attributable to parent company	**5,961**	**4,795**		

The following table sets forth certain summarised information relating to the income of each operating segment and the Corporate Center for the nine months ended 30th September, 2023 and 2022. Such information is presented under management criteria; however, for the nine months ended 30th September 2023, there are no differences between the sum of the income statements of BBVA's operating segments and the Corporate Center (calculated in accordance with management criteria used to report segment financial information) and the consolidated income statement of the Group.

	Operating Segments						
	Spain	Mexico	Turkey	South America	Rest of Business	Corporate Center and adjustments	Total
	(in millions of euros)						
September 2023							
Net interest income / (expense)	4,053	8,164	1,581	3,892	405	(253)	17,843
Gross income	5,833	10,475	2,310	3,577	852	(943)	22,104
Operating profit / (loss) before tax	3,053	5,472	1,089	1,021	410	(1,558)	9,487
Profit / (loss) attributable to parent company	**2,110**	**3,987**	**367**	**496**	**322**	**(1,321)**	**5,961**
September 2022							
Net interest income / (expense)	2,687	5,922	1,961	3,074	243	(97)	13,790
Gross income	4,620	7,661	2,347	3,186	584	(144)	18,255
Operating profit / (loss) before tax	2,107	3,896	1,205	1,148	229	(741)	7,844
Profit / (loss) attributable to parent company	**1,304**	**2,918**	**333**	**625**	**182**	**(566)**	**4,795**

The following tables set forth summarised information relating to the balance sheet of the operating segments and the Corporate Center and adjustments as of 30th September, 2023 and 31st December, 2022.

	As of 30th September, 2023						
	Spain	Mexico	Turkey	South America	Rest of Business	Total Operating Segments	Corporate Center and Adjustments (1)
	(in millions of euros)						
Total Assets	**437,757**	**173,017**	**69,272**	**67,136**	**55,740**	**802,923**	**(45,187)**
Cash, cash balances at central banks and other demand deposits	34,461	9,781	11,493	7,228	4,395	67,358	(499)
Financial assets at fair value (2)	138,913	60,945	4,134	11,519	9,466	224,978	(16,953)
Financial assets at amortised cost	214,593	94,960	50,311	45,000	41,296	446,159	(113)
Loans and advances to customers	173,619	86,727	37,466	42,119	37,862	377,794	(1,458)
Total Liabilities	**423,327**	**162,172**	**62,751**	**61,108**	**51,674**	**761,033**	**(56,750)**
Financial liabilities held for trading and designated at fair value through profit or loss	104,052	33,063	2,089	3,209	8,598	151,011	(19,873)
Financial liabilities at amortised cost - Customer deposits	212,725	86,373	51,104	44,535	10,204	404,942	(1,081)
Total Equity	**14,429**	**10,845**	**6,521**	**6,028**	**4,066**	**41,890**	**11,563**
Assets under management	**93,024**	**52,741**	**7,894**	**6,345**	**480**	**160,484**	
Mutual funds	69,610	48,545	4,484	6,345	—	128,984	
Pension funds	23,414	—	3,410	—	480	27,304	
Other placements		4,196	——	—	—	4,196	

(1) Includes balance sheet intra-group adjustments between the Corporate Center and the operating segments.

(2) Financial assets at fair value includes: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income".

	As of 31st December, 2022						
	Spain	Mexico	Turkey	South America	Rest of Business	Total Operating Segments	Corporate Center and Adjustments (1)
	(in millions of euros)						
Total Assets	**427,116**	**142,557**	**66,036**	**61,951**	**49,952**	**747,613**	**(35,521)**
Cash, cash balances at central banks and other demand deposits	49,185	13,228	6,061	7,695	4,015	80,184	(428)
Financial assets at fair value (2)	126,413	46,575	5,203	10,739	5,090	194,020	(10,174)
Financial assets at amortised cost	204,528	77,191	51,621	40,448	40,425	414,215	207
Loans and advances to customers	173,971	71,231	37,443	38,437	37,375	358,456	(1,105)
Total Liabilities	**413,993**	**132,726**	**59,326**	**56,077**	**45,604**	**707,726**	**(46,150)**

	As of 31st December, 2022						
	Spain	**Mexico**	**Turkey**	**South America**	**Rest of Business**	**Total Operating Segments**	**Corporate Center and Adjustments (1)**
	(in millions of euros)						
Financial liabilities held for trading and designated at fair value through profit or loss	84,619	25,840	2,138	2,813	4,397	119,808	(13,617)
Financial liabilities at amortised cost - Customer deposits	221,019	77,750	46,339	40,042	9,827	394,978	(574)
Total Equity	**13,124**	**9,831**	**6,711**	**5,874**	**4,348**	**39,887**	**10,630**
Assets under management	**86,759**	**38,196**	**6,936**	**17,760**	**520**	**150,170**	
Mutual funds	63,786	35,614	3,731	5,804	—	108,935	
Pension funds	22,973	—	3,205	11,956	520	38,653	
Other placements	—	2,582	—	—	—	2,582	

(1) Includes balance sheet intra-group adjustments between the Corporate Center and the operating segments.

(2) Financial assets at fair value includes: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income".

Spain

This operating segment includes all of BBVA's banking and non-banking businesses in Spain, other than those included in the Corporate Center. The primary business units included in this operating segment are:

- ***Spanish Retail Network***: including individual customers, private banking, small companies and businesses in the domestic market;

- ***Corporate and Business Banking***: which manages small and medium-sized enterprises (**SMEs**), companies and corporations and public institutions;

- ***Corporate and Investment Banking***: responsible for business with large corporations and multinational groups and the trading floor and distribution business in Spain; and

- ***Other units***: which includes the insurance business unit in Spain (BBVA Seguros) as well as the Group's shareholding in Compañía de Seguros y Reaseguros, S.A, the Asset Management unit (which manages Spanish mutual funds and pension funds), lending to real estate developers and foreclosed real estate assets in Spain, as well as certain proprietary portfolios and certain funding and structural interest rate positions of the euro balance sheet which are not included in the Corporate Center.

Cash, cash balances at central banks and other demand deposits amounted to €34,461 million as of 30th September, 2023, a 29.9 per cent. decrease compared with the €49,185 million recorded as of 31st December, 2022, mainly driven by a decrease in cash held at the Bank of Spain as a result of the partial repayment by BBVA of drawdowns under the ECB's TLTRO III facilities.

Financial assets at fair value of this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income") amounted to €138,913 million as of 30th September, 2023, a 9.9 per cent. increase from the €126,413 million recorded as of 31st December, 2022, mainly as a result of the increase in loans to credit institutions (through reverse repurchase agreements) recorded under "Financial assets held for trading", partially offset by the decrease in Spanish sovereign debt securities recorded under "Financial assets at fair value through other comprehensive income", mainly due to the maturity of a Spanish treasury bond.

Financial assets at amortised cost of this operating segment as of 30th September, 2023 amounted to €214,593 million, a 4.9 per cent. increase compared with the €204,528 million recorded as of 31st December, 2022. Within this heading, debt securities of this operating segment as of 30th September, 2023 amounted to €30,286 million, a 34.3 per cent. increase compared with the €22,551 million recorded as of 31st December, 2022, mainly as a result of an increase in Spanish sovereign debt securities, within a high interest rate environment. In addition, within this heading, loans and advances to customers amounted to €173,619 million as of 30th September, 2023, a 0.2 per cent. decrease from the €173,971 million recorded as of 31st December, 2022.

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of 30th September, 2023 amounted to €104,052 million, a 23 per cent. increase compared with the €84,619 million recorded as of 31st December, 2022, mainly due to the increase in deposits from credit institutions (through repurchase agreements).

Customer deposits at amortised cost of this operating segment as of 30th September, 2023 amounted to €212,725 million, a 3.8 per cent. decrease compared with the €221,019 million recorded as of 31st December, 2022, mainly due to the decrease in demand deposits within the retail portfolio, partially offset by an increase in time deposits. The decrease in demand deposits was due in part to the shift from demand deposits, mainly from households, towards higher profitability investments (including mutual funds), in a context where remuneration on deposits continues to be low, the positive effect of year-end compensation (including bonuses) paid by companies at the end of 2022 (which led to an increase in deposits) and the decreased savings capacity of customers as a result of inflation.

Off-balance sheet funds of this operating segment (which includes "Mutual funds" (including customers' portfolios) and "Pension funds") as of 30th September, 2023 amounted to €93,024 million, a 7.2 per cent. increase compared with the €86,759 million as of 31st December, 2022, mainly due to the shift from demand deposits towards higher profitability investments, which resulted in an increase in private banking and mutual funds.

This operating segment's non-performing loan ratio (defined as non-performing loans divided by total credit risk and calculated as the sum of impaired loans and advances to customers, impaired guarantees to customers and other impaired commitments divided by the sum of loans and advances to customers, guarantees to customers and other commitments) increased to 4.0 per cent. as of 30th September, 2023 and 3.9 per cent. as of 31st December, 2022, mainly as a result of higher Stage 3 entries, in a context of increased refinancing operations within the retail portfolio, partially offset by the sale of a portfolio of non-performing loans mainly from the unsecured retail portfolios, and the positive evolution of the wholesale portfolios with negative net entries. This operating segment's non-performing loan coverage ratio (defined as allowance for credit losses divided by non-performing loans and calculated as loss allowances on loans and advances divided by the sum of impaired loans and advances to customers, impaired guarantees to customers and other impaired commitments) was 55 per cent. as of 30th September, 2023 and 61 per cent. as of 31st December, 2022. The decrease was driven in part by the sale of the portfolio of non-performing loans referred to above, in respect of which significant loss allowances had been recorded.

Mexico

The Mexico operating segment includes the banking, insurance and asset management business conducted in Mexico by BBVA Mexico. It also includes BBVA Mexico's agency in Houston.

The Mexican peso appreciated 12.7 per cent. against the euro as of 30th September, 2023 compared with 31st December, 2022, positively affecting the business activity of the Mexico operating segment as of 30th September, 2023 expressed in euros.

Cash, cash balances at central banks and other demand deposits amounted to €9,781 million as of 30th September, 2023, a 26.1 per cent. decrease compared with the €13,228 million recorded as of 31st December, 2022, in particular, cash balances held at Mexican Central Bank ("**BANXICO**") decreased as a result of the higher lending activity levels, partially offset by the appreciation of the Mexican peso.

Financial assets at fair value of this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income") as of 30th September, 2023 amounted to €60,945 million, a 30.9 per cent. increase from the €46,575 million recorded as of 31st December, 2022, mainly due to the acquisition of sovereign debt securities recorded under "Financial assets held for trading" and "Financial assets at fair value through the other comprehensive income" and the appreciation of the Mexican peso against the euro.

Financial assets at amortised cost of this operating segment as of 30th September, 2023 amounted to €94,960 million, a 23 per cent. increase compared with the €77,191 million recorded as of 31st December, 2022. Within this heading, loans and advances to customers of this operating segment as of 30th September, 2023 amounted to €86,727 million, an 21.8 per cent. increase compared with the €71,231 million recorded as of 31st December, 2022, mainly attributable to the appreciation of the Mexican peso against the euro, the positive performance of the retail portfolio (in particular, consumer loans, mortgage loans and credit card loans) and, to a lesser extent, the wholesale portfolio (loans to enterprises), due to the favourable economic evolution.

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of 30th September, 2023 amounted to €33,063 million, a 28 per cent. increase compared with the €25,840 million recorded as of 31st December, 2022, mainly as a result of the increase in the value of the derivatives recorded under the "Financial liabilities held for trading" portfolio, the appreciation of the Mexican peso against the euro and the increase in the fair value of unit-linked insurance plans.

Customer deposits at amortised cost of this operating segment as of 30th September, 2023 amounted to €86,373 million, a 11.1 per cent. increase compared with the €77,750 million recorded as of 31st December, 2022, primarily due to the appreciation of the Mexican peso against the euro, partially offset by the decrease in the volume of demand deposits within the portfolios of non-financial corporations and households, as a result of the increased competition from other banks for remunerated deposits. .

Off-balance sheet funds of this operating segment (which includes "Mutual funds" (including customers' portfolios) and "Other placements") as of 30th September, 2023 amounted to €52,741 million, a 38.1 per cent. increase compared with the €38,196 million as of 31st December, 2022, mainly as a result of the continuing search by customers for higher profitability investments, which continued to boost mutual funds, supported by an improved product offer that includes funds linked to Environmental, Social and Governance (ESG) factors, and the appreciation of the Mexican peso against the euro.

This operating segment's non-performing loan ratio (as defined herein) stood at 2.6 per cent. as of 30th September, 2023 compared to 2.5 per cent. as of 31st December, 2022. The ratio was adversely affected by the increase in Stage 3 loans in the retail portfolio (mainly in consumer, credit cards and mortgages loans), which required additional credit allowances, and was positively affected by the growth in lending activity, both in the retail and the wholesale portfolios. This operating segment's non-performing loan coverage ratio (as defined herein) decreased to 127 per cent. as of 30th September, 2023 from 129 per cent. as of 31st December, 2022.

Turkey

This operating segment comprises the activities carried out by Garanti BBVA as an integrated financial services group operating in the banking, insurance and asset management business in Turkey, including corporate, commercial, SME, payment systems, retail, private and investment banking, together with its subsidiaries in pension and life insurance, leasing, factoring, brokerage and asset management, as well as its international subsidiaries in Romania and the Netherlands.

On 18th May, 2022, BBVA closed its VTO for the entire share capital of Garanti BBVA, which resulted in BBVA increasing its stake in Garanti BBVA from 49.85 per cent. to 85.97 per cent. See "*Capital Expenditures – 2022 – Voluntary Takeover Bid for the Entire Share Capital of Türkiye Garanti Bankası A.Ş. (Garanti BBVA)*" above.

The Turkish lira depreciated 31.3 per cent. against the euro as of 30th September, 2023 compared to 31st December, 2022, adversely affecting the business activity of the Turkey operating segment as 30th September, 2023 expressed in euros.

Since the second quarter of 2022, the Turkish economy has been considered to be hyperinflationary as defined by IAS 29.

BBVA's operations in Turkey are subject to regulation by Turkish national authorities. In general, the rules applicable to products and services that banks in Turkey offer to consumers are more stringent than rules applicable with respect to commercial and corporate banking customers. Since 2021, the regulations that were introduced in 2020 authorising the Central Bank of the Republic of Turkey (**CBRT**) to impose restrictions regarding certain fees and commissions that may be charged to customers have been amended, establishing maximum limits with respect to loan allocation and loan disbursement fees.

In 2022, the CBRT unveiled an integrated policy framework seeking to stabilise the Turkish lira, including by permanently increasing the weight of Turkish lira-denominated assets and liabilities in the banking system. As part of such policy, the CBRT strengthened its macroprudential policy toolkit and revised the reserve requirement regulation, which used to apply to the liability side of balance sheets, and began to apply to the asset side of balance sheets as well, including Turkish lira-denominated commercial cash loans (subject to certain exceptions). In August 2022, the CBRT replaced the then-existing 20 per cent. reserve requirement ratio on Turkish lira-denominated loans with a requirement to maintain government bonds in an amount equivalent to 30 per cent. of such loans. In January 2023, the securities maintenance ratio that Turkish banks are required to apply to their foreign currency deposits was set at 10 per cent. (5 per cent. as amended on 25th June, 2023) and is set to be in place until December 2023. Until August 2023, when it was repealed, the following requirement was in place: if the relevant bank's ratio of Turkish lira deposits to total deposits was: (i) less than 57 per cent., then such securities maintenance ratio was to be increased to 12 per cent.; and, (ii) greater than or equal to 70 per cent., then such securities maintenance ratio was to be decreased to 3 per cent. In May 2023 the CBRT required each Turkish bank (including Garanti BBVA) to hold additional Turkish lira-denominated securities issued by the Turkish government if the conversion rate from foreign currency deposits to Turkish lira deposits by 28th July, 2023 was less than 10 per cent., and if less than 30 per cent. they would have to hold additional government bonds from that date until the end of the year (in short, lenders are being mandated to convert such percentage of their foreign currency deposits into Turkish lira or increase their holdings of government bonds equivalent to the amount they failed to convert). This requirement will not apply to banks whose aggregate deposits fund size in foreign currency is below an amount determined by the CBRT from time to time. The CBRT continues to issue instructions to further clarify the implementation of these requirements on a regular basis.

Additional amendments to the reserve requirement on foreign currency liabilities were announced in 2023, including, (i) a rate of 0 per cent. for Turkish lira deposit accounts with maturities longer than

three months; (ii) a rate of 0 per cent., until December 2023, for the increase in foreign currency-denominated liabilities with maturities longer than six months; (iii) an increase in the mandatory reserve ratios for foreign currency deposits by five basis points if the share of a Turkish bank's Turkish lira deposits to be calculated for individuals and legal persons is less than 60 per cent. of total deposits (57 per cent. following the amendment announced in July 2023); and (iv) an increase from 25 per cent. to 29 per cent. in the required reserve ratio for foreign currency demand and time deposits with maturities of up to 1 month.

In September 2023, the required reserve ratio for foreign exchange protected deposits in Turkish lira with maturities of up to six months increased from 15 per cent. to 25 per cent. and, in the case of deposits with maturities of up to one year, it decreased from 15 per cent. to 5 per cent.

Further, the CBRT extended the deadline for domestic legal entities to open, mandatorily, Turkish Lira Deposit and Participation Accounts with their existing balances already held at banks in other currencies between 31st December, 2021 and 31st March, 2023, until 31st December, 2023.

The low interest rates set by the CBRT in a context of high inflation (despite the recent increases of interest rates from 8.5 per cent. in June 2023 to 35 per cent. in October 2023, which may continue to increase in an attempt to tame inflation), the policies affecting the banking sector (which have had the effect of increasing BBVA's exposure to the Turkish lira and Turkish sovereign debt) and currency depreciation have affected and may continue to affect the Group's results.

Following its publication in the Official Gazette on 15th July, 2023, Law No. 7456 on Additional Motor Vehicle Tax and Amendments to Certain Laws as well as Decree Law No. 375, for Compensation of Economic Losses Caused by the Earthquakes on 6th February, 2023, entered into force in Turkey. Among others, this Law provides for the modification of the general corporate income tax rate in Turkey from 20 per cent. to 25 per cent. However, the general tax rate for banks and financial institutions has been increased from 25 per cent. (applicable since April 2022) to 30 per cent. This change is applicable to profit generated in tax periods beginning on or after 1st January, 2023 and has been considered in preparing the Unaudited Condensed Interim Consolidated Financial Statements. The impact of this change was not material to the results of the BBVA Group.

Cash, cash balances at central banks and other demand deposits amounted to €11,493 million as of 30th September, 2023, an 89.6 per cent. increase compared with the €6,061 million recorded as of 31st December, 2022, mainly due to the increase in cash held at the CBRT as a result in part of the increases in funding through customer time deposits and demand deposits in Turkish lira, in a context of contained loan growth and the above-mentioned increase in the required reserve ratio established by the CBRT in order to reduce excess liquidity of the Turkish lira in the market, partially offset by the depreciation of the Turkish lira against the euro.

Financial assets at fair value of this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income") as of 30th September, 2023 amounted to €4,134 million, a 20.5 per cent. decrease from the €5,203 million recorded as of 31st December, 2022, mainly due to the depreciation of the Turkish lira against the euro, partially offset by increases in sovereign debt securities, as a result of the increase in the local currency-denominated government bonds mainly due to the above-mentioned increase in the securities maintenance ratio established by the CBRT, and, to a lesser extent, the value of exchange rate derivatives in foreign currency positions.

Financial assets at amortised cost of this operating segment as of 30th September, 2023 amounted to €50,311 million a 2.5 per cent. decrease compared with the €51,621 million recorded as of 31st December, 2022, due to the depreciation of the Turkish lira against the euro and the decrease in loans and advances to credit institutions. Within this heading, loans and advances to customers of this

operating segment as of 30th September, 2023 amounted to €37,466 million, a 0.1 per cent. increase compared with the €37,443 million recorded as of 31st December, 2022, mainly due to the increase in Turkish lira-denominated credit card loans, (which is the type of loan where there is greater competition) and loans to enterprises, both attributable to Garanti BBVA, due, in part to the above-mentioned measures adopted by the Turkish authorities to encourage Turkish lira-denominated loans. In addition, debt securities of this operating segment as of 30th September, 2023 amounted to €6,758 million, a 21.4 per cent. increase compared with the €5,564 million recorded as of 31st December, 2022, as a result of the increase in local currency-denominated government bonds mainly due to the above-mentioned increase in the securities maintenance ratio established by the CBRT.

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of 30th September, 2023 amounted to €2,089 million, a 2.3 per cent. decrease compared with the €2,138 million recorded as of 31st December, 2022, mainly due to the depreciation of the Turkish lira against the euro, partially offset by the increase in debt securities and, to a lesser extent, the value of exchange rate derivatives recorded under the "Financial liabilities held for trading" portfolio.

Customer deposits at amortised cost of this operating segment as of 30th September, 2023 amounted to €51,104 million, a 10.3 per cent. increase compared with the €46,339 million recorded as of 31st December, 2022, mainly due to the increase in time deposits in Turkish lira (transferred, in part, from time deposits in U.S. dollars) and, to a lesser extent, demand deposits, in Turkish lira, as a result in part of the above-mentioned measures announced by the Turkish authorities to encourage and protect deposits denominated in Turkish lira and prevent further dollarisation of deposits, which will include increased reserve requirements and the obligation by banks to buy local currency-denominated government bonds if less than a particular percentage of their deposits are denominated in Turkish lira, partially offset by the depreciation of the Turkish lira against the euro.

Off-balance sheet funds of this operating segment (which includes "Mutual funds" and "Pension funds") as of 30th September, 2023 amounted to €7,894 million, an 13.8 per cent. increase compared with the €6,936 million as of 31st December, 2022, mainly due to increases in mutual funds as a result of the shift towards higher profitability investments, partially offset by the depreciation of the Turkish lira against the euro.

The non-performing loan ratio (as defined herein) of this operating segment decreased to 3.8 per cent. as of 30th September, 2023 from 5.1 per cent. as of 31st December, 2022, mainly as a result of the increased loan activity (in particular, credit card loans and loans to enterprises in Turkish lira) and the positive dynamics and recoveries in the wholesale portfolio. This operating segment's non-performing loan coverage ratio (as defined herein) increased to 100 per cent. as of 30th September, 2023 from 90 per cent. as of 31st December 2022 mainly due to the higher recoveries from Stage 3 and the change in the staging of certain loans from Stage 1 to Stage 2, due to the impact of the earthquakes in February 2023 which resulted in the recording of allowances (see Note 6.1 to the Consolidated Interim Financial Statements).

South America

The South America operating segment includes the Group's banking, finance, insurance and asset management business mainly in Argentina, Chile, Colombia, Peru, Uruguay and Venezuela. It also includes representative offices in Sao Paulo (Brazil) and in Santiago (Chile).

The main business units included in the South America operating segment are:

- Retail and Corporate Banking: includes banks in Argentina, Colombia, Peru, Uruguay and Venezuela.

- Insurance: includes insurance businesses in Argentina, Colombia and Venezuela.

As of 30th September, 2023, the Colombian peso and the Peruvian sol appreciated against the euro by 18.5 per cent and 1.5 per cent., respectively, compared to 31st December, 2022. On the other hand, the Argentine peso depreciated against the euro by 49.2 per cent.. Overall, changes in exchange rates resulted in a slightly negative exchange rate effect on the business activity of the South America operating segment as of 30th September, 2023, expressed in euros.

As of 30th September, 2023 and 31st December, 2022, the Argentine and Venezuelan economies were considered to be hyperinflationary as defined by IAS 29. See Note 2.2.19 to the 2022 Consolidated Financial Statements for information on the application of IAS 29 to hyperinflationary economies.

Cash, cash balances at central banks and other demand deposits as of 30th September, 2023 amounted to €7,228 million, a 6.1 per cent. decrease compared with the €7,695 million recorded as of 31st December, 2022, mainly due to the depreciation of the Argentine peso, partially offset by the increase in cash balances held at the central bank of Peru, as a result of the increase in funds from customer deposits.

Financial assets at fair value for this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income") as of 30th September, 2023 amounted to €11,519 million, a 7.3 per cent. increase compared with the €10,739 million recorded as of 31st December, 2022, mainly due to the increase in sovereign debt securities, partially offset by the depreciation of the Argentine peso.

Financial assets at amortised cost of this operating segment as of 30th September, 2023 amounted to €45,000 million, a 11.3 per cent. increase compared with the €40,448 million recorded as of 31st December, 2022. Within this heading, loans and advances to customers of this operating segment as of 30th September, 2023 amounted to €42,119 million, a 9.6 per cent. increase compared with the €38,437 million recorded as of 31st December, 2022, mainly as a result of the increase in the retail portfolio (in particular, credit card loans and consumer loans in Argentina) and, to a lesser extent, in loans to enterprises in Argentina and Colombia, in each case in local currency, and the appreciation of the currencies of the main countries where the Group operates within the region against the euro (excluding the Argentine peso), partially offset by the decrease in loans to enterprises in Peru, due to early repayments under loans granted under the Reactiva program.

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of 30th September, 2023 amounted to €3,209 million, a 14.1 per cent. increase compared with the €2,813 million recorded as of 31st December, 2022, mainly due to the appreciation of the currencies of the main countries where the Group operates within the region against the euro (excluding the Argentine peso) and, to a lesser extent, the increase in deposits from central banks recorded under the "Financial assets held for trading" portfolio, as a result of the evolution of repurchase agreements.

Customer deposits at amortised cost of this operating segment as of 30th September, 2023 amounted to €44,535 million, a 11.2 per cent. increase compared with the €40,042 million recorded as of 31st December, 2022, mainly as a result of the increase in time deposits (in particular, in the wholesale portfolio in Colombia and in the retail portfolios in Peru and Argentina) and the increase in demand deposits in Argentina (in the wholesale portfolio), in a context of a high interest rate environment, partially offset by the depreciation of the Argentine peso.

Off-balance sheet funds of this operating segment (which includes "Mutual funds" (including customers' portfolios in Colombia and Peru) and "Pension funds") as of 30th September, 2023 amounted to €6,345 million, a 64.3 per cent. decrease compared with the €17,760 million as of 31st December, 2022, mainly due to the mandatory transfer of the private pension funds in Bolivia, including

those managed by the Group, to the Bolivian social security public authority, and, to a lesser extent, the depreciation of the Argentine peso, partially offset by the increase in mutual funds in Argentina.

The non-performing loan ratio (as defined in "*Spain*" above) of this operating segment increased to 4.6 per cent. as of 30th September, 2023 from 4.1 per cent. as of 31st December, 2022, as a result of the Stage 3 new entries in the retail portfolio, in all geographies (mainly related to consumer and credit cards and, in Peru, also SMEs), partially offset by the effect of increased loan activity, in particular, in Argentina and write-offs in Peru. This operating segment's non-performing loan coverage ratio (as defined herein) decreased to 93 per cent. as of 30th September, 2023, from 101 per cent. as of 31st December, 2022.

Rest of Business

This operating segment mainly includes the wholesale activity carried out by the Group in Europe (excluding Spain), the United States and (through BBVA branches located therein) Asia.

The U.S. dollar appreciated 0.7 per cent. against the euro as of 30th September, 2023 compared to 31st December, 2022, slightly positively affecting the business activity of the Rest of Business operating segment as of 30th September, 2023 expressed in euros.

Cash, cash balances at central banks and other demand deposits as of 30th September, 2023 amounted to €4,395 million, a 9.5 per cent. increase compared with the €4,015 million recorded as of 31st December, 2022, mainly due to the increase in cash balances held at central banks within this operating segment.

Financial assets at fair value for this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income") as of 30th September, 2023 amounted to €9,466 million, a 86 per cent. increase compared with the €5,090 million recorded as of 31st December, 2022, mainly due to the increase in loans and advances recorded under "Financial assets held for trading", as a result of increased activity of BBVA Securities Inc., the Group's broker-dealer in the United States, as macroeconomic indicators in the United States began to partially shift in early 2023.

Financial assets at amortised cost of this operating segment as of 30th September, 2023 amounted to €41,296 million, a 2.2 per cent. increase compared with the €40,425 million recorded as of 31st December, 2022. Within this heading, loans and advances to customers of this operating segment as of 30th September, 2023 amounted to €37,862 million, a 1.3 per cent. increase compared with the €37,375 million recorded as of 31st December, 2022, mainly due to increased activity in the New York branch and, to a lesser extent, in Europe, partially offset by the decreased wholesale loan activity in the branches located in Asia.

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of 30th September, 2023 amounted to €8,598 million, a 95.5 per cent. increase compared with the €4,397 million recorded as of 31st December, 2022, mainly due to an increase in deposits recorded under "Financial liabilities held for trading", as a result of an increase in the activity of the broker-dealer BBVA Securities Inc. as macroeconomic indicators in the United States began to partially shift in early 2023.

Customer deposits at amortised cost of this operating segment as of 30th September, 2023 amounted to €10,204 million, a 3.8 per cent. increase compared with the €9,827 million recorded as of 31st December, 2022, mainly as a result of the increase in time deposits from wholesale customers in the branches located in Asia and, to a lesser extent, in the New York branch, partially offset by the decrease in demand and time deposits in the branches located in Europe.

Off-balance sheet funds of this operating segment as of 30th September, 2023 amounted to €480 million, a 7.7 per cent. decrease compared with the €520 million recorded as of 31st December, 2022, due to the decrease in pension funds in the branches located in Europe.

The non-performing loan ratio (as defined herein) of this operating segment increased to 0.6 per cent. as of 30th September, 2023 from 0.4 per cent. as of 31st December, 2022 mainly as a result of new Stage 3 wholesale loan entries related mainly to the transportation sector in the third quarter of 2023. As a result thereof, this operating segment's non-performing loan coverage ratio (as defined herein) decreased to 82 per cent. as of 30th September, 2023, from 131 per cent. as of 31st December, 2022.

Organisational Structure

For information on the composition of the Group as of 31st December, 2022, see Note 1.1 to the 2022 Consolidated Financial Statements.

The companies comprising the Group are principally domiciled in the following countries: Argentina, Belgium, Chile, Colombia, France, Germany, Italy, Mexico, Netherlands, Peru, Portugal, Romania, Spain, Switzerland, Turkey, the United Kingdom, the United States of America and Uruguay. In addition, BBVA has an active presence in Asia.

Below is a simplified organisational chart of BBVA's most significant subsidiaries as of 31st December, 2022.

Subsidiary	Country of Incorporation	Activity	BBVA Voting Power	BBVA Ownership	Total Assets (1)
			(in percentages)		(in millions of euros)
BBVA MEXICO	MEXICO	Bank	100.00	100.00	125,080
GARANTI BBVA (2)	TURKEY	Bank	85.97	85.97	55,725
BBVA PERU	PERU	Bank	92.24(3)	46.12	23,866
BBVA COLOMBIA S.A.	COLOMBIA	Bank	95.47	95.47	17,548
BBVA SEGUROS S.A. DE SEGUROS Y REASEGUROS	SPAIN	Insurance	99.96	99.96	14,663
BANCO BBVA ARGENTINA S.A.	ARGENTINA	Bank	66.55	66.55	10,095
BBVA SEGUROS MÉXICO, S.A. DE C.V., GRUPO FINANCIERO BBVA MEXICO	MEXICO	Insurance	100.00	100.00	8,253
BBVA PENSIONES MEXICO, S.A. DE C.V., GRUPO FINANCIERO BBVA MEXICO	MEXICO	Insurance	100.00	100.00	7,192
GARANTIBANK BBVA INTERNATIONAL N.V. (2) (4)	THE NETHERLANDS	Bank	85.97	100.00	5,078
BANCO BILBAO VIZCAYA ARGENTARIA URUGUAY S.A.	URUGUAY	Bank	100.00	100.00	3,800

(1) Information for non-EU subsidiaries has been calculated using the prevailing exchange rates on 31st December, 2022.

(2) On May 18, 2022, BBVA closed its voluntary takeover bid for the entire share capital of Garanti BBVA, which resulted in BBVA increasing its stake in Garanti BBVA from 49.85% to 85.97%. See "*Capital Expenditures – 2022 – Voluntary takeover bid for the entire share capital of Türkiye Garanti Bankası A.Ş. (Garanti BBVA)*".

(3) Subject to certain exceptions.

(4) BBVA owns 85.97 per cent. of Garanti BBVA, which in turn owns 100 per cent. of GarantiBank International N.V.

Selected Consolidated Financial Data

The historical financial information set forth below has been selected from, and should be read together with, the Consolidated Financial Statements, which are incorporated by reference herein.

Consolidated statement of income data

	For the nine months ended 30th September			
	2023	**2022**	**2021**	**2020**
	(in millions of euros)			
Net interest income	17,843	13,790	10,708	11,115
Profit (loss)	6,283	5,054	4,064	631
Profit (loss) attributable to owners of the parent	5,961	4,795	3,3,311	(15)

Consolidated balance sheet data

	As of 30th September,	As at 31st December,		
	2023	**2022**	**2021**	**2020**
	(in millions of euros)			
Total assets	757,736	712,092	662,885	733,797
Financial assets at amortised cost	446,046	414,421	372,676	367,668
Customers' deposits at amortised cost	403,861	394,404	349,761	342,661
Debt certificates	68,909	58,717	59,159	66,311
Non-controlling interests	3,703	3,623	4,853	5,471
Total equity	53,453	50,517	48,760	50,020

DIRECTORS AND SENIOR MANAGEMENT

BBVA is managed by a Board of Directors which, in accordance with its current by-laws (*Estatutos*), must consist of no less than 5 and no more than 15 members. All members of the Board of Directors are elected to serve three-year terms. BBVA's Board of Directors Regulations state that the Board of Directors must try to ensure that there is an ample majority of non-executive directors over the number of executive directors on the Board of Directors.

BBVA's corporate governance system is based on the distribution of functions between the Board of Directors and the following specialised Board Committees: the Executive Committee (*Comisión Delegada Permanente*); the Audit Committee; the Appointments and Corporate Governance Committee; the Remuneration Committee; the Risk and Compliance Committee; and the Technology and Cybersecurity Committee. BBVA's Board of Directors is assisted in fulfilling its responsibilities by the Executive Committee. The Executive Committee will deal with those matters of the Board of Directors that the Board agrees to delegate to it, in accordance with the law, the Bylaws, the Board of Directors' Regulations or its own Regulations approved by the Board of Directors.

Board of Directors

The Board of Directors of BBVA currently comprises 15 members.

The business address of the directors of BBVA is Calle Azul, 4, 28050 Madrid.

BBVA may, from time to time, enter into transactions in the ordinary course of its business, and on an arm's-length basis, with the directors.

BBVA's Board of Directors Regulations includes rules which are designed to prevent situations where a potential conflict of interest may arise. These Regulations provide, among other matters, that directors must refrain from participating in deliberations and votes on resolutions or decisions in which they or a related party may have a direct or indirect conflict of interest, unless these are decisions relating to the appointment or removal of positions of the management body. Accordingly, there are no potential conflicts of interest between the private interests or other duties of the directors and their duties to BBVA.

The following table sets forth the names of the members of the Board of Directors as of the date of this Information Memorandum, their date of appointment and re-election, if applicable, their current positions and their principal activities outside the Issuer and employment history.

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History
Carlos Torres Vila [(1) (6)]	1966	Chair	4th May, 2015	18th March, 2022	Chair of the Board of Directors of BBVA since December 2018. Chair of the Executive Committee and of the Technology and Cybersecurity Committee of the Board of Directors of BBVA. Director at the following Group companies: Grupo Financiero BBVA México, S.A. de C.V. and BBVA México S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México. Chief Executive Officer of BBVA from May 2015 to December 2018. He started at BBVA in September 2008 holding senior management posts such as Head of Digital Banking from March 2014 to May 2015 and Head of Strategy & Corporate Development from January 2009 to March 2014. He previously held positions of responsibility in other companies, such as Chief Financial Officer and Corporate Director of Strategy and member of the Executive Committee of Endesa, as well as elected partner at McKinsey & Company.
Onur Genç [(1)]	1974	Chief Executive Officer	20th December, 2018	18th March, 2022	Chief Executive Officer of BBVA since December 2018. Director at the following Group companies: Grupo Financiero BBVA México, S.A. de C.V. and BBVA México S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México. President and CEO of BBVA USA and BBVA's Country Manager in the United States from January 2017 to December 2018. Deputy CEO at Garanti BBVA between 2015 and 2017 and Executive Vice President for retail and private banking at Garanti BBVA between 2012 and 2015. He has also held positions of responsibility in different McKinsey & Company offices, having been a Senior Partner and Manager of its Turkish office.

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History
José Miguel Andrés Torrecillas [(1)] [(2)] [(3)] [(8)]	1955	Deputy Chair (Independent Director)	13th March, 2015	20th April 2021	Deputy Chair of the Board of Directors of BBVA since April 2019, Chair of the Audit Committee and of the Appointments and Corporate Governance Committee of the Board of Directors of BBVA. Chair of Ernst & Young Spain from 2004 to 2014, where he was a partner since 1987 and also held a series of senior offices, including Managing Partner of the Banking Group from 1989 to 2004, General Managing Partner for Audit and Advisory Services at Ernst & Young Spain from 2001 to 2004, and Managing Director of the Audit and Advisory practices at Ernst & Young Italy and Portugal from 2008 to 2013. He has been director of Zardoya Otis, S.A. from 2015 to 2022. He has been a member of various organisations such as the ROAC (Official Registry of Auditors), the REA (Registry of Economic Auditors), the Governing Board of the Spanish Institute of Financial Analysts, Empresa y Sociedad Foundation, Spanish Institute of Chartered Accountants, Advisory Board of the Institute of Internal Auditors; and of the Institute of Chartered Accountants in England & Wales (the ICAEW).
Jaime Félix Caruana Lacorte[(1)] [(2)] [(5)]	1952	Independent Director	16th March, 2018	20th April 2021	Member of the Group of Thirty (G-30), member of the board of trustees of the Spanish Aspen Institute Foundation, President of the International Center for Monetary and Banking Studies' (ICMB) Foundation Board and Member of the China Banking and Insurance Regulatory Commission's (CBIRC) International Advisory Committee. General Manager of the Bank of International Settlements (BIS) between 2009 and 2017. Head of the Monetary and Capital Markets Department and Financial Counselor of the General Manager at the International Monetary Fund (IMF) between 2006 and 2009, Chair of the

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History
					Basel Committee on Banking Supervision between 2003 and 2006, and Governor of the Bank of Spain and member of the Governing Council of the European Central Bank between 2000 and 2006.
Sonia Lilia Dulá[(2) (5)]	1961	Independent Director	17th March, 2023	Not applicable	Independent director at Huntsman Corporation, Acciona and Acciona Energía, as well as a life member of the Council on Foreign Relations. She has held positions of responsibility in international financial institutions, being responsible for the capital markets area for Latin America at Goldman Sachs (1992-1995) and for the Wealth Banking division for Latin America (2010-2013) and for the Corporate Banking and Investment area also for Latin America (2013-2018) in Bank of America Merrill Lynch. She also has extensive experience in the telecommunications sector, in which she founded and directed various companies in the sector (1996-2006), such as Telemundo Studios Mexico, Internet Group of Brazil, Obsidiana and Grupo Latino de Radio. Likewise, she has been a member of the board of directors of different entities, such as Bestinver, Grupo Prisa, Millicom or Hemisphere Media.
Raúl Catarino Galamba de Oliveira [(3)(5)(6) (7)]	1964	Independent Director	13th March, 2020	17th March, 2023	Lead Director of BBVA since April 2022. Chair of the Risk and Compliance Committee of the Board of Directors of BBVA. Independent Chair of the Board of Directors of CTT- Correios de Portugal, S.A. and non-executive director of José de Mello Saúde and José de Mello Capital. His career path has been mainly linked to McKinsey & Company, where he was appointed partner in 1995, director of the global practice of financial services in 2000, Managing Partner for Spain and Portugal between 2005 and 2011, Managing Partner of Global Risk

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History
					practice between 2013 and 2016, member of the Global Shareholders' Council from 2005 to 2011, member of the Global Partner Election and Evaluation Committees between 2001 and 2017, member of the Remuneration Committee from 2005 to 2013 and Chair of the Global Learning Board from 2006 to 2011.
Belén Garijo López (1) (3) (4)	1960	Independent Director	16th March, 2012	20th April, 2021	Chair of the Remuneration Committee of the Board of Directors of BBVA. Chair of the Executive Board and CEO of Merck Group, member of the Board of Directors of L'Oréal and, since 2011, Chair of the International Senior Executive Committee (ISEC) of PhRMA, (Pharmaceutical Research and Manufacturers of America). Previously, she has held various positions of responsibility at Abbott Laboratories (1989–1996), Rhône-Poulenc (1996–1999), Aventis Pharma (1999–2004), Sanofi Aventis (2004–2011) and Merck (since 2011).
Connie Hedegaard Koksbang(2)	1960	Independent Director	18th March, 2022	Not applicable	Independent director at Danfoss A/S and non-executive director at Cadeler A/S. She participates on an ongoing basis in international forums and organisations and in foundations such as member of the Supervisory Board at the European Climate Foundation. Chair of the OECD's Round Table on Sustainable Development, member of the Climate and Environment Advisory Council of the European Investment Bank (EIB), Chair of the Board of Trustees at the KR Foundation, Chair of CONCITO, Chair of the European Commission's Mission Adaptation to Climate Change, including Social Change, Chair of the Board at Aarhus University, and member of the Sustainability Council at Volkswagen and advisor to the Board of Gazelle Wind Power. She has been a non-executive director of Nordex SE from 2016 to 2022. She has held

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History
					various positions in the public sector in Denmark and the European Union, such as EU Commissioner for Climate Action, Danish Minister for Climate and Energy, Minister for Environment, and Minister for Nordic Cooperation.
Lourdes Máiz Carro[(2) (4)]	1959	Independent Director	14th March, 2014	17th March, 2023	Independent director at ACS. Secretary of the Board of Directors and Head of Legal Services at Iberia, Líneas Aéreas de España from 2001 until 2016; as well as Director of several companies, including Renfe, GIF (Gerencia de Infraestructuras Ferroviarias – Railway Infrastructure Administrator, now ADIF), the ICO (Instituto de Crédito Oficial – Official Credit Institution), Aldeasa and Banco Hipotecario. Joined the Spanish State Counsel Corps (*Cuerpo de Abogados del Estado*) in 1992 and held various senior positions in the Public Administration, including Director of the Cabinet of the Assistant Secretary of Public Administration, Director of the Cabinet of the Assistant Secretary of Education; General Director of Administrative Organization, Personnel and IT, General Director of the Sociedad Estatal de Participaciones Patrimoniales (SEPPA) within the Ministry of Economy and Finance and Technical General Secretary of the Ministry of Agriculture, Fisheries and Food.
José Maldonado Ramos[(1) (3)]	1952	External Director	28th January, 2000	20th April, 2021	Appointed Director and General Secretary of BBVA in January 2000. Took early retirement as Bank executive in December 2009. Previously, he was Board Secretary and Director of Legal Services for Empresa Nacional para el Desarrollo de la Industria Alimentaria, S.A. (Endiasa); Astilleros Españoles, S.A.; and Iberia, Líneas Aéreas de España, S.A.
Ana Cristina Peralta Moreno [(2) (4)]	1961	Independent Director	16th March, 2018	20th April, 2021	Independent director of Grenergy Renovables, S.A. and of Inmobiliaria Colonial, SOCIMI, S.A. She was an

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History
					independent member of the Board of Directors at Deutsche Bank SAE from 2014 to 2018 and of Banco Etcheverría, S.A. from 2013 to 2014, as well as independent director of Grupo Lar Holding Residencial, S.A.U. and Senior Advisor at Oliver Wyman Financial Services. General Director of Risks and member of the Management Committee of Banco Pastor, S.A. between 2008 and 2011. Before that, she held several positions at Bankinter, including Chief Risk Officer and member of the Management Committee between 2004 and 2008.
Juan Pi Llorens (3) (5) (6)	1950	External Director	27th July, 2011	20th April, 2021	Non-executive chair of the Board of Directors of Ecolumber S.A., and non-executive director of the following Oesia Group companies: Oesía Networks, S.L., Tecnobit, S.L.U., UAV Navigation, S.L. and Inster Tecnología y Comunicaciones, S.A.U. He had a professional career at IBM holding various senior posts at a national and international level including Vice President for Sales at IBM EMEA from 2005 to 2008, Vice President of Technology & Systems Group at IBM EMEA from 2008 to 2010 and Vice President of the Finance Services Sector at GMU (Growth Markets Units) in China from 2009 to 2011. He was executive Chair of IBM Spain between 1998 and 2001.
Ana Leonor Revenga Shanklin (4)(5) (6)	1963	Independent Director	13th March, 2020	17th March, 2023	Senior Fellow at the Brookings Institution and Chair of the ISEAK Foundation Board of Trustees since 2018 and Associate Professor at the Walsh School of Foreign Service at Georgetown University from 2019 to 2021. Member of the Board of Trustees of the BBVA Microfinance Foundation and of the Advisory Council of ESADE EcPol - Center for Economic Policy and Political Economy since 2019. She has held several positions of responsibility at the World Bank, including Senior

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History
					Director Global of the Poverty and Equity practice between 2014 and 2016 and Deputy Chief Economist between 2016 and 2017.
Carlos Vicente Salazar Lomelín (4)	1951	External Director	13th March, 2020	17th March, 2023	Independent director of Sukarne, S.A. de C.V. since 2017, of Alsea, S.A.B. de C.V. since 2019, and of CYDSA Corporativo, S.A. de C.V. since 2022. Director of the following Group companies: Grupo Financiero BBVA México, S.A. de C.V., BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México, BBVA Seguros México, S.A. de C.V. Grupo Financiero BBVA México, BBVA Pensiones México, S.A. de C.V. Grupo Financiero BBVA México and BBVA Seguros Salud México, S.A. de C.V. Grupo Financiero BBVA México. Chair of the Consejo Coordinador Empresarial de México (the Mexican Business Coordinating Council) from 2019 to 2022. His career path has been linked to the Grupo Fomento Económico Mexicano S.A.B. de C.V. (Femsa) until 2019, having held roles such as General Manager of Cervecería Cuauhtémoc-Moctezuma, Manager of Coca-Cola Femsa and General Manager of Femsa.
Jan Paul Marie Francis Verplancke(4) (6)	1963	Independent Director	16th March, 2018	20th April, 2021	Advisor to the internal advisory board at Abdul Latif Jameel and CEO of Vestraco, S.à.R.L. In his professional career, he served as Chief Information Officer and Group Head of Technology and Banking Operations of Standard Chartered Bank between 2004 and 2015, Vice President of Technology and Chief Information Officer, in the EMEA region of Dell (1999-2004) as well as Vice President and Chief of Architecture and Vice President of Information of the Youth Category at Levi Strauss (1994-1999).

(1) Member of the Executive Committee.

(2) Member of the Audit Committee.

(3) Member of the Appointments and Corporate Governance Committee.

(4) Member of the Remuneration Committee.
(5) Member of the Risk and Compliance Committee.
(6) Member of the Technology and Cybersecurity Committee.
(7) Lead Director.
(8) Deputy Chair.

Major Shareholders and Share Capital

On 18th April, 2019, Blackrock Inc. reported to the CNMV that it had indirect holding of BBVA common stock totalling 5.917 per cent., of which 5.480 per cent. are voting rights attributed to shares and 0.437 per cent. are voting rights held through financial instruments.

On 7th November, 2023, Norges Bank reported to the CNMV that it had a direct holding of BBVA common stock totalling 3.049 per cent., of which 3.020 per cent. are voting rights attributed to shares and 0.029 per cent. are voting rights held through financial instruments.

On 8th November, 2023, Capital Research and Management Company reported to the CNMV that it has a direct holding of BBVA common stock totalling 3.010 per cent., of which 3.007 per cent. are voting rights attributed to shares and 0.003 per cent. are voting rights held through financial instruments.

As of 15th November, 2023, no other person, corporation or government beneficially owned, directly or indirectly, three per cent. or more of BBVA's shares. BBVA's major shareholders do not have voting rights which are different from those held by the rest of its shareholders. To the extent known to BBVA, BBVA is not controlled, directly or indirectly, by any other corporation, government or any other natural or legal person.

As of 15th November, 2023, there were 757,585 registered holders of BBVA's shares, with an aggregate of 5,965,473,005 shares, of which 696 shareholders with registered addresses in the United States held a total of 1,452,086,760 shares (including shares represented by American Depositary Shares evidenced by American Depositary Receipts (**ADRs**)). Since certain of such shares and ADRs are held by nominees, the foregoing figures are not representative of the number of beneficial holders.

Legal Proceedings

Spanish judicial authorities are investigating the activities of Cenyt. Such investigation includes the provision of services by Cenyt to BBVA. On 29th July, 2019, BBVA was named as an investigated party (*investigado*) in a criminal judicial investigation (Preliminary Proceeding No. 96/2017 – Piece No. 9, Central Investigating Court No. 6 of the National High Court) for alleged facts which could constitute bribery, revelation of secrets and corruption. On 3rd February, 2020, BBVA was notified by the Central Investigating Court No. 6 of the National High Court of the order lifting the secrecy of the proceedings. Certain current and former officers and employees of the Group, as well as former directors, have also been named as investigated parties in connection with this investigation. BBVA has been and continues to be proactively collaborating with the Spanish judicial authorities, including sharing with the courts the relevant information obtained in the internal investigation hired by the entity in 2019 to contribute to the clarification of the facts. As of the date of this Information Memorandum, no formal accusation against BBVA has been made. This criminal judicial proceeding is in the pre-trial phase. Therefore, it is not possible at this time to predict the scope or duration of such proceeding or any related proceeding or its or their possible outcomes or implications for the Group, including any fines, damages or harm to the Group's reputation caused thereby.

The Group operates in legal and regulatory environments that expose it to potentially significant legal and regulatory actions and proceedings, including legal claims and proceedings, civil and criminal regulatory proceedings, governmental and judicial investigations and proceedings, tax proceedings and other proceedings in jurisdictions around the world. Legal and regulatory actions and proceedings are

subject to many uncertainties, and their outcomes, including the timing thereof, the amount of fines or settlements or the form of any settlements arising therefrom, or changes in business practices the Group may need to introduce as a result thereof, any of which may be material and are often difficult to predict, particularly in the early stages of a particular legal or regulatory matter.

As of the date of this Information Memorandum, and in addition to as described above, BBVA and its subsidiaries are involved in a number of legal and regulatory actions and proceedings in various jurisdictions around the world (including, among others, Spain, Mexico and the United States), the adverse resolution of which may also adversely impact the Group. See "*Risk Factors—Legal, Regulatory, Tax and Compliance Risks – Legal Risks — The Group is party to a number of legal and regulatory actions and proceedings*".

The Group can provide no assurance that the legal and regulatory actions and proceedings to which it is subject, or to which it may become subject in the future or otherwise affected by, will not, if resolved adversely, result in a material adverse effect on the Group's business financial position or results of operations.

REGULATORY FRAMEWORK

General

The Issuer is a Spanish credit institution with registered address at Plaza de San Nicolás 4, Bilbao, Spain. It operates under the form of a public limited liability company (*sociedad anónima*) and is thus subject to Spanish company and tax legislation applicable from time to time (including the special aspects of the provincial scheme applicable in view of its registered address), as well as to banking legislation applicable in Spain and in the EU. The Issuer's shares are currently listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Spanish Stock Exchange Interconnection System (Continuous Market), on the London and Mexico Stock Exchanges and, by means of ADSs (American Depositary Shares), on the New York Stock Exchange, and are thus subject to stock market regulations applicable in Spain, in the EU, in the UK, in Mexico and in the United States.

The Issuer develops its business in different jurisdictions through a number of subsidiaries, which are subject to company, banking, stock market and insurance regulations, among others, as applicable in each specific case. In particular, the Group is exposed to the regulations of Mexico, the United States and Turkey.

The following summarises some of the regulations that most significantly affect the Issuer in Spain, the Group's main market, and as a result of its activities in the EU.

Solvency and capital requirements

In its capacity as a Spanish credit institution, the Issuer is subject to Directive 2013/36/EU of the European Parliament and of the Council of 26th June, 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions, and investment firms, amending Directive 2002/87/EC, and repealing Directives 2006/48/EC and 2006/49/EC (as amended, replaced or supplemented from time to time, the **CRD IV Directive**) through which the EU began implementing the capital reforms agreed in the framework of Basel III. The core regulation regarding the solvency of credit institutions is Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26th June, 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012 (as amended, replaced or supplemented from time to time, the **CRR I** and, together with the CRD IV Directive and any measures implementing the CRD IV Directive or CRR I which may from time to time be applicable in Spain, **CRD IV**), which is complemented by several binding regulatory technical standards that are directly applicable in all EU Member States, without the need for national implementation measures. The implementation of the CRD IV Directive into Spanish law took place through Royal Decree-Law 14/2013, of 29th November, Law 10/2014, Royal Decree 84/2015, of 13th February (**Royal Decree 84/2015**), Bank of Spain Circular 2/2014, of 31st January, Bank of Spain Circular 2/2016, of 2nd February (**Bank of Spain Circular 2/2016**) and Bank of Spain Circular 3/2022, of 30th March.

On 7th June, 2019, the following amendments to CRD IV, Directive 2014/59/EU of the European Parliament and of the Council of 15th May, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (**BRRD I**) and Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15th July, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No. 1093/2010 (the **SRM Regulation I**) were published:

- Directive 2019/878/EU of the European Parliament and of the Council of 20th May, 2019 (as amended, replaced or supplemented from time to time, the **CRD V Directive**) amending the CRD IV Directive (the CRD IV Directive as so amended by the CRD V Directive and as amended, replaced or supplemented from time to time, the **CRD Directive**);

- Directive 2019/879/EU of the European Parliament and of the Council of 20th May, 2019 (as amended, replaced or supplemented from time to time, **BRRD II**) amending, among other things, BRRD I as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (BRRD I as so amended by BRRD II and as amended, replaced or supplemented from time to time, the **BRRD**);

- CRR II (together with the CRD V Directive, **CRD V**), amending, among other things, CRR I as regards the leverage ratio, the net stable funding ratio, requirements on own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures and reporting and disclosure requirements, and Regulation (EU) No. 648/2012 (CRR I as so amended by CRR II and as amended, replaced or supplemented from time to time, the **CRR**); and

- Regulation (EU) No. 877/2019 of the European Parliament and of the Council of 20th May, 2019 (as amended, replaced or supplemented from time to time, the **SRM Regulation II**) amending the SRM Regulation I as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (SRM Regulation I as so amended by SRM Regulation II and as amended, replaced or supplemented from time to time, the **SRM Regulation**),

(CRD V, together with BRRD II and the SRM Regulation II, the **EU Banking Reforms**).

CRD IV, among other things, established a "Pillar 1" minimum capital requirement and increased the level of capital required through the "combined buffer requirement" that institutions must comply with from 2016 onwards. The "combined buffer requirement" introduced five new capital buffers: (i) the capital conservation buffer, (ii) the G-SIB buffer, (iii) the institution-specific counter-cyclical buffer, (iv) the domestic systemically important banks (**D-SIB**) buffer and (v) the systemic risk buffer (a buffer to prevent systemic or macroprudential risks). The "combined buffer requirement" (broadly, the combination of the capital conservation buffer, the institution-specific counter-cyclical buffer, the systemic risk buffer and the higher of (depending on the institution) the G-SIBs buffer and the D-SIBs buffer, in each case as applicable to the institution) applies in addition to the minimum "Pillar 1" capital requirements and must be satisfied with additional CET1 capital to that provided to meet the "Pillar 1" minimum capital requirement.

The G-SIB buffer is applicable to the institutions included in the list of G-SIBs, which is updated annually by the FSB. The Issuer was excluded from this list with effect as from 1st January, 2017 and so, unless otherwise indicated by the FSB (or the Bank of Spain) in the future, the Issuer will no longer be required to maintain the G-SIB buffer.

The Bank of Spain considers the Issuer to be a D-SIB and determines that the Issuer is required to maintain in 2023 a fully-loaded D-SIB buffer of a CET1 ratio of 0.75 per cent. on a consolidated basis. From 1st January, 2024, the D-SIB buffer will increase to 1.00 per cent. on a consolidated basis.

In December 2015, the Bank of Spain agreed to set the counter-cyclical buffer applicable to credit exposures in Spain at 0 per cent. from 1st January, 2016. This percentage is reviewed quarterly. The Bank of Spain agreed on 27th September, 2023 to maintain the counter-cyclical buffer applicable to credit exposures in Spain at 0 per cent. for the fourth quarter of 2023. As of the date of this Information Memorandum, the counter-cyclical buffer applicable to the Group stands at 0.06 per cent.

Furthermore, Article 104 of the CRD Directive (as implemented by Article 68 of Law 10/2014) and similarly Article 16 of Council Regulation (EU) No. 1024/2013 of 15th October, 2013 conferring specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions (the **SSM Regulation**), also contemplates the possibility that the supervisory authorities may require credit institutions to observe capital requirements exceeding the "Pillar 1" minimum capital requirements and the "combined buffer requirement" by establishing "Pillar 2" capital requirements

(which, with respect to other requirements, are above the "Pillar 1" requirements and below the "combined buffer requirement").

Moreover, the ECB is required, under Regulation (EU) No. 468/2014 of the ECB of 16th April, 2014 establishing the framework for cooperation within the Single Supervisory Mechanism (**SSM**) between the ECB and national competent authorities and with national designated authorities (the **SSM Framework Regulation**), to carry out a SREP for the Issuer and the Group at least on an annual basis.

On 19th July, 2018, the EBA published its final guidelines intended to further enhance risk management by institutions and the convergence of supervision with respect to the SREP. These guidelines focus on stress testing, particularly to determine Pillar 2 capital guidance and the level of interest rate risk. As of 23rd July, 2020, the EBA published further guidelines on the 2020 SREP in light of the crisis generated by COVID-19. Additionally, on 28th June, 2021 the EBA published further draft amended guidelines regarding the implementation of changes introduced by the CRD V Directive that were finally published on 18th March, 2022, repealing the EBA Guidelines of 19th December, 2014 and the amending guidelines of 19th July, 2018, with effect from 1st January, 2023.

In response to the COVID-19 pandemic, the ECB announced on 12th March, 2020 that it will allow banks to partially use AT1 and Tier 2 instruments to meet the "Pillar 2" requirement, being a measure introduced by CRD V. In particular, the composition of capital instruments to meet the "Pillar 2" requirement, shall be made up in the form of 56.25 per cent. of CET1 capital and 75 per cent. of Tier 1 capital, as a minimum.

Consequently, all additional "Pillar 2" own funds requirements that the ECB may impose on the Issuer and/or the Group under the SREP will require the Issuer and/or the Group to maintain capital levels higher than the "Pillar 1" minimum capital requirement.

As a result of the latest SREP carried out by the ECB, the Issuer must maintain, at a consolidated level, as of 1st January, 2023, a CET1 ratio of 8.77 per cent. and a total capital ratio of 13.02 per cent. The consolidated overall capital requirement include (i) the "Pillar 1" minimum capital requirement of 4.50 per cent. of CET1; (ii) the minimum capital requirement of "Pillar 2" of 1.71 per cent. (of which at least 0.96 per cent. must be met with CET1), of which 0.21 per cent. (of which at least 0.12 per cent. must be met with CET1) is determined on the basis of the ECB's prudential provisioning expectation, which from 1st January, 2023 is no longer treated as a deduction from CET1; (iii) the capital conservation buffer (2.5 per cent. of CET1); (iv) the capital buffer for Other Systemically Important Institutions (O-SIIs) (0.75 per cent. of CET1); and (v) the specific countercyclical buffer for each entity (0.06 per cent. of CET1). Likewise, the Issuer must maintain, at an individual level, a CET1 ratio of 7.92 per cent. and a total capital ratio of 12.07 per cent. These ratios include a Pillar 2 requirement at the individual level of 1.5 per cent., of which at least 0.84 per cent. must be met with CET1. These figures include the 0.07 per cent. counter-cyclical buffer applicable to the Issuer at an individual level.

As of 30th September, 2023, 31st December, 2022 and 2021, the Group's phased-in total capital ratio was 16.51 per cent., 15.98 per cent. and 17.24 per cent., respectively, on a consolidated basis and 17.46 per cent., 16.93 per cent. and 19.64 per cent., respectively, on an individual basis, and its CET1 phased-in capital ratio was 12.73 per cent., 12.68 per cent. and 12.98 per cent., respectively, on a consolidated basis and 12.40 per cent., 12.77 per cent. and 14.14 per cent., respectively, on an individual basis, and the Group's fully loaded total capital ratio was 16.51 per cent, 15.94 per cent. and 16.99 per cent., respectively, on a consolidated basis and 17.46 per cent., 16.95 per cent. and 19.68 per cent., respectively, on an individual basis, while the Group's fully loaded CET1 ratio was 12.73 per cent., 12.61 per cent. and 12.75 per cent., respectively, on a consolidated basis and 12.40 per cent., 12.74 per cent. and 14.11 per cent., respectively, on an individual basis.

Such ratios exceed the applicable regulatory requirements described above, but there can be no assurance that the total capital requirements imposed on the Issuer and/or the Group from time to time

may not be higher than the levels of capital available at such point in time. There can also be no assurance as to the result of any future SREP carried out by the ECB and whether this will impose any further additional "Pillar 2" own funds requirements on the Issuer and/or the Group.

In accordance with Article 48 of Law 10/2014, Article 73 of Royal Decree 84/2015 and Rule 24 of Bank of Spain Circular 2/2016, any institution not meeting its "combined buffer requirement" is required to calculate its MDA as stipulated in such legislation. If this requirement is not met and until the MDA has been calculated and reported to the Bank of Spain, the corresponding entity will not be able to make any discretionary payments, and once the MDA has been calculated and reported to the Bank of Spain, the discretionary payments will be subject to the limit of the calculated MDA. Accordingly, restrictions on discretionary payments will be scaled according to the extent of the breach of the "combined buffer requirement" and calculated as a percentage of the profits of the institution generated since the last annual decision on the distribution of profits. Such calculation will result in a MDA in each relevant period. As an example, the scaling is such that in the bottom quartile of the "combined buffer requirement", no discretionary payments will be permitted to be made.

Additionally, pursuant to Article 48 of Law 10/2014, the adoption by the Bank of Spain of the measures provided by Articles 68.2.h and 68.2.i of Law 10/2014, aimed at strengthening own funds and limiting or prohibiting the distribution of dividends, respectively, will also entail the requirement to determine the MDA and to restrict discretionary payments to such MDA. In accordance with the EU Banking Reforms, the calculation of the MDA and the restrictions described in the preceding paragraph while such calculation is pending, shall also be triggered by a breach of the combined buffer requirement when considered in addition to its MREL or a breach of the leverage ratio requirement.

CRD V also distinguishes between "Pillar 2" capital requirements and "Pillar 2" capital guidance, with only the former being regarded as mandatory requirements. Notwithstanding the foregoing, CRD V provides that besides other measures, supervisory authorities are entitled to impose further "Pillar 2" capital requirements when an institution repeatedly fails to follow the "Pillar 2" capital guidance previously imposed.

Additionally, CRR II establishes a binding requirement for a leverage ratio of 3 per cent. of Tier 1 capital that is added to the own funds requirements and to the requirements based on an entity's RWAs. In particular, any breach of this leverage ratio would result in the need to calculate the MDA and its related consequences.

The following table includes a summary of the reconciliation of accounting assets and exposures corresponding to the leverage ratio as of 31st December, 2022, 2021 and 2020 at a consolidated level:

Summary reconciliation of accounting assets and exposure corresponding to the Leverage Ratio (Million Euros)

	12/31/2022	12/31/2022	12/31/2021	12/31/2021	12/31/2020	12/31/2020
	Phased-In	Fully Loaded	Phased-In	Fully Loaded	Phased-In	Fully Loaded
a) Total assets as per published financial statements	713,140	713,140	662,885	662,885	736,176	736,176
b) Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	(24,189)	(24,189)	(21,373)	(21,373)	(20,326)	(20,326)
(Adjustment for securities exposures that meet the operational requirements for the recognition of risk transference)	(1,995)	(1,995)	(1,899)	(1,899)	—	—
(Adjustment for temporary exemption of exposures to central bank (if applicable))	—	—	(33,747)	(33,747)	(26,456)	(26,456)
c) Adjustments for derivative financial instruments	(18,618)	(18,618)	(6,311)	(6,311)	(13,858)	(13,858)

d) Adjustments for securities financing transactions "SFTs"	6,659	6,659	12,686	12,686	1,992	1,992
e) Adjustment for off-balance sheet items[(1)]	67,971	67,971	64,107	64,107	67,758	67,758
f) (Adjustment for intragroup exposures excluded from the leverage ratio exposure measure in accordance with point (c) of Article 429a(1) CRR)	—	—	—	—	—	—
g) Other adjustments	(4,979)	(5,232)	(4,558)	(5,323)	(4,191)	(5,788)
Leverage ratio total exposure measure	**737,990**	**737,736**	**671,790**	**671,025**	**741,095**	**739,497**
h) Tier 1	47,931	47,677	45,687	44,922	49,597	48,012
Leverage ratio total exposure measure	**737,990**	**737,736**	**671,790**	**671,025**	**741,095**	**739,497**
Leverage ratio[(2)]	**6.49%**	**6.46%**	**6.80%**	**6.69%**	**6.69%**	**6.49%**

(1) This corresponds to off-balance sheet exposure after application of the conversion factors obtained in accordance with Article 429, paragraph 10 of the CRR.

(2) CRR II introduces a mandatory minimum leverage ratio requirement, set at 3 per cent. of Tier 1 capital over the total exposure measure.

On 26th January, 2021, the European Commission launched a targeted public consultation on technical aspects on a new review of BRRD (**BRRD III**), the SRM Regulation (**SRM III**), and Directive 2014/49/EU of the European Parliament and of the Council of 16th April, 2014 on deposit guarantee schemes (**DGSD II**). The consultation was open until 20th April, 2021. The targeted consultation was split into two main sections: a section covering the general objectives of the review focus, and a section seeking technical feedback on stakeholders' experience with the current framework and the need for changes in the future framework, notably on (i) resolution, liquidation and other available measures to handle banking crises, (ii) level of harmonisation of creditor hierarchy in the EU and impact on no creditor worse off principle, and (iii) depositor insurance.

Additionally, on 27th October, 2021, the European Commission published legislative proposals amending CRR and the CRD IV Directive, as well as a separate legislative proposal amending CRR and BRRD in the area of resolution of credit institutions and investment firms. In particular, the main objectives of the European Commission's legislative proposals are to strengthen the risk-based capital framework, enhance the focus on environmental, social and governance (ESG) risks in the prudential framework, further harmonize supervisory powers and tools, reduce institutions' administrative costs related to public disclosures and improve access to institutions' prudential data. The legislative proposals are the following: (i) Directive of the European Parliament and of the Council amending CRD Directive as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks; (ii) Regulation of the European Parliament and of the Council and its annex amending CRR as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor; and (iii) Regulation of the European Parliament and of the Council amending CRR and BRRD as regards the prudential treatment of G-SIB groups with a multiple point of entry resolution strategy and a methodology for the indirect subscription of instruments eligible for meeting the MREL requirement (the so-called "daisy chain" proposal). The European Parliament and the Council adopted on 19th October, 2022 Regulation (EU) 2022/236 amending CRR and BRRD, which partially became effective on 14th November, 2022. Although the final report by the European Parliament was expected during the first quarter of 2023, the timing for the final implementation of the legislative proposals referred in (i) and (ii) above is unclear as of the date of this Information Memorandum and new or amended elements may be introduced through the course of the legislative process. Furthermore, with respect to (i) above, the Directive will need to be implemented in each of the Member States, and the way it will be implemented may vary depending on the relevant Member State.

In addition, on 18th April, 2023, the European Commission published a proposal for the further amendment of the BRRD, including, among other things, the amendment of the ranking of claims in

insolvency to provide for a general depositor preference, pursuant to which the insolvency laws of Members States would be required by the BRRD to extend the legal preference of claims in respect of deposits relative to ordinary unsecured claims to all deposits, as well as a proposal amending the SRM as regards early intervention measures, conditions for resolution and funding of resolution actions and the DGSD II as regards the scope of deposit protection, use of deposit guarantee schemes (DGSs) funds, cross-border co-operation, and transparency.

The implementation of the BRRD proposal is subject to further legislative procedures but if it is implemented in its current form, this would mean that senior preferred claims (*créditos ordinarios preferentes*) of the Issuer would rank junior to the claims of all depositors, including deposits of large corporates and other deposits that are currently excluded from the above privileged claims.

Any such general depositor preference would also impact upon any application of the Spanish Bail-In Power, as such application is to be carried out in the order of the hierarchy of claims in normal insolvency proceedings. Accordingly, this would mean that following any such amendment of the insolvency laws of Spain to establish a general depositor preference, any resulting write-down or conversion of senior preferred claims (*créditos ordinarios preferentes*) by the Relevant Spanish Resolution Authority would be carried out before any write-down or conversion of the claims of depositors such as those of large corporates that previously would have been written-down or converted alongside such senior preferred claims (*créditos ordinarios preferentes*). By removing the requirement for such deposits to be written-down or converted in this manner, one of the stated objectives of this proposed amendment is to reduce the likelihood of deposits generally needing to be included in any such write-down or conversion upon any application of the Bail-In Tool and improve the process for the application of the Bail-In Tool. In addition, the ECB has announced that TRIMs is being conducted on the internal models used by banks subject to its supervision to calculate their RWAs, in order to reduce inconsistencies and unjustified variability in these internal models throughout the EU. Any final results of the TRIMs could imply a change in the internal models used by banks and, at the same time, increases or decreases in the capital needs of banks, including the Issuer.

Set out below are the Group's solvency data on a consolidated basis and in accordance with the regulations applicable on each of the dates stated. Capital ratios have been calculated in accordance with CRD IV on a fully phased-in basis as of 30th September, 2023, 31st December, 2022, 2021 and 2020.

Total Capital Phased-in (*in millions of euros except percentages*)				
	30/09/2023	**31/12/2022**	**31/12/2021**	**31/12/2020**
Common Equity Tier 1 (CET1) capital	45,567	42,738	39,949	42,931
Additional Tier 1 (AT1) capital	6,168	5,193	5,737	6,666
Tier 2 (T2) capital	7,350	5,930	7,383	8,547
Capital base	59,085	53,861	53,069	58,145
Total risk-weighted assets	357,972	337,066	307,795	353,273
CET1 ratio (%)	12.73%	12.68%	12.98%	12.15%
AT1 ratio (%)	1.72%	1.54%	1.86%	1.89%
Tier 1 ratio (%)	14.45%	14.22%	14.84%	14.04%
Tier 2 ratio (%)	2.05%	1.76%	2.40%	2.42%
Total capital ratio (%)	**16.51%**	**15.98%**	**17.24%**	**16.46%**

The Group must also comply with liquidity and financing ratios. Certain elements of the LCR and the NSFR, as implemented by national banking regulators and complied with by the Issuer, may require the introduction of changes in some commercial practices. As of 30th September, 2023, 31st December, 2022, 2021 and 2020, the Group's LCR was 143 per cent., 159 per cent., 165 per cent. and 149 per cent.,

respectively. The Group's NSFR was 130 per cent., 135 per cent., 135 per cent. and 127 per cent. as of 30th September, 2023, 31st December, 2022, 2021 and 2020, respectively.

Resolution

The BRRD (which has been implemented in Spain through Law 11/2015 and RD 1012/2015) and the SRM Regulation are designed to provide the authorities with mechanisms and instruments to intervene sufficiently early and rapidly in failing or likely to fail credit institutions or investment firms (each, an **Entity**) in order to ensure the continuity of the Entity's critical financial and economic functions, while minimising the impact of its non-feasibility on the economic and financial system. The BRRD further provides that a Member State may only use additional financial stabilisation instruments to provide extraordinary public financial support as a last resort, once the following resolution instruments have been evaluated and used to the fullest extent possible while maintaining financial stability.

In accordance with the provisions of Article 20 of Law 11/2015, an Entity will be considered as failing or likely to fail in any of the following situations: (i) when the Entity significantly fails, or may reasonably be expected to significantly fail in the near future, to comply with the solvency requirements or other requirements necessary to maintain its authorisation; (ii) when the Entity's enforceable liabilities exceeds its assets, or it is reasonably foreseeable that they will exceed them in the near future; (iii) when the Entity is unable, or it is reasonably foreseeable that it will not be able, to meet its enforceable obligations in a timely manner; or (iv) when the Entity needs extraordinary public financial support (except in limited circumstances). The decision as to whether the Entity is failing or likely to fail will be adopted by the relevant resolution authority and may depend on a number of factors which may be outside of that Entity's control.

In line with the provisions of the BRRD, Law 11/2015 contains four resolution tools which may be used individually or in any combination, when the Relevant Spanish Resolution Authority considers that (a) an Entity is non-viable or is failing or likely to fail, (b) there is no reasonable prospect of any other measures that would prevent the failure of such Entity within a reasonable period of time and (c) resolution is necessary or advisable, rather than the winding up of the Entity through ordinary insolvency proceedings, for reasons of public interest.

The four resolution instruments are (i) the sale of the Entity's business, which enables the resolution authorities to transfer, under market conditions, all or part of the business of the Entity being resolved; (ii) bridge institution, which enables resolution authorities to transfer all or part of the business of the Entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation, which enables resolution authorities to transfer certain categories of assets (normally impaired or otherwise problematic) to one or more asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) the Bail-in Tool. Any exercise of the Bail-in Tool by the Relevant Spanish Resolution Authority may include the write down and/or conversion into equity or other securities or obligations (which equity, securities and obligations could also be subject to any future application of the Bail-in Tool) of certain unsecured debt claims of an institution (including the Notes).

In the event that an Entity is in a resolution situation, the **Bail-in Tool** is understood to mean any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in Spain, relating to the transposition or development of the BRRD (as amended, replaced or supplemented from time to time), including, but not limited to (a) Law 11/2015, (b) RD 1012/2015; and (c) the SRM Regulation, each as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such persons or

any other person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised.

In accordance with the provisions of Article 48 of Law 11/2015 (without prejudice to any exclusions that may be applied by the Relevant Spanish Resolution Authority in accordance with Article 43 of Law 11/2015), in the event of any application of the Bail-in Tool, any resulting write-down or conversion by the Relevant Spanish Resolution Authority will be carried out in the following sequence: (i) CET1 items; (ii) the principal amount of Additional Tier 1 capital instruments; (iii) the principal amount of Tier 2 capital instruments; (iv) the principal amount of other subordinated claims other than Additional Tier 1 capital or Tier 2 capital; and (v) the principal or outstanding amount of the remaining eligible liabilities in the order of the hierarchy of claims in normal insolvency proceedings (with senior non-preferred claims (*créditos ordinarios no preferentes*) subject to the Bail-in Tool after any subordinated claims (*créditos subordinados*) of the Issuer under Article 281 of the Insolvency Law but before the other senior claims of the Issuer).

In addition to the Bail-in Tool, the BRRD, Law 11/2015 and the SRM Regulation provide for resolution authorities to have the further power to permanently write-down or convert into equity capital instruments (and, pursuant to BRRD II and the SRM Regulation II, certain internal eligible liabilities and instruments) at the point of non-viability (**Non-Viability Loss Absorption** and, together with the Bail-in Tool, the **Spanish Statutory Loss-Absorption Powers**) of an Entity. Any write-down or conversion must follow the same insolvency hierarchy as described above. The point of non-viability of an Entity is the point at which the Relevant Spanish Resolution Authority determines that the Entity meets the conditions for resolution or will no longer be viable unless the relevant capital instruments are written down or converted into equity or extraordinary public support is to be provided and without such support the Relevant Spanish Resolution Authority determines that the institution would no longer be viable. The point of non-viability of a group is the point at which the group infringes or there are objective elements to support a determination that the group, in the near future, will infringe its consolidated solvency requirements in a way that would justify action by the Relevant Spanish Resolution Authority in accordance with article 38.3 of Law 11/2015. Non-Viability Loss Absorption may be imposed prior to or in combination with any exercise of the Bail-in Tool or any other resolution tool or power (where the conditions for resolution referred to above are met) or in combination with such exercise in respect of all eligible liabilities.

To the extent that any resulting treatment of a holder of the Issuer's securities pursuant to the exercise of the Spanish Bail-in Power is less favourable than would have been the case under such hierarchy in normal insolvency proceedings, a holder of such affected securities would have a right to compensation under the BRRD and the SRM Regulation based on an independent valuation of the institution, in accordance with Article 10 of RD 1012/2015 and the SRM Regulation, together with any other compensation provided for in any Applicable Banking Regulations (as defined below) including, inter alia, compensation in accordance with Article 36.5 of Law 11/2015. However, if the treatment of a creditor following a Non-Viability Loss Absorption is less favourable than it would have been under ordinary insolvency proceedings, it is uncertain whether that creditor would be entitled to the compensation provided for in the BRRD and the SRM Regulation.

Applicable Banking Regulations means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency then applicable to the Issuer and/or the Group including, inter alia, the CRD Directive, CRR, BRRD, the SRM Regulation and those laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency then in effect in Spain (whether or not such regulations, requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group).

Relevant Spanish Resolution Authority means the FROB, the SRB, the Bank of Spain, the Spanish National Securities Market Commission (CNMV) or any other entity with the authority to exercise any of the resolution tools and powers contained in the Applicable Banking Regulations.

Law 11/2015 means Law 11/2015, of 18th June, on the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including as amended by Royal Decree Law 7/2021 of 27 April on the transposition of European Union directives in matters of credit institutions, among others.

The Single Resolution Fund (**SRF**) was established by the SRM Regulation. Where necessary, the SRF may be used to ensure the efficient application of resolution tools and the exercise of the resolution powers conferred to the SRB by the SRM Regulation. The SRF is composed of contributions from credit institutions and certain investment firms in the participating Member States within the banking union.

SRF will be gradually built up during the first eight years (2016-2023) and shall reach the target level of at least 1 per cent. of the amount of covered deposits of all credit institutions within the banking union by 31st December, 2023.

Within the resolution scheme, the SRF may be used only to the extent necessary to ensure the effective application of the resolution tools, as a last resort, in particular:

- to guarantee the assets or the liabilities of the institution under resolution;
- to make loans to or to purchase assets of the institution under resolution;
- to make contributions to a bridge institution and an asset management vehicle;
- to make a contribution to the institution under resolution in lieu of the write-down or conversion of liabilities of certain creditors under specific conditions; and
- to pay compensation to shareholders or creditors who incurred greater losses than under normal insolvency proceedings.

The Intergovernmental Agreement on the transfer and mutualisation of contributions to the SRF (**IGA**) acknowledges that situations may exist where the means available in the SRF are not sufficient to undertake a particular resolution action, and where the ex-post contributions that should be raised in order to cover the necessary additional amounts are not immediately accessible.

In December 2013, the Economic and Financial Affairs Council (ECOFIN) Ministers agreed to put in place a system by which bridge financing would be available as a last resort. The arrangements for the transitional period should be operational by the time the SRF is established.

The euro area finance ministers decided in 2017 to expand the European Stability Mechanism (**ESM**) role to serve as a backstop for the SRF. While the new features of the expanded role for the ESM were agreed by 2019, it was not until late 2020 that the euro area finance ministers agreed to proceed with the reform of the ESM and the amendments to the treaty on the ESM (**ESM Treaty**) were signed by Member States (represented by their ambassadors to the EU) on 27th January, 2021. The backstop to the SRF was expected to be operational at the beginning of 2022, but the ratification of the amendments to the ESM Treaty has not yet been completed, and Italy is still finalising the process, with work already underway. Additionally, the inclusion of Croatia in the Eurozone means that they would also need to ratify the ESM Treaty.

Once the ratification process is completed, the ESM will be able to provide support for up to €68 billion (in the form of credit lines). If this financial assistance is requested, the SRF will pay back the ESM loan with funds obtained from banks' contributions within a period of three years, with the possibility to extend it to five years.

MREL

The BRRD prescribes that banks shall hold a minimum level of own funds and eligible liabilities in relation to RWAs known as MREL. According to Commission Delegated Regulation (EU) 2016/1450 of 23rd May, 2016 supplementing BRRD I with regard to regulatory technical standards specifying the criteria relating to the methodology for setting the minimum requirement for own funds and eligible liabilities, the level of own funds and eligible liabilities required under MREL will be set by the resolution authority, in agreement with the competent authority, for each bank (and/or group) based on, among other things, the criteria set forth in Article 45 of the BRRD, including the systemic importance of the institution. Eligible liabilities may be senior or subordinated, provided that, among other requirements, they have a remaining maturity of at least one year and, if governed by a non-EU law, they must be able to be written down or converted by the resolution authority of a Member State under that law or through contractual provisions.

If a Relevant Spanish Resolution Authority considers that there may be any obstacles to resolvability by the Issuer and/or the Group, a higher MREL could be imposed.

The EU Banking Reforms provide that the breach by a bank of its MREL should be addressed by the competent authorities through their powers to address or remove obstacles to resolution, the exercise of their supervisory powers and their power to impose early intervention measures, administrative sanctions and other administrative measures. If there were a deficit in the level of an entity's eligible own funds and liabilities, and that entity's own funds were contributing to meeting the "combined buffer requirement," these own funds would automatically be deemed to count toward meeting the MREL of such entity and would cease to count for the purposes of meeting the "combined buffer requirement", which could lead to the entity failing to comply with its "combined buffer requirement". This could result in the need to calculate the MDA and the resolution authority would have the power (but not the obligation) to impose restrictions on the making of discretionary payments. Therefore, the Issuer will have to fully comply with its MREL-MDA, to ensure that it can make discretionary payments.

In addition, in accordance with the EBA guidelines on the assumptions of triggering the use of early intervention measures of 8th May, 2015, a significant deterioration in the amount of eligible liabilities and own funds held by an entity in order to comply with its MREL could place an entity in a situation where the conditions for early intervention are met, which could entail the application of early intervention measures by the competent resolution authority, which in the Spanish case are detailed in Articles 9 and 10 of Law 11/2015, including the intervention or provisional replacement of administrators.

The EU Banking Reforms further include, as part of MREL, a new subordination requirement of eligible instruments for G-SIBs and "top tier" banks (including the Issuer) that is determined according to their systemic importance, involving a minimum "Pillar 1" subordination requirement. This "Pillar 1" subordination requirement shall be satisfied with own funds and other eligible MREL instruments (which MREL instruments may not for these purposes be senior debt instruments and only MREL instruments constituting "non-preferred" senior debt and other subordinated liabilities will be eligible for compliance with the subordination requirement). For "top tier" banks such as the Issuer, this "Pillar 1" subordination requirement has been determined as the higher of 13.5 per cent. of the Issuer's RWAs and 5 per cent. of its leverage exposure. Resolution authorities may also impose further "Pillar 2" subordination requirements, which would be determined on a case-by-case basis but at a minimum level equal to the lower of 8 per cent. of a bank's total liabilities and own funds and 27 per cent. of its RWAs (both including MREL Pillar 1 and Pillar 2).

On 14th June, 2023, BBVA announced that it had received a communication from the Bank of Spain of its new MREL requirement, as determined by the SRB, repealing and superseding the previous MREL requirement communicated in March 2022. In accordance with this communication, BBVA has to reach, from 1st January, 2024, a volume of MREL equal to 22.11 per cent. of the total RWAs of its resolution group, on a sub-consolidated level (the **MREL in RWAs**), of which 13.5 per cent. of the total RWAs of BBVA's resolution group shall be met with subordinated instruments (the **MREL in RWAs subordination requirement**). The MREL in RWAs and the MREL in RWAs subordination requirement do not include the combined buffer requirement which, according to applicable regulations and supervisory criteria, is currently 3.32 per cent. (setting the MREL in RWAs including the combined buffer requirement at 25.43 per cent. and the MREL in RWAs subordination requirement including the combined buffer requirement at 16.82 per cent.). As of 30th September, 2023 and 31st December, 2022, the MREL of the resolution group amounted to 27.23 per cent. and 26.45 per cent., respectively (28.24 per cent. as of 31st December, 2021) of its RWAs, and the own funds and subordinated eligible liabilities corresponded to 22.50 per cent. and 21.74 per cent., respectively (24.65 per cent. as of 31st December, 2021).

In addition, BBVA had to reach, from 1st January, 2022, an amount of MREL in terms of the total exposure considered for calculating the leverage ratio equal to 7.27 per cent. (the **MREL in LR**) of which 5.61 per cent. in terms of the total exposure considered for calculating the leverage ratio shall be satisfied with subordinated instruments (the **MREL in LR subordination requirement**).

As of 30th September, 2023 and 31st December, 2022, the resolution group has MREL in LR of 11.31 per cent. and 11.14 per cent., respectively (11.31 per cent. as of 31st December, 2021) and MREL in LR subordination requirement of 9.35 per cent. and 9.16 per cent, respectively (9.88 per cent. as of 31st December, 2021) in terms of total exposure taken into account for the calculation of the leverage ratio.

The resolution group consists of BBVA and its subsidiaries belonging to the same European resolution group and, as of 30th September, 2023, the RWAs of the resolution group amounted to €207,953 million and the total exposure considered for calculating the leverage ratio amounted to €500,586 million. As of the date of this Information Memorandum, no MREL Pillar 2 requirement has been imposed on BBVA and the Issuer complies with the MREL in RWAs, the MREL in RWAs subordination requirement, the MREL in LR and the MREL in LR subordination requirement.

FORM OF THE PRICING SUPPLEMENT

MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority on 5th February, 2018 (as amended, replaced or supplemented from time to time) has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of [the/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 UK 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 distributor should take into consideration the manufacturer['s/s'] 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 manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

Banco Bilbao Vizcaya Argentaria, S.A.

Issuer Legal Entity Identifier (LEI): K8MS7FD7N5Z2WQ51AZ71

Issue of [ ] [ ]

under the €10,000,000,000

Euro-Commercial Paper Programme

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes described herein. This document constitutes the Pricing Supplement for such Notes and must be read in conjunction with the Information Memorandum dated 20 November, 2023, [as supplemented by the supplement[s] dated [*date[s]*]] (the **Information Memorandum**).

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Information Memorandum.

The Information Memorandum has been published on the website of Euronext Dublin.

1.	Series Number:	[ ]
2.	Issued on (Issue Date):	[ ]
3.	Maturity Date[1]:	[ ]
4.	Specified Currency:	[ ]
5.	Denomination:	[ ]
6.	Nominal Amount[2]: *(words and figures if a Sterling Note)*	[ ]
7.	Early Redemption Amount:	[Redemption at par] [[ ] per Note of [ ] [*Denomination*]]
8.	Reference Rate:	[ ] months [EURIBOR/Compounded Daily SONIA/Compounded Daily SOFR/Compounded Daily €STR/Weighted Average €STR]
9.	Relevant Screen Page:	[ ] (*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
10.	Observation Method:	[Not Applicable/Lag/Shift][3]
11.	Observation Look-Back Period:	[[[ ] London Banking Days][[ ] U.S. Government Securities Business Days][[ ] T2 Settlement Days][4] (*NB: If the Reference Rate is Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, a minimum of 5 London Banking Days, 5 U.S. Government Securities Business Days or 5 T2 Settlement Days, respectively, should be specified unless otherwise agreed in writing with the Issuing and Paying Agent or the Calculation Agent, as applicable*)
12.	Index Determination:	[Applicable/Not Applicable]
13.	Specified Time:	[ ]

[1] Not more than 364 days from (and including) the Issue Date.

[2] If the proceeds are accepted in the United Kingdom, the Nominal Amount shall be not less than £100,000 (or the equivalent in any other currency) and if a Sterling Note, the Notes must have a minimum denomination of £200,000.

[3] Only include for Notes for which the Reference Rate is specified as being "Compounded Daily SONIA", "Compounded Daily SOFR" or "Compounded Daily €STR" and for which "Index Determination" is specified as being applicable

[4] Only include for Notes for which the Reference Rate is specified as being "Compounded Daily SONIA", "Compounded Daily SOFR" or "Compounded Daily €STR" and for which "Index Determination" is specified as being applicable

		(N.B. Delete for all Reference Rates other than Compounded Daily SONIA, Compounded Daily SOFR or or Compounded Daily €STR where Index Determination is specified as being applicable and in the case of Compounded Daily SOFR, the Specified Time should be 5:00pm unless otherwise agreed in writing with the Calculation Agent, as applicable)
14.	Interest Determination Date(s):	[ ] (*The second day on which the T2 is open prior to the start of each Interest Period if EURIBOR, the day falling "p" London Banking Days, "p" U.S. Government Securities Business Days or "p" T2 Settlement Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period), if Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR*)
15.	Fixed Interest Rate[5]:	[ ]% per annum
16.	Margin[6]:	[ ]%
17.	Net Proceeds:	[ ]
18.	Interest Payment Dates[7]:	[ ]
19.	Day Count Convention:	[ ]
20.	Calculation Agent:	[ ]
21.	Reference Banks[8]:	[ ]
22.	Clearing System(s):	[Euroclear, Clearstream, Luxembourg, other (specify)]
23.	Trade Date:	[ ]
24.	ISIN:	[ ]
25.	Common Code:	[ ]
26.	CFI:	[ ]/Not Available
27.	FISN:	[ ]/Not Available
28.	Governing Law:	[English Law]/[Spanish Law]

[5] Complete for fixed rate interest bearing Notes only.
[6] Complete for floating rate interest bearing Notes only.
[7] Complete for interest bearing Notes.
[8] Complete for floating rate interest bearing Notes only.

The information contained in this enclosed section is required only if Notes are to be admitted to trading on a regulated market:-

Form

29.	NGN form:	[Yes/No]
30.	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" does not necessarily mean that the Global Note will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met. The Global Note will be deposited initially upon issue with one of the ICSDs as common safekeeper][*include this text if "yes" selected in which case the Notes must be issued in NGN form*] [No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Global Note is capable of meeting them the Global Note may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Global Note will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

Distribution

31.	Method of distribution:	[Syndicated/Non-syndicated]
32.	Dealer(s):	[ ]
33.	Additional selling restrictions:	[Not Applicable/specify]

Listing and Admission to Trading

34.	Listing and admission to trading:	[Application has been made by the Issuer (or on its behalf) to [Euronext Dublin/other (specify)] for the Notes to be admitted to [the Official List maintained by it and to] trading on its regulated market with effect from [ ]]
35.	Estimate of total expenses of admission to trading:	€[ ]

Yield

36.	Indication of yield [*fixed rate Notes only*]:	[ ]. The yield is calculated at the Issue Date on the basis of the issue price. It is not an indication of future yield.

Reasons for the Offer

37.	Reasons for the Offer:	[The Notes are [Green/Social/Sustainability] Notes as described, and as this term is defined, in the Information Memorandum and an amount equal to the net proceeds from the issue of the Notes are intended to be used for ["green"/[and/or]/"social"/[and/or]/"sustainability"] purposes as described in the "*Use of Proceeds*" section of the Information Memorandum.][The net proceeds of the issue of the Notes will be used by the Issuer to finance and/or refinance, in part or in full, new and/or existing [*description of relevant projects to be inserted*].][ ]] (*See "Use of Proceeds" wording in Information Memorandum – if reasons for offer are different from general corporate purposes and there is a particular identified use of proceeds, this will need to be stated here*.)"

Interests of Natural and Legal Persons involved in the Issue

Save for [any fees/the fees of [*insert relevant fee disclosure*]] payable to the relevant Dealer[s], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. [The Dealer[s] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. - *Amend as appropriate if there are other interests*]

Responsibility

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of:

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: .....
(Authorised Signatory)

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used for the Group's general corporate purposes, which include making a profit. In addition, where the Notes are stated to be "Green", "Social" or "Sustainability" Notes in "*Reasons for the offer*" in Part B of the applicable Pricing Supplement and it is stated that the proceeds from the issue of the Notes are intended to be used for "green", "social" or "sustainability" purposes as described in this "*Use of Proceeds*" section (**Green Notes**, **Social Notes** or **Sustainability Notes**, respectively, and, together, **Sustainable Notes**) an amount equal to the net proceeds from each such issue of Sustainable Notes will be used as so described. If specified otherwise in the applicable Pricing Supplement, the net proceeds from the issue of the relevant Notes will be used as so specified.

For any Sustainable Notes, an amount equal to the net proceeds from each issue of Sustainable Notes will be allocated by the Issuer in financing or refinancing, in part or in full, on a portfolio basis new and/or existing Green Projects and/or Social Projects (each as defined below and further described in the Issuer's Sustainable Debt Financing Framework) (together, the **Eligible Projects**), all in accordance with the Sustainable Debt Financing Framework. In the case of Green Notes, such financing or refinancing shall be exclusively of new and/or existing Green Projects, in part or in full, in the case of Social Notes, such financing or refinancing shall be exclusively of new and/or existing Social Projects, in part or in full, and, in the case of Sustainability Notes, such financing or refinancing shall be exclusively of new and/or existing Green Projects and Social Projects, in part or in full.

Eligible Projects include any type of lending within BBVA's balance sheet aligned with the specified use of proceeds for the Sustainable Notes, including lending to clients whose business activities are fully aligned with the "green eligible categories" and/or "social eligible categories" described in the Sustainable Debt Financing Framework.

Green Projects are loans, investments and projects falling within any of the "green eligible categories" described in the Sustainable Debt Financing Framework of renewable energies, energy efficiency, green buildings, clean transport, sustainable water and wastewater management, pollution prevention and control, and environmentally sustainable management of living natural resources and land use, each as further described in the Sustainable Debt Financing Framework, and, at any time, include any other "green" projects in accordance with any update of the ICMA Green Bond Principles at such time.

The **ICMA Green Bond Principles**, at any time, are the Green Bond Principles published by the International Capital Markets Association at such time, which as of the date of this Information Memorandum are the Green Bond Principles June 2021 (with June 2022 Appendix 1) (https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles_June-2022-280622.pdf).

The **Sustainable Debt Financing Framework** means the BBVA Sustainable Debt Financing Framework (November 2022) published by the Issuer on its website (https://shareholdersandinvestors.bbva.com), including as amended, supplemented, restated or otherwise updated on such website from time to time where so specified.

Social Projects are loans, investments and projects falling within any of the "social eligible categories" described in the Sustainable Debt Financing Framework of access to essential services (health and education), affordable core infrastructure (telecommunications and mass transit, housing, public works infrastructure, arts infrastructure, infrastructure with a social purpose, and social enterprises and foundations), and socioeconomic advancement and empowerment (financing for individuals qualifying as vulnerable or on low incomes, support for financial inclusion, and entrepreneurship and support for micro-businesses), each as further described in the Sustainable Debt Financing Framework, and, at any

time, include any other "social" projects in accordance with any update of the ICMA Social Bond Principles at such time.

The **ICMA Social Bond Principles**, at any time, are the Social Bond Principles published by the International Capital Markets Association at such time, which as of the date of this Information Memorandum are the Social Bond Principles June 2021 (with June 2022 Appendix 1) (https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Social-Bond-Principles_June-2022v3-020822.pdf).

The proceeds of any Sustainable Notes will not be used to finance excluded and/or prohibited activities within the defence, mining, energy, infrastructure and agribusiness sectors as reflected in BBVA's Environmental & Social Framework, which may be found on its website (https://shareholdersandinvestors.bbva.com/sustainability-and-responsible-banking/principles-and-policies/).

The Issuer will endeavour to allocate the full amount of the net proceeds of any Sustainable Notes in financing or refinancing the relevant Eligible Projects following the issuance of such Sustainable Notes. If this is not possible, pending such allocation the net proceeds will be applied by the Issuer on the same basis as for the management of its treasury liquidity portfolio. The Issuer will further endeavour to allocate a percentage of the net proceeds of any Sustainable Notes to financing Green Projects and/or Social Projects, as appropriate, originated in the current year of issue such Sustainable Notes.

In the event that any Eligible Project to which the net proceeds of any Sustainable Notes are allocated, ceases to comply with the relevant categories for such Eligible Project to constitute a Green Project or a Social Project, as the case may be, the Issuer will substitute that Eligible Project within the relevant portfolio for a compliant Eligible Project on a best efforts basis and when reasonably practicable.

For so long as any Sustainable Notes remain outstanding, the Issuer intends to publish an annual report (the **Sustainable Report**) on its website (https://shareholdersandinvestors.bbva.com) including at least the following information:

(i) the allocation of the net proceeds from the issue of Green, Social or Sustainability Notes under the Sustainable Debt Financing Framework in each "green" or "social" eligible category;

(ii) the portion of such net proceeds used for financing or refinancing purposes;

(iii) the remaining balance of unallocated proceeds from such Green, Social or Sustainability Notes and/or cash equivalents;

(iv) an indication of which sustainable development goals apply to such "green" or "social" eligible categories;

(v) relevant estimated environmental or social impacts for each relevant "green" or "social" eligible category and, if possible, actual impact metrics. Case studies of specific Eligible Projects may be provided to illustrate the relevant impact; and

(vi) the calculation methodologies applied by BBVA for the calculation of environmental and social impacts.

Terms used above in relation to the intended content of the Sustainable Report have the meanings given to them in the Sustainable Debt Financing Framework.

The Issuer has obtained an independent verification assessment from DNV GL Business Assurance Services Limited in respect of the Sustainable Debt Financing Framework. This independent

verification assessment is published on the Issuer's website (https://shareholdersandinvestors.bbva.com).

The Issuer further intends to obtain an independent verification assessment from an external verifier for each Series of Sustainable Notes it issues and will publish that verification assessment on its website (https://shareholdersandinvestors.bbva.com).

In addition, the Issuer will request, on an annual basis starting one year after the issue of each Series of Sustainable Notes and until maturity (or until redemption in full), a limited assurance report on the allocation of the net proceeds of those Sustainable Notes to Green Projects and/or Social Projects, as the case may be, and the verification of the impact indicators published in the Sustainable Report and that such indicators are prepared in accordance with the calculation methodologies included in the Sustainable Report, which may be provided by its external auditor or another suitably qualified provider and published on its website (https://shareholdersandinvestors.bbva.com).

Neither the Sustainable Debt Financing Framework, nor any of the above reports, verification assessments or contents of any of the above websites are incorporated in or form part of this Information Memorandum.

FORM OF THE NOTES
Part A – Form of Multi-Currency Global Note

THE SECURITIES REPRESENTED BY THIS GLOBAL NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE SECURITIES OF THE NOTES OF WHICH THIS SECURITY FORMS PART.

Banco Bilbao Vizcaya Argentaria, S.A.

1. For value received, Banco Bilbao Vizcaya Argentaria, S.A. (the **Issuer**) promises to pay to the bearer of this Global Note on the Maturity Date set out in the Pricing Supplement attached to or endorsed on this Global Note, which supplements these terms and conditions, or, on such earlier date as the same may become payable in accordance with paragraph 4 below (the **Relevant Date**), the Nominal Amount or, as the case may be, the Early Redemption Amount set out in the Pricing Supplement, together with interest thereon, if this is an interest bearing Global Note, at the rate and at the times (if any) specified herein and in the Pricing Supplement. Words and expressions used in the applicable Pricing Supplement shall have the same meanings where used in these terms and conditions unless the context otherwise requires or unless otherwise stated.

   All such payments shall be made in accordance with an amended and restated issue and paying agency agreement dated 10th December, 2021, as supplemented by a supplemental issue and paying agency agreement dated 21 November, 2022 and a second supplemental issue and paying agency agreement dated 20 November 2023, 2023 (such amended and restated issue and paying agency agreement as so supplemented and as further amended, restated, supplemented or replaced from time to time, the **Agency Agreement**) between, *inter alios*, the Issuer and The Bank of New York Mellon, London Branch (the **Issuing and Paying Agent**) a copy of which is available for inspection at the offices of the Issuing and Paying Agent at 160 Queen Victoria Street, London EC4V 4LA, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Global Note at the offices of the Issuing and Paying Agent by transfer to an account denominated in the Specified Currency maintained by the bearer with a bank in the principal financial centre in the country of that currency or, if this is a Global Note denominated in euro, by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union or London. If the applicable Pricing Supplement specifies that new global note (**NGN**) form is applicable, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the ICSDs (as defined below) (which expression in this Global Note means the records that each ICSD holds for its customers which reflect the amount of such customers' interests in the Notes (but excluding any interest in any Notes of one ICSD shown in the records of another ICSD)) and in the case of any payment of principal, and upon any such entry being made, the nominal amount of the Global Note recorded in the records of the ICSD and represented by this Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed. For the purposes of this Global Note **ICSD** means either Euroclear Bank SA/NV (**Euroclear**) or Clearstream Banking, S.A. (**Clearstream, Luxembourg**).

Notwithstanding the foregoing, presentation and surrender of this Global Note shall be made outside the United States and no amount shall be paid by transfer to an account in the United States, or mailed to an address in the United States. In the case of a Global Note denominated in U.S. dollars, payments shall be made by transfer to an account denominated in U.S. dollars in the principal financial centre of any country outside of the United States that the Issuer or Issuing and Paying Agent so chooses.

2. The aggregate Nominal Amount of this Global Note shall be the aggregate nominal amount of the Notes represented by it. If the applicable Pricing Supplement specifies that NGN form is not applicable, this shall be the amount specified in the Pricing Supplement or, if the Pricing Supplement specifies that NGN form is applicable, this shall be the amount from time to time entered in the records of the relevant ICSD(s).

3. All payments in respect of this Global Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature (**Taxes**) unless such withholding or deduction is required by law. In the event that any such withholding or deduction is imposed or levied by or on behalf of the Kingdom of Spain (**Spain**) or any political subdivision or taxing authority thereof having the power to tax, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Global Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable:

   (a) to, or to a third party on behalf of, the bearer of this Global Note where such deduction or withholding is required by reason of the bearer having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Global Note; or

   (b) in respect of any deduction or withholding which would not have been required but for the presentation by the bearer of this Global Note for payment on a date more than 30 days after the Maturity Date (or, as the case may be, the Relevant Date) except to the extent that the bearer would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day; or

   (c) presented for payment by or on behalf of a holder who would not be liable or subject to the withholding or deduction by making a declaration concerning the nationality, residence or identity of the holder (or providing information, documentation or other evidence of the same) or other similar claim for exemption to the relevant tax authority or to (or on behalf of) the Issuer, where such declaration or claim is required or imposed by the Spanish Tax Authorities; or

   (d) in case of Notes where such withholding tax is imposed on payments made to individuals with tax residence in Spain or any political subdivision or taxing authority thereof or therein following the criteria held by the Spanish Tax Authorities in relation to Article 44.5 of Royal Decree 1065/2007 of 27th July, as amended by Royal Decree 1145/2011 of 29th July; or

   (e) to, or to a third party on behalf of, a holder if the Issuer does not receive any relevant information as may be required by Spanish tax law, regulation or binding ruling, including a duly executed and completed certificate from the Issuing and Paying Agent issued in accordance with Royal Decree 1065/2007 of 27th July, or in case the current information procedures are modified, amended or supplemented by any Spanish law, regulation or binding ruling.

4. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (provided this is not a floating rate interest bearing Global Note) or on any Interest Payment Date (if this is a floating rate interest bearing Global Note), on giving not less than 14 days' notice to the Issuing and Paying Agent and the Noteholders (which notice shall be irrevocable), if:

   (a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in paragraph 3 as a result of any change in, or amendment to, the laws or regulations of Spain or any change in the application or binding official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

   (b) such obligation to pay additional amounts cannot be avoided by the Issuer taking reasonable measures available to it,

   provided that no such notice of redemption shall be given earlier than 14 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

   Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Issuing and Paying Agent to make available at its specified office to the Noteholders:

   (i) a certificate signed by a duly authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

   (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

   Notes redeemed pursuant to this paragraph will be redeemed at their Early Redemption Amount specified in the Pricing Supplement together (if appropriate) with interest accrued to (but excluding) the date of redemption.

5. The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, representing, in the case of each Note, a separate and independent obligation of the Issuer, and, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer, in accordance with and to the extent permitted by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain (including, without limitation, Additional Provision 14.2 of Law 11/2015), the payment obligations of the Issuer under the Notes with respect to claims for principal (which claims will constitute ordinary claims) will rank:

   (a) junior to any (i) privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015) and (ii) claims against the insolvency estate (*créditos contra la masa*);

   (b) *pari passu* without any preference or priority among themselves and with all other Senior Preferred Obligations; and

(c) senior to (i) any Senior Non-Preferred Obligations and (ii) all subordinated obligations of, or subordinated claims against, the Issuer (*créditos subordinados*), present and future,

such that any claim for principal in respect of the Notes will be satisfied, as appropriate, only to the extent that all claims ranking senior to it have first been satisfied in full and then *pro rata* with any claims ranking *pari passu* with it, in each case as provided above.

For the purposes of this paragraph:

Insolvency Law means the restated text of the Insolvency Law approved by Royal Legislative Decree 1/2020, of 5th May (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended, replaced or supplemented from time to time;

Law 11/2015 means Law 11/2015, of 18th June, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*), as amended, replaced or supplemented from time to time;

ordinary claims means the class of claims with respect to unsecured, non-privileged and unsubordinated obligations (*créditos ordinarios*) of the Issuer which, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer and pursuant to Articles 269, 433 and 435 of the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain, rank (i) junior to privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015 and any secured claims), and claims against the insolvency estate (*créditos contra la masa*) and (ii) senior to subordinated claims (*créditos subordinados*);

Senior Non-Preferred Obligations means the obligations of the Issuer with respect to all ordinary claims, present and future, which, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer are expressed to rank within the ordinary claims but junior to Senior Preferred Obligations; and

Senior Preferred Obligations means the obligations of the Issuer with respect to (a) the payment of principal under the Notes and (b) all other ordinary claims, present and future, other than Senior Non-Preferred Obligations.

Pursuant to article 152 of the Insolvency Law, the further accrual of interest shall be suspended from the date of declaration of the insolvency of the Issuer. Claims in respect of interest on the Notes expressly or implicitly accrued but unpaid as of the commencement of any insolvency procedure in respect of the Issuer shall constitute subordinated claims against the Issuer ranking in accordance with the provisions of article 281 of the Insolvency Law (including, without limitation, junior to claims on account of principal in respect of contractually subordinated obligations of the Issuer, unless otherwise provided by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain).

6. If the Maturity Date (or, as the case may be, the Relevant Date) or, if applicable, any relevant Interest Payment Date is not a Payment Business Day (as defined below), payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day)

and the bearer of this Global Note shall not be entitled to any interest or other sums in respect of such postponed payment.

As used in this Global Note:

Payment Business Day means any day other than a Saturday or Sunday which is both (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation, and (B) either (i) if the Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) or (ii) if the Specified Currency is euro, a day which T2 is open; and

T2 means the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

7. This Global Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).

8. This Global Note is issued in respect of an issue of Notes of the Issuer and is exchangeable in whole (but not in part only) for duly executed and authenticated bearer Notes in definitive form (whether before, on or, subject as provided below, after the Maturity Date (or, as the case may be, the Relevant Date)):

   (a) if one or both of Euroclear or Clearstream, Luxembourg or any other relevant clearing system(s) in which this Global Note is held at the relevant time is closed for business for a continuous period of 14 days (other than by reason of public holidays) or if any such clearing system announces an intention to, or does in fact, permanently cease to do so; or

   (b) if default is made in the payment of any amount payable in respect of this Global Note.

   Upon presentation and surrender of this Global Note during normal business hours to the Issuer at the offices of the Issuing and Paying Agent (or to any other person or at any other office outside the United States as may be designated in writing by the Issuer to the bearer), the Issuing and Paying Agent shall authenticate and deliver, in exchange for this Global Note, bearer definitive Notes denominated in the Specified Currency, having the Denominations and in an aggregate nominal amount equal to the Nominal Amount within 30 days of the bearer requesting such exchange of this Global Note.

9. If, upon any such default and following such surrender, definitive Notes are not issued in full exchange for this Global Note before 5.00 p.m. (London time) on the thirtieth day after surrender, then each person who is an account holder with Euroclear, Clearstream, Luxembourg or any other relevant clearing system and who has credited to its securities account with the relevant clearing system rights in respect of this Global Note will become entitled to proceed directly against the Issuer [on, and subject to, the terms of a Deed of Covenant dated 10th December, 2021, as amended, supplemented novated and/or restated as at the Issue Date, entered into by the Issuer][*] in respect of the Notes issued pursuant to this Global Note and to enforce the covenant of the Issuer to make payment to the bearer of this Global Note of such

amount as have become due and payable in respect of the Notes represented by this Global Note, and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have [under the Deed of Covenant][*]/[as a holder of Notes other than this Global Note][†]).

10. If this is an interest bearing Global Note, then:

    (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Global Note falling due for payment prior to the Maturity Date (or, as the case may be, the Relevant Date) remains unpaid on the fifteenth day after falling so due, the amount referred to in paragraph 1 shall be payable on such fifteenth day;

    (b) upon each payment of interest (if any) prior to the Maturity Date (or, as the case may be, the Relevant Date) in respect of this Global Note, (i) if the applicable Pricing Supplement specifies that NGN form is not applicable, the Schedule hereto shall be duly completed by the Issuing and Paying Agent to reflect such payment, or (ii) if the applicable Pricing Supplement specifies that NGN form is applicable, the Issuing and Paying Agent shall instruct the relevant ICSD(s) to enter details of such payment in the records of the relevant ICSD(s); and

    (c) unless otherwise specified in the applicable Pricing Supplement, the final Interest Payment Date shall be the Maturity Date (or, as the case may be, the Relevant Date).

11. If this is a fixed rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

    (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days at the Fixed Interest Rate with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and

    (b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an **Interest Period** for the purposes of this paragraph.

    As used in this Global Note, any **Day Count Convention** shall have the meaning given to it in the ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Global Note.

12. If this is a floating rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

    (a) in the case of a Global Note which specifies EURIBOR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in

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[*] To be included for Notes governed by English Law

[†] To be included for Notes governed by Spanish Law

respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis:

(i) on the second day on which T2 is open before the beginning of each Interest Period (each the **EURIBOR Interest Determination Date**) the Calculation Agent will determine the European Interbank Offered Rate for deposits in euro for the Interest Period concerned as at 11.00 a.m. (Brussels time) on the EURIBOR Interest Determination Date in question. Such offered rate will be that which appears on the display designated as Reuters page EURIBOR01 (or such other page or service as may replace it for the purpose of displaying Eurozone Interbank Offered Rates of prime banks in the Eurozone (as defined below) for deposits in euro for a duration equal to the Interest Period (or approximately equal, where no rate matches the Interest Period)). The Rate of Interest for such Interest Period shall be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Calculation Agent;

(ii) if on any EURIBOR Interest Determination Date for any reason such offered rate is unavailable the Calculation Agent will request the principal Eurozone office of each of the Reference Banks to provide its offered quotation to prime banks in the Eurozone interbank market for deposits in euro for a duration equal to the Interest Period (or approximately equal, where no rate matches the Interest Period) concerned as at 11.00 a.m. (Brussels time) on the EURIBOR Interest Determination Date in question. The Rate of Interest for such Interest Period shall be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Calculation Agent; and

(iii) if the Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which (A) or (B) above shall have applied;

for the purposes of this Global Note, **Eurozone** means the region comprised of the countries whose lawful currency is the euro;

(b) (i) in the case of a Global Note which specifies Compounded Daily SONIA as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 365 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will, subject as provided below, be Compounded Daily SONIA for such Interest Period plus or minus the Margin (if any) as specified in the

applicable Pricing Supplement, all as determined and calculated by the Calculation Agent.

Compounded Daily SONIA means, with respect to an Interest Period,

(A) if Index Determination is specified as being applicable in the applicable Pricing Supplement, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SONIA\ Compounded\ Index_y}{SONIA\ Compounded\ Index_x} - 1\right) \times \frac{365}{d}$$

where:

SONIA Compounded Index$_x$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the first day of the relevant Interest Period;

SONIA Compounded Index$_y$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

d is the number of calendar days in the relevant SONIA Observation Period;

provided that if the SONIA Compounded Index value required to determine SONIA Compounded Index$_x$ or SONIA Compounded Index$_y$ does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the Bank of England's Interactive Statistical Database, or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or any successor administrator of SONIA) at the Specified Time on the relevant London Banking Day (or by 5:00 p.m. London time or such later time falling one hour after the customary or scheduled time for publication of the SONIA Compounded Index in accordance with the then-prevailing operational procedures of the administrator of the SONIA Reference Rate or SONIA authorised distributors, as the case may be), then Compounded Daily SONIA for such Interest Period shall be *Compounded Daily SONIA* determined in accordance with paragraph (B) below and for these purposes the Observation Method shall be deemed to be "Shift"; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Pricing Supplement, or (y) this paragraph 12(b)(i)(B) applies to such Interest Period pursuant to the proviso in paragraph 12(b)(i)(A) above, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if

necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SONIA_{i-pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

d is the number of calendar days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the SONIA Observation Period;

$\mathbf{d_o}$ is the number of London Banking Days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the SONIA Observation Period;

i is a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, an including, the first London Banking Day in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the relevant SONIA Observation Period;

$\mathbf{n_i}$, for any London Banking Day *i*, is the number of calendar days from (and including) such London Banking Day *i* up to (but excluding) the following London Banking Day;

$\mathbf{SONIA_{i\text{-}pLBD}}$ means:

(a) where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, in respect of any London Banking Day *i* falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling *p* London Banking Days prior to such London Banking Day *i*; or

(b) where in the applicable Pricing Supplement "Shift" is specified as the Observation Method, $SONIA_{i\text{-}pLBD}$ shall be replaced in the above formula with $SONIA_i$, where $SONIA_i$ means, in respect of any London Banking Day *i* falling in the relevant SONIA Observation Period, the SONIA Reference Rate for such London Banking Day *i*.

(ii) In the event that Compounded Daily SONIA for any Interest Period cannot be determined by the Calculation Agent, in accordance with the foregoing provisions, the Rate of Interest shall be the Rate of Interest:

(A) as determined at the last preceding Interest Determination Date; or

(B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for

the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date.

(iii) For the purposes of this paragraph 12(b):

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

Observation Look-Back Period means the period specified as such in the applicable Pricing Supplement;

p means the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement;

Relevant Screen Page means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent for the purpose of displaying the SONIA Compounded Index or SONIA Reference Rate, as applicable;

SONIA has the meaning given to such term in the definition of SONIA Reference Rate;

SONIA Compounded Index means, in respect of any London Banking Day, the compounded daily SONIA rate as published by the Bank of England (or any successor administrator of SONIA) as such rate appears on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, as published on the Bank of England's Interactive Statistical Database (or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or such successor administrator)), in each case at the Specified Time on such London Banking Day;

SONIA Observation Period means, in respect of any Interest Period, the period from (and including) the date falling *p* London Banking Days prior to the first day of such Interest Period to (but excluding) the date falling *p* London Banking Days prior to the Interest Payment Date for such Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

SONIA Reference Rate means, in respect of any London Banking Day, the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking Day as provided by the Bank of England as administrator of such rate (or any successor administrator of such rate) to authorised distributors (the **SONIA authorised distributors**) and as then published on the Relevant Screen Page (or, if not so published or the Relevant Screen Page is unavailable, as otherwise published by the SONIA authorised distributors) on the London Banking Day immediately following such London Banking Day, *provided* that if, in respect of any London Banking Day, the applicable SONIA Reference Rate is not made available on the Relevant Screen Page (or has not otherwise been published by the SONIA authorised distributors) by 5.00 p.m. London time, then (unless the Calculation Agent has been notified of any Successor

Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to paragraph 13 below, if applicable) the SONIA Reference Rate in respect of such London Banking Day shall be:

(A) the sum of (i) the Bank of England's Bank Rate (the Bank Rate) prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or

(B) if the Bank Rate described in paragraph (A) above is not available at such time on such London Banking Day (i) the SONIA Reference Rate published on the Relevant Screen Page (or as otherwise published by the SONIA authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the SONIA authorised distributors) or (ii) if the Bank Rate described in paragraph (A) is more recently available, the rate determined pursuant to paragraph (A) by reference to such most recently available Bank Rate; and

Specified Time means 10:00 a.m., London time, or such other time as is specified in the applicable Pricing Supplement.

(c) (i) in the case of a Global Note which specifies Compounded Daily SOFR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will, subject as provided below, be Compounded Daily SOFR for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent.

(A) **Compounded Daily SOFR** means, with respect to an Interest Period, if Index Determination is specified as being applicable in the applicable Pricing Supplement, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d}\right)$$

where:

SOFR Index$_{Start}$ is the SOFR Index value for the day falling *p* U.S. Government Securities Business Days prior to the first day of the relevant Interest Period;

SOFR Index$_{End}$ is the SOFR Index value for the day falling *p* U.S. Government Securities Business Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period); and

d is the number of calendar days in the relevant SOFR Observation Period;

provided that, if the SOFR Index value required to determine SOFR Index$_{Start}$ or SOFR Index$_{End}$ does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website at the Specified Time on the relevant U.S. Government Securities Business Day (or by 3:00 pm New York City time on the immediately following US Government Securities Business Day or such later time falling one hour after the customary or scheduled time for publication of the SOFR Index value in accordance with the then-prevailing operational procedures of the administrator of SOFR Index), "Compounded Daily SOFR" for such Interest Period will be determined in accordance with paragraph (B) below; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Pricing Supplement, or (y) this paragraph 12(c)(i)(B) applies to such Interest Period pursuant to the proviso in paragraph 12(c)(i)(A) above, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right] \times \frac{360}{d}$$

where:

d is the number of calendar days in the relevant SOFR Observation Period;

d_0 is the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

i is a series of whole numbers from one to d_0, each representing the relevant

U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Observation Period;

$\mathbf{n_i}$, for any U.S. Government Securities Business Day *i*, in the relevant SOFR Observation Period, is the number of calendar days from (and including) such U.S. Government Securities Business Day *i* up to (but excluding) the following U.S. Government Securities Business Day ("i+1"); and

SOFR$_i$ means, in respect of any U.S. Government Securities Business Day *i* falling in the relevant SOFR Observation Period, the SOFR Reference Rate for such U.S. Government Securities Business Day.

(ii) If the SOFR Benchmark Replacement is at any time required to be used pursuant to paragraph (3) of the definition of SOFR Reference Rate, then the Issuer or the SOFR Benchmark Replacement Agent, if any, will determine the SOFR Benchmark Replacement in accordance with the definition thereof with respect to the then-current SOFR Benchmark and, if the Issuer or the SOFR Benchmark Replacement Agent has so determined the SOFR Benchmark Replacement:

(A) the SOFR Benchmark Replacement Agent shall also determine the method for determining the rate described in sub-paragraph (a) of paragraph (1), (2) or (3) of the definition of SOFR Benchmark Replacement, as applicable (including (i) the page, section or other part of a particular information service on or source from which such rate appears or is obtained (the **Alternative Relevant Source**), (ii) the time at which such rate appears on, or is obtained from, the Alternative Relevant Source (the **Alternative Specified Time**), (iii) the day on which such rate will appear on, or is obtained from, the Relevant Source in respect of each U.S. Government Securities Business Day (the **Alternative Relevant Date**), and (iv) any alternative method for determining such rate if is unavailable at the Alternative Specified Time on the applicable Alternative Relevant Date), which method shall be consistent with industry-accepted practices for such rate;

(B) from (and including) the Affected Day, references to the Specified Time herein shall be deemed to be references to the Alternative Specified Time;

(C) if the SOFR Benchmark Replacement Agent determines that (i) changes to the definitions of Business Day, Business Day Convention, Compounded Daily SOFR, Day Count Convention, Interest Determination Date, Interest Payment Date, Interest Period, Observation Look-Back Period, SOFR Observation Period, SOFR Reference Rate or U.S. Government Securities Business Day and/or (ii) any other technical changes to any other provision described in paragraph 12(c), are necessary in order to implement the SOFR Benchmark Replacement (including any alternative method described in sub-paragraph (iv) of paragraph (A) above) as the SOFR Benchmark in a manner substantially consistent with market practice (or, if the SOFR Benchmark Replacement Agent decides that adoption of any portion of such market practice is not administratively feasible or if the SOFR Benchmark Replacement Agent determines that no market practice for use of the SOFR Benchmark Replacement exists, in such other manner as the SOFR Benchmark Replacement Agent, as the case may be, determines is reasonably necessary), the Issuer, the Issuing

and Paying Agent and the Calculation Agent shall agree without any requirement for the consent or approval of Noteholders to the necessary modifications to this Global Note and/or the Agency Agreement in order to provide for the amendment of such definitions or other provisions to reflect such changes; and

(D) the Issuer will give notice or will procure that notice is given as soon as practicable to the Issuing and Paying Agent, the Calculation Agent and to the Noteholders, specifying the SOFR Benchmark Replacement, as well as the details described in paragraph (A) above and the amendments implemented pursuant to paragraph (C) above.

(iii) For the purposes of this paragraph 12(c):

Corresponding Tenor means, with respect to a SOFR Benchmark Replacement, a tenor (including overnight) having approximately the same length (disregarding any applicable Business Day Convention) as the applicable tenor for the then-current SOFR Benchmark;

ISDA Definitions means the 2021 ISDA Definitions published by ISDA or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by ISDA;

Independent Adviser means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

ISDA Fallback Adjustment means, with respect to any ISDA Fallback Rate, the spread adjustment, which may be a positive or negative value or zero, that would be applied to such ISDA Fallback Rate in the case of derivatives transactions referencing the ISDA Definitions that will be effective upon the occurrence of an index cessation event with respect to the then-current SOFR Benchmark for the applicable tenor;

ISDA Fallback Rate means, with respect to the then-current SOFR Benchmark, the rate that would apply for derivatives transactions referencing the ISDA Definitions that will be effective upon the occurrence of an index cessation date with respect to the then-current SOFR Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

Observation Look-Back Period means the period specified as such in the applicable Pricing Supplement;

p means the number of U.S. Government Securities Business Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement;

Relevant Governmental Body means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York or any successor thereto;

Relevant Screen Page means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent for the purpose of displaying the SOFR Index or the SOFR Reference Rate, as applicable;

SOFR means, in respect of any U.S. Government Securities Business Day, the daily secured overnight financing rate for such U.S. Government Securities Business Day as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate);

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of the daily Secured Overnight Financing Rate or the SOFR Index, as applicable);

SOFR Administrator's Website means the website of the Federal Reserve Bank of New York, or any successor source;

SOFR Benchmark means SOFR, provided that if a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to SOFR or such other then-current SOFR Benchmark, then "SOFR Benchmark" means the applicable SOFR Benchmark Replacement;

SOFR Benchmark Replacement means, with respect to the then-current SOFR Benchmark, the first alternative set forth in the order presented below that can be determined by the SOFR Benchmark Replacement Agent as of the SOFR Benchmark Replacement Date with respect to the then-current SOFR Benchmark:

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor and (b) the SOFR Benchmark Replacement Adjustment; or

(2) the sum of (a) the ISDA Fallback Rate and (b) the SOFR Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate rate of interest that has been selected by the SOFR Benchmark Replacement Agent as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the SOFR Benchmark Replacement Adjustment, provided that, (i) if the SOFR Benchmark Replacement Agent determines that there is an industry-accepted replacement rate of interest for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time, it shall select such industry-accepted rate, and (ii) otherwise, it shall select such rate of interest that it has determined is most comparable to the then-current Benchmark, and the Benchmark Replacement Adjustment;

SOFR Benchmark Replacement Adjustment means, with respect to any SOFR Benchmark Replacement, the first alternative set forth in the order below that can be determined by the SOFR Benchmark Replacement Agent, if

any, as of the Benchmark Replacement Date with respect to the then-current Benchmark:

(1) the spread adjustment, or method for calculating or determining such spread adjustment, which may be a positive or negative value or zero, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment;

(3) the spread adjustment, which may be a positive or negative value or zero, that has been selected by the SOFR Benchmark Replacement Agent to be applied to the applicable Unadjusted SOFR Benchmark Replacement in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the then-current SOFR Benchmark with such Unadjusted SOFR Benchmark Replacement for the purposes of determining the SOFR Reference Rate, which spread adjustment shall be consistent with any industry accepted spread adjustment, or method for calculating or determining such spread adjustment, applied to such Unadjusted SOFR Benchmark Replacement where it has replaced the then-current SOFR Benchmark for U.S. dollar denominated floating rate notes at such time;

SOFR Benchmark Replacement Agent means any person that has been appointed by the Issuer to make the calculations and determinations to be made by the SOFR Benchmark Replacement Agent described herein that may be made by either the SOFR Benchmark Replacement Agent or the Issuer, so long as such person is a leading bank or other financial institution or a person with appropriate expertise, in each case that is experienced in such calculations and determinations;

SOFR Benchmark Replacement Date means, with respect to the then-current SOFR Benchmark, the earliest to occur of the following events with respect thereto:

(1) in the case of sub-paragraph (1) or (2) of the definition of SOFR Benchmark Transition Event, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark; or

(2) in the case of sub-paragraph (3) of the definition of SOFR Benchmark Transition Event, the date of the public statement or publication of information referenced therein.

If the event giving rise to the SOFR Benchmark Replacement Date occurs on the same day as, but earlier than, the Specified Time in respect of any determination, the SOFR Benchmark Replacement Date will be deemed to have occurred prior to the Specified Time for such determination;

SOFR Benchmark Transition Event means, with respect to the then-current SOFR Benchmark, the occurrence of one or more of the following events with respect thereto:

(1) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark announcing that such administrator has ceased or will cease to provide the SOFR Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark;

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark, the central bank for the currency of the SOFR Benchmark, an insolvency official with jurisdiction over the administrator for the SOFR Benchmark, a resolution authority with jurisdiction over the administrator for the SOFR Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark, which states that the administrator of the SOFR Benchmark has ceased or will cease to provide the SOFR Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark; or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark announcing that the SOFR Benchmark is no longer representative;

SOFR Index means, in respect of any U.S. Government Securities Business Day, the compounded daily SOFR as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate), as such rate appears on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website, in each case at the Specified Time on such U.S. Government Securities Business Day;

SOFR Observation Period means, in respect of any Interest Period, the period from (and including) the date falling "p" U.S. Government Securities Business Days prior to the first day of such Interest Period to (but excluding) the date falling *p* U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period); and

SOFR Reference Rate means, in respect of any U.S. Government Securities Business Day:

(1) a rate equal to SOFR for such U.S. Government Securities Business Day appearing on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website on or about the Specified Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; or

(2) if SOFR in respect of such U.S. Government Securities Business Day does not appear as specified in paragraph (1) above, unless the SOFR Benchmark Replacement Agent determines that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to SOFR on or prior to the Specified Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day, SOFR in respect of the last U.S. Government Securities Business Day for which such rate was published on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website; or

(3) if the SOFR Benchmark Replacement Agent determines that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark on or prior to the Specified Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day (or, if the then-current SOFR Benchmark is not SOFR, on or prior to the Specified Time on the Alternative Relevant Date), then (subject to the subsequent operation of this paragraph (3)) from (and including) the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day (or the Alternative Relevant Date, as applicable) (the Affected Day), the SOFR Reference Rate shall mean, in respect of any U.S. Government Securities Business Day, the applicable SOFR Benchmark Replacement for such U.S. Government Securities Business Day appearing on, or obtained from, the Alternative Relevant Source at the Alternative Specified Time on the Alternative Relevant Date.

Specified Time means 3:00 p.m., New York City time or such other time as is specified in the applicable Pricing Supplement;

Unadjusted SOFR Benchmark Replacement means the SOFR Benchmark Replacement excluding the SOFR Benchmark Replacement Adjustment; and

U.S. Government Securities Business Day means any day (other than a Saturday or Sunday) that is not a day on which the Securities Industry and Financial Markets Association or any successor organisation recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(iv) Notwithstanding the other provisions of this paragraph 12(c), in the event the SOFR Benchmark Replacement Agent determines it appropriate, in its sole discretion, to consult with an Independent Adviser in connection with any determination to be made by the SOFR Benchmark Replacement Agent pursuant to this paragraph 12(c), the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this paragraph 12(c) shall act in good faith in a commercially reasonable manner but shall have no relationship of agency or trust with the Noteholders and (in the absence of fraud) shall have no liability whatsoever to the SOFR Benchmark Replacement

Agent or the Noteholders for any determination made by it or for any advice given to the SOFR Benchmark Replacement Agent in connection with any determination made by the SOFR Benchmark Replacement Agent pursuant to this paragraph 12(c) or otherwise in connection with the Notes.

If the SOFR Benchmark Replacement Agent consults with an Independent Adviser as to the occurrence of any SOFR Benchmark Transition Event and/or the related SOFR Benchmark Replacement Date, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud) the SOFR Benchmark Replacement Agent shall have no liability whatsoever to any Noteholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination or otherwise in connection with the Notes.

(v) Any determination, decision or election that may be made by the SOFR Benchmark Replacement Agent pursuant to paragraph 12(c)(i)(B), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event (including any determination that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark), circumstance or date and any decision to take or refrain from taking any action or any selection, will be made in the sole discretion of the SOFR Benchmark Replacement Agent, acting in good faith and in a commercially reasonable manner.

(d) (i) in the case of a Global Note which specifies Compounded Daily €STR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will, subject as provided below, be Compounded Daily €STR for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent.

Compounded Daily €STR means, with respect to an Interest Period,

(A) if Index Determination is specified as being applicable in the applicable Pricing Supplement, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{€STR\ Compounded\ Index_{End}}{€STR\ Compounded\ Index_{Start}} - 1\right) x \frac{360}{d}$$

where:

d is the number of calendar days in the relevant €STR Observation Period;

€STR Compounded Index$_{Start}$ is the €STR Compounded Index value for the day falling "p" T2 Settlement Days prior to the first day of the relevant Interest Period;

€STR Compounded Index$_{End}$ is the €STR Compounded Index value for the day falling "p" T2 Settlement Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

provided that if the €STR Compounded Index value required to determine €STR Compounded Index$_{Start}$ or €STR Compounded Index$_{End}$ does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, is not published or displayed by the European Central Bank (or any successor administrator of such rate) or any other applicable information service by the Specified Time (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the European Central Bank (or any successor administrator of €STR) on the relevant Interest Determination Date, then Compounded Daily €STR for such Interest Period shall be "Compounded Daily €STR" determined in accordance with paragraph (B) below and for these purposes the Observation Method shall be deemed to be "Shift"; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Pricing Supplement, or (y) this paragraph 12(d)(i)(B) applies to such Interest Period pursuant to the proviso in paragraph 12(d)(i)(A) above, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{€STR_{i\text{ - }pT2SD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

d is the number of calendar days in (where in the applicable Final Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the €STR Observation Period;

d_o is the number of T2 Settlement Days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the

relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the €STR Observation Period;

$€STR_{i-pT2SD}$ means:

(a) where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, in respect of any T2 Settlement Day "i" falling in the relevant Interest Period, the €STR Reference Rate for the T2 Settlement Day falling "p" T2 Settlement Days prior to such T2 Settlement Day "i"; or

(b) where in the applicable Pricing Supplement "Shift" is specified as the Observation Method, $€STR_{-pT2SD}$ shall be replaced in the above formula with $€STR_i$, where **$€STR_i$** means, in respect of any T2 Settlement Day "i" falling in the relevant €STR Observation Period, the €STR Reference Rate for such T2 Settlement Day "i".

i is a series of whole numbers from one to d_o, each representing the relevant T2 Settlement Day in chronological order from, an including, the first T2 Settlement Day in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the relevant €STR Observation Period;

n_i, for any T2 Settlement Day "i", is the number of calendar days from (and including) such T2 Settlement Day "i" up to (but excluding) the following T2 Settlement Day;

(ii) in the case of a Global Note which specifies Weighted Average €STR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will be the Weighted Average €STR for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent on the relevant Interest Determination Date (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards).

(iii) If the €STR Reference Rate does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, is not published or displayed by the European Central Bank (or any successor administrator of €STR), in each case by the Specified Time on the relevant T2 Settlement Day, unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the €STR Reference Rate for such T2 Settlement Day shall be a rate equal to €STR in respect of the last T2 Settlement Day for

which such rate was published on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, as published by the European Central Bank, as the administrator of €STR (or any successor administrator of such rate) on its website.

If the €STR Reference Rate does not so appear or is not so published or displayed on a T2 Settlement Day, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each T2 Settlement Day in the relevant Interest Period or €STR Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) (the **ECB Recommended Rate**), provided that:

(I) if no such rate has been recommended before the end of the first T2 Settlement Day following the €STR Index Cessation Effective Date, then the rate for each T2 Settlement Day in the relevant Interest Period or €STR Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to "€STR" were references to the Eurosystem Deposit Facility Rate, which is the rate on the deposit facility that banks may use to make overnight deposits with the Eurosystem, as published on the website of the European Central Bank (the **EDFR**) on such T2 Settlement Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 T2 Settlement Days immediately preceding the date on which the €STR Index Cessation Event occurs (the **EDFR Spread**); and

(II) if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each T2 Settlement Day in the relevant Interest Period or €STR Observation Period occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to "€STR" were references to the EDFR on such T2 Settlement Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions (i) the Rate of Interest shall be that determined at the last preceding €STR Interest Determination Date or (ii) if there is no such preceding €STR Interest Determination Date, the Rate of Interest shall be determined as if references to €STR for each T2 Settlement Day in the relevant €STR Observation Period occurring on or after the €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if EDFR is published on a later date than the latest published.

(iv) For the purposes of this paragraph 12(d):

ECB Recommended Rate Index Cessation Effective Date means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided.

ECB Recommended Rate Index Cessation Event means the occurrence of one or more of the following events:

(1) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; and

€STR has the meaning given to such term in the definition of €STR Reference Rate;

€STR Index means, in respect of any T2 Settlement Day, the compounded daily €STR rate as published by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) that is published or displayed on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, on the website of the European Central Bank (or any successor administrator of such rate) or any successor source from time to time, in each case at the Specified Time on such T2 Settlement Day;

€STR Index Cessation Effective Date means, in respect of an €STR Index Cessation Event, the first date on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR);

€STR Index Cessation Event means the occurrence of one or more of the following events:

(1) a public statement or publication of information by or on behalf of the European Central Bank (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or

(2) if the European Central Bank is no longer the administrator of €STR, a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the European Central Bank, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

€STR Observation Period means, in respect of any Interest Period, the period from (and including) the date falling "p" T2 Settlement Days prior to the first day of such Interest Period to (but excluding) the date falling "p" T2 Settlement Days prior to the Interest Payment Date for such Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

€STR Reference Rate means, in respect of any T2 Settlement Day, and subject to as provided in paragraph 12(d)(iii) above, a reference rate equal to the daily Euro Short-Term Rate (**€STR**) for such T2 Settlement Day appearing on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, as published by the European Central Bank, as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the T2 Settlement Day immediately following such T2 Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

Observation Look-Back Period means the period specified as such in the applicable Pricing Supplement;

p means the number of T2 Setttlement Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement;

Relevant Screen Page means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent for the purpose of displaying the €STR Index or the €STR Reference Rate, as applicable;

Specified Time means 5.00 p.m. Frankfurt time, or such other time as is specified in the applicable Pricing Supplement;

T2 Settlement Day means any day on which T2 is open; and

Weighted Average €STR means the sum of the €STR Reference Rate in respect of each calendar day during the relevant €STR Observation Period divided by the number of calendar days during such €STR Observation Period.

For these purposes, the €STR Reference Rate in respect of any calendar day which is not a T2 Settlement Day shall be deemed to be the €STR Reference Rate in respect of the T immediately preceding such calendar day.

(e) the Calculation Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date or at the applicable Specified Time if the Reference Rate is specified to be either Compounded Daily SONIA, Compounded Daily SOFR, Compounded Daily €STR or Weighted Average €STR, (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for the relevant Interest Period. The Amount of Interest shall be calculated by applying the Rate of Interest to the Denomination, multiplying such product by the Day Count Convention or, if none is specified in the applicable Pricing Supplement, by the actual number of days in the Interest Period concerned divided by 360 or, if this Global Note is denominated in Sterling, by 365 and rounding the resulting figure to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties;

(f) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;

(g) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an **Interest Period** for the purposes of this paragraph; and

(h) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to Euroclear and/or Clearstream, Luxembourg or, if this Global Note has been exchanged for bearer definitive Notes pursuant to paragraph 9, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*). In addition, for so long as the Notes are listed on the Irish Stock Exchange plc, trading as Euronext Dublin (**Euronext Dublin**), all notices required to be published concerning the Notes shall be published on the website of Euronext Dublin or, in lieu of such publication, the Issuer may deliver the relevant notice to the relevant clearing system(s) or publish the notice by any other means acceptable to Euronext Dublin.

13. By its acquisition of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) will be deemed to have expressly consented to the application of the provisions of this paragraph 13. Without any requirement for any further consent or approval of the Noteholders and notwithstanding the provisions in paragraphs 12(b), 12(c), or 12(d) above, as the case may be, (in the case of Notes other than where the Reference Rate is specified in the applicable Pricing Supplement as being Compounded Daily SOFR, in which case the provisions of this paragraph 13 shall not apply) if the Issuer or the Benchmark Calculation Agent (in consultation with the Issuer, where the Benchmark Calculation Agent is a party other than the Issuer, or, if the Benchmark Calculation Agent deems it appropriate, an Independent Adviser) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this paragraph 13 shall apply.

(i) *Successor Rate or Alternative Rate*

If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in paragraph 13(ii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this paragraph 13); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in paragraph 13(ii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this paragraph 13).

(ii) *Adjustment Spread*

If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Benchmark Calculation Agent shall, if necessary, calculate such Adjustment Spread and apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iii) *Benchmark Amendments*

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this paragraph 13 and the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion (A) that amendments to this Global Note are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer and the Benchmark Calculation Agent, as applicable, shall, subject to giving notice thereof in accordance with paragraph 13(v), without any requirement for the consent or approval of Noteholders agree to the necessary modifications to this Global Note to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such modifications in accordance with this paragraph 13(iii), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(iv) *Benchmark Calculation Agent and any Independent Adviser*

In the event the Benchmark Calculation Agent determines it appropriate, in its sole discretion, to consult with an Independent Adviser in connection with any determination to be made by the Benchmark Calculation Agent pursuant to this paragraph 13, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this paragraph 13 shall act in good faith in a commercially reasonable manner but shall have no relationship of agency or trust with the Noteholders and (in the absence of fraud) shall have no liability whatsoever to the Benchmark Calculation Agent or the Noteholders for any determination made by it or for any advice given to the Benchmark Calculation Agent in connection with any determination made by the Benchmark Calculation Agent pursuant to this paragraph 13 or otherwise in connection with the Notes.

If the Benchmark Calculation Agent consults with an Independent Adviser as to the occurrence of any Benchmark Event and/or whether there is a Successor Rate or an Alternative Rate and/or any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud) the Benchmark Calculation Agent shall have no liability whatsoever to any Noteholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination or otherwise in connection with the Notes.

(v) Notice

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this paragraph 13 will be notified promptly by the Issuer to the Issuing and Paying Agent and the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) Survival of Original Reference Rate Provisions

Without prejudice to the obligations of the Benchmark Calculation Agent and the Issuer under this paragraph 13, the Original Reference Rate and the fallback provisions provided for in paragraph 12(b), 12(c) and 12(d), as applicable, and the applicable Pricing Supplement, as the case may be, will continue to apply unless and until the Benchmark Calculation Agent has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this paragraph 13.

(vii) Definitions

In this paragraph 13, the following expressions shall have the following meanings:

Adjustment Spread means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative or zero and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is replaced with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(B) in the case of a Successor Rate if no such spread, formula or methodology is formally recommended or provided as an option by any Relevant Nominating Body or in the case of an Alternative Rate, is in customary market usage in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate,

or if no such recommendation or option has been made (or made available), or the Benchmark Calculation Agent, acting in good faith and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines there is no such spread, formula or methodology in customary market usage, the spread, formula or methodology which the Benchmark Calculation Agent, following consultation with an Independent Adviser, and acting in good faith and a commercially reasonable manner, determines in its sole discretion:

(A) is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(B) if the Benchmark Calculation Agent so determines that no such industry standard is recognised or acknowledged, to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders, as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be),

and in either such case, which the Benchmark Calculation Agent, following consultation with an Independent Adviser and acting in good faith and in a commercially reasonable manner, determines is required to be so applied;

Alternative Rate means an alternative benchmark or screen rate which the Benchmark Calculation Agent determines in accordance with this paragraph 13 is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

Benchmark Calculation Agent means the Calculation Agent in respect of the Notes unless (i) where such party is a party other than the Issuer, that party fails to perform or notifies the Issuer that it is unable to perform any of its duties or obligations as Benchmark Calculation Agent under this paragraph 13 or (ii) where such party is the Issuer, the Issuer determines in its sole discretion to appoint another party as Benchmark Calculation Agent, in which case for each of (i) and (ii) above, the Benchmark Calculation Agent shall be such other party as is appointed by the Issuer to act as Benchmark Calculation Agent, which party may, in the case of (i) above, include the Issuer or an affiliate of the Issuer and shall be a leading bank or financial institution, or another party of recognised standing and with appropriate expertise to make the determinations and/or calculations to be made by the Benchmark Calculation Agent;

Benchmark Event means:

(A) the Original Reference Rate ceasing to be published for at least five business days or ceasing to exist or be administered;

(B) the later of (a) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (b) the date falling six months prior to such specified date;

(C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued, is prohibited from being used or is no longer representative or will no longer be representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, restrictions or adverse consequences are to apply from a specified date after the making of any public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; or

(D) it has or will prior to the next Interest Determination Date become unlawful for the Calculation Agent or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under Regulation (EU) No. 2016/1011 (including as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018), if applicable).

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified in the applicable Pricing Supplement for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Notes (provided that if, following one or more Benchmark Events, such originally specified benchmark or screen rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

14. Instructions for payment of any amounts payable pursuant to paragraph 1 must be received at the offices of the Issuing and Paying Agent together with this Global Note as follows:

    (a) if this Global Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;

    (b) if this Global Note is denominated in United States dollars, Canadian dollars or Sterling, on or prior to the relevant payment date; and

    (c) in all other cases, at least one Business Day prior to the relevant payment date.

    As used in this paragraph, **Business Day** means:

    (i) in the case of payments in any currency other than euro, a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and

    (ii) in the case of payments in euro, a day on which T2 is open and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency.

15. This Global Note shall not be validly issued unless manually authenticated by The Bank of New York Mellon, London Branch as Issuing and Paying Agent. If the applicable Pricing Supplement specifies that NGN form is applicable, this Global Note shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as common safekeeper by the relevant ICSD(s).

16. The governing law of the Notes will be specified in the applicable Pricing Supplement.

(a) **English Law**

If English law is specified as the governing law of the Notes in the applicable Pricing Supplement, the provisions of this paragraph 16(a) shall apply to this Global Note.

(i) *Governing law:* This Global Note (except for paragraphs 5 and 20) and any non-contractual obligations arising out of or in connection with this Global Note (except for paragraphs 5 and 20) are governed by, and shall be construed in accordance with, English law. Paragraphs 5 and 20 of this Global Note (and any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, Spanish law. The Notes are issued in accordance with the formalities prescribed by Spanish law.

(ii) *Jurisdiction:* the Issuer agrees for the benefit of the bearer that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Global Note (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such courts.

(iii) *Appropriate forum:* The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

(iv) *Non-exclusivity:* The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the bearer to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

(v) *Bail-In*: Notwithstanding the above, the Spanish courts in the city of Madrid have exclusive jurisdiction to settle any dispute arising out of or in connection with the application of any Spanish Bail-In Power by the Relevant Spanish Resolution Authority (a **Bail-in Dispute**) and accordingly each of the Issuer and any Noteholders in relation to any Bail-in Dispute submits to the exclusive jurisdiction of the Spanish courts. Each of the Issuer and any Noteholders in relation to any Bail-in Dispute further waives any objection to the Spanish courts on the grounds that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

(vi) *Service of process*: The Issuer agrees that process may be served on it in England at its London branch being its registered office for the time being in England, and agrees that, in the event of its London branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(b) **Spanish law**

If Spanish law is specified as the governing law of the Notes in the applicable Pricing Supplement, the provisions of this paragraph 16(b) shall apply to this Global Note.

(i) *Governing law:* This Global Note and any non-contractual obligations arising out of or in connection with this Global Note are governed by, and shall be construed in accordance with, Spanish law.

(ii) *Submission to jurisdiction:* The Issuer hereby irrevocably agrees that the courts of Spain in the city of Madrid are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes) and that accordingly any suit, action or proceedings arising out of or in connection with the Notes (together referred to as **Spanish Proceedings**) may be brought in such courts. The Issuer irrevocably waives any objection which it may have now or hereinafter to the laying of the venue of any Spanish Proceedings in the courts of Spain in the city of Madrid. To the extent permitted by law, nothing contained in this paragraph 16(b) shall limit any right of any Noteholder to take Spanish Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Spanish Proceedings in one or more jurisdictions preclude the taking of Spanish Proceedings in any other competent jurisdictions, whether concurrently or not.

In addition, the Spanish courts in the city of Madrid have exclusive jurisdiction to settle any Bail-in Dispute and accordingly each of the Issuer and any Noteholders in relation to any Bail-in Dispute submits to the exclusive jurisdiction of the Spanish courts. Each of the Issuer and any Noteholders in relation to any Bail-in Dispute further waives any

objection to the Spanish courts on the grounds that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

17. Claims for payment of principal and interest (if applicable) in respect of this Global Note shall become void unless made, in the case of principal, within ten years after the Maturity Date (or, as the case may be, the Relevant Date) or, in the case of interest, within five years after the relevant Interest Payment Date.

18. No person shall have any right to enforce any provision of this Global Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19. If any provision in or obligation under this Global Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Global Note, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Global Note.

20. Notwithstanding any other term of this Global Note or any other agreements, arrangements, or understandings between the Issuer and the bearer, by its acquisition of this Global Note, the bearer acknowledges, accepts, consents to and agrees to be bound by:

    (a) the exercise and effect of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may be imposed with or without any prior notice with respect to this Global Note, and which may include and result in any of the following, or some combination thereof:

        (i) the reduction or cancellation of all, or a portion, of the Amounts Due;

        (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer, the Issuer and its consolidated subsidiaries, or another person (and the issue to or conferral on the bearer of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Global Note;

        (iii) the cancellation of this Global Note; and

        (iv) the amendment or alteration of the maturity of this Global Note or amendment of the amount of interest payable on this Global Note, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

    (b) the variation of the terms of this Global Note, as deemed necessary by the Relevant Spanish Resolution Authority, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

    The exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority pursuant to any relevant laws, regulations, rules or requirements in effect in Spain is not dependent on the application of this paragraph 20.

    In this Global Note:

Amounts Due means the nominal amount of or outstanding amount, together with any accrued but unpaid interest, due on this Global Note. References to such amount will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority;

BRRD means Directive 2014/59/EU of 15th May establishing the framework for the recovery and resolution of credit institutions and investment firms or such other directive as may come into effect in place thereof, as implemented into Spanish law by Law 11/2015 and RD 1012/2015, and as amended, replaced or supplemented from time to time and including any other relevant implementing regulatory provisions;

Regulated Entity means any entity eligible for resolution under the laws of Spain;

Relevant Spanish Resolution Authority means the Fund for Orderly Bank Restructuring (*Fondo de Restructuración Ordenada Bancaria*), the Single Resolution Board, the Bank of Spain, the Spanish National Securities Market Commission (CNMV) or any other entity with the authority to exercise any of the resolution tools and powers contained in Law 11/2015 and the SRM Regulation from time to time;

Spanish Bail-in Power means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Spain, relating to the resolution of credit entities and/or transposition of the BRRD, including, but not limited to (i) Law 11/2015 (ii) RD 1012/2015, as amended from time to time, (iii) Regulation (EU) No. 806/2014 of the European Parliament and the Council of 15th July, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or replaced from time to time, and (iv) any other instruments, rules or standards made or implemented in connection with either (i), (ii) or (iii), pursuant to which any obligation of a Regulated Entity (or other affiliate of such Regulated Entity) can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such Regulated Entity or any other person (or suspended for a temporary period); and

SRM Regulation means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15th July, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or replaced from time to time.

AUTHENTICATED by

THE BANK OF NEW YORK MELLON, LONDON BRANCH
without recourse, warranty or liability and for authentication purposes only

By: .....
(*Authorised Signatory*)

Signed on behalf of:

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: .....
(*Authorised Signatory*)

EFFECTUATED‡ by or on behalf of

[COMMON SAFEKEEPER]
as common safekeeper

By: .....
(*Authorised Signatory*)

‡ This should only be completed where the Pricing Supplement indicates that the New Global Note form is applicable.

SCHEDULE

PAYMENTS OF INTEREST

The following payments of interest in respect of this Global Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of Issuing and Paying Agent
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

Part B – Form of Multi-Currency Definitive Note

THE SECURITIES REPRESENTED BY THIS NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE SECURITIES OF THE NOTES OF WHICH THIS SECURITY FORMS PART.

Banco Bilbao Vizcaya Argentaria, S.A.

1. For value received, Banco Bilbao Vizcaya Argentaria, S.A. (the **Issuer**) promises to pay to the bearer of this Note on the Maturity Date set out in the Pricing Supplement attached to or endorsed on this Note, which supplements these terms and conditions, or, on such earlier date as the same may become payable in accordance with paragraph 2 below (the **Relevant Date**), the Nominal Amount or, as the case may be, the Early Redemption Amount set out in the Pricing Supplement, together with interest thereon, if this is an interest bearing Note, at the rate and at the times (if any) specified herein and in the Pricing Supplement. Words and expressions used in the applicable Pricing Supplement shall have the same meanings where used in these terms and conditions unless the context otherwise requires or unless otherwise stated.

   All such payments shall be made in accordance with an amended and restated issue and paying agency agreement dated 10th December, 2021, as supplemented by a supplemental issue and paying agency agreement dated 21 November, 2022 and a second supplemental issue and paying agency agreement dated 20 November, 2023 (such amended and restated issue and paying agency agreement as so supplemented and as further amended, restated, supplemented or replaced from time to time, the **Agency Agreement**) between, *inter alios*, the Issuer and The Bank of New York Mellon, London Branch (the **Issuing and Paying Agent**) a copy of which is available for inspection at the offices of the Issuing and Paying Agent at 160 Queen Victoria Street, London, EC4V 4LA, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Note at the offices of the Issuing and Paying Agent by transfer to an account denominated in the Specified Currency maintained by the bearer with a bank in the principal financial centre in the country of that currency or, if this is a Note denominated in euro, by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union or London. All payments in respect of this Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature (**Taxes**) unless such withholding or deduction is required by law. In the event that any such withholding or deduction is imposed or levied by or on behalf of the Kingdom of Spain (**Spain**) or any political subdivision or taxing authority thereof having the power to tax, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Note after such deduction or withholding shall equal the amount which would have been receivable

hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable:

(a) to, or to a third party on behalf of, the bearer of this Note where such deduction or withholding is required by reason of the bearer having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Note; or

(b) in respect of any deduction or withholding which would not have been required but for the presentation by the bearer of this Note for payment on a date more than 30 days after the Maturity Date (or, as the case may be, the Relevant Date) except to the extent that the bearer would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day; or

(c) presented for payment by or on behalf of a holder who would not be liable or subject to the withholding or deduction by making a declaration concerning the nationality, residence or identity of the holder (or providing information, documentation or other evidence of the same) or other similar claim for exemption to the relevant tax authority or to (or on behalf of) the Issuer, where such declaration or claim is required or imposed by the Spanish Tax Authorities; or

(d) in case of Notes where such withholding tax is imposed on payments made to individuals with tax residence in Spain or any political subdivision or taxing authority thereof or therein following the criteria held by the Spanish Tax Authorities in relation to Article 44.5 of Royal Decree 1065/2007 of 27th July, as amended by Royal Decree 1145/2011 of 29th July; or

(e) to, or to a third party on behalf of, a holder if the Issuer does not receive any relevant information as may be required by Spanish tax law, regulation or binding ruling, including a duly executed and completed certificate from the Issuing and Paying Agent issued in accordance with Royal Decree 1065/2007 of 27th July, or in case the current information procedures are modified, amended or supplemented by any Spanish law, regulation or binding ruling.

2. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (provided this is not a floating rate interest bearing Note) or on any Interest Payment Date (if this is a floating rate interest bearing Note), on giving not less than 14 days' notice to the Issuing and Paying Agent and the Noteholders (which notice shall be irrevocable), if:

(a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in paragraph 1 as a result of any change in, or amendment to, the laws or regulations of Spain or any change in the application or binding official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

(b) such obligation to pay additional amounts cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 14 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Issuing and Paying Agent to make available at its specified office to the Noteholders:

(i) a certificate signed by a duly authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and

(ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this paragraph will be redeemed at their Early Redemption Amount specified in the Pricing Supplement together (if appropriate) with interest accrued to (but excluding) the date of redemption.

3. The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, representing, in the case of each Note, a separate and independent obligation of the Issuer, and, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer, in accordance with and to the extent permitted by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain (including, without limitation, Additional Provision 14.2 of Law 11/2015), the payment obligations of the Issuer under the Notes with respect to claims for principal (which claims will constitute ordinary claims) will rank:

(a) junior to any (i) privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015) and (ii) claims against the insolvency estate (*créditos contra la masa*);

(b) *pari passu* without any preference or priority among themselves and with all other Senior Preferred Obligations; and

(c) senior to (i) any Senior Non-Preferred Obligations and (ii) all subordinated obligations of, or subordinated claims against, the Issuer (*créditos subordinados*), present and future,

such that any claim for principal in respect of the Notes will be satisfied, as appropriate, only to the extent that all claims ranking senior to it have first been satisfied in full and then pro rata with any claims ranking *pari passu* with it, in each case as provided above.

For the purposes of this paragraph:

Insolvency Law means the restated text of the Insolvency Law approved by Royal Legislative Decree 1/2020, of 5th May *(Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended, replaced or supplemented from time to time;

Law 11/2015 means Law 11/2015 of 18th June on the recovery and resolution of credit institutions and investment firms (Ley 11/2015, *de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*), as amended, replaced or supplemented from time to time;

ordinary claims means the class of claims with respect to unsecured, non-privileged and unsubordinated obligations (*créditos ordinarios*) of the Issuer which, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer and pursuant to Articles 269, 433 and 435 of the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain, rank (i) junior to privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015 and any secured claims), and claims against the insolvency estate (*créditos contra la masa*) and (ii) senior to subordinated claims (*créditos subordinados*);

Senior Non-Preferred Obligations means the obligations of the Issuer with respect to all ordinary claims, present and future, which, upon the insolvency proceeding (*concurso de acreedores*) of the Issuer are expressed to rank within the ordinary claims but junior to Senior Preferred Obligations; and

Senior Preferred Obligations means the obligations of the Issuer with respect to (a) the payment of principal under the Notes and (b) all other ordinary claims, present and future, other than Senior Non-Preferred Obligations.

Pursuant to article 152 of the Insolvency Law, the further accrual of interest shall be suspended from the date of declaration of the insolvency of the Issuer. Claims in respect of interest on the Notes expressly or implicitly accrued but unpaid as of the commencement of any insolvency procedure in respect of the Issuer shall constitute subordinated claims against the Issuer ranking in accordance with the provisions of article 281 of the Insolvency Law (including, without limitation, junior to claims on account of principal in respect of contractually subordinated obligations of the Issuer, unless otherwise provided by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in Spain).

4. If the Maturity Date (or, as the case may be, the Relevant Date) or, if applicable, any relevant Interest Payment Date is not a Payment Business Day (as defined below), payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day) and the bearer of this Note shall not be entitled to any interest or other sums in respect of such postponed payment.

As used in this Note:

Payment Business Day means any day other than a Saturday or Sunday which is both (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation, and (B) either (i) if the Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) or (ii) if the Specified Currency is euro, a day which T2 is open; and

T2 means the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

5. This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof

(notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).

6. [If this is an interest bearing Note, then:

   (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the Maturity Date (or, as the case may be, the Relevant Date) remains unpaid on the fifteenth day after falling so due, the amount referred to in paragraph 1 shall be payable on such fifteenth day;

   (b) upon each payment of interest (if any) prior to the Maturity Date (or, as the case may be, the Relevant Date) in respect of this Note, the Schedule hereto shall be duly completed by the Issuing and Paying Agent to reflect such payment; and

   (c) unless otherwise specified in the applicable Pricing Supplement, the final Interest Payment Date shall be the Maturity Date (or, as the case may be, the Relevant Date).

7. If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:

   (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at the Fixed Interest Rate with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and

   (b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an **Interest Period** for the purposes of this paragraph.

   As used in this Note, any **Day Count Convention** shall have the meaning given to it in the ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Note.

8. If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:

   (a) in the case of a Note which specifies EURIBOR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis:

      (i) on the second day on which T2 is open before the beginning of each Interest Period (each the **EURIBOR Interest Determination Date**) the Calculation Agent will determine the European Interbank Offered Rate for deposits in euro

for the Interest Period concerned as at 11.00 a.m. (Brussels time) on the EURIBOR Interest Determination Date in question. Such offered rate will be that which appears on the display designated as Reuters page EURIBOR01 (or such other page or service as may replace it for the purpose of displaying Eurozone Interbank Offered Rates of prime banks in the Eurozone (as defined below) for deposits in euro for a duration equal to the Interest Period (or approximately equal, where no rate matches the Interest Period)). The Rate of Interest for such Interest Period shall be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) the rate which so appears, as determined by the Calculation Agent;

(ii) if on any EURIBOR Interest Determination Date for any reason such offered rate is unavailable the Calculation Agent will request the principal Eurozone office of each of the Reference Banks to provide its offered quotation to prime banks in the Eurozone interbank market for deposits in euro for a duration equal to the Interest Period (or approximately equal, where no rate matches the Interest Period) concerned as at 11.00 a.m. (Brussels time) on the EURIBOR Interest Determination Date in question. The Rate of Interest for such Interest Period shall be the Margin (expressed as a percentage rate per annum) above (if a positive number) or below (if a negative number) such quotation (if only one is provided) or the arithmetic mean (rounded, if necessary, up to the nearest four decimal places) of such quotations (if two or more are so provided), as determined by the Calculation Agent; and

(iii) if the Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with (A) or (B) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which (A) or (B) above shall have applied;

for the purposes of this Note, **Eurozone** means the region comprised of the countries whose lawful currency is the euro;

(b) (i) in the case of a Note which specifies Compounded Daily SONIA as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 365 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will, subject as provided below, be Compounded Daily SONIA for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent.

Compounded Daily SONIA means, with respect to an Interest Period,

(A) if Index Determination is specified as being applicable in the applicable Pricing Supplement, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SONIA\ Compounded\ Index_y}{SONIA\ Compounded\ Index_x} - 1\right) \times \frac{365}{d}$$

where:

SONIA Compounded Index$_x$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the first day of the relevant Interest Period;

SONIA Compounded Index$_y$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

d is the number of calendar days in the relevant SONIA Observation Period;

provided that if the SONIA Compounded Index value required to determine SONIA Compounded Index$_x$ or SONIA Compounded Index$_y$ does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the Bank of England's Interactive Statistical Database, or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or any successor administrator of SONIA) at the Specified Time on the relevant London Banking Day (or by 5:00 p.m. London time or such later time falling one hour after the customary or scheduled time for publication of the SONIA Compounded Index in accordance with the then-prevailing operational procedures of the administrator of the SONIA Reference Rate or SONIA authorised distributors, as the case may be), then Compounded Daily SONIA for such Interest Period shall be Compounded Daily SONIA determined in accordance with paragraph (B) below and for these purposes the Observation Method shall be deemed to be "Shift"; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Pricing Supplement, or (y) this paragraph 8(b)(i)(B) applies to such Interest Period pursuant to the proviso in paragraph 8(b)(i)(A) above, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365}\right) - 1\right] \times \frac{365}{d}$$

where:

d is the number of calendar days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the SONIA Observation Period;

d_o is the number of London Banking Days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the SONIA Observation Period;

i is a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, an including, the first London Banking Day in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the relevant SONIA Observation Period;

n_i, for any London Banking Day *i*, is the number of calendar days from (and including) such London Banking Day *i* up to (but excluding) the following London Banking Day;

$SONIA_{i\text{-}pLBD}$ means:

(a) where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, in respect of any London Banking Day *i* falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling *p* London Banking Days prior to such London Banking Day *i*; or

(b) where in the applicable Pricing Supplement "Shift" is specified as the Observation Method, $SONIA_{i\text{-}pLBD}$ shall be replaced in the above formula with $SONIA_i$, where $SONIA_i$ means, in respect of any London Banking Day *i* falling in the relevant SONIA Observation Period, the SONIA Reference Rate for such London Banking Day *i*.

(ii) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be the Rate of Interest:

(A) as determined at the last preceding Interest Determination Date; or

(B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date.

(iii) For the purposes of this paragraph 8(b):

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

Observation Look-Back Period means the period specified as such in the applicable Pricing Supplement;

p means the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement;

Relevant Screen Page means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent for the purpose of displaying the SONIA Compounded Index or SONIA Reference Rate, as applicable;

SONIA has the meaning given to such term in the definition of SONIA Reference Rate;

SONIA Compounded Index means, in respect of any London Banking Day, the compounded daily SONIA rate as published by the Bank of England (or any successor administrator of SONIA) as such rate appears on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, as published on the Bank of England's Interactive Statistical Database (or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or such successor administrator)), in each case at the Specified Time on such London Banking Day;

SONIA Observation Period means, in respect of any Interest Period, the period from (and including) the date falling *p* London Banking Days prior to the first day of such Interest Period to (but excluding) the date falling *p* London Banking Days prior to the Interest Payment Date for such Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

SONIA Reference Rate means, in respect of any London Banking Day, the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking Day as provided by the Bank of England as administrator of such rate (or any successor administrator of such rate) to authorised distributors (the **SONIA authorised distributors**) and as then published on the Relevant Screen Page (or, if not so published or the Relevant Screen Page is unavailable, as otherwise published by the SONIA authorised distributors) on the London Banking Day immediately following such London Banking Day, *provided* that if, in respect of any London Banking Day, the applicable SONIA Reference Rate is not made available on the Relevant Screen Page (or has not otherwise been published by the SONIA authorised distributors) by 5.00 p.m. London time, then (unless the Calculation Agent has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to paragraph 9 below, if applicable) the SONIA Reference Rate in respect of such London Banking Day shall be:

(A) the sum of (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or

(B) if the Bank Rate described in paragraph (A) above is not available at such time on such London Banking Day (i) the SONIA Reference Rate published on the Relevant Screen Page (or as otherwise published by the SONIA authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the SONIA authorised distributors) or (ii) if the Bank Rate described in paragraph (A) is more recently available, the rate determined pursuant to paragraph (A) by reference to such most recently available Bank Rate; and

Specified Time means 10:00 a.m., London time, or such other time as is specified in the applicable Pricing Supplement.

(c) (i) in the case of a Note which specifies Compounded Daily SOFR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will, subject as provided below, be Compounded Daily SOFR for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent.

Compounded Daily SOFR means, with respect to an Interest Period,

(A) if Index Determination is specified as being applicable in the applicable Pricing Supplement, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d}\right)$$

where:

SOFR Index$_{\mathbf{Start}}$ is the SOFR Index value for the day falling "p" U.S. Government Securities Business Days prior to the first day of the relevant Interest Period;

SOFR Index$_{\mathbf{End}}$ is the SOFR Index value for the day falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period); and

d is the number of calendar days in the relevant SOFR Observation Period;

provided that, if the SOFR Index value required to determine SOFR $\text{Index}_{\text{Start}}$ or SOFR $\text{Index}_{\text{End}}$ does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website at the Specified Time on the relevant U.S. Government Securities Business Day (or by 3:00 pm New York City time on the immediately following US Government Securities Business Day or such later time falling one hour after the customary or scheduled time for publication of the SOFR Index value in accordance with the then-prevailing operational procedures of the administrator of SOFR Index), "Compounded Daily SOFR" for such Interest Period will be determined in accordance with paragraph (B) below; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Pricing Supplement, or (y) this paragraph 8(c)(i)(B) applies to such Interest Period pursuant to the proviso in paragraph 8(c)(i)(A) above, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right] \times \frac{360}{d}$$

where:

d is the number of calendar days in the relevant SOFR Observation Period;

$\mathbf{d_0}$ is the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

i is a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Observation Period;

$\mathbf{n_i}$, for any U.S. Government Securities Business Day *i*, in the relevant SOFR Observation Period, is the number of calendar days from (and including) such U.S. Government Securities Business Day *i* up to (but excluding) the following U.S. Government Securities Business Day ("i+1"); and

$\mathbf{SOFR_i}$ means, in respect of any U.S. Government Securities Business Day *i* falling in the relevant SOFR Observation Period, the SOFR Reference Rate for such U.S. Government Securities Business Day.

(ii) If the SOFR Benchmark Replacement is at any time required to be used pursuant to paragraph (3) of the definition of SOFR Reference Rate, then the Issuer or the SOFR Benchmark Replacement Agent, if any, will determine the

SOFR Benchmark Replacement in accordance with the definition thereof with respect to the then-current SOFR Benchmark and, if the Issuer or the SOFR Benchmark Replacement Agent has so determined the SOFR Benchmark Replacement:

(A) the SOFR Benchmark Replacement Agent shall also determine the method for determining the rate described in sub-paragraph (a) of paragraph (1), (2) or (3) of the definition of SOFR Benchmark Replacement, as applicable (including (i) the page, section or other part of a particular information service on or source from which such rate appears or is obtained (the **Alternative Relevant Source**), (ii) the time at which such rate appears on, or is obtained from, the Alternative Relevant Source (the **Alternative Specified Time**), (iii) the day on which such rate will appear on, or is obtained from, the Relevant Source in respect of each U.S. Government Securities Business Day (the **Alternative Relevant Date**), and (iv) any alternative method for determining such rate if is unavailable at the Alternative Specified Time on the applicable Alternative Relevant Date), which method shall be consistent with industry-accepted practices for such rate;

(B) from (and including) the Affected Day, references to the Specified Time herein shall be deemed to be references to the Alternative Specified Time;

(C) if the SOFR Benchmark Replacement Agent determines that (i) changes to the definitions of Business Day, Business Day Convention, Compounded Daily SOFR, Day Count Convention, Interest Determination Date, Interest Payment Date, Interest Period, SOFR Observation Period, Observation Look-Back Period, SOFR Reference Rate or U.S. Government Securities Business Day and/or (ii) any other technical changes to any other provision described in paragraph 8(c), are necessary in order to implement the SOFR Benchmark Replacement (including any alternative method described in sub-paragraph (iv) of paragraph (I) above) as the SOFR Benchmark in a manner substantially consistent with market practice (or, if the SOFR Benchmark Replacement Agent decides that adoption of any portion of such market practice is not administratively feasible or if the SOFR Benchmark Replacement Agent determines that no market practice for use of the SOFR Benchmark Replacement exists, in such other manner as the SOFR Benchmark Replacement Agent, as the case may be, determines is reasonably necessary), the Issuer, the Issuing and Paying Agent and the Calculation Agent shall agree without any requirement for the consent or approval of Noteholders to the necessary modifications to this Note and/or the Agency Agreement in order to provide for the amendment of such definitions or other provisions to reflect such changes; and

(D) the Issuer will give notice or will procure that notice is given as soon as practicable to the Issuing and Paying Agent. the Calculation Agent and to the Noteholders, specifying the SOFR Benchmark Replacement, as well as the details described in paragraph (A) above and the amendments implemented pursuant to paragraph (C) above.

(iii) For the purposes of this paragraph 8(c):

Corresponding Tenor means, with respect to a SOFR Benchmark Replacement, a tenor (including overnight) having approximately the same length (disregarding any applicable Business Day Convention) as the applicable tenor for the then-current SOFR Benchmark;

ISDA Definitions means the 2021 ISDA Definitions published by ISDA or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by ISDA;

Independent Adviser means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

ISDA Fallback Adjustment means, with respect to any ISDA Fallback Rate, the spread adjustment, which may be a positive or negative value or zero, that would be applied to such ISDA Fallback Rate in the case of derivatives transactions referencing the ISDA Definitions that will be effective upon the occurrence of an index cessation event with respect to the then-current SOFR Benchmark for the applicable tenor;

ISDA Fallback Rate means, with respect to the then-current SOFR Benchmark, the rate that would apply for derivatives transactions referencing the ISDA Definitions that will be effective upon the occurrence of an index cessation date with respect to the then-current SOFR Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

Observation Look-Back Period means the period specified as such in the applicable Pricing Supplement;

p means the number of U.S. Government Securities Business Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement;

Relevant Governmental Body means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York or any successor thereto;

Relevant Screen Page means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent for the purpose of displaying the SOFR Index or the SOFR Reference Rate, as applicable;

SOFR means, in respect of any U.S. Government Securities Business Day, the daily secured overnight financing rate for such U.S. Government Securities Business Day as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate);

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of the daily Secured Overnight Financing Rate or the SOFR Index, as applicable);

SOFR Administrator's Website means the website of the Federal Reserve Bank of New York, or any successor source;

SOFR Benchmark means SOFR, provided that if a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to SOFR or such other then-current SOFR Benchmark, then "SOFR Benchmark" means the applicable SOFR Benchmark Replacement;

SOFR Benchmark Replacement means, with respect to the then-current SOFR Benchmark, the first alternative set forth in the order presented below that can be determined by the SOFR Benchmark Replacement Agent as of the SOFR Benchmark Replacement Date with respect to the then-current SOFR Benchmark:

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor and (b) the SOFR Benchmark Replacement Adjustment; or

(2) the sum of (a) the ISDA Fallback Rate and (b) the SOFR Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate rate of interest that has been selected by the SOFR Benchmark Replacement Agent as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the SOFR Benchmark Replacement Adjustment, provided that, (i) if the SOFR Benchmark Replacement Agent determines that there is an industry-accepted replacement rate of interest for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time, it shall select such industry-accepted rate, and (ii) otherwise, it shall select such rate of interest that it has determined is most comparable to the then-current Benchmark, and the Benchmark Replacement Adjustment;

SOFR Benchmark Replacement Adjustment means, with respect to any SOFR Benchmark Replacement, the first alternative set forth in the order below that can be determined by the SOFR Benchmark Replacement Agent, if any, as of the Benchmark Replacement Date with respect to the then-current Benchmark:

(1) the spread adjustment, or method for calculating or determining such spread adjustment, which may be a positive or negative value or zero, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment;

(3) the spread adjustment, which may be a positive or negative value or zero, that has been selected by the SOFR Benchmark Replacement Agent to be applied to the applicable Unadjusted SOFR Benchmark Replacement in order to reduce or eliminate, to the extent reasonably

practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the then-current SOFR Benchmark with such Unadjusted SOFR Benchmark Replacement for the purposes of determining the SOFR Reference Rate, which spread adjustment shall be consistent with any industry accepted spread adjustment, or method for calculating or determining such spread adjustment, applied to such Unadjusted SOFR Benchmark Replacement where it has replaced the then-current SOFR Benchmark for U.S. dollar denominated floating rate notes at such time;

SOFR Benchmark Replacement Agent means any person that has been appointed by the Issuer to make the calculations and determinations to be made by the SOFR Benchmark Replacement Agent described herein that may be made by either the SOFR Benchmark Replacement Agent or the Issuer, so long as such person is a leading bank or other financial institution or a person with appropriate expertise, in each case that is experienced in such calculations and determinations;

SOFR Benchmark Replacement Date means, with respect to the then-current SOFR Benchmark, the earliest to occur of the following events with respect thereto:

(1) in the case of sub-paragraph (1) or (2) of the definition of SOFR Benchmark Transition Event, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark; or

(2) in the case of sub-paragraph (3) of the definition of SOFR Benchmark Transition Event, the date of the public statement or publication of information referenced therein.

If the event giving rise to the SOFR Benchmark Replacement Date occurs on the same day as, but earlier than, the Specified Time in respect of any determination, the SOFR Benchmark Replacement Date will be deemed to have occurred prior to the Specified Time for such determination;

SOFR Benchmark Transition Event means, with respect to the then-current SOFR Benchmark, the occurrence of one or more of the following events with respect thereto:

(1) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark announcing that such administrator has ceased or will cease to provide the SOFR Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark;

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark, the central bank for the currency of the SOFR Benchmark, an insolvency official with jurisdiction over the administrator for the SOFR Benchmark, a resolution authority with jurisdiction over the administrator for the

SOFR Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark, which states that the administrator of the SOFR Benchmark has ceased or will cease to provide the SOFR Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark; or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark announcing that the SOFR Benchmark is no longer representative;

SOFR Index means, in respect of any U.S. Government Securities Business Day, the compounded daily SOFR as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate), as such rate appears on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website at the Specified Time on such U.S. Government Securities Business Day;

SOFR Observation Period means, in respect of any Interest Period, the period from (and including) the date falling "p" U.S. Government Securities Business Days prior to the first day of such Interest Period to (but excluding) the date falling *p* U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period); and

SOFR Reference Rate means, in respect of any U.S. Government Securities Business Day:

(1) a rate equal to SOFR for such U.S. Government Securities Business Day appearing on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website on or about the Specified Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; or

(2) if SOFR in respect of such U.S. Government Securities Business Day does not appear as specified in paragraph (1) above, unless the SOFR Benchmark Replacement Agent determines that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to SOFR on or prior to the Specified Time on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day, SOFR in respect of the last U.S. Government Securities Business Day for which such rate was published on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the SOFR Administrator's Website; or

(3) if the SOFR Benchmark Replacement Agent determines that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark on or prior to the Specified Time on the U.S.

Government Securities Business Day immediately following such U.S. Government Securities Business Day (or, if the then-current SOFR Benchmark is not SOFR, on or prior to the Specified Time on the Alternative Relevant Date), then (subject to the subsequent operation of this paragraph (3)) from (and including) the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day (or the Alternative Relevant Date, as applicable) (the Affected Day), the SOFR Reference Rate shall mean, in respect of any U.S. Government Securities Business Day, the applicable SOFR Benchmark Replacement for such U.S. Government Securities Business Day appearing on, or obtained from, the Alternative Relevant Source at the Alternative Specified Time on the Alternative Relevant Date.

Specified Time means 3:00 p.m., New York City time or such other time as is specified in the applicable Pricing Supplement;

Unadjusted SOFR Benchmark Replacement means the SOFR Benchmark Replacement excluding the SOFR Benchmark Replacement Adjustment; and

U.S. Government Securities Business Day means any day (other than a Saturday or Sunday) that is not a day on which the Securities Industry and Financial Markets Association or any successor organisation recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(iv) Notwithstanding the other provisions of this paragraph 8(c), in the event the SOFR Benchmark Replacement Agent determines it appropriate, in its sole discretion, to consult with an Independent Adviser in connection with any determination to be made by the SOFR Benchmark Replacement Agent pursuant to this paragraph 8(c), the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this paragraph 8(c) shall act in good faith in a commercially reasonable manner but shall have no relationship of agency or trust with the Noteholders and (in the absence of fraud) shall have no liability whatsoever to the SOFR Benchmark Replacement Agent or the Noteholders for any determination made by it or for any advice given to the SOFR Benchmark Replacement Agent in connection with any determination made by the SOFR Benchmark Replacement Agent pursuant to this paragraph 8(c) or otherwise in connection with the Notes.

If the SOFR Benchmark Replacement Agent consults with an Independent Adviser as to the occurrence of any SOFR Benchmark Transition Event and/or the related SOFR Benchmark Replacement Date, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud) the SOFR Benchmark Replacement Agent shall have no liability whatsoever to any Noteholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination or otherwise in connection with the Notes.

(v) Any determination, decision or election that may be made by the SOFR Benchmark Replacement Agent pursuant to paragraph 8(c)(i)(B), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event (including any determination that a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred with respect to the then-current SOFR Benchmark), circumstance or date and any decision to take or refrain from taking any action or any selection, will be made in the sole discretion of the SOFR Benchmark Replacement Agent, acting in good faith and in a commercially reasonable manner.

(d) (i) in the case of a Note which specifies Compounded Daily €STR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will, subject as provided below, be Compounded Daily €STR for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent.

Compounded Daily €STR means, with respect to an Interest Period,

(A) if Index Determination is specified as being applicable in the applicable Pricing Supplement, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{€STR\ Compounded\ Index_{End}}{€STR\ Compounded\ Index_{Start}} - 1\right) x \frac{360}{d}$$

where:

d is the number of calendar days in the relevant €STR Observation Period;

€STR Compounded Index$_{\mathbf{Start}}$ is the €STR Compounded Index value for the day falling "p" T2 Settlement Days prior to the first day of the relevant Interest Period;

€STR Compounded Index$_{\mathbf{End}}$ is the €STR Compounded Index value for the day falling "p" T2 Settlement Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

provided that if the €STR Compounded Index value required to determine €STR Compounded $\text{Index}_{\text{Start}}$ or €STR Compounded $\text{Index}_{\text{End}}$ does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, is not published or displayed by the European Central Bank (or any successor administrator of such rate) or any other applicable information service by the Specified Time (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the European Central Bank (or any successor administrator of €STR) on the relevant Interest Determination Date, then Compounded Daily €STR for such Interest Period shall be "Compounded Daily €STR" determined in accordance with paragraph (B) below and for these purposes the Observation Method shall be deemed to be "Shift"; or

(B) if either (x) Index Determination is specified as being not applicable in the applicable Pricing Supplement, or (y) this paragraph 8(d)(i)(B) applies to such Interest Period pursuant to the proviso in paragraph 8(d)(i)(A) above, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{€STR_{i\text{ - }pT2SD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

d is the number of calendar days in (where in the applicable Final Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the €STR Observation Period;

$\mathbf{d_o}$ is the number of T2 Settlement Days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the €STR Observation Period;

$\mathbf{€STR_{i\text{-}pT2SD}}$ means:

(a) where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, in respect of any T2 Settlement Day "i" falling in the relevant Interest Period, the €STR Reference Rate for the T2 Settlement Day falling "p" T2 Settlement Days prior to such T2 Settlement Day "i"; or

(b) where in the applicable Pricing Supplement "Shift" is specified as the Observation Method, $€STR_{\text{-}pT2SD}$ shall be

replaced in the above formula with €STR$_i$, where **€STR$_i$** means, in respect of any T2 Settlement Day "i" falling in the relevant €STR Observation Period, the €STR Reference Rate for such T2 Settlement Day "i".

i is a series of whole numbers from one to d_o, each representing the relevant T2 Settlement Day in chronological order from, an including, the first T2 Settlement Day in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the relevant €STR Observation Period;

n_i, for any T2 Settlement Day "i", is the number of calendar days from (and including) such T2 Settlement Day "i" up to (but excluding) the following T2 Settlement Day;

(ii) in the case of a Note which specifies Weighted Average €STR as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 360 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will be the Weighted Average €STR for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent on the relevant Interest Determination Date (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards).

(iii) If the €STR Reference Rate does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, is not published or displayed by the European Central Bank (or any successor administrator of €STR), in each case by the Specified Time on the relevant T2 Settlement Day, unless both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the €STR Reference Rate for such T2 Settlement Day shall be a rate equal to €STR in respect of the last T2 Settlement Day for which such rate was published on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, as published by the European Central Bank, as the administrator of €STR (or any successor administrator of such rate) on its website.

If the €STR Reference Rate does not so appear or is not so published or displayed on a T2 Settlement Day, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each T2 Settlement Day in the relevant Interest Period or €STR Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central

Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) (the **ECB Recommended Rate**), provided that:

(I) if no such rate has been recommended before the end of the first T2 Settlement Day following the €STR Index Cessation Effective Date, then the rate for each T2 Settlement Day in the relevant Interest Period or €STR Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to "€STR" were references to the Eurosystem Deposit Facility Rate, which is the rate on the deposit facility that banks may use to make overnight deposits with the Eurosystem, as published on the website of the European Central Bank (the **EDFR**) on such T2 Settlement Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 T2 Settlement Days immediately preceding the date on which the €STR Index Cessation Event occurs (the **EDFR Spread**); and

(II) if both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate for each T2 Settlement Day in the relevant Interest Period or €STR Observation Period occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to "€STR" were references to the EDFR on such T2 Settlement Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions (i) the Rate of Interest shall be that determined at the last preceding €STR Interest Determination Date or (ii) if there is no such preceding €STR Interest Determination Date, the Rate of Interest shall be determined as if references to €STR for each T2 Settlement Day in the relevant €STR Observation Period occurring on or after the €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if EDFR is published on a later date than the latest published.

(iv) For the purposes of this paragraph 812(d):

ECB Recommended Rate Index Cessation Effective Date means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided.

ECB Recommended Rate Index Cessation Event means the occurrence of one or more of the following events:

(1) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement

or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; and

€STR has the meaning given to such term in the definition of €STR Reference Rate;

€STR Index means, in respect of any T2 Settlement Day, the compounded daily €STR rate as published by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) that is published or displayed on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, on the website of the European Central Bank (or any successor administrator of such rate) or any successor source from time to time, in each case at the Specified Time on such T2 Settlement Day;

€STR Index Cessation Effective Date means, in respect of an €STR Index Cessation Event, the first date on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR);

€STR Index Cessation Event means the occurrence of one or more of the following events:

(1) a public statement or publication of information by or on behalf of the European Central Bank (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or

(2) if the European Central Bank is no longer the administrator of €STR, a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the European Central Bank, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

€STR Observation Period means, in respect of any Interest Period, the period from (and including) the date falling "p" T2 Settlement Days prior to the first day of such Interest Period to (but excluding) the date falling "p" T2 Settlement Days prior to the Interest Payment Date for such Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

€STR Reference Rate means, in respect of any T2 Settlement Day, and subject to as provided in paragraph 8(d)(iii) above, a reference rate equal to the daily Euro Short-Term Rate (**€STR**) for such T2 Settlement Day appearing on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, as published by the European Central Bank, as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the T2 Settlement Day immediately following such T2 Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

Observation Look-Back Period means the period specified as such in the applicable Pricing Supplement;

p means the number of T2 Setttlement Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement;

Relevant Screen Page means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent for the purpose of displaying the €STR Index or the €STR Reference Rate, as applicable;

Specified Time means 5.00 p.m. Frankfurt time, or such other time as is specified in the applicable Pricing Supplement;

T2 Settlement Day means any day on which T2 is open; and

Weighted Average €STR means the sum of the €STR Reference Rate in respect of each calendar day during the relevant €STR Observation Period divided by the number of calendar days during such €STR Observation Period. For these purposes, the €STR Reference Rate in respect of any calendar day which is not a T2 Settlement Day shall be deemed to be the €STR Reference Rate in respect of the T immediately preceding such calendar day.

(e) the Calculation Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date or at the applicable Specified Time if the Reference Rate is specified to be either Compounded Daily SONIA, Compounded Daily SOFR, Compounded Daily €STR or Weighted Average €STR, (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for the relevant Interest Period. The Amount of Interest shall be calculated by applying the Rate of Interest to the Denomination, multiplying such

product by the Day Count Convention or, if none is specified in the applicable Pricing Supplement, by the actual number of days in the Interest Period concerned divided by 360 or, if this Note is denominated in Sterling, by 365 and rounding the resulting figure to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties;

(f) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;

(g) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an **Interest Period** for the purposes of this paragraph; and

(h) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the bearer of this Note or, if that is not practicable, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*). In addition, for so long as the Notes are listed on the Irish Stock Exchange plc, trading as Euronext Dublin (**Euronext Dublin**), all notices required to be published concerning the Notes shall be published on the website of Euronext Dublin or, in lieu of such publication, the Issuer may publish the notice by any other means acceptable to Euronext Dublin.][*]

9. By its acquisition of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) will be deemed to have expressly consented to the application of the provisions of this paragraph 9. Without any requirement for any further consent or approval of the Noteholders and notwithstanding the provisions in paragraphs 8(b) or 8(c) above, as the case may be, (in the case of Notes other than where the Reference Rate is specified in the applicable Pricing Supplement as being Compounded Daily SOFR, in which case the provisions of this paragraph 9 shall not apply) if the Issuer or the Benchmark Calculation Agent (in consultation with the Issuer, where the Benchmark Calculation Agent is a party other than the Issuer, or, if the Benchmark Calculation Agent deems it appropriate, an Independent Adviser) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this paragraph 9 shall apply.

(i) *Successor Rate or Alternative Rate*

If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in paragraph 9(ii)) subsequently be used in place of the Original

[*] If this Note is denominated in Sterling, delete paragraphs 6 through 9 inclusive and replace with interest provisions to be included on the reverse of the Note as indicated below.

Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this paragraph 9); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in paragraph 9(ii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this paragraph 9).

(ii) Adjustment Spread

If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Benchmark Calculation Agent shall, if necessary, calculate such Adjustment Spread and apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iii) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this paragraph 9 and the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion (A) that amendments to this Note are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer and the Benchmark Calculation Agent, as applicable, shall, subject to giving notice thereof in accordance with paragraph 9(v), without any requirement for the consent or approval of Noteholders agree to the necessary modifications to this Note to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such modifications in accordance with this paragraph 9(iii), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(iv) Benchmark Calculation Agent and any Independent Adviser

In the event the Benchmark Calculation Agent determines it appropriate, in its sole discretion, to consult with an Independent Adviser in connection with any determination to be made by the Benchmark Calculation Agent pursuant to this paragraph 9, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this paragraph 9 shall act in good faith in a commercially reasonable manner but shall have no relationship of agency or trust with the Noteholders and (in the absence of fraud) shall have no liability whatsoever to the Benchmark Calculation Agent or the Noteholders for any determination made by it

or for any advice given to the Benchmark Calculation Agent in connection with any determination made by the Benchmark Calculation Agent pursuant to this paragraph 9 or otherwise in connection with the Notes.

If the Benchmark Calculation Agent consults with an Independent Adviser as to the occurrence of any Benchmark Event and/or whether there is a Successor Rate or an Alternative Rate and/or any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud) the Benchmark Calculation Agent shall have no liability whatsoever to any Noteholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination or otherwise in connection with the Notes.

(v) *Notice*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this paragraph 9 will be notified promptly by the Issuer to the Issuing and Paying Agent and the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) *Survival of Original Reference Rate Provisions*

Without prejudice to the obligations of the Benchmark Calculation Agent and the Issuer under this paragraph 9, the Original Reference Rate and the fallback provisions provided for in paragraph 8(b), 8(c) and 8(d), as applicable, and the applicable Pricing Supplement , as the case may be, will continue to apply unless and until the Benchmark Calculation Agent has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this paragraph 9.

(vii) *Definitions*

In this paragraph 9, the following expressions shall have the following meanings:

Adjustment Spread means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative or zero and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is replaced with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(B) in the case of a Successor Rate if no such spread, formula or methodology is formally recommended or provided as an option by any Relevant Nominating Body or in the case of an Alternative Rate, is in customary market usage in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate,

or if no such recommendation or option has been made (or made available), or the Benchmark Calculation Agent, acting in good faith and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines there is no such spread, formula or methodology in customary market usage, the spread, formula or methodology which the Benchmark Calculation Agent, following consultation with an Independent Adviser, and acting in good faith and a commercially reasonable manner, determines in its sole discretion:

(A) is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(B) if the Benchmark Calculation Agent so determines that no such industry standard is recognised or acknowledged, to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders, as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be),

and in either such case, which the Benchmark Calculation Agent, following consultation with an Independent Adviser and acting in good faith and in a commercially reasonable manner, determines is required to be so applied;

Alternative Rate means an alternative benchmark or screen rate which the Benchmark Calculation Agent determines in accordance with this paragraph 9 is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period, and in the same Specified Currency as the Notes;

Benchmark Calculation Agent means the Calculation Agent in respect of the Notes unless (i) where such party is a party other than the Issuer, that party fails to perform or notifies the Issuer that it is unable to perform any of its duties or obligations as Benchmark Calculation Agent under this paragraph 9 or (ii) where such party is the Issuer, the Issuer determines in its sole discretion to appoint another party as Benchmark Calculation Agent, in which case for each of (i) and (ii) above, the Benchmark Calculation Agent shall be such other party as is appointed by the Issuer to act as Benchmark Calculation Agent, which party may, in the case of (i) above, include the Issuer or an affiliate of the Issuer and shall be a leading bank or financial institution, or another party of recognised standing and with appropriate expertise to make the determinations and/or calculations to be made by the Benchmark Calculation Agent;

Benchmark Event means:

(A) the Original Reference Rate ceasing to be published for at least five business days or ceasing to exist or be administered;

(B) the later of (a) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (b) the date falling six months prior to such specified date;

(C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued, is prohibited from being used or is no longer representative or will no longer be representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, restrictions or adverse consequences are to apply from a specified date after the making of any public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; or

(D) it has or will prior to the next Interest Determination Date become unlawful for the Calculation Agent or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under Regulation (EU) No. 2016/1011 (including as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018), if applicable).

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified in the applicable Pricing Supplement for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Notes (provided that if, following one or more Benchmark Events, such originally specified benchmark or screen rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

10. Instructions for payment of any amounts payable pursuant to paragraph 1 must be received at the offices of the Issuing and Paying Agent together with this Note as follows:

(a) if this Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;

(b) if this Note is denominated in United States dollars, Canadian dollars or Sterling, on or prior to the relevant payment date; and

(c) in all other cases, at least one Business Day prior to the relevant payment date.

As used in this paragraph, **Business Day** means:

(i) in the case of payments in any currency other than euro, a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and

(ii) in the case of payments in euro, a day on which T2 is open and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency.

11. This Note shall not be validly issued unless manually authenticated by The Bank of New York Mellon, London Branch as Issuing and Paying Agent.

12. governing law of the Notes will be specified in the applicable Pricing Supplement.

(a) **English Law**

If English law is specified as the governing law of the Notes in the applicable Pricing Supplement, the provisions of this paragraph 12(a) shall apply to this Note.

(i) *Governing law:* This Note (except for paragraphs 3 and 16) and any non-contractual obligations arising out of or in connection with this Note (except for paragraphs 3 and 16) are governed by, and shall be construed in accordance with, English law. Paragraphs 3 and 16 of this Note (and any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, Spanish law. The Notes are issued in accordance with the formalities prescribed by Spanish law.

(ii) *Jurisdiction:* The Issuer agrees for the benefit of the bearer that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Note (respectively, **Proceedings** and **Disputes**) and, for such purposes, irrevocably submits to the jurisdiction of such courts.

(iii) *Appropriate forum:* The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

(iv) *Non-exclusivity:* The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the bearer to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

(v) *Bail-In*: Notwithstanding the above, the Spanish courts in the city of Madrid have exclusive jurisdiction to settle any dispute arising out of or in connection with the application of any Spanish Bail-In Power by the Relevant Spanish Resolution Authority (a **Bail-in Dispute**) and accordingly each of the Issuer and any Noteholders in relation to any Bail-in Dispute submits to the exclusive jurisdiction of the Spanish courts. Each of the Issuer and any Noteholders in relation to any Bail-in Dispute further

waives any objection to the Spanish courts on the grounds that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

(vi) *Service of process*: The Issuer agrees that process may be served on it in England at its London branch being its registered office for the time being in England, and agrees that, in the event of its London branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(b) **Spanish law**

If Spanish law is specified as the governing law of the Notes in the applicable Pricing Supplement, the provisions of this paragraph 12(b) shall apply to this Note.

(i) *Governing law:* This Note and any non-contractual obligations arising out of or in connection with this Note are governed by, and shall be construed in accordance with, Spanish law.

(ii) *Submission to jurisdiction:* The Issuer hereby irrevocably agrees that the courts of Spain in the city of Madrid are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with *the* Notes) and that accordingly any suit, action or proceedings arising out of or in connection with the Notes (together referred to as **Spanish Proceedings**) may be brought in such courts. The Issuer irrevocably waives any objection which it may have now or hereinafter to the laying of the venue of any Spanish Proceedings in the courts of Spain in the city of Madrid. To the extent permitted by law, nothing contained in this paragraph 12(b) shall limit any right of any Noteholder to take Spanish Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Spanish Proceedings in one or more jurisdictions preclude the taking of Spanish Proceedings in any other competent jurisdictions, whether concurrently or not.

In addition, the Spanish courts in the city of Madrid have exclusive jurisdiction to settle any Bail-in Dispute and accordingly each of the Issuer and any Noteholders in relation to any Bail-in Dispute submits to the exclusive jurisdiction of the Spanish courts. Each of the Issuer and any Noteholders in relation to any Bail-in Dispute further waives any objection to the Spanish courts on the grounds that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

13. Claims for payment of principal and interest (if applicable) in respect of this Note shall become void unless made, in the case of principal, within ten years after the Maturity Date (or, as the case may be, the Relevant Date) or, in the case of interest, within five years after the relevant Interest Payment Date.

14. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

15. If any provision in or obligation under this Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Note, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Note.

16. Notwithstanding any other term of this Note or any other agreements, arrangements, or understandings between the Issuer and the bearer, by its acquisition of this Note, the bearer acknowledges, accepts, consents to and agrees to be bound by:

(a) the exercise and effect of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may be imposed with or without any prior notice with respect to this Note, and which may include and result in any of the following, or some combination thereof:

(i) the reduction or cancellation of all, or a portion, of the Amounts Due;

(ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer, the Issuer and its consolidated subsidiaries, or another person (and the issue to or conferral on the bearer of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Note;

(iii) the cancellation of this Note; and

(iv) the amendment or alteration of the maturity of this Note or amendment of the amount of interest payable on this Note, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(b) the variation of the terms of this Note, as deemed necessary by the Relevant Spanish Resolution Authority, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

The exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority pursuant to any relevant laws, regulations, rules or requirements in effect in Spain is not dependent on the application of this paragraph 16.

In this Note:

Amounts Due means the nominal amount of or outstanding amount, together with any accrued but unpaid interest, due on this Note. References to such amount will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority;

BRRD means Directive 2014/59/EU of 15th May establishing the framework for the recovery and resolution of credit institutions and investment firms or such other directive as may come into effect in place thereof, as implemented into Spanish law by Law 11/2015 and RD 1012/2015, and as amended, replaced or supplemented from time to time and including any other relevant implementing regulatory provisions;

Regulated Entity means any entity eligible for resolution under the laws of Spain;

Relevant Spanish Resolution Authority means the Fund for Orderly Bank Restructuring (*Fondo de Restructuración Ordenada Bancaria*), the Single Resolution Board, the Bank of Spain, the Spanish National Securities Market Commission (CNMV) or any other entity with the authority to exercise any of the resolution tools and powers contained in Law 11/2015 and the SRM Regulation from time to time;

Spanish Bail-in Power means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Spain, relating to the resolution of credit entities and/or transposition of the BRRD, including, but not limited to (i) Law 11/2015 (ii) RD 1012/2015, as amended from time to time, (iii) Regulation (EU) No. 806/2014 of the European Parliament and the Council of 15th July, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or replaced from time to time, and (iv) any other instruments, rules or standards made or implemented in connection with either (i), (ii) or (iii), pursuant to which any obligation of a Regulated Entity (or other affiliate of such Regulated Entity) can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such Regulated Entity or any other person (or suspended for a temporary period); and

SRM Regulation means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15th July, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or replaced from time to time.

AUTHENTICATED by
THE BANK OF NEW YORK MELLON, LONDON BRANCH
without recourse, warranty or liability and for authentication purposes only

By: .....
(Authorised Signatory)

[By: .....
(Authorised Signatory)][†]

Signed on behalf of:
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: .....
(Authorised Signatory)

[†] Include second authentication block if the currency of this Note is denominated in Sterling.

[*On the Reverse*]

(A) [If this is an interest bearing Note, then:

(a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the Maturity Date (or, as the case may be, the Relevant Date) remains unpaid on the fifteenth day after falling so due, the amount referred to in paragraph 1 shall be payable on such fifteenth day;

(b) upon each payment of interest (if any) prior to the Maturity Date (or, as the case may be, the Relevant Date) in respect of this Note, the Schedule hereto shall be duly completed by the Issuing and Paying Agent to reflect such payment; and

(c) unless otherwise specified in the Pricing Supplement, the final Interest Payment Date shall be the Maturity Date (or, as the case may be, the Relevant Date).

(B) If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount specified in the Pricing Supplement as follows:

(a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 365 days at the Interest Rate with the resulting figure being rounded to the nearest penny (with halves being rounded upwards); and

(b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an **Interest Period** for the purposes of this paragraph (B).

(C) If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:

(a) in the case of a Note which specifies Compounded Daily SONIA as the Reference Rate in the applicable Pricing Supplement, interest shall be payable on the Nominal Amount in respect of each successive Interest Period from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, the Relevant Date) only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention or, if none is specified in the applicable Pricing Supplement, on the basis of the actual number of days in such Interest Period and a year of 365 days at a rate (the **Rate of Interest**) determined on the following basis. The Rate of Interest with respect to each Interest Period will, subject as provided below, be Compounded Daily SONIA for such Interest Period plus or minus the Margin (if any) as specified in the applicable Pricing Supplement, all as determined and calculated by the Calculation Agent.

(i) **Compounded Daily SONIA** means, with respect to an Interest Period,

(I) if Index Determination is specified as being applicable in the applicable Pricing Supplement, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SONIA\ Compounded\ Index_y}{SONIA\ Compounded\ Index_x} - 1\right) \times \frac{365}{d}$$

where:

SONIA Compounded Index$_x$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the first day of the relevant Interest Period;

SONIA Compounded Index$_y$ is the SONIA Compounded Index value for the day falling *p* London Banking Days prior to the Interest Payment Date for the relevant Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

d is the number of calendar days in the relevant SONIA Observation Period;

provided that if the SONIA Compounded Index value required to determine SONIA Compounded Index$_x$ or SONIA Compounded Index$_y$ does not appear on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, the Bank of England's Interactive Statistical Database, or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or any successor administrator of SONIA) at the Specified Time on the relevant London Banking Day (or by 5:00 p.m. London time or such later time falling one hour after the customary or scheduled time for publication of the SONIA Compounded Index in accordance with the then-prevailing operational procedures of the administrator of the SONIA Reference Rate or SONIA authorised distributors, as the case may be), then Compounded Daily SONIA for such Interest Period shall be *Compounded Daily SONIA* determined in accordance with paragraph (II) below and for these purposes the Observation Method shall be deemed to be "Shift"; or

(II) if either (x) Index Determination is specified as being not applicable in the applicable Pricing Supplement, or (y) this paragraph (C)(a)(i)(II) applies to such Interest Period pursuant to the proviso in paragraph (C)(a)(i)(I) above, the rate determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365}\right) - 1\right] \times \frac{365}{d}$$

where:

d is the number of calendar days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the SONIA Observation Period;

$\mathbf{d_o}$ is the number of London Banking Days in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the SONIA Observation Period;

i is a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, an including, the first London Banking Day in (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) the relevant Interest Period or (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method) the relevant SONIA Observation Period;

$\mathbf{n_i}$, for any London Banking Day *i*, is the number of calendar days from (and including) such London Banking Day *i* up to (but excluding) the following London Banking Day;

$\mathbf{SONIA_{i\text{-}pLBD}}$ means:

(a) where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, in respect of any London Banking Day *i* falling in the relevant Interest Period, the SONIA Reference Rate for the London Banking Day falling *p* London Banking Days prior to such London Banking Day *i*; or

(b) where in the applicable Pricing Supplement "Shift" is specified as the Observation Method, $SONIA_{i\text{-}pLBD}$ shall be replaced in the above formula with $SONIA_i$, where $SONIA_i$ means, in respect of any London Banking Day *i* falling in the relevant SONIA Observation Period, the SONIA Reference Rate for such London Banking Day *i*.

(ii) In the event that Compounded Daily SONIA for any Interest Period cannot be determined by the Calculation Agent, in accordance with the foregoing provisions, the Rate of Interest shall be the Rate of Interest:

(I) as determined at the last preceding Interest Determination Date; or

(II) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date.

(iii) For the purposes of this paragraph (C)(a):

London Banking Day or **LBD** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

Observation Look-Back Period means the period specified as such in the applicable Pricing Supplement;

p means the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement;

Relevant Screen Page means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent for the purpose of displaying the SONIA Compounded Index or SONIA Reference Rate, as applicable;

SONIA has the meaning given to such term in the definition of SONIA Reference Rate;

SONIA Compounded Index means, in respect of any London Banking Day, the compounded daily SONIA rate as published by the Bank of England (or any successor administrator of SONIA) as such rate appears on the Relevant Screen Page or, if not so published or the Relevant Screen Page is unavailable, as published on the Bank of England's Interactive Statistical Database (or any successor source on which the compounded daily SONIA rate is published by the Bank of England (or such successor administrator)), in each case at the Specified Time on such London Banking Day;

SONIA Observation Period means, in respect of any Interest Period, the period from (and including) the date falling *p* London Banking Days prior to the first day of such Interest Period to (but excluding) the date falling *p* London Banking Days prior to the Interest Payment Date for such Interest Period or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

SONIA Reference Rate means, in respect of any London Banking Day, the daily Sterling Overnight Index Average (**SONIA**) rate for such London Banking Day as provided by the Bank of England as administrator of such rate (or any successor administrator of such rate) to authorised distributors (the **SONIA authorised distributors**) and as then published on the Relevant Screen Page (or, if not so published or the Relevant Screen Page is unavailable, as otherwise published by the SONIA authorised distributors) on the London Banking Day immediately following such London Banking Day, *provided* that if, in respect of any London Banking Day, the applicable SONIA Reference Rate is not made available on the Relevant Screen Page (or has not otherwise been published by the SONIA authorised distributors) by 5.00 p.m. London time, then (unless the Calculation Agent has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to paragraph (D) below, if applicable) the SONIA Reference Rate in respect of such London Banking Day shall be:

(I) the sum of (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or

(II) if the Bank Rate described in paragraph (I) above is not available at such time on such London Banking Day (i) the SONIA Reference Rate published on the Relevant Screen Page (or as otherwise published by the SONIA authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the SONIA authorised distributors) or (ii) if the Bank Rate described in paragraph (A) is more recently available, the rate determined pursuant to paragraph (A) by reference to such most recently available Bank Rate; and

Specified Time means 10:00 a.m., London time, or such other time as is specified in the applicable Pricing Supplement.

(b) the Calculation Agent will, as soon as practicable after the applicable Specified Time if the Reference Rate is specified to be Compounded Daily SONIA, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for the relevant Interest Period. The Amount of Interest shall be calculated by applying the Rate of Interest to the Nominal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 365 and rounding the resulting figure to the nearest penny. The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;

(c) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;

(d) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an **Interest Period** for the purposes of this paragraph; and

(e) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the bearer of this Note or, if that is not practicable, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*). In addition, for so long as the Notes are listed on the Irish Stock Exchange plc, trading as Euronext Dublin (**Euronext Dublin**), all notices required to be published concerning the Notes shall be published on the website of Euronext Dublin or, in lieu of such publication, the Issuer may publish the notice by any other means acceptable to Euronext Dublin.

(D) By its acquisition of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) will be deemed to have expressly consented to the application of the provisions of this paragraph (D). Without any requirement for any further consent or approval of the Noteholders if the Issuer or the Benchmark Calculation Agent (in consultation with the Issuer, where the Benchmark Calculation Agent is a party other than the Issuer, or, if the Benchmark Calculation Agent deems it appropriate, an Independent Adviser) determines that a Benchmark Event has occurred in relation to an Original Reference Rate when

any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this paragraph (D) shall apply.

(i) *Successor Rate or Alternative Rate*

If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that:

(I) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in paragraph (D)(ii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this paragraph (D)); or

(II) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in paragraph (D)(ii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this paragraph (D)).

(ii) Adjustment Spread

If the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Benchmark Calculation Agent shall, if necessary, calculate such Adjustment Spread and apply such Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iii) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this paragraph (D) and the Benchmark Calculation Agent, acting in good faith and in a commercially reasonable manner, and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its sole discretion (A) that amendments to this Note are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer and the Benchmark Calculation Agent, as applicable, shall, subject to giving notice thereof in accordance with paragraph (D)(v), without any requirement for the consent or approval of Noteholders agree to the necessary modifications to this Note to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such modifications in accordance with this paragraph (D)(iii), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(iv) *Benchmark Calculation Agent and any Independent Adviser*

In the event the Benchmark Calculation Agent determines it appropriate, in its sole discretion, to consult with an Independent Adviser in connection with any determination to be made by the Benchmark Calculation Agent pursuant to this paragraph (D), the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this paragraph (D) shall act in good faith in a commercially reasonable manner but shall have no relationship of agency or trust with the Noteholders and (in the absence of fraud) shall have no liability whatsoever to the Benchmark Calculation Agent or the Noteholders for any determination made by it or for any advice given to the Benchmark Calculation Agent in connection with any determination made by the Benchmark Calculation Agent pursuant to this paragraph (D) or otherwise in connection with the Notes.

If the Benchmark Calculation Agent consults with an Independent Adviser as to the occurrence of any Benchmark Event and/or whether there is a Successor Rate or an Alternative Rate and/or any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud) the Benchmark Calculation Agent shall have no liability whatsoever to any Noteholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination or otherwise in connection with the Notes.

(v) *Notice*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this paragraph (D) will be notified promptly by the Issuer to the Issuing and Paying Agent and the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) *Survival of Original Reference Rate Provisions*

Without prejudice to the obligations of the Benchmark Calculation Agent and the Issuer under this paragraph (D), the Original Reference Rate and the applicable Pricing Supplement, as the case may be, will continue to apply unless and until the Benchmark Calculation Agent has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this paragraph (D).

(vii) *Definitions*

In this paragraph (D), the following expressions shall have the following meanings:

Adjustment Spread means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative or zero and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is

replaced with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(I) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(II) in the case of a Successor Rate if no such spread, formula or methodology is formally recommended or provided as an option by any Relevant Nominating Body or in the case of an Alternative Rate, is in customary market usage in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate,

or if no such recommendation or option has been made (or made available), or the Benchmark Calculation Agent, acting in good faith and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines there is no such spread, formula or methodology in customary market usage, the spread, formula or methodology which the Benchmark Calculation Agent, following consultation with an Independent Adviser, and acting in good faith and a commercially reasonable manner, determines in its sole discretion:

(I) is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(II) if the Benchmark Calculation Agent so determines that no such industry standard is recognised or acknowledged, to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders, as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be),

and in either such case, which the Benchmark Calculation Agent, following consultation with an Independent Adviser and acting in good faith and in a commercially reasonable manner, determines is required to be so applied;

Alternative Rate means an alternative benchmark or screen rate which the Benchmark Calculation Agent determines in accordance with this paragraph (D) is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

Benchmark Calculation Agent means the Calculation Agent in respect of the Notes unless (i) where such party is a party other than the Issuer, that party fails to perform or notifies the Issuer that it is unable to perform any of its duties or obligations as Benchmark Calculation Agent under this paragraph (D) or (ii) where such party is the Issuer, the Issuer determines in its sole discretion to appoint another party as Benchmark Calculation Agent, in which case for each of (i) and (ii) above, the Benchmark Calculation Agent shall be such other party as is appointed by the Issuer to act as Benchmark Calculation Agent, which party may, in the case of (i) above, include the Issuer or an affiliate of the Issuer and shall be a leading bank or financial institution,

or another party of recognised standing and with appropriate expertise to make the determinations and/or calculations to be made by the Benchmark Calculation Agent;

Benchmark Event means:

(I) the Original Reference Rate ceasing to be published for at least five business days or ceasing to exist or be administered;

(II) the later of (a) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (b) the date falling six months prior to such specified date;

(III) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued, is prohibited from being used or is no longer representative or will no longer be representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, restrictions or adverse consequences are to apply from a specified date after the making of any public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; or

(IV) it has or will prior to the next Interest Determination Date become unlawful for the Calculation Agent or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under Regulation (EU) No. 2016/1011 (including as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018), if applicable).

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified in the applicable Pricing Supplement for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Notes (provided that if, following one or more Benchmark Events, such originally specified benchmark or screen rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

(I) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(II) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of

the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.]]

SCHEDULE

PAYMENTS OF INTEREST

The following payments of interest in respect of this Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of Issuing and Paying Agent
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

TAXATION

SPANISH TAXATION

The following summary refers solely to certain Spanish tax consequences of the acquisition, ownership and disposition of the Notes. It does not purport to be a complete analysis of all tax consequences relating to the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which might be subject to special rules. Prospective investors should consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Spain of acquiring, holding and disposing of Notes and receiving any payments under the Notes. This summary is based upon the law as in effect on the date of this Information Memorandum and is subject to any change in law that may take effect after such date. References in this section to Noteholders include the beneficial owners of the Notes.

Acquisition of the Notes

The issue of, subscription for, transfer and acquisition of the Notes is exempt from Transfer and Stamp Tax (*Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*) and Value Added Tax (*Impuesto sobre el Valor Añadido*).

Taxation on the income and transfer of the Notes

The tax treatment of the acquisition, holding and subsequent transfer of the Notes is summarised below and is based on the tax regime applicable to the Notes pursuant to Royal Legislative Decree 5/2004 of 5th March approving the consolidated text of the Non-Resident Income Tax Law (*Impuesto sobre la Renta de los no Residentes*), as amended (the **Non-Resident Income Tax Law**), Law 27/2014 of 27th November on Corporate Income Tax (*Impuesto sobre Sociedades*) (the **CIT** or **Corporate Income Tax Law**), Law 35/2006 of 28th November on Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*), as amended (the **Personal Income Tax Law**), Law 19/1991 of 6th June approving the Wealth Tax Law (*Impuesto sobre el Patrimonio*) and Law 29/1987 of 18th December approving the Inheritance and Gift Tax Law (*Impuesto sobre Sucesiones y Donaciones*). The summary below also considers the rules for the implementation of such regulations (Royal Decree 1776/2004 of 30th July approving the Non-Resident Income Tax Regulations as amended, Royal Decree 439/2007 of 30th March, approving the Individuals Income Tax Regulations as amended and Royal Decree 634/2015 of 10th July approving the Corporate Income Tax Regulations).

Consideration has also been given to Spanish legislation on the issuance of preferred securities and debt securities issued by Spanish financial and non-financial listed entities, either directly or through a subsidiary, Law 10/2014 and RD 1065/2007 approving the General Regulations relating to tax inspection and management procedures and developing the common rules of the procedures to apply taxes.

Income not obtained through a permanent establishment in Spain in respect of the Notes

Income obtained by Noteholders who are not tax resident in Spain acting for these purposes without a permanent establishment within Spain is exempt from Non-Resident Income Tax subject to the reporting obligations as set out in RD 1065/2007 (see "*Taxation*

– *Tax Reporting Obligations of the Issuer*").

Income obtained through a permanent establishment in Spain in respect of the Notes/Corporate Income Tax taxpayers.

The holding of Notes by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

Income obtained by non-Spanish resident holders acting through a permanent establishment in Spain in respect of the Notes will be taxed under the rules provided by Chapter III of the Non-Resident Income Tax Law. These Noteholders will be subject to taxation substantially in the same manner as Spanish Corporate Income Tax taxpayers and, therefore, it shall be computed as taxable income in accordance with the general rules set out in the Corporate Income Tax Law and will therefore be taxed generally at the current rate of 25 per cent.

According to Article 44 of RD 1065/2007, the Issuer is not obliged to withhold any tax amount on income derived from payment of interest, redemption or repayment of the Notes obtained by a permanent establishment in Spain in respect of the Notes or Corporate Income Tax payers provided that the information procedures are complied with as it is described in section "*Taxation*

– *Tax Reporting Obligations of the Issuer*".

Income derived from the transfer of the Notes shall not be subject to withholding tax as provided by Section 61(s) of the Corporate Income Tax Regulations, to the extent that the Notes satisfy the requirements laid down by the reply to the Directorate General for Taxation's (*Dirección General de Tributos*) consultation, on 27th July, 2004, indicating that in the case of issuances made by entities with tax residency in Spain (as in the case of the Issuer), application of the exemption requires that the Notes be placed outside Spain in another OECD country and traded on organised markets in OECD countries. Notes traded outside Spain and issued under the Programme are expected to satisfy these requirements.

Individuals with tax residency in Spain

Income obtained by Noteholders who are Personal Income Tax payers, both as interest and in connection with the transfer, redemption or repayment of the Notes, shall be considered income on investments obtained from the assignment of an individual's capital to third parties, as defined in Section 25.2 of the Individuals Income Tax Law, and therefore will be taxed as savings income at the applicable rate (currently varying from 19 per cent. to 28 per cent.).

The above-mentioned income will be subject to the corresponding personal income tax withholding at the applicable tax rate of 19 per cent. Article 44 of the RD 1065/2007 establishes information procedures for debt instruments issued under the Law 10/2014 and has provided that the interest will be paid by the Issuer to the Issuing and Paying Agent for the whole amount, provided that such information procedures are complied with.

Nevertheless, withholding tax at the applicable rate of 19 per cent. may have to be deducted by other entities (such as depositaries or financial entities), provided that such entities are resident for tax purposes in Spain or have a permanent establishment in Spanish territory.

According to RD 1065/2007, the Issuer is not obliged to withhold any tax amount provided that the information procedures (which do not require identification of the Noteholders) are complied with by the Issuing and Paying Agent as it is described in section "*Taxation*

– *Tax Reporting Obligations of the Issuer*".

However, regarding the interpretation of the "*Taxation*

– *Tax Reporting Obligations of the Issuer*" please refer to "*Risk Factors – Spanish Tax Rules*".

Wealth Tax and Solidarity Tax (Impuesto Temporal de Solidaridad de Grandes Fortunas)

Individuals with tax residency in Spain are subject to Wealth Tax to the extent that their net worth exceeds €700,000. Therefore, they should take into account the value of the Notes which they hold as at 31st December, each year.

Individuals resident in a country with which Spain has entered into a double tax treaty in relation to Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights are located in Spain, or that can be exercised within the Spanish territory, exceed €700,000 would be subject to Wealth Tax at the applicable rates, ranging between 0.2 per cent. and 3.5 per cent., without prejudice to any exemption which may apply.

In accordance with Additional Provision 4 of the Wealth Tax Law as amended by Law 11/2021 of 9th July, 2021, non-resident taxpayers will be entitled to the application of specific regulations approved by the Autonomous Community where the greater value of the assets and rights they own and for which the tax is required is located, can be exercised or must be fulfilled in Spanish territory.

In addition to Wealth Tax, there is a temporary "solidarity tax on major fortunes" that applies to the wealth of individuals in excess of €3,000,000 with rates from 1.7 per cent. to 3.5 per cent. The amount of this tax can be deducted from the amount of the Wealth Tax and would apply in 2023 and 2024.

Legal entities are not subject to Wealth Tax.

Inheritance and Gift Tax

The transfer of the Notes to individuals by inheritance, legacy or donation shall be subject to the general rules of Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*) in accordance with the applicable Spanish and State rules even if title passes outside Spain and neither the heir nor the beneficiary, as the case may be, is resident in Spain for tax purposes, without prejudice to the provisions of any DTT signed by Spain.

According to the Second Additional Provision of Law 29/1987 of 18th December approving the Inheritance and Gift Tax Law, non-Spanish tax resident individuals may be subject to Inheritance and Gift Tax in accordance with the rules set forth in the relevant autonomous regions in accordance with the law. As such, prospective investors should consult their tax advisers.

The effective tax rate, after applying all relevant factors, ranges between 0 per cent. and 81.6 per cent.

In the event that the beneficiary is an entity other than a natural person, the income obtained shall be subject to Corporate Income Tax or Non-Resident Income Tax, as the case may be, and without prejudice, in the latter event, to the provisions of any DTT that may apply.

Tax Reporting Obligations of the Issuer

Article 44 of RD 1065/2007 sets out the reporting obligations applicable to preference shares and debt instruments issued under Law 10/2014. The procedures apply to interest deriving from preference shares and debt instruments to which Law 10/2014 refers, including debt instruments issued at a discount for a period equal to or less than twelve months.

According to the literal wording of Article 44.5 of RD 1065/2007 income derived from securities originally registered with the entities that manage clearing systems located outside Spain, that are recognised by Spanish law or by the law of another OECD country (such as Euroclear or Clearstream,

Luxembourg), will be paid free of Spanish withholding tax provided that the Issuing and Paying Agent appointed by the Issuer submits a statement to the Issuer, the form of which is included in the Issue and Paying Agency Agreement, with the following information:

(i) identification of the securities;

(ii) payment date;

(iii) total amount of income paid on the relevant date; and

(iv) total amount of the income corresponding to each clearing house located outside Spain.

In accordance with paragraph 6 of Article 44 of RD 1065/2007, the Issuing and Paying Agent should provide the Issuer with the statement on the business day immediately prior to each interest payment date. The statement must reflect the situation at the close of business of that same day. In the event that on the date, the entity obliged to provide the statement fail to do so, the Issuer or the Issuing and Paying Agent on its behalf will make a withholding at the general rate of 19 per cent. on the total amount of the return on the relevant Notes.

If, before the tenth day of the month following the month in which interest is paid, the obliged entity provides the statement, the Issuer will reimburse the amounts withheld.

Prospective investors should note that the Issuer does not accept any responsibility in relation to any failure in the delivery of the relevant statement by the Issuing and Paying Agent in connection with each payment of interest under the Notes. Accordingly, the Issuer will not be liable for any damage or loss suffered by any beneficial owner who would otherwise be entitled to an exemption from Spanish withholding tax but whose payments are nonetheless paid net of Spanish withholding tax because the relevant statement was not duly delivered to the Issuer. Moreover, the Issuer will not pay any additional amounts with respect to any such withholding tax due to any failure of the Issuing and Paying Agent to provide the relevant statement.

In the event that the currently applicable procedures are modified, amended or supplemented by, among other things, any Spanish law, regulation, interpretation or ruling of the Spanish tax authorities, the Issuer will notify the Noteholders of such information procedures and their implications, as the Issuer may be required to apply withholding tax on interest payments in respect of the Notes if the Noteholders do not comply with such information procedures.

Regarding the interpretation of Article 44 RD 1065/2007 and the simplified information procedures please refer to "*Risk Factors – Spanish Tax Rules*".

THE PROPOSED FINANCIAL TRANSACTIONS TAX (FTT)

On 14th February, 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution and at least one party is established in a

participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and participating Member States may decide not to participate.

Spain has enacted a Financial Transaction Tax (Law 5/2020, of 15th October) (the **Spanish FTT**) as an indirect tax amounting to 0.2 per cent. to be charged on transactions for purchasing shares in Spanish companies for valuable consideration, regardless of the residence of the participants in the transactions, provided they are listed companies and the company's market capitalisation is above €1,000 million. The issuance and subscription of Notes will not be subject to the Spanish FTT.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The arrangements by which the Dealers or any of them may from time to time agree with the Issuer to purchase or to procure subscribers for Notes issued by the Issuer are set out in the Dealer Agreement.

1. GENERAL

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum or any Pricing Supplement, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

2. UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has offered and sold, and will offer and sell, Notes only outside the United States to non-US persons in accordance with Rule 903 of Regulation S. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it, its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes, and that it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer has also agreed, and each further Dealer appointed under the Programme will be required to agree, that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling commission, fee or other remuneration that purchases Notes from it a confirmation or notice to substantially the following effect:

"The securities covered hereby have not been registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account or benefit of, US persons. Terms used above have the meanings given to them by Regulation S under the Securities Act."

Terms used in this paragraph have the meanings given to them by Regulation S.

3. THE UNITED KINGDOM

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

4. JAPAN

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **FIEA**). Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

5. SPAIN

Each Dealer has acknowledged and each other Dealer appointed under the Programme will be required to acknowledge that the Notes must not be offered, distributed or sold in Spain in the primary market. However, the Notes may be sold to Spanish resident investors in circumstances that satisfy the requirements set forth in the ruling 1500/04 of the Directorate General for Taxation (*Dirección General de Tributos*) of 27th July, 2004.

No publicity of any kind shall be made in Spain.

GENERAL INFORMATION

Authorisation

The update of the Programme and the issue of Notes have been duly authorised by a resolution of the Board of Directors of the Issuer dated 28th September, 2022.

Listing of Notes on Euronext Dublin

Applications may be made to Euronext Dublin for any Notes to be admitted to the Official List and to trading on the Regulated Market. Euronext Dublin's regulated market is a regulated market for the purposes of MiFID II. No Notes may be issued pursuant to the Programme on an unlisted basis.

Use of Proceeds

The net proceeds from each issue of Notes will be used for the Group's general corporate purposes.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN and, if available, the FISN and/or CFI code for each series of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42, Avenue J.F. Kennedy, L-1855, Luxembourg.

Significant Change

Save as disclosed in note 6 on pages 16 to 21 (inclusive) and in note 41 on page 37 to the Interim Financial Statements, there has been no significant change in the financial or trading position of the Group since 30th September, 2023.

Litigation

Except as disclosed in the section entitled "

Description of Banco Bilbao Vizcaya Argentaria, S.A. – Legal Proceedings" on pages 73 to 74 (inclusive), there are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the business, financial position or results of operations of the Issuer or the Group.

Independent Auditors

KPMG Auditores, S.L. (registered as auditors on the *Registro Oficial de Auditores de Cuentas* under number S0702), audited the Issuer's Consolidated Financial Statements as at and for the financial years ended 31st December, 2021 and 2020, each of which have been prepared in accordance with IFRS-IASB, as included in the Form 20-F and incorporated by reference in this Information Memorandum. The report in respect of such financial statements was unqualified.

On 18th March, 2022, the general shareholders' meeting of the Issuer approved the appointment of Ernst & Young, S.L. (**EY**), independent auditors on the *Registro Oficial de Auditores de Cuentas* under number S0530 whose address is Calle de Raimundo Fernández Villaverde, 65, 28003 Madrid, Spain,

as the current independent auditors of the Group for the financial years ended 31st December, 2022, 2023 and 2024.

EY audited the Issuer's audited stand-alone financial statements for the financial year ended 31st December, 2022 (the **2022 Stand-Alone Financial Statements**) and consolidated statements for the financial year ended 31st December, 2022. The 2022 Stand-Alone Financial Statements have been prepared in accordance with the applicable regulatory framework for financial information in Spain (as identified in note 1.2 to the 2022 Stand-Alone Financial Statements) and, specifically, the accounting principles and criteria contained therein. The consolidated financial statements for the financial year ended 31st December, 2022 have been prepared in accordance with IFRS-IASB.

DETAILS OF PROGRAMME PARTICIPANTS

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To the Issuer

For the financial years ended on 31st December, 2021 and 2020

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For the financial year commencing on 1st January, 2022 and for the financial year commencing on 1st January, 2023

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