

Emission Allowance Product Catalogue

(Carbon Markets)

Madrid, December 2023
Pre-trade information

IMPORTANT INFORMATION

The Products described in this document are classified as complex according to the Markets in Financial Instruments Directive ("MIFID 2") and the Spanish Securities Market Law.

If you acquire the Products this may result in real and large losses for you:

- (i) During the term of the Product; and
- (ii) In the event of an early termination.

1. Introduction

What is this document?

In this document we describe the nature, functioning and risks of the different Emission Allowances (financial instruments) that the Bank puts at your disposal (hereinafter, individually, the "Product" and, jointly, the "Products").

This document is NOT a contract, and therefore does not create any obligations or rights for you. The sole purpose of the document is to help you understand what the Products are and how they work.

The prices, levels and scenarios shown in this document are merely indicative only and therefore different to the levels, terms or amounts that may be agreed should you decide to enter into a transaction. They are only included as an example to help you understand the characteristics of a possible future transaction.

For whom are these Products intended?

These Products are intended for professionals, as well as for eligible counterparties. Retail Clients will have at their disposal the appropriate KID for those products considered as PRIIPs products in relation to the products.

Moreover, the Products are intended for Clients with current or future obligations under the EU ETS (European Union Emission Trading System).

We inform you that we will not verify your compatibility with the target market defined for these Products and that we will only do so should you decide to purchase any of the Products as a result of investment advice provided by BBVA.

Ways of communication

Should you decide to enter into any of the Products, you must do so through one of the means that the Bank enables for that purpose.

In order to communicate with you in an agile and simple way, we can at any time, make communications by email to your validated email address, or to the email address through which we communicate regularly. Additionally, we can send you communications either by post or through our website www.bbva.es. If in the future we use other electronic addresses we will inform you.

The communications and the sending of information between us will normally be done in the same language in which the contract is signed. If you wish to contact us in relation to a particular Product, you may do so in Spanish.

In case you need any explanation or additional information regarding the functioning and risks of the Products, please consult with your BBVA representative.

2. Definitions

Transaction: each of the products listed in this document. Throughout the explanation of each specific product, the term “Transaction” refers to that product.

Allowance: means an allowance to emit one ton of carbon dioxide (CO₂) equivalent during a specified period, which is valid for meeting emissions related commitment obligations under the Directive; and listed under point 11 of Section C of Annex 1 of MIFID 2 Directive. For the avoidance of doubt, the term “Allowance” includes EUA and AEUA.

The terms defined below will have the following meanings throughout this document.

AEUA (or Aviation EU Allowance): means, an allowance created pursuant to Chapter II of the Directive in respect of the aviation activities listed in Annex I thereto, including allowances, created for the same purpose, stemming from emission trading systems that are linked to the EU ETS under Article 25 of the Directive.

The data and scenarios presented in this document are intended merely as a guideline, and have no relation with levels, terms, or amounts which may be agreed in the Transaction.

EUA (or EU Allowance): means an allowance, other than an AEUA or Aviation EU Allowance, created pursuant to the Directive, including allowances stemming from emission trading systems that are linked with the EU ETS pursuant to Article 25 of the Directive.

Number of Allowances: the quantity of Allowances agreed to be delivered (sold or bought) on the Delivery Date.

They are included as an example, so that the Client can better understand the characteristics of the Transaction.

Notional Amount: Number of Allowances multiplied by the Price agreed in the Transaction (Forward Price or Spot Price depending on the Product).

Trade Date: the date on which rights and obligations of the parties begin.

Spot Price: Current Allowance price on the Trade Date.

Forward Price: Allowance price set on the Trade Date to be applied in the future Settlement Date.

Payment Date or Maturity Date: date on which the buyer shall pay to the seller the Notional Amount.

Settlement or Delivery Date: date on which the seller shall deliver to the buyer the number of Allowances agreed in the Transaction.

Directive: means Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC, as amended from time to time.

MIFID 2 Directive: Directive 2014/65/EU of the European Parliament and of the Council



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of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

3. OTC Products

4.1. Buy Spot Allowances

What is and how does the Product work?

A Buy Allowance Spot Transaction is a contract where the Client agrees to buy a number of Allowances with immediate delivery¹. The Seller will deliver to the Buyer the agreed amount of Allowances up to two Business Days subsequent to the Trade Date and the Buyer will pay to the Seller the agreed price ("**Spot Price**") multiplied by the Number of Allowances. Payment Date can be antecedent or subsequent to the Delivery Date, according to the relationship with the client, existence of credit lines, among other conditions.

Product Example

Transaction in which the client buys Spot EUAs under the following conditions:

Price of the EUA on the Trade Date: 95 EUR

Trade Date: 16/01/2023

Settlement Date: 18/01/2023

Payment Date: 20/01/2023

Number of Allowances: 1,000

■ **Negative scenario:** If the price of EUAs on the Settlement Date < 95

On Settlement Date, client receives the EUAs at the Spot Price agreed on the Trade Date, which on the Trade Date was higher than the current Spot Price. Should the client have waited, the Spot price would have been lower, resulting in a lower cost for the client.

■ **Positive scenario:** If the price of EUAs on the Settlement Date > 95

On Settlement Date, client receives the EUAs at the Spot Price agreed on the Trade Date, which on the Trade Date was lower than the current Spot Price. Should the client have waited, the Spot price would have been higher, resulting in a higher cost for the client.

¹ immediate in this context shall be understood to be up to two Business Days.

RISKS OF THE TRANSACTION: Buy Spot Allowances

The Transaction entails the following risks for the Client, which could result in a net loss that, in the worst case, will be equal to the cost of buying the Number of Allowances at the Spot Price agreed in the Transaction.

Risk of negative Settlement

After entering the Transaction, the market price of the Allowances decreases, resulting in a lower price than the one agreed in the Transaction. Accordingly, in that scenario, if the Client had waited, the Transaction would have resulted in a lower price for the Client.

As an example, we consider a Number of Allowances equal to 1,000 (i.e. 1000 tons of CO₂ equivalent) at a price of 95 EUR per Allowance agreed on the Trade Date, and assume that on the Settlement Date the price of the Allowances is 94 EUR. The Client has bought the Allowances at a Notional Amount of 95,000EUR, while the Notional Amount according to the market price on the Settlement Date would be 94,000EUR, meaning an implicit loss of 1,000 EUR.

The worst-case scenario the Client could face would be a loss equal to the amount of Allowances x price agreed on the Trade Date when the market price per Allowance is equal to zero.

4.2. Sell Spot Allowances

What is and how does the Product work?

A Sell Allowance Spot Transaction is a contract where the Client agrees to sell a number of Allowances with immediate delivery². The Seller will deliver to the Buyer the agreed amount of Allowances up to two Business Days subsequent to the Trade Date and the Buyer will pay to the Seller the agreed price ("**Spot Price**") multiplied by the Number of Allowances. Payment Date can be antecedent or subsequent to Delivery Date, according to the relationship with the client, existence of credit lines, among other conditions.

Product Example - Scenarios³

Transaction in which the client buys Spot EUAs under the following conditions:

Price of the EUA on the Trade Date: 95 EUR

Trade Date: 16/01/2023

Settlement Date: 18/01/2023

Payment Date: 20/01/2023

Number of Allowances: 1,000

■ **Negative scenario:** If the price of EUAs on the Settlement Date > 95

On Settlement Date, client delivers the EUAs at the Spot Price agreed on the Trade Date, which on the Trade Date was lower than the current Spot Price. If the Client had waited, the Spot Price would have been higher, resulting in a higher profit for the Client.

■ **Positive scenario:** If the price of EUAs on the Settlement Date < 95

On Settlement Date, Client delivers the EUAs at the Spot Price agreed on the Trade Date, which on the Trade Date was higher than the current Spot Price. If the Client had waited, the Spot Price would have been lower, resulting in a lower profit for the Client.

² immediate in this context shall be understood up to two Business Days.

³ These data and scenarios are merely indicative, without having any relation with the levels, terms or amounts that may be agreed in relation to the Product. They are only included as an example so that the Client can more easily know the characteristics of the Product.

RISKS OF THE TRANSACTION: Sell Spot Allowances

The Transaction entails the following risks for the Client, which could result in a net loss that, in the worst case, will be equal to the cost of buying the Number of Allowances at the Spot Price agreed in the Transaction.

Risk of negative Settlement

After entering into the Transaction, the market price of the Allowances increases, resulting in a higher price than the one agreed in the Transaction. Accordingly, in that scenario, if the Client had waited, the Transaction would have resulted in a higher price.

As an example, we consider a Number of Allowances equal to 1,000 (i.e. 1000 tons of CO₂ equivalent) at a price of 95 EUR per Allowance agreed on the Trade Date, and, assume that on the Settlement Date the price per Allowance is 96 EUR. The Client has sold the Allowances at a Notional Amount of 95,000 EUR, while the Notional Amount according to the market price on the Settlement Date would be 96,000EUR, which would mean an implicit loss of 1,000 EUR.

The worst-case scenario for the Client is that the market price per Allowance on the Settlement Date is very high, there being no limit as to how high it can be, which could lead to an unlimited loss.

4.3. Buy Allowance Forward Transaction

What is and how does the Product work?

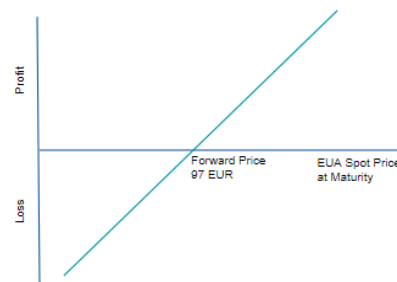
A Buy Allowance Forward Transaction is a contract where the Client agrees to buy a number of Allowances at a fixed price set on the Trade Date (the Forward Price) for settlement on a specified date in the future. Payment Date can be antecedent or subsequent to Delivery Date, according to the relationship with the client, existence of credit lines, among other conditions.

On the Payment Date, the buyer shall pay to the seller an amount equivalent to the Forward Price multiplied by the Number of Allowances, and on the Delivery Date the seller shall deliver to the buyer the Number of Allowances.

Product Example - Scenarios⁴

Transaction in which the client buys Forward EUAs under the following conditions

Trade Date: 16/01/2023
Maturity Date: 16/01/2024 (12 months)
Settlement Date: 18/01/2024
Payment Date: 20/01/2024
Number of Allowances: 1,000
Price of the EUA in the Trade Date: 95 EUR
Forward Price: 97 EUR



Scenarios at the end of the 12 months period:

■ **Negative scenario:** If the EUA price on the Settlement Date < 97 EUR

Client buys the EUAs at a Forward Price of 97 EUR, as agreed in the Transaction. The Forward Price is higher than the current market price, thus the Client would make a loss.

■ **Positive scenario:** If the EUA price on the Settlement Date > 97 EUR

Client buys the EUAs at a Forward Price of 97 EUR, as agreed in the Transaction. The Forward Price

⁴ These data and scenarios are merely indicative, without having any relation with the levels, terms or amounts that may be agreed in the Product. They are only included as an example so that the Client can more easily understand the characteristics of the Product.

is lower than the current market price, thus the Client would make a profit.

RISKS OF THE TRANSACTION: Buy Allowance Forward Transaction

The Transaction entails the following risks for the Client, which could result in a net loss that, in the worst case, will be equal to the cost of buying the Number of Allowances at the Forward Price agreed in the Transaction.

Risk of negative Settlement

When entering into the Transaction, the Client acknowledges the risk that the settlement at maturity could imply a net loss for the Client. This would occur if the Allowance market price at maturity is lower than the Forward Price of the Allowances agreed in the Transaction.

As an example, we consider a Number of Allowances equal to 1,000 (i.e. 1000 tons of CO2 equivalent) at a Forward Price of 97 EUR as agreed in the Transaction, and assume that on the Settlement Date the price per Allowance is 93 EUR. The Client has bought the Allowances at a Notional Amount of 97,000EUR, while the Notional Amount according to the market price on the Settlement Date would be 93,000EUR, which would mean a negative settlement (loss) of 4,000 EUR.

The worst-case scenario the Client could face would be a loss equal to the amount of Allowances x Forward Price agreed in the Transaction when the market price per Allowance is equal to zero.

Risk of loss in case of early termination

Upon entering into the Transaction, the Client acknowledges the risk that in case of early termination the Transaction would be subject to valuation according to the concept of Market Value. This may result in a positive or negative value for the Client. This amount is defined as the "Settlement Amount" and could include a quantity in concept of costs (as indicated in the section "Costs and Associated Expenses") which will increase the amount to be paid by the Client or reduce the amount to be received by the Client.

The worst-case scenario for the Client is that the Allowance expected Price at maturity would be equal to zero. In this case, the Settlement Amount would be negative for the Client implying a net loss to be paid to BBVA.

4.4. Sell Allowance Forward Transaction

What is and how does the Product work?

A Sell Allowance Forward Transaction is a contract where the Client agrees to sell a number of Allowances at a fixed price set on the Trade Date (the Forward Price) for settlement on a specified date in the future. Payment Date can be antecedent or subsequent to Delivery Date, according to the relationship with the client, existence of credit lines, among other conditions.

On the Payment Date, the buyer shall pay to the seller an amount equivalent to the Forward Price multiplied by the Number of Allowances, and on the Delivery Date the seller shall deliver to the buyer the Number of Allowances.

Product Example - Scenarios⁵

Transaction in which the client sells Forward EUAs under the following conditions

Trade Date: 16/01/2023
Maturity Date: 16/01/2024 (12 months)
Settlement Date: 18/01/2024
Payment Date: 20/01/2024
Number of Allowances: 1,000
Price of the EUA in the Trade Date: 95 EUR
Forward Price: 97 EUR



Scenarios at the end of the 12 months period:

■ **Negative scenario:** If the EUA price on the Settlement Date > 97 EUR

Client sells the EUAs at 97 EUR, as agreed in the Transaction. The Forward Price is lower than the current Spot Price, thus the Client would make a loss.

■ **Positive scenario:** If the EUA price on the Settlement Date < 97 EUR

Client sells the EUAs at 97 EUR, as agreed in the Transaction. The Forward Price is higher than the current Spot Price, thus the Client would make a profit

⁵ These data and scenarios are merely indicative, without having any relation with the levels, terms or amounts that may be agreed in the Product. They are only included as an example so that the Client can more easily understand the characteristics of the Product. g

RISKS OF THE TRANSACTION: Sell Allowance Forward Transaction

The Transaction entails the following risks for the Client, which could result in a net loss that, in the worst case, will be equal to the cost of selling the Number of Allowances at the Forward Price agreed in the Transaction.

Risk of negative Settlement

When entering into the Transaction, the Client acknowledges the risk that the settlement at maturity could imply a net loss for the Client. This would occur if the Allowance market price in the market at maturity is higher than the Forward Price of the Allowances agreed in the Transaction.

As an example, we consider a Number of Allowances equal to 1,000 (i.e. 1000 tons of CO₂ equivalent) at a Forward Price of 97 EUR as agreed in the Transaction, and assume that on the Settlement Date the price per Allowance is 101 EUR. The Client has sold the Allowances at a Notional Amount of 97,000 EUR, while the Notional Amount according to the market price on the Settlement Date would be 101,000 EUR, which would mean a negative settlement (loss) of 4,000 EUR.

The worst-case scenario for the Client is that the market price per Allowance on the Settlement Date is very high, there being no limit as to how high it can be, which could lead to an unlimited loss.

Risk of loss in case of early termination

Upon entering into the Transaction, the Client acknowledges the risk that in case of early termination the Transaction would be subject to valuation according to the concept of Market Value. This may result in a positive or negative value for the Client. This amount is defined as the "Settlement Amount" and could include a quantity in concept of costs (as per indicated in the section "Costs and Associated Expenses") which will increase the amount to be paid by the Client or reduce the amount to be received by the Client.

The worst-case scenario for the Client is that the market price per Allowance on the Settlement Date is very high, there being no limit as to how high it can be. In this case, the Settlement Amount would be negative for the Client implying a net loss to be paid to BBVA.

4. Common Risks to the Transactions

The risks and considerations common to all Transactions described in this document are described below. Furthermore, individual risks and considerations are mentioned in each product's description.

Liquidity Risk

The Transaction is not transferable, nor is it listed on any secondary market. Without prejudice to the above, BBVA and the Client may agree to the early termination or transfer of the Transaction in accordance with the terms of its governing documents subject to the risks for the Client as set forth herein.

Credit Risk and Delivery Risk

The Client assumes the credit risk of BBVA, which consists of the possibility that the entity may not comply with its contractual obligations, not make the payment, delivery or paying/delivering less than agreed and/or carrying out these obligations with a delay.

Inflation Risk

The terms and conditions of these products are those indicated in the relevant confirmation, and there is no adjustment for inflation. This means that the purchasing power of the amounts paid to you by BBVA for these Products may be affected by the effect of inflation between the date that the contract is entered into and the date on which they are received.

Internal Recapitalisation of the Bank

Spanish Law 11/2015, of June 18, on the Recovery and Resolution of Credit Institutions and Investment Services Companies (Ley de recuperación y resolución de entidades de crédito y empresas de servicios de inversión) establishes a "bail-in" mechanism to avoid, in the event that a Spanish Financial Institution is having serious economic or solvency troubles, that the State spend tax-payer's money in order to rescue these institutions. As an alternative, in the event of serious economic difficulty of BBVA, the competent authorities could, among other actions, modify the terms of the Products (Expiration Date, Notional Amount, etc.) including the cancellation of all payment obligations in your favour assumed by BBVA. They could also convert the Products into ordinary BBVA shares or other equity instruments and / or arrange the transfer of assets to a bridge entity and / or the sale of assets or business areas of the Bank, thus limiting the Bank's ability to comply with its future obligations (including those relating to the Products). The impact on the Products would depend on the Client's hierarchical position as creditor of the Bank according to applicable regulations.

Leverage Risk

These Products are leveraged financial instruments, which means that by a small initial monetary contribution (or even without making any initial contribution), the Client may have benefits or losses much greater in magnitude.

Other Risks

Without prejudice to the specific risks indicated above, the client must be aware, understand and accept that unexpected scenarios can arise in the future which could lead to changes in the applicable markets during the term of the Transaction which could give rise to financial risks not outlined in this document, which the Client expressly accepts and which cannot be specifically addressed in this document.

Further Considerations

4.1. Term of the Transaction. To the extent that (i) a default has not occurred in respect of any of the Parties or (ii) the Client and BBVA have expressly agreed on the possibility of unilaterally accelerating the maturity date of the Transaction, the early termination of the Transactions will require the prior express consent of the Parties with respect, but not limited to, the early termination date and the early termination amount to be payable by one Party to the other, taking into account the risks outlined in this section.

4.2. Absence of any withdrawal right. Notwithstanding that the entering into the Transactions is performed within the frame of the Client's business or professional activity, therefore with no consumer regulation being applicable to it, Counterparty is aware that, pursuant to article 10.2 of the Spanish Law 22/2007, dated July 11th, ("*Ley 22/2007, de 11 de Julio, sobre comercialización a distancia de servicios financieros*"), Client has no withdrawal right regarding the entering into this type of financial instruments.

5. Costs and associated expenses

Through this section you will obtain information regarding the costs which may arise during the tenor of the Product and, therefore, that the Client will have to assume.

i. Costs and Expenses:

Spot Allowances:

Example Notional Amount 10000€		Percentage	Example Amount	Impact of the costs and expenses on the product's return
Costs of the Product: - Spot	Retail and Professional Client	2%	200€	2%

Allowance Forward Transaction:

Example Notional Amount 10000€		Tenor	Percentage	Example Amount	Impact of the costs and expenses on the product's return
Costs of the product: - Forward	Retail Client	As disclosed in "What are the cost?" Section near "Total costs" reference of the Key Information Document ("KID").			If you hold the Product until maturity the annualised figure is disclosed in "What are the cost?" Section near "Annual cost impact" reference of the Key Information Document ("KID") *
		< 1 year	2%	200€	2%
	Professional Client	1 - 3 years	5%	500€	5%
		3 - 5 years	9%	900€	9%
		> 5 years	**	**	**

The table above does not cover the whole selection of Products offered by BBVA. For instance, certain tailor made Products are not covered. If a Product is not included in the table, you will receive a separate notification by your BBVA sales representative prior to entering into the Transaction. The impact of the costs and expenses on Product's return shows how total costs and expenses of the service and the product have diminished gross return of the investment during the holding period. The details indicated in this section are estimations based on calculus and hypotheses made by BBVA and, therefore, they could differ from the actual costs and expenses assumed by the Client.

ii. Early Termination

The Products, unless a cancellation right has been expressly agreed, do not permit the early termination or early repayment unless BBVA and the Client reach an agreement regarding the date and the early termination amount. In such case, the early termination amount at which BBVA is willing to terminate will be calculated in accordance with the "Market Value" criteria, which is the result of terminating at present value the future rights and obligations expected for the Client and BBVA in accordance with the factors and valuation methodologies commonly employed in the market. The previous result may imply a loss or benefit for the Client. Additionally, early termination will imply an implicit cost for the Client as if it were a new Transaction (check table in subsection (i) above to get the cost of the Product), thus, the notional amount (a) will increase the amount the Client must pay if said amount is negative or (b) will reduce the amount the Client must receive if the Market Value is a positive amount (as explained in section "Risk of loss in case of early termination" of each Product).

iii Other Costs

The costs of the account(s) of cash in BBVA in which the receipts and payments that derive from the amounts generated by the Product are made. These costs are detailed in the BBVA rate prospectus, available at www.bbva.es. Additionally, it is possible that the Client has to assume other costs (including taxes) which are not included in this document and whose payment is not carried out through BBVA. Costs, such as the one regarding obtaining the Legal Entity Identifier which is compulsory according to Regulation 648/2012 ("EMIR") and Regulation 600/2014 ("MIFIR").

6. Disclaimer

(i) This document, including the information and opinions contained herein (the "**Pre-Trade Information**"), has been prepared by Banco Bilbao Vizcaya Argentaria S.A. (the "**Company**") [solely for circulation to [BBVA Clients] on [14th December 2023] on the basis of information that has been obtained or derived from sources believed by the Company to be reliable.

(ii) This Pre-Trade Information (i) is provided for private reference and information purposes only, (ii) is strictly confidential to the recipient, and (iii) may not be reproduced, retransmitted, further distributed or otherwise be made available to any other person or published, in whole or in part, for any purpose, without the prior written consent of the Company.

(iii) This Pre-Trade Information does not constitute or form part of and shall not be construed as, an offer, or the solicitation of an offer, by the Company to enter into any contract or agreement regarding Emission Allowances (the "**Product**") or to make any investment in any jurisdiction. Neither this Pre-Trade Information, nor any part of it nor anything contained or referred to in it, nor the fact of its distribution, shall form the basis of, or be relied on in connection with, or act as an inducement in relation to, any contract, agreement, commitment, or investment decision whatsoever in relation to any such Product.

(iv) The contents in this Pre-Trade Information have not been independently verified. Neither the Company nor any other person are under any obligation to update or keep current the information contained herein. Accordingly, no representation or warranty or undertaking, express or implied, is given by or on behalf of the Company, any of its respective members, directors, officers, agents, employees or partners or any other person as to, and no reliance should be placed on, the accuracy, completeness or fairness of this Pre-Trade Information or the information or opinions contained herein. In particular, no representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, estimates or forecasts contained in this Pre-Trade Information and nothing in this Pre-Trade Information is or should be relied on as a promise or representation as to the future.

(v) None of the Company or any of their respective members, directors, officers, or employees nor any other person accepts any liability for any loss however arising from any use of this Pre-Trade Information or its contents or otherwise arising in connection with the Pre-Trade Information.

(vi) This Pre-Trade Information includes forward-looking statements. These forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words "believe", "expect", "anticipate", "intends", "estimate", "forecast", "project", "will", "may", "should" and similar expressions identify forward-looking statements. Forward-looking statements include, without being exhaustive, statements regarding growth in demand for the Product; economic outlook and industry trends; developments of markets; and/or the impact of regulatory initiatives.

(vii) The forward-looking statements in this Pre-Trade Information are based upon various assumptions, many of which are based, in turn, upon further assumptions, including, without limitation, management's examination of historical data and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, and the Company may not achieve or accomplish these expectations, beliefs or projections. Neither the Company, nor any of its managers, members, directors, officers, agents, employees, or advisers intend or have any duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained in this Pre-Trade Information.

(viii) The information and opinions contained herein are provided as at the date of this Pre-Trade Information and are subject to change without notice and will only be finalised at the time of the offering.

(ix) Prospective recipients should not treat the contents of this Pre-Trade Information as advice relating to legal, taxation or investment matters, and are to make their own assessments concerning such matters and other consequences of a potential purchase of the Product, including the merits of investing and related risks.

(x) Conflicts of interest: BBVA aims to profit from the sale of the Products described in this document. This is something that has been raised, by certain courts, as a conflict of interest that has to be disclosed to investors so that they can make better investment decisions.

BBVA has adopted a Conflict of Interest Management Policy that is summarised as follows:

- Conflict Identification: The policy specifies certain potential situations where conflicts of interest may arise. A procedure has been defined to cover situations not included in the policy, so that employees may report a conflict prior to rendering such service in order to adopt any necessary measures for its resolution.
- Management and prevention measures: the following measures, among others, are in place: i) general and specific action guidelines that prohibit certain conducts or permit their resolution; ii) measures to avoid or control employees from exerting undue influence over other employees or departments that are providing the relevant services; (iii) measures to avoid or control the simultaneous or consecutive participation of an employee over different investment or ancillary services, when such participation may lead to a conflict; (iv) procedures and measures to avoid or control any exchange of information between people or departments which could be contrary to Clients' interests; and (v) specific measures to ensure that the employees who produce investment reports are independent and objective.
- Operating procedures for the resolution of conflicts: BBVA has defined a specific operating procedure to resolve conflicts that arise in the context of the ordinary course of the business and that could not have been foreseen.

Finally, if the measures implemented to manage any specific conflict are not sufficient to guarantee, with reasonable certainty, that risks will be prevented, we will disclose to you the general nature or the origin of the conflict before acting on your behalf, so that you may take any decision you consider prudent in respect of the service we are rendering or offering you.

You can find more details about the policy in BBVA's website: www.bbva.es

In case you need any additional explanation or information in relation to the nature, functioning and risks of the Products detailed in this document, please consult your office or any office of BBVA,

(iv) You should be aware that if these Products are entered into by telephone, the telephone conversation will be recorded and you may request a copy of the record for a period of 5 years (or 7 years if requested by the competent authority) from the date of the recording. You will also have available a copy of the recorded conversations in which we intended to enter into sell a Product but it is finally not possible for whatever reason.

(v) European regulations (MIFIR and EMIR) require that, in order to buy, sell, exchange, etc., financial instruments (such as shares, derivatives, etc.), legal entities must have an identification code denominated "LEI": Legal Entity Identifier. Therefore, in order to enter into these Products, you must have the LEI code. You can find more information about it on the following links from ESMA and CNMV:

https://www.esma.europa.eu/sites/default/files/library/esma70-145-238_lei_briefing_note.pdf

http://cnmv.es/docportal/MiFIDII_MiFIR/CodigoLei.pdf