

PART III

Standards for Own-Account Trading by Person Subject

7. Own-Account Trading of Persons Subject

I. Definition of own-account trading

- 7.1 For the purpose of these ISC, *Own-Account Trading* refers to transactions involving *Securities Affected* that are executed by *Persons Subject* to the Internal Standards of Conduct, or on their account, outside the scope of activity that would be theirs by virtue of their duties in the company, or by *Equivalent Persons*.
- 7.2 *Equivalent Persons*, and consequently their transactions, will have the same consideration and will be subject to the same limitations as if the Subject Person had made them. The following are considered *Equivalent persons*:
- 7.2.1 The spouse or any other individual united by a relationship of similar affect according to domestic legislation. However, transactions will not be considered to be made by the *Person Subject* when they are ordered and made by the spouse in the spouse's individual name and exclusively:
- 7.2.1.1 For their private patrimony, when their marriage is not subject to a separation of estate.
- 7.2.1.2 For assets owned exclusively by that spouse, when their marriage is subject to a separation of estate.
- 7.2.2 Below-age children or step-children under his/her charge and care as well as those children or step-children of legal age who are economically dependent on him/her.
- 7.2.3 Persons with whom the Person Subject maintains close links, such as the following:
- 7.2.3.1 Legal persons over which the Person Subject directly or indirectly owns or has a controlling interest in 20% or more of the voting rights or capital.
- 7.2.3.2 A controlling relationship in the terms defined under article 5 of the Securities Market Act (group of companies).
- 7.2.4 Any other person, physical or legal, on whose behalf the *Person Subject* trades with *Affected Securities*.
- 7.3 No transactions may be ordered through nominees.
- 7.4 Trading under an arms-length portfolio management contract without previous communication between the portfolio manager and the *Person Subject* (or person(s) on his/her account) will not be considered *Own-Account Trading*.

II. Obligations regarding other relatives living with the person subject, or other persons with an interest

- 7.5 Although they will not be deemed *Equivalent Persons* nor be covered under the concept of *Own-Account Trading*, in compliance with the applicable standards, *Persons Subject* must inform the Compliance Department within three working days after the trade, of any transaction on *Securities Affected* carried out by the following persons:
- 7.5.1 The spouse or any person united with the Person Subject by a relationship of analogous affect under domestic legislation, regarding those transactions not considered *Own-Account Trading* under section 7.2.1 above.
- 7.5.2 Any other relatives with which the Person Subject has been living for at least one year.
- 7.5.3 Persons whose relationship is such as to have a significant direct or indirect interest in the outcome of the transactions of the *Person Subject*. Charging due fees or commissions on the execution of such transactions will not be deemed an interest.

III. Definition of securities affected

- 7.6 The rules applicable to *Own-Account Trading* by *Persons Subject* and/or *Equivalent Persons*, are confined to those *Securities Affected* that are not expressly excluded.
- 7.7 The following is not considered *Own-Account Trading*, and is therefore exempt from compliance with related restrictions:
- 7.7.1 Transactions carried out on shares in Spanish collective investment institutions, as well as those in collective investment institutions harmonized at EU level (or equivalent¹), provided that the *Person Subject* or any other person on whose account the transaction is carried out does not participate in the management of the institution.

8. Portfolio Management Contracts

I. Signing portfolio management contracts

- 8.1 *Persons Subject* to the Internal Standards of Conduct, as well as *Equivalent Persons* may sign portfolio management contracts with entities that are legally qualified to do so.
- 8.2 *Persons Subject* who enter into portfolio management contracts are obliged to notify the Compliance Department in writing, indicating the date the contract was signed and enclose a copy of the contract. In addition, if prior to being subject to the Internal Standards of Conduct another similar contract had already been signed the Compliance Department must be notified immediately.
- 8.3 *Persons Subject* who have entered into portfolio management contracts must provide the Compliance Department with all the information relating to transactions carried out under these contracts. In addition, the management company must be notified of its obligation to comply with Compliance Department's request for any information relating to transactions with *Affected Securities*.
- 8.4 The Compliance Department shall keep a record of the Discretionary Management Portfolio Contracts declared by Subject Persons.

II. Transactions within the framework of portfolio management

- 8.5 Any transaction on which there was prior communication between the portfolio manager and the *Person Subject* (or person(s) acting on their account), or any of their *Equivalent Persons*, even when there is a signed portfolio management contract, will be deemed *Own-Account Trading* and consequently must have been carried out in compliance with the instructions detailed in Chapters 9 and 11 of these Internal Standards of Conduct.

9. General Restrictions on Own-Account Trading

- 9.1 All *Persons Subject* to the Internal Standards of Conduct, and their *Equivalent Persons*, will be subject to the general restrictions regarding *Own-Account Trading* as explained in the following sections.

I. Prohibitions

- 9.2 Ordering *Own-Account Trading*, and modifying or canceling orders is prohibited under the following circumstances:
- 9.2.1 The transaction entails unsuitable use of *Inside Information* as established under section 4.8 hereof.
- 9.2.2 The transaction entails preparation or engagement in practices distorting the free formation of prices.
- 9.2.3 The transaction entails unsuitable use or improper dissemination of confidential information.
- 9.2.4 The transaction enters into or may enter into conflict with an obligation of the entity, according to prevailing regulations on securities markets.
- 9.2.5 The transaction is carried out on one of the securities included in the List of Restricted Securities.

¹ "Equivalent" means subject to supervision under the legislation of a EU member State that established a level equivalent to Community regulations regarding the distribution of risk amongst its assets.

- 9.3 The *Person Subject* is also forbidden from advising or assisting another person, outside the normal course of their work or, where applicable, their service contract, to trade with financial instruments that, were the trade *Own-Account Trading*, would:
- 9.3.1 Be prohibited under section 9.2 above.
 - 9.3.2 Be included under the circumstances expressly forbidden by prevailing regulations for financial analysts' trading.
 - 9.3.3 Entail unsuitable use of information that the entity has on customers' pending orders.
- 9.4 Except during the normal course of work or of a service contract, communication of any information or opinion to anyone is forbidden when the *Person Subject* knows, or should reasonably know, that the other person may, or it is conceivable that they may, as a consequence of such information, carry out any of the following:
- 9.4.1 Order a transaction on financial instruments that if it were *Own-Account Trading* by the *Person Subject* would:
 - 9.4.1.1 Be prohibited under section 9.2 above.
 - 9.4.1.2 Be included under the circumstances expressly forbidden by prevailing regulations for financial analysts' trading.
 - 9.4.1.3 Entail unsuitable use of information that the entity has on customers' pending orders.
 - 9.4.2 Advise, recommend or assist another person such that they carry out said transaction.

II. Transmission of orders and execution of transactions

- 9.5 Every *Person Subject* shall carry out *Own-Account Trading* through a single qualified financial intermediary.
- 9.6 Unless the *Person Subject* specifically notifies the Compliance Department that he/she will order his/her *Own-Account Trading* through another financial intermediary, he/she will be deemed to chose to buy or sell *Affected Securities* through any of BBVA Group's channels available for non-institutional clients. The Compliance Department will keep an updated list of the channels available, of which *Persons Subject* will be notified.
- 9.7 When the *Person Subject* has specifically notified that they will be ordering trades through another financial intermediary, they must ensure that:
- 9.7.1 The financial intermediary or the *Person Subject* personally informs the Compliance Department of any order, including its modification or cancelation, and any transaction on *Securities Affected* within a maximum of three working days as of the trade. For such purposes, inform will mean, at least, apprising said Department of the following information:
 - Who placed the order.
 - Order date and time.
 - Date and time of execution.
 - Identification of the financial instrument or security traded.
 - The direction of the transaction.
 - Volume (number of shares or financial instruments).
 - Price.
 - 9.7.2 The financial intermediary shall respond to any request for information put by the BBVA Compliance Department regarding trading of the *Securities Affected*. Thus, the *Person Subject* is obliged to instruct the financial intermediary to respond to these information requests, conferring any authority required to comply with them and taking heed of the instructions and authorizations of the Compliance Department.
- 9.8 At all times, the Compliance Department shall determine which *Securities Affected* may be excluded indefinitely or for a specific amount period of time from the obligations described in sections 9.5 to 9.7 above with respect to all or some of the *Persons Subject*.

- 9.9 However, should it be impossible, exceptionally, to order a transaction directly through the financial intermediary of choice, whether or not said financial intermediary belongs to BBVA Group, the *Person Subject*:
- 9.9.1 Must request specific authorization from the Compliance Department before they order the transaction.
- 9.9.2 Must inform the Compliance Department of the transaction executed within 3 days of the date of execution.
- 9.9.3 When the Compliance Department so requires, the Person Subject must notify the other financial intermediary, authorizing it to send such information as the BBVA Group Compliance Department may request with respect to the trading of the *Securities Affected*.

III. Type of orders

- 9.10 Orders must always be transmitted in the form corresponding to the channel chosen for the trade, complying with all the applicable requirements.

IV. Provision of funds or securities

- 9.11 *Persons Subject* to the Internal Standards may not place any order to their Own Account without having provisioned sufficient funds or without proving their ownership or corresponding rights over the *Securities Affected*.

V. Holding securities in portfolio

- 9.12 Before disposing of or cancelling BBVA shares, debt instruments, derivative products or other financial instruments linked to them, the *Persons Subject* must hold them for at least 20 stock-exchange trading sessions in their portfolio.
- 9.13 Other *Securities Affected* may not be traded in more than one direction during the same trading session, although these minimum holding periods may be extended on the basis of the specific post or duties of the *Persons Subject*. The Compliance Department or officer in charge of the Area shall give the *Persons Subject* affected by the special restriction advance notice of the applicable minimum holding period.

VI. Prohibitions on trading under special circumstances

- 9.14 No *Own-Account Trading* may be ordered on the issuer's shares or debt instruments, or with derivative instruments or other related financial instruments, for a limited period of 30 calendar days (including the publication date) prior to the publication of BBVA's quarterly, half-yearly or annual financial statements, or where appropriate, from the time this information becomes known, should that occur prior to the deadline given.
- 9.15 The Compliance Department shall publish the dates on which this prohibition is applied in the ISC Management Tool and the Compliance website.
- 9.16 Likewise, *Persons Subject* must refrain from ordering *Own-Account Trading* on any other *Security Affected* as of the moment in which they are apprised of the issuer's earnings prior to their publication and until the second working day after the date of said publication.

VII. Exceptions to general restrictions

- 9.17 Whenever the Compliance Department so determines, the *Persons Subject* whose main activity is in a financial institution not belonging to BBVA Group, and that has its own internal standards of conduct, as well as any others to which exemptions are granted under section 2.6.3, will be exempted from complying with sections 9.5 to 9.7 herein, provided they notify the BBVA Group Compliance Department, within three working days as of the trade, of any *Own-Account Trading* transaction on *Securities Affected* issued by the BBVA Group and on any others regarding which the *Persons Subject* have had any kind of information in pursuit of their duties within the BBVA Group.
- 9.18 The above notification will not be necessary if said trades have been carried out through the BBVA Group, under the terms and conditions established in 9.6 above.
- 9.19 Those transactions that are a result of the exercise of the rights assigned to the shareholder in a (released) capital increase, as well as those that are supplementary to this assignment, will be extent of the compliance of the general restrictions contained herein, as long as they are not required by law, and always following the criteria established by the Compliance Unit.

10. Specific yo Own-Account Trading

I. Application of special restrictions

- 10.1 The Compliance Department may establish, under certain circumstances, to apply special restrictions to some *Persons Subject*, along with their *Persons Equivalent*, to be added to those described above.
- 10.2 Such restrictions may be permanent for the *Persons Subject* who carry out certain kinds of duties or belong to specific areas or groupings within BBVA Group.
- 10.3 Likewise, these restrictions may be temporary for other persons or areas within the Group when this is deemed necessary or appropriate.
- 10.4 In all the circumstances described above, the Compliance Department will directly notify the persons affected of the specific restrictions to which they are subject and for how long or when the restriction will be lifted.
- 10.5 The Compliance Unit may impose one or several of the following special restrictions:

II. Advance notification of transactions

- 10.6 *Persons Subject* to whom this restriction is applicable must notify the Compliance Department or the body or person designated for notification, of planned trading of *Securities Affected* at least in the session immediately prior to the session in which the transaction is to be ordered. The Compliance Department or person designated for notification shall check that the transaction does not breach any of the prohibitions in section 9.2 herein.

III. Prior authorization of transactions

- 10.7 *Persons Subject* to whom such restriction is applicable may not order transactions without receiving prior authorization from the Compliance Department or the body or person designated for such authorization, which shall check that the transaction does not breach any of the prohibitions in section 9.2 herein.
- 10.8 The *Person Subject* shall be apprised of the answer to their request for authorization no later than the working day following receipt of said request.
- 10.9 The authorization to order the transaction shall be valid to be transmitted on the channel chosen for it, during the trading session on the day on which it is received and the trading session immediately following that.
- 10.10 The Compliance Department may establish that certain *Persons Subject* may not issue an order to make trades that have been effectively authorized until the session immediately following that in which the corresponding authorization is received. The authorization shall therefore be valid for the two stock-market sessions following the date on which it was received.

IV. Prohibition against trading certain securities

- 10.11 The *Persons Subject* to whom this restriction is applicable may not trade certain *Securities Affected*. This prohibition may be temporary or permanent, depending on the area or department to which the *Person Subject* belongs or their post or duties.
- 10.12 The Compliance Department shall determine in each case which people are subject to this restriction, which are the specific *Securities Affected* to which it will be applicable and how long the prohibition will last.

V. Exceptions to special restrictions

- 10.13 Those transactions that are a result of the exercise of the rights assigned to the shareholder in a (released) capital increase, as well as those that are supplementary to this assignment, will be extent of the compliance of the specific restrictions contained herein, as long as they are not required by law, and always following the criteria established by the Compliance Unit.

11. Notification of Transactions Made in Own-Account Trading

I. Disclosure duty

- 11.1 During the first days of each month, all *Persons Subject* to these Internal Standards of Conduct must notify the Compliance Department of each *Own-Account Trading* carried out during the previous month.
- 11.2 The Compliance Department shall keep an updated list of the securities that are exempt from the duty of disclosure, and the *Persons Subject* to whom said exemption is applicable.

II. Disclosure procedures

- 11.3 To this effect, the Compliance Department, in the first days of the month, will send a report to the *Persons Subject*, which will include a detailed description of *Own-Account Trading* that took place or was reported during the previous month. Once this has been signed (electronically, through the Management Application of ISC, or on a printed document, if this functionality is not available), it should be returned to the Compliance Department, acknowledging the transactions it contains to be correct or if there are discrepancies, adding, eliminating, or modifying the transaction or transactions in question (in the latter case through a printed document).
- 11.4 Likewise, should the Compliance Department so request, *Persons Subject* to the Internal Standards of Conduct must at any given time, in writing, provide a detailed description of *Own-Account Trading*.
- 11.5 All communication and information detailed in the sections above will be filed by the Compliance Department in such way as to guarantee confidentiality.

III. Other notification duties concerning the manager's transactions

- 11.6 In addition to the notification duties established in the present chapter, applicable to all the *Persons Subject*, the members of the Board of Directors and the members of the Senior Management, must comply with the additional notification duties relating their own account trading and the own account trading of their closely associated persons, both to the supervisory authority and the issuing entity (BBVA) in accordance to the applicable regulation.