Prevention of corruption at BBVA Group

1. Introduction

The BBVA Group (hereinafter, BBVA) has a firm and irrevocable commitment to legality and ethical principles, especially evidenced in terms of corruption. BBVA not only rejects categorically any corrupt practice but also requires third parties, and assumes as its own, the responsibility to actively participate in the eradication and prevention of corruption, both in public and in private sector. To that end it, BBVA has in place several internal policies, procedures and controls that develop and complement programmatic principles and behavior patterns set out in section 4.3 of the Code of Conduct under the heading "Anti-corruption Policy".

BBVA's conduct conforms at all times to the most rigorous national and international standards in the matter, including the best guidelines of international organizations for the prevention of corruption as well as those outlined by the International Organization for Standardization (ISO).

2. Scope

The principles and behavior patterns are applicable to all entities that are part of BBVA and will be mandatory for all its directors, managers and employees in all the activities they perform on behalf of BBVA. In addition, its scope of application is extended to other people or entities outside BBVA, provided that they are commercially or professionally related to BBVA or its business and when their performance may entail a risk or give rise to BBVA's responsibility or may in any way undermine its reputation or good name.

3. Key aspects of the prevention of corruption at BBVA

BBVA rejects, prevents and penalizes any corrupt practice and/or unfair behavior aimed at obtaining unlawful, undue or improper advantages for the entity, its directors, managers or employees.

The following general guidelines for action must be followed:

(a) It is not allowed to deliver, offer or accept gifts or personal benefits that may be intended to:

(i) Obtain or retain any type of business, contract, interest or dishonest advantage in favor of BBVA or by BBVA; or

(ii) Influence, with that aim, those with decision-making power.
(b) It is not allowed to request or accept unjustified payments by third parties or payments that involve a commission or compensation for the granting of a benefit, business or profit by BBVA.

(c) It is not allowed to improperly favor other entities or individuals with whom BBVA maintains contractual relationships or may eventually have them.

(d) It is not admissible to use, take advantage or prevail from a position in BBVA or a personal relationship with a public employee, authority or individual to try to unduly influence the decisions that the latter may adopt.

(e) It is required to exercise respect, diligence and caution when dealing with public employees or authorities, especially if they can adopt resolutions and decisions that directly or indirectly affect BBVA.

(f) Conflicts of interest, either actual or potential, must be avoided and reported to the line manager any time a situation may be perceived as such.

In addition, specific guidelines for action must be followed in relation to a number of areas and activities that involve a higher risk of corruption, such as, for example: delivery and acceptance of gifts or personal benefits; promotional events; travel and meal expenses; donations and sponsorships; relationships with third parties (i.e. suppliers, agents, intermediaries and business partners); hiring procedures or facilitation payments.

To encourage and ensure compliance with the above, aside from its continuous monitoring and supervision, BBVA:

- Accounts, records and documents all transactions, income and expenses in an adequate manner, without omitting, hiding or altering data or information in relation to them; so that the accounting and operational records faithfully reflect the true situation and can be verified by the supervisory departments and by internal and external auditors.

- Promotes reporting of any suspicion or knowledge of corrupt practices, made in good faith and without fear of retaliation, through the whistleblowing channel;

- Has in place a disciplinary system that can lead to termination of the employment or commercial relationship, as appropriate, and in accordance with the applicable laws; and

- Ensures the authority and independence of Compliance, which has been entrusted by the Board of Directors with the function of promoting and supervising that BBVA acts with integrity, particularly in terms of prevention of corruption.

All BBVA members undergo specific training courses in this field, adapted to their professional activities.