

**Banco Bilbao Vizcaya Argentaria, S.A. ("BBVA" or the "Issuer")**, in accordance with the provisions of the Securities Market legislation, communicates the following:

### **OTHER RELEVANT INFORMATION**

Following today's entry into force, effective today, of the First Book of Royal Decree-law 24/2021, of November 2, on the transposition of European Union directives in the areas of covered bonds, cross-border distribution of collective investment undertakings, open data and reuse of public sector information, exercise of copyright and related rights applicable to certain online transmissions and retransmissions of radio and television programs, temporary exemptions for certain imports and supplies, for consumers and for the promotion of clean and energy efficient road transport vehicles (the "**Royal Decree-law 24/2021**"), it is hereby stated that the public sector bonds already issued by BBVA and which are still outstanding (a list of which is included in Annex 1 to this press release):

(i) They will maintain their current conditions under the specific terms included in the corresponding issue documents (securities, if any, and final terms) under which they are issued (term, maturity date, interest, etc.).

(ii) They are covered under BBVA's public sector bond program approved by the Bank of Spain on July 4, 2022 (effective as of July 8, 2022, coinciding with the entry into force of Royal Decree-Law 24/2021) and which will be in force until July 8, 2025 (the "**Program**").

(iii) That, in accordance with Royal Decree-law 24/2021, the new cover pool of the aforementioned public sector bonds will become that established for such covered bonds as set forth in the Program.

(iv) That the cover pool monitor of the Program designated by BBVA pursuant to the provisions set forth in Chapter 1, Title VI, of the First Book of Royal Decree-law 24/2021 is Deloitte Advisory, S.L., as authorized by the Bank of Spain on July 4, 2022 (effective as of July 8, 2022, coinciding with the entry into force of Royal Decree-Law 24/2021).

(v) In accordance with the provisions of Royal Decree-law 24/2021, and in particular with its First Transitory Provision, as from July 8, 2022, the issues listed in Annex 1 will be subject to the application of Royal Decree-law 24/2021, and therefore the conditions of the Program, without the holders of such securities having any action against BBVA as issuer to claim their early maturity as a consequence of this modification in the legal regime.

(vi) The information published by BBVA on the Program, in accordance with article 19 of Royal Decree-law 24/2021, will be available, from the moment such information is available, on the website <https://shareholdersandinvestors.bbva.com/debt-investors/issuances-programs/covered-bonds> and will include: value of the cover pool; geographic distribution and type of cover assets; valuation method of the loans and

assets under guarantee; market, interest rate, currency, credit and liquidity risks; maturity structure of the hedging assets and liabilities; levels of necessary and available coverage; levels of legal, contractual and voluntary overcollateralization; percentage of loans in which a default is considered to have occurred; and identification of the cover pool monitor. The Issuer shall update such information on a quarterly basis in accordance with the provisions of the aforementioned article 19 of Royal Decree-Law 24/2021. In addition, the necessary information on the transition process in accordance with the Second Transitory Provision of Royal Decree-law 24/2021 will be available on said website.

Regardless of the full application of Royal Decree-law 24/2021, a summary of some relevant aspects of the same is attached as **Annex 2**.

Madrid, on July 8, 2022.

## ANNEX 1

### LIST OF PUBLIC SECTOR BONDS ISSUED AND OUTSTANDING

ISIN	Maturity (DD/MM/YYYY)	Outstanding principal (€)
ES0413211477	03/08/2023	200.000.000
ES0413211980	14/10/2024	500.000.000
ES0413211998	12/06/2025	1.500.000.000
ES0413211A00	14/09/2025	1.500.000.000
ES0413211A42	20/10/2026	2.000.000.000
ES0413211A67	22/03/2027	540.000.000

## ANNEX 2

### **Description of the new Royal Decree-Law 24/2021, applicable to Public Sector Bonds**

Pursuant to Article 2 of Royal Decree-Law 24/2021, the following definitions apply:

- a. "Covered Bond", the mortgage cover bonds, public sector cover bonds or internationalization cover bonds issued by a credit institution in accordance with the provisions of the Royal Decree-law 24/2021 and secured by hedging assets of their corresponding cover pools to which the investors of these bonds may have direct recourse in their capacity as preferred creditors.
- b. "covered bond program" the structural characteristics of one or several issues of a type of Covered Bond that are determined by applicable legal regulation and by contractual clauses and conditions, in accordance with the permission granted to BBVA by the Bank of Spain.
- c. "cover pool" a pool of clearly defined assets that secure the payment obligations attached to a determined Covered Bond program and that are segregable from other assets of the issuing entity in the cases provided for by law.

The Covered Bonds, like the Public Sector Bonds, represent unsubordinated debt for the Issuer, bear interest, are repayable by early redemption or at maturity, and may be traded in domestic and/or foreign markets.

Without prejudice to the universal patrimonial responsibility of the Issuer, the totality of the principal and interest of the Public Sector Bonds, both accrued and future, will be specially guaranteed without the need to assign the assets in guarantee by public deed, nor any registration in any public registry or any other formality by a preferential right on the totality of the assets that make up its cover pool, including their present and future yields, as well as any collateral received, if applicable, in connection with positions in derivative contracts and any damage insurance rights, identified in the corresponding special registry of the Issuer, all in accordance with the legislation in force.

#### ***Covered Bonds Program***

The Public Sector Bonds as Covered Bonds, in accordance with Royal Decree-law 24/2021 require the prior administrative authorization in force by the Bank of Spain of the "covered bond program" of each category of Covered Bonds, in accordance with article 34 of Royal Decree-Law 24/2021.

#### ***Cover pool of the Program***

From the date of entry into force of Royal Decree-law 24/2021, the Public Sector Bonds will be specially guaranteed by the assets of the coverage pool specified in the Program, which in accordance with the legislation will be comprised of the following assets:

- (i) The eligible primary assets listed in letter a) of Article 129. 1 of Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013, on prudential requirements for credit institutions, and amending Regulation (EU) No. 648/2012, and which form part of its cover pool, by the eligible replacement assets, by the liquid assets that make up the liquidity buffer of its cover pool, and by the economic flows generated by the derivative financial instruments linked to each issue, all in accordance with the legislation in force and the corresponding issue program authorized by the Bank of Spain.
- (ii) The Public Sector Bonds may be backed up to a limit of 10% of the principal amount by the following substitute assets:
  - a. fixed income securities admitted to trading on regulated markets issued by (a) central governments or central banks of the ESCB, public sector entities, regional governments or local authorities of the European Union, or guaranteed by them, and (b) central governments or central banks of third countries, multilateral development banks, international organizations, public sector entities, regional governments or local authorities of third countries, all of them with credit quality step 1, or guaranteed by them; and/or
  - b. short-term deposits in credit institutions that comply with the provisions of Article 129.1 (c) of Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No. 648/2012.
- (iii) The Public Sector Bonds Securities must have the minimum level of legal over-collateralization provided for in the first paragraph of Article 129.3a of Regulation (EU) No. 575/2013 of 26 June 2013.
- (iv) The Issuer may not with respect to the loans subject to the cover pool, except with the express authorization of the cover pool monitor and, if applicable, subject to the conditions that it may establish none of the acts included in article 23.7 of Royal Decree-Law 24/2021.

Assets consisting of credits or loans shall be included in the cover pool and shall serve as collateral for the total amount of the principal outstanding, regardless of the amount with which they contribute to the cover. In no case may the same asset belong to two different cover pools. Partial inclusion of assets in the cover pool is also not permitted.

The covered bond programs shall guarantee that, at all times, the liabilities of the Covered Bonds of said program are covered by the credit rights linked to the hedging assets under the terms set forth in Royal Decree-Law 24/2021.

### ***Special accounting record***

Pursuant to article 9 of Royal Decree-law 24/2021, BBVA keeps a special accounting record where each and every one of the loans and, if applicable, the drawn portion of the credits, replacement assets, assets to cover the liquidity requirement and derivative

instruments, which make up each of the coverage pools of each Covered Bond program, as well as, if applicable, any collateral received in connection with positions in derivative instruments and any credit rights derived from the insurance against damages attached to the issue, are recorded.

### ***Nature and regime of the cover pool***

Pursuant to Article 7 of Royal Decree-law 24/2021, every Covered Bond program must have, at all times, a cover pool. The Issuer shall ensure that the cover pool is made up of collateral with different characteristics in terms of structure, duration and risk profile.

For these purposes, the Issuer shall have internal policies and procedures to ensure compliance with this principle in the composition of the portfolio that meet, in particular, the following requirements:

- a. they must explicitly include internal rules and tests of granularity and concentration, on potential maturity, duration and interest rate mismatches and, if applicable, exchange rates;
- b. they must be approved by the Issuer's management body; and
- c. the part of the information on such policies and procedures that is most relevant to the investor must be included in the contractual terms and conditions.

### ***Control Body of the cover pool of each Program***

The Issuer must, in accordance with article 30 of Royal Decree-law 24/2021, have for each covered bond program, the designation of a cover pool monitor, which will act at all times in the interest of the investors and whose function is to permanently monitor the cover pool associated with each Covered Bond issued. The cover pool monitor is in charge, amongst other things, of authorizing the entries and exits of the special register of each cover pool.

In any case, each cover pool must have a control body, which may be external or internal, and which will be appointed in accordance with the provisions of article 31 of Royal Decree-law 24/2021.

### ***Supervision by the Bank of Spain***

The public supervision of the Covered Bonds programs will correspond to the Bank of Spain, which must provide its authorization for the formalization of a Covered Bonds program, and has the power to obtain the necessary information, carry out as many investigation activities and impose such sanctions as may be necessary to perform its supervisory function and ensure that the requirements set forth in Royal Decree-law 24/2021 are complied with. In this regard, the Issuer shall provide to the Bank of Spain upon request any information that the Bank of Spain deems necessary and, at least on a quarterly basis, the information required by Article 35 of Royal Decree-law 24/2021.

### ***Order of priority and effects of the Issuer's tendering process***

The Covered Bonds incorporate the holder's credit right against the Issuer and shall be enforceable under the terms set forth in Law 1/2000, of January 7, on Civil Proceedings, in order to claim payment from the Issuer after their maturity. The credit right shall extend to the totality of the payment obligations associated with the Covered Bonds.

The holders of the Covered Bonds shall have the status of creditors with special preference provided for in number 8 of article 1922 and number 6 of article 1923 of the Civil Code, as opposed to any other creditors in relation to the loans and credits integrated in the corresponding cover pool, to the replacement assets and to the economic flows generated by the derivative instruments or credits derived from the insurance against damages, if it exists, in accordance with the provisions of Chapter III, Title XVII, of Book Four of the Civil Code.

All holders of Covered Bonds, regardless of their date of issue, will have the same priority over the loans and credits that guarantee them and, if any, over the replacement assets and over the economic flows generated by the derivative financial instruments linked to the specific issues.

Likewise, in the event of insolvency of the Issuer, the holders of the Covered Bonds will enjoy the special privilege established in number 7 of article 270 of the consolidated text of the Insolvency Law, approved by the Royal Legislative Decree 1/2020, of May 5.

The opening of the insolvency proceedings or the resolution of the Issuer, notwithstanding the fact that, if applicable, it may result in the extension of the maturity of any issue of Covered Bonds, shall in no case:

- (i) shall produce the automatic early termination of the payment obligations associated with the Covered Bonds, nor shall it affect in any way the fulfillment of the rest of the obligations associated with the Covered Bonds, without prejudice to the provisions of Article 42.2 of Law 11/2015;
- (ii) entitle the holder of Covered Bonds to urge their early maturity;
- (iii) entail the suspension of the accrual of interest on the Covered Bonds; nor
- (iv) be cause for maturity or early termination of the derivative contracts integrated in a hedging pool.

In the event of insolvency of the Issuer, a special administrator will be appointed, from among the persons proposed by the FROB, to administer the corresponding Covered Bonds program and to watch over the rights and interests of the investors, after consulting the Bank of Spain, materially segregating from the Issuer's assets from the assets comprising the cover pool of each Covered Bonds program, becoming a separate asset without legal personality.

The segregation implies that the hedging assets:

- (i) do not form part of the insolvency estate until the privileged credit right of the holders of the Covered Bonds and the derivative counterparties and the expenses derived

with the maintenance and administration of the separate estate and, if applicable, with its liquidation are satisfied; and

- (ii) are protected against the rights of third parties and cannot be rescinded by application of the reinstatement actions provided for in the insolvency legislation, except in the case provided for in Article 42.2 of Royal Decree-Law 24/2021.

The special administrator will determine that the assets registered in the special registry, together with the corresponding liabilities, are transferred to form the separate estate without legal personality.

Once the transfer has been made, if the total value of the assets is greater than the total value of the liabilities plus the legal, contractual or voluntary over-collateralization and the liquidity requirement, the special administrator may decide whether to continue with the current management of the separate estate until its maturity or to make a total or partial transfer of the separate estate to another entity issuing covered bonds. In any case, it will be understood that the total or partial assignment constitutes a new program for such entity, which will require the authorization provided for in Article 34 of Royal Decree-Law 24/2021.

On the other hand, if the total value of the assets is less than the total value of the liabilities plus the legal, contractual or voluntary over-collateralization and the liquidity requirement, the special administrator will request the liquidation of the separate estate following the ordinary bankruptcy procedure in accordance with the provisions of Article 46 of Royal Decree-Law 24/2021.

In the event that the privileged claim cannot be fully settled against the cover pool, the holders of the Covered Bonds will have a claim against the Issuer with the same priority as the other claims of the unsecured creditors. If, once the credit with the investors in the Covered Bonds is fully settled against the cover pool, there is any remainder, it will correspond to the insolvency estate.