

BBVA

Creating Opportunities

General Advertising Communication Policy of Banco Bilbao Vizcaya Argentaria, S.A.

For its activities in Spain

Madrid, October 2020



Table of Contents

Contents

1 - Introduction	3
2 - Purpose, scope of application and publication	3
Objective scope of application.....	4
Subjective scope of application.....	4
3 - General principles for creating our advertising	5
4 - BBVA advertising activity.....	6
5 - Management and control model	7
6 - Advertising Register	9
7 - Terms for approval, review and supervision.....	9
8 - Glossary.....	10
Annex 1. Format and content of the advertising message for banking products and services.....	11

1. Introducción

Presentation

- 1.1. Several activities are carried out when marketing the various products and services of the Banco Bilbao Vizcaya Argentaria, S.A. catalog (“**BBVA**” or “**Bank**”).
- 1.2. At BBVA, we are firmly committed to complying with the legal regulations and best practices that apply to our advertising activities. To this end, we have set up internal procedures and controls that enable us to protect the legitimate interests of our customers and to manage the risks to which they are or may be exposed as a result of advertising activities.
- 1.3. At BBVA, we have a direct commitment to our customers to guarantee that the advertising communications we make via any channel undergo a rigorous control process of their quality, selection and the review of their contents.
- 1.4. We want to ensure transparency, clarity and responsibility in our advertising messages in order to guarantee that this information is impartial, clear and not misleading. We do this by adopting the necessary procedures to make sure that the products offered and the mode of presentation are aligned with the characteristics of the target segment, thus promoting a full understanding of the product and avoiding advertising attraction mechanisms that contradict these aims.

Advertising concept

- 1.5. As provided for in Article 2 of Law 34/1988 of November 11, the General Advertising Law, advertising is understood as any form of communication carried out by a natural or legal person, public or private, in the exercise of a commercial, industrial, artisanal or professional activity, in order to promote the direct or indirect procurement of movable or immovable property, services, rights and obligations.
- 1.6. The advertising activity of credit institutions such as BBVA is subject to Law 34/1988 of November 11, the General Advertising Law, and to the specific provisions of the following stipulations:
 - Order EHA/1718/2010 of June 11, which regulates and controls financial advertising and products.
 - Order EHA/1717/2010 of June 11, which regulates and controls the advertising of investment services and products. Its first final provision allowed the CNMV to issue the precise rules for the implementation and execution of this order.
- 1.7. In addition, any provisions that, to implement the preceding ones, may be issued by the competent bodies, such as the Banco de España or the CNMV, shall also apply, such as Bank of Spain Circular 4/2020 of June 26, on advertising banking products and services.

2. Purpose, scope of application and publication

Purpose of BBVA's Advertising Communications Policy

The purpose of this BBVA Advertising Communication policy (hereinafter, the “Policy”) is to guarantee proper compliance with regulatory obligations, as well as to describe the advertising activity carried out by the Bank to make its products and services known, for the purpose of improving our customers' financial health, namely:

- a. To describe the advertising activity carried out by BBVA
- b. To determine the general principles and criteria to which BBVA's advertising activity must conform.
- c. To designate the functional areas of the entity responsible for the internal review of the advertising pieces, so as to ensure proper oversight of the content of the Campaigns.
- d. To provide a detailed description of the internal procedures and controls in place to protect the legitimate interests of our customers and to manage the risks arising from our advertising activity.

All references in this Policy to units and committees shall be understood to refer to those units and committees that perform the given functions at that time, as the names may be subject to change.

Objective scope of application

- 2.1 Advertising Activity that satisfies the following two conditions is subject to the provisions herein:
- (i) that which is intended for customers or investors (or potential customers or investors) in Spanish territory, in which banking or investment products or services are offered or information is disclosed as provided in sections 2.3 and 2.4; and
 - (ii) that which is overseen by the Bank of Spain or the Spanish National Securities Market Commission (CNMV).
- 2.2 The following shall not be considered advertising activity involving banking or investment products or services (and therefore are not subject to this Policy):
- a. Campaigns or advertising pieces aimed exclusively at disseminating corporate information, such as that related to the status and management of the entity (organizational structure, fundamental indicators of a financial and non-financial nature, corporate governance, corporate social responsibility, etc.) or its corporate purpose, for the purpose of familiarizing the public with the Bank.
 - b. The informational content that is necessary to procure a banking or investment product or service, or to carry out an operation, such as the pre-contractual and contractual information included in the general or transactional content pages of the entity's website that supports the execution of these operations.
 - c. Communications on the products or services procured that banks are required to provide to their customers or investors within the framework of the contractual relationship, as well as material that contains only information regarding their technical or operational functionalities.
 - d. Information, examples, simulations or legal notices on the specific characteristics of the specific operations requested by the user (cost, execution periods, etc.) included in the transactional pages of the bank's website that support the execution of these operations.
 - e. Documentation or information provided in presentations to analysts or institutional investors, made by representatives of entities, issuers or insurers during the placement period, and intended to ascertain the interest of institutional investors in an offer.
 - f. The periodic reports and publications issued by analysts on financial instruments or services, including analysis reports and investment recommendations.

Subjective scope of application

This Policy applies to all the advertising activities of BBVA and of the entities of the accounting consolidation group that are carried out in Spanish territory, and that are therefore subject to the legal provisions listed in section 1 of this Policy.

Dissemination of the BBVA Commercial Communication Policy

- 2.3 The Department responsible for this Policy shall disseminate it among all the Group Departments as applicable, as well as among Service Providers, to ensure its contents are known.
- 2.4 Likewise, in keeping with our principles of clarity, transparency and responsibility, the Policy will be available on the public BBVA website, where it will be accessible to current and potential customers.

3. General principles for creating our advertising

3.1 When we prepare our advertising contents, we always comply first and foremost with the current legal framework at all times, and with the general principles contained in our policy, which we implement through our internal procedures.

3.2 Our general principles are as follows:

1. Advertising on products and services will be clear and sufficient, balanced, objective and not misleading, it will not conceal its advertising nature, it will use **simple language** that is easy to understand, and **avoid** the inclusion of ambiguous, biased, **incomplete** or contradictory **information** that can lead to confusion. Any information that the recipient needs to make or be able to make an informed decision regarding their economic behavior will not be omitted or hidden.

To this end, we continuously promote our TCR values - **transparency, clarity and responsibility** - which are always a prime consideration when we communicate to customers or potential customers:

Transparency: The information will be sufficient, truthful and not lead the recipient to misunderstanding or confusion. It should be exact and not highlight the potential benefits of a product or service without also indicating the relevant risks in an impartial and visible way. It must not conceal or minimize any important aspect, declaration or warning.

Clarity: The content of the advertising information must be easily understood by the target public without causing any doubts or confusion.

Responsibility: The advertising contents must be based on objective criteria.

2. Any data and statements given must be verified and easily verifiable.
3. Materials for certain products and services will be made available in different languages to improve the care and service in our branches and in electronic formats (including the languages that are mandatory in the regulations of each Autonomous Region). Content that could undermine the dignity of individuals or be discriminatory will not be used. Particular attention will be paid at all times to protect and respect the rights of minors and the disabled, and to correctly process personal data.
4. Commercial Communications and Advertising Pieces will make specific mention of the advertising nature of the message when it is not evident from the context.
5. The products and services offered will be clearly identifiable by avoiding the use of terms or expressions that may lead to doubts as to their nature and characteristics, or as to the risks associated with their procurement. When the commercial name of the product or service offered, or its framing within the advertising material, may lead to an error regarding the legal nature of the operation, it must be expressly clarified.

Similarly, when two or more products of different types are offered simultaneously, the different characteristics of these products must be clearly indicated.

6. Commercial Communications and Advertising Pieces that **provide information on the cost or returns** of a product or service for the public will contain clear, accurate and updated information on its essential characteristics, in a way that is appropriate to the nature and complexity of the product or service offered, to the characteristics of the means of dissemination used and to the target audience for which they are intended, so that the recipient can make an informed decision on its procurement.
7. When the media outlet or the advertising format imposes space or time restrictions, any **references to alternative sources of information** must not mislead the consumer as to the characteristics of the product or service offered, or cause them to engage in financial behavior that they would presumably not have adopted had they known all the information required to properly market said product or service.
8. Advertising messages and how they are presented must adapt to the characteristics of the target group to ensure the advertising piece can be understood, and **will avoid mechanisms of advertising appeal that are manifestly**

incompatible with protecting the interests of said group. In any case, the advertising message will not create false impressions or expectations that in any way provide an incentive to procure the product or service offered or that may create an appearance that does not reflect the reality of the characteristics or duration of the product/service advertised.

9. When an advertising piece includes **secondary or less prominent messages, these cannot contradict the content of the main message or limit it in any fundamental way.** In any case, any legal clarifications or notices about the products or services offered included in the advertising message (for example, about their risks, factors that affect their cost or returns for the public, or their marketing requirements) will have a suitable format, position and relevance, in order to ensure they are easily noticeable by the recipient, and their presence will be indicated using footnotes or messages highlighted in the main message.
10. If the advertising includes superlative or diminutive adjectives or expressions that indicate a preference or refer to our possible leadership position or to that of the product or service, we must be able to prove this in the case of comparative advertising, and avoid it in all other cases; in particular, when it comes to expressions involving the cost or yield of the product or service offered.

Notwithstanding the provisions of Law 3/1991 of January 10, on unfair competition, in comparative advertising, the products or services compared will have the same purpose or satisfy the same needs, and the comparison will be made objectively and involve one or more of their essential characteristics, which must be relevant, verifiable and representative. In any case, the advertising piece will detail the assumptions on which the comparison is based, without omitting relevant data or facts, and the sources used will be expressly indicated.

4. BBVA advertising activity

- 4.1 At BBVA, we have robust procedures for producing advertising that considers the functions and responsibilities of the departments involved in creating them (service providers and participating bank departments, such as marketing, legal, compliance, etc.). We strive at all times to ensure proper separation of duties in the process of creating, reviewing, validating and monitoring the pieces and campaigns, as detailed in point 5 of the Policy.
- 4.2 BBVA plans and reviews its Advertising Activity in accordance with the strategic marketing priorities of each fiscal year, which are materialized through different lines of action with the aim of communicating the commercial offers for certain financial products and/or services to customers (or potential customers).
- 4.3 Primarily, as of this date, the various BBVA advertising campaigns involve one of the following:
 - **Large commercial or brand image campaigns:** initiatives with a joint presence in the media as well as in the Bank's own channels.
 - **"Limited dissemination commercial campaigns":** contains the planning of all commercial actions involving both BBVA's own resources and paid third-party resources.
 - **"Automatic communications to customers":** process of generating communications to customers based on automated rules of behavior or specific events.
 - **Geographically limited campaigns:** set of local, and usually small, advertising campaigns aimed at developing outreach actions in different areas.
- 4.4 In the case of banking products and services, the advertising Pieces and Campaigns will be carried out in accordance with the general principles and criteria established by the Bank of Spain - in Circular 4/2020, or in any other rule that may replace, modify or supplement it - and that, in accordance with the provisions of Rule 6 in said Circular, are currently those specified in **Annex 1**.
- 4.5 Client Solutions, through those units or departments dedicated to marketing, will be the Department responsible for determining the need to carry out the different advertising campaigns at any given time. This need will be conveyed to the marketing managers for proper execution. These managers may request the collaboration of specialists from different departments or units of the Bank, as well as from Service Providers.

- 4.6 In each of the different lines, there will always be a single person responsible for the entire process of generating the Advertising Campaign or Action. This person will usually have marketing experience and be part of the Client Solutions Department.

5. Management and control model

- 5.1 At BBVA, we go to great lengths to document our advertising process, and this Policy and its implementing procedures are designed to prevent, monitor and mitigate the possible risks related with our advertising activity.
- 5.2 We also implement the corresponding controls to comply with the legal requirements for advertising, and with those involving the integrity and validation of the content of the mandatory file, and control of the validity of the pieces in all the channels on which they are displayed, as described below.
- 5.3 To this end, the controls detailed below have been established, which cover the entire scope of the process of generating advertising communications, from the generation of the creative idea, the publication of the Piece or Campaign, filing in the Advertising Register tool and withdrawing the various offers published on each channel at the conclusion of the campaign.

Control framework

- 5.4 BBVA's oversight of its advertising activity is part of its operational risk management, which is in turn encompassed in the Group's control model, which is structured into three independent lines of defense, in accordance with BBVA's Corporate Policy for Managing Non-Financial Risk.
- 5.5 In relation to the above, it should be noted that the Client Solutions Department is responsible for managing operational risk in relation to the advertising activity as the first line of defense. To help it in this regard, the department has employees, described in the Corporate Policy for Managing Non-Financial Risk, whose purpose is to ensure the presence of a control environment that reflects the corporate standard, in keeping with legal and regulatory constraints, and the level of non-financial risk posed by the advertising activity.

CONTROLS OF A GENERAL NATURE

Preliminary controls:

Before an advertising piece or campaign is issued, it will have undergone the following controls:

- a. **Preparation of procedures and support materials to contribute to the knowledge of the regulatory aspects that the advertising is subject to.** This material will be kept updated by the Client Solutions Department, in collaboration with Legal Services, to ensure it is in compliance with potential regulatory developments.
- b. **Delimitation of the target customer group. Adaptation of the commercial offer to the specific profile of each customer** based on the criteria established for this purpose by the Client Solutions Department, depending on the nature of the Piece or Campaign and the complexity of the content.
- c. **Technical review by Legal Services. This Department validates, from its area of expertise, the particularly relevant Pieces (due to their potential impact or the special description of the product characteristics), as well as those with new content,** before they are issued. The campaign manager will be responsible for sending the various pieces to Legal Services for validation.
- d. **Technical review of particularly relevant Pieces by the Compliance Unit.** Before they are broadcast in the corresponding medium, Pieces that are particularly relevant due to their potential impact (by virtue of being broadcast on radio or television) will always be sent by the Campaign Manager to the Compliance Unit for review and approval after validation by Legal Services.
- e. The Compliance Unit will also receive pieces of special relevance that are published in the press when, due to their potential impact or the special description of the product characteristics, this review is deemed necessary. If additional recommendations are made by Compliance as a result of the review, they will be sent to the campaign manager for joint consideration and assessment.

- f. In general, advertising Pieces provide information on the **duration of the offer**. It will be the responsibility of the campaign manager to ensure that the correct duration is reported in each case.

Subsequent controls:

Once an advertising piece or campaign is issued, it will undergo the following controls:

- g. **Update of conditions. The Campaign Manager** will ensure that the Campaign is kept up to date and that the conditions of the offer are in force at all times.
- h. **Random reviews of the Advertising Register.** Controls will also be conducted through random checks (“samples”) of a significant percentage of the Pieces included in the Advertising Register (defined and described in section 6 of this Policy), in order to check the integrity and quality of the data in the Register, the validity of the conditions of the corresponding Pieces and how well each campaign adapts to the general principles and to the advertising management and control model defined in this Policy. These reviews will be carried out periodically by the Client Solutions Department.
- i. **Merchandising instructions (POS advertising).** The network of BBVA branches will be periodically informed by the Client Solutions Department of the entire range of promotional materials to be displayed at branches.

Controls are also conducted as needed involving the validity of the advertising in physical branches. This is done as part of the first line of defense of the Spanish Department.

- j. **Process for stopping and correcting advertising campaigns.** The Compliance Unit will analyze the advertising Pieces or Campaigns that have been reviewed by the regulator. This group includes that content that the Bank of Spain, the Spanish National Securities Market Commission or other competent national and autonomous bodies, as part of their supervisory activity, have asked BBVA to stop or correct.

The Compliance Unit will ensure that the criteria provided by regulators, as part of their supervisory activity, are applied to all the other advertising Pieces that are in force and may exhibit the same deficiencies as those that were reviewed earlier.

- k. Finally, the procedures and controls specified in the preceding paragraphs will be reviewed periodically by BBVA's Internal Audit department in order to assess the adequacy of the mechanisms and controls that are in place.

Controls of a specific nature

Control mechanisms for calculating the Annual Percentage Rate (APR): In relation to the calculation and publication of the APR in the different asset and liability products offered by BBVA to customers (or potential customers), checks will be carried out to guarantee compliance with the relevant regulations.

The campaign manager will be responsible for the APR that is published with the corresponding piece.

In addition to the general controls that affect all the Pieces or Campaigns, which originate in the Client Solutions Department, and specifically in **Consumer Finance**, there are pieces that originate in an external partner that offers its product/service, and that are financed by BBVA. In this case, where the advertising originates not in BBVA but in a third party, the following additional controls are established:

- a) A report will be requested monthly from the External Partner with the advertising pieces that are to be issued in the following month.
- b) Subsequently, Consumer Finance will compare the pieces that have arrived for approval against the pieces that were previously planned.
- c) If the pieces provided do not match those requested, the Partner is required to provide adequate justification.
- d) Random review of third-party advertising: intended for both recurring and non-recurring advertising partners. Consumer Finance asks the Partners to submit the pieces published in the previous month for proper verification.
- e) Audit of the pieces: Consumer Finance will verify that the published content complies with what was previously authorized and satisfies all the specifications of this document. It will document this compliance with a report published every four months.

6. Advertising Register

- 6.1 At BBVA, we digitally file all the documentation corresponding to each advertising campaign using a registration tool called "Advertising Register".
- 6.2 The documentation for each campaign includes a sample in an electronic format that allows the reproduction of each of the advertising media used, as well as the details of all the information requested in the Bank of Spain circular.
- 6.3 Other fields that are considered relevant can also be included and may supplement the information legally required.
- 6.4 Also on file is a copy of any notices issued by the various regulators to stop or correct the advertising Pieces disseminated during a Campaign, as well as of the rulings issued by the extrajudicial bodies of the self-regulating advertising systems in relation to the claims or disputes arising from the advertising campaign.
- 6.5 Detailed information of any legal and extralegal conflicts involving BBVA in relation with its advertising activity will be maintained in an annex to the Advertising Register.
- 6.6 The Client Solutions Department will be responsible for maintaining the Advertising Register. The integrity and consistency of this Register will also be controlled by the Client Solutions Department, as the first line of defense in keeping with the Group's control model.

7. Terms for approval, review and supervision

- 7.1 The Policy has been approved by BBVA's corporate bodies following a favorable report from the Compliance Unit, and went into effect on October 14, 2020.
- 7.2 The Policy has been written and coordinated by the Client Solutions Department, in concert with the Compliance, Legal Services, Consumer Finance and Marketing of Corporate and Investment Banking departments.
- 7.3 The Head of Client Solutions will be responsible, in the executive area, for this Policy, and will thus be responsible for submitting it for approval, as well as for its publication to ensure it is known by those individuals who are subject to it. The Head of Client Solutions will also be tasked with ensuring that the Group has the sufficient means, systems and organization to comply with this Policy, determine its degree of application, and adopt the necessary measures in the event of non-compliance.
- 7.4 At least annually, or when any event occurs that requires changes to this Policy, the Client Solutions Department will revise it and, if deemed appropriate, it will submit any updates and changes that may be made to the Bank's Corporate Bodies for their consideration.
- 7.5 The control of the level of compliance of this Policy and its implementations will be conducted in accordance with the control model in place at the Group, whose purpose is to adequately manage the risks in the Group and which relies on three lines of mutually independent lines of defense.
- 7.6 The different control departments of the Group will cooperate actively and regularly to oversee the application of this Policy, in accordance with the responsibilities assigned to them.

8. Glossary

Advertising Activity

Advertising, carried out by companies as part of their activity, regardless of the communication media, methods and formats used to disseminate it, such as, among others, television and cinema (advertisements, publicity editorials, product placement, etc.), radio (slots, bursts, microprograms, etc.), press, all types of outdoor advertising (fixed and mobile billboards, signage, public transport, street furniture, etc.), advertising online and on mobile devices (banners, buttons, pop-ups, animated advertisements, advertising videos, newsletters, advertising in search engines and social media, text messages, multimedia messages, applications, QR codes, etc.), direct advertising (mailings, personalized letters, email marketing, telephone marketing, coupons, etc.), point-of-sale advertising (stands, display cases, signs, advertising displays, floor stickers, audiovisual projections, etc.), brochures, catalogs, promotional gifts, loyalty campaigns, sponsorship events or any other form of commercial communication.

Advertising Campaign

Set of actions whose goal is to advertise a banking or investment product or service through a single piece or a series of different advertising pieces, but grouped together over time and related to one another, which are disseminated on various media over a specific period.

Commercial communication

Any form of transmitting information, whether verbal or visual, intended to promote, directly or indirectly, through texts, images and/or sounds, the procurement of banking or investment products and services.

Advertising Message

Information included in a commercial communication that seeks to capture the recipient's attention and cause him/her to procure or use a banking or investment product or service.

Advertising Piece

Specific format (spot, television advertisement, banner, signage, etc.) used to transmit an advertising message, depending on the means of communication or advertising platform used.

Service supplier

Third party that performs a process, service or activity for the entity, or parts thereof, involving some advertising activity pursuant to an advertising contract, as regulated by Law 34/1988 of November 11, on General Advertising, a service provision contract or an outsourcing agreement.

External Partner

Third party that offers the Bank's products and services to customers. The partner's relationship with BBVA is governed by a contract that lays out obligations and commitments, including in advertising matters.

Annex 1. Format and content of the advertising message for banking products and services

1.1. Format of the advertising message

- a. The form and presentation of the advertising message (specifically the typography, color and background contrast) will be suitable for the medium used so that it can be easily and fully read by the consumer.
- b. The typeface and fonts used in the advertising message, including those used in legal clarifications or notices, will be easily legible and stand out against the background. Overly ornate or decorative fonts (reliefs, etc.) that hamper reading will be avoided.
- c. The minimum size of the letter's central oval (in particular, that used in disclaimers or notices) will be determined by the advertising platform used and the average distance from which the consumer is expected to read the text, and will, in any case, ensure that it is easy to read and understand. As an example, a letter size will be used whose equivalence in millimeters conforms to the following table:

Distance	Advertising formats	Minimum font size
Less than 0.5 meters	Printed press, brochures, direct advertising (personalized letters, email marketing, etc.), advertising online and on mobile devices (advertising videos, newsletters, banners, etc.).	1.5 millimeters
Between 1 and 3.6 meters	Advertising in audiovisual media (television), point-of-sale advertising (indoor and outdoor signage, display cases, etc.).	5 millimeters
Between 3.6 and 12 meters	Outdoor advertising (street furniture, public transportation, etc.).	10 millimeters
More than 12 meters	Advertising in films and large-format outdoor advertising (billboards and banners).	100 millimeters

1.2. Content of the advertising message

1.2.1. General criteria

- a. Acronyms or trademarks of companies will be used in advertisements for banking products or services such that they can be reliably identified. If they cannot, the company name will be used.
- b. When advertising the banking products or services of another entity, the advertisement must clearly define which entity provides the services and which entity is acting merely as a marketer or distributor of the products and services of the former.
 - i. Similarly, when agents of the company or third parties, as credit intermediaries, are involved in marketing products and services, the nature of their involvement will be expressly indicated in the advertising piece, and it will be the responsibility of the company to ensure compliance with the requirements and obligations laid out in Bank of Spain Circular 4/2020.
- c. When an offer has a specific expiration date, this will be expressly stated. When this date is contingent upon any other variable (such as achieving a certain goal or the existence of limited stock), this must be specified in the body of the main message, consistent with its relevance.
 - i. If no deadline is included in the advertising message, it may be assumed that the offer is valid for as long as the advertising campaign or piece is in effect.
- d. If the advertising message refers to a specific tax advantage, it must clarify whether this is advantage is generally

applicable or if it depends on the customer's or potential customer's personal situation, and in any case, it will state that said advantage may be subject to change.

1.2.2. Any references to the term "gift" or any other equivalent term is to be avoided in those cases that could have tax implications due to the provision of a good or sum of money in exchange for procuring a product or service, and specifically in those operations that are classified as benefit-in-kind by tax laws.

1.2.3. Information on the cost or returns of the banking product or service. Inclusion of the annual percentage rate (APR) in the advertising message.

- a. All quantitative information on the cost or returns of the banking product or service included in the advertising message must expressly indicate the period to which it refers. When two or more parameters are included, these must refer to the same period.
 - i. Specifically, any information on past returns, or for periods shorter than 12 months, must not be provided partially or in a way that may be biased. Multi-year returns must be expressed in terms of revaluation, without prejudice to the fact that the APR may be added to this information in those cases where it is appropriate to include it. If a reference is made to the maximum variation that a particular index or stock has experienced over a certain period, it must be supplemented with data corresponding to the positive or negative variation of said index or stock, taking as a reference its values at the start and end dates of said period.
 - ii. Likewise, the conditions or requirements that may condition said cost or returns, or the variables that may affect their performance, shall be explicitly, clearly and unequivocally provided, either in a footnote or in prominent text in the body of the main message.
- b. When information related to the cost of the banking product or service is included, the advertising message must, in any case, mention the fees, taxes and any other expenses that the customer has to pay to procure or maintain said products/services. In the case of loans, the message must make reference to the interest rate and the cost of the related services that are required to be procured in order to receive the loan or to receive it under the conditions offered, in particular insurance premiums.
- c. In advertising Pieces on deposits or loans that specify an interest rate or any figures, such as the applicable fees or expenses, or that in any other way refer to its cost or returns for the public, the advertising message must express this cost or return in terms of APR, using a clear, concise and prominent representative example.
 - i. The specific rules and criteria used to calculate the APR shall be those contained for this purpose in the regulations applicable to the type of banking product or service in question.
- d. Information on the annual nominal interest rate (NIR) that applies to the transactions, and on the remaining elements that comprise the APR, will be included in a way that does not lead to any misunderstanding with regard to the different nature and utility of the latter. Specifically, when the APR may be altered by various circumstances (for example, the use of a fixed interest rate over a certain initial period, fees or other reasons), the representative example shall specifically mention these circumstances and the range over which the APR can vary.
- e. When the advertising piece is required to include the APR pursuant to the applicable regulations, it will be given priority over the NIR, such that it captures the public's attention.
- f. When advertising transactions at a variable interest rate, the expression APR will be replaced by variable APR, and the advertising piece must mention, with the requisite clarity and frequency, the benchmark rate used and how often it is revised. The information referring to the benchmark rate and the calculation of the variable APR must be updated periodically using the latest available data, not to exceed three months in the case of printed media and platforms, or 48 hours in the case of advertising pieces disseminated using digital media.
 - i. In these cases, the representative example shall explicitly include a notice that the variable APR was calculated assuming that the benchmark interest rates do not vary, and that therefore the variable APR will vary as the interest rate is updated.
 - ii. When limits are set as to how much the interest rate can vary, these limits will be prominently contained in the advertising piece. They will also be taken into account for calculating the Variable APR, and this will be expressly

noted in the representative example.

- g. Advertising Pieces on deposits or interest-free loans subject to fees or other expenses, in addition to detailing these fees and expenses, will include the term "interest-free" or similar, together with the resulting APR, which will be featured prominently in the advertising message, such that the consumer properly understands the cost of the deposit or loan.
- h. When remuneration in kind is used, the advertising piece must adhere to the following criteria:
 - i. If there is no cash remuneration, this circumstance must be expressly stated.
 - ii. The value of the product for the purpose of calculating the APR must be determined in accordance with tax laws.
 - iii. When calculating APR, both cash payment – if applicable – and remuneration in kind must be taken into consideration.
 - iv. It must be clearly stated that remuneration in kind is taxable.
 - v. If certain sums such as VAT or payment on account must be paid by the customer, this must be explicitly mentioned, and the quantification of these amounts must be shown and taken into account when calculating the APR.

1.2.4. Minimum content required for financing offers that include information related to their cost to the consumer.

In commercial communications and advertising Pieces that are subject to the contents of Bank of Spain Circular 4/2020 and that offer loans or brokerage services to enter into a credit contract, and which indicate an interest rate or any other figure, such as the applicable fees or expenses, or that in any other way make a reference to their cost to the consumer, the following information must be included at a minimum:

- a. The essential characteristics of the loan (nature, amount, NIR, fees, total cost, repayment system, amount of the payments and the repayment period) and any other information required in EU, national or regional regulations that contain specific provisions in relation to advertising for the type of financing in question. Specifically, in the case of loans that offer deferred payments for an asset or service, in addition to the mandatory information pertaining to the credit, the cash purchase price and the total price in installments will be clearly specified.
- b. The APR, expressed using a representative example determined in accordance with the applicable laws. In particular, in loan contracts subject to the scope of application of Law 5/2019 of March 15, which regulates mortgage contracts, the representative example will be determined in accordance with the criteria laid out in Article 4.5 (d) of Order EHA/1718/2010 of June 11.
- c. In the case of loans denominated in foreign currency, a notice will be included that exchange rate fluctuations could affect the amount owed.

1.2.5. Minimum content required when offering banking products and services other than financing operations and that include information related to their cost or returns for the consumer.

In commercial communications and advertising Pieces that offer a product or service, or brokerage services to procure a product or service, other than financing operations, and which indicate an interest rate or any other figure, such as the applicable fees or expenses, or that in any other way make a reference to their cost or returns for the consumer, the following information must be included at a minimum:

- a. The essential characteristics of the product or service (nature, cost or returns, term, etc.). When applicable, it will specify if the right to early repayment is available, and if so, the applicable fees or penalties, as well as any other information required in EU, national or regional regulations that contain specific provisions in relation to advertising for the type of banking product or service in question.
- b. When applicable, the APR, expressed using a representative example determined in accordance with the applicable

laws.

- c. When applicable, a reference to the Deposit Guarantee Fund of which the bank is a member when different from the one described in Royal Decree-Law 16/2011 of October 14, which created the Deposit Guarantee Fund for Credit Institutions.
- d. When applicable, a notice that the returns are subject to market variations, and that past costs or returns do not condition or generate future rights. In these cases, it will be expressly stated that this return could be zero or even negative.
- e. When advertising products denominated in a foreign currency, specific mention must be made of the exchange rate risk.

1.3. Regime applicable to advertising broadcast on audiovisual or radio platforms

Audiovisual media

1. Any superimposed text in advertising Pieces broadcast on audiovisual media (and specifically that relating to legal notices - such as the risk indicator or alerts pertaining to liquidity and the complexity of the product, among others - or the representative example of the APR) must be kept on the screen for the duration of the advertisement.
2. Advertising Pieces broadcast on audiovisual media that entail a space or time limitation, such as cinema or television advertisements, must provide at least the following information, either narrated or superimposed on the screen:
 - a. A reference to the nature of the banking product or service in question and, where applicable, the applicable legal notices.
 - b. The information required in EU, national or regional regulations that contain specific provisions in relation to advertising for the type of banking product or service in question.
 - c. When applicable, the NIR and APR, expressed using a representative example determined in accordance with the applicable laws.
 - d. The bank fees, if any, that the consumer must pay to procure and maintain the banking product or service offered.
 - e. The URL of an informational website containing all the relevant information on the banking product or service offered, in accordance with the provisions of Bank of Spain Circular 4/2020, and, where applicable, the possibility of obtaining more information in the bank's branch network or at other specific points of sale. This information will be communicated, in any case, in spoken form.

In these cases, entities may choose to include all or part of this information at the end of the advertising piece, on a stationary screen, with an appropriate background contrast and for a sufficient time, which will not be less than three seconds, so that it can be adequately seen by the viewer.

Radio

1. In advertising Pieces broadcast on radio that provide information on the cost or returns of the banking product or service offered, the entities will provide at least the information specified in 1.3.2 above (Audiovisual media).
2. Advertisements on banking products and services that are broadcast on radio will make special mention of the availability of an informational website containing all the relevant information on the banking product or service offered, in accordance with the provisions of Bank of Spain Circular 4/2020, as well as the possibility of obtaining more information in the bank's branch network or at other specific points of sale.

1.4. Advertising in digital media and social media

a) General criteria.

- a. Commercial communications in digital media and social media that are necessarily subject to size, format or text limitations will be governed by the provisions of this Section, without prejudice to the obligation of the entities to ensure that they comply with the general principles and criteria established in sections 1.1 and 1.2 of this Annex.
- b. When the content of the advertisement is affected by the limitations specified above, such that it is impossible to include specific and complete information on the characteristics and risks of the banking products and services offered, any time an interest rate or any other figure is provided, such as the applicable fees or expenses, or if any reference is made to the cost or returns for the consumer of the banking product or service offered, the following information must be included at a minimum:
 - i. The identity of the advertising entity or, where applicable, of the credit intermediary or designated representative.
 - ii. A reference to the nature of the banking product or service in question.
 - iii. The APR, when it involves commercial communications on deposits or loans.
 - iv. A link to a website specific to the banking product or service offered that contains all the relevant information, in accordance with the provisions of Bank of Spain Circular 4/2020 and of the laws that govern the banking product or service in question. This information will be easily locatable on the main page of the destination website, and not require the consumer to take additional steps to access it, and will be displayed in a manner that is suited to the type of device used by the consumer.
- c. In the cases envisaged in the above section, when the advertisement pertains to commercial communications involving loans subject to the scope of application of Law 16/2011 of June 24, on consumer loan contracts, or of Law 5/2019 of March 15, which regulates mortgage contracts, a simplified representative example will be included that has the following format:

“XX% NIR Amount XX [eur, currency] Term XX [months, years] XX payments of XX [eur, currency] Total amount payable XX [eur, currency] [when applicable] Conditions apply”

In the case of loans that offer deferred payments for a specific asset or service, the following information will be added:
“RRP XX [eur, currency] Total price in installments XX [eur, currency]”
- d. The representative example described in the previous section will be determined as per the applicable laws. Specifically, in loan contracts subject to the scope of application of Law 5/2019 of March 15, the criteria laid out in Article 4.5 (d) of Order EHA/1718/2010 of June 11 will be taken into consideration.
- e. When possible, the link to the destination website will be made more visible than the rest of the text included in the advertising message by using a different font or highlighting techniques. The link title and its location within the advertising message will also be designed to attract the consumer’s attention and encourage them to access its content.

b) Advertising issued on digital media.

When advertising messages are disseminated on an Internet page using animated or interactive advertising Pieces consisting of several frames shown in succession (dynamic banner, GIF, etc.), the entities will ensure that the information required in section 1.4.1 above is shown on the screen for at least two seconds.

c) Advertising shown on social media.

When commercial communications on social media include images (graphic files, infographics, etc.), advertising videos (live videos, graphic animations, 360° video, etc.) or other visual, sound or audiovisual resources in order to overcome the character limitation intrinsic to publications in these communication platforms, the advertising message will explicitly state that these contain additional information relevant to a proper understanding of the banking product or service offered, using expressions such as “click on the image to see the terms and conditions of the offer” or similar text that encourages the consumer to click on it.

In these cases, provided that the content of the information disseminated through these resources complies fully with the provisions of this Policy, it will not be necessary to comply with the provisions of section 1.4.1.b.iv of this Annex.

- a. BBVA will be responsible for complying with the provisions of this section, even if it did not generate the original content of the communication, when it forwards a text or content shared by a third party (in particular, a customer) that specifically endorses or highlights the benefits of a financial product or service marketed by the entity.