

# BASE PROSPECTUS



## BBVA Global Markets B.V.

*(a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid)  
incorporated under Dutch law with its seat in Amsterdam, The Netherlands but its tax residency in Spain)*

**€1,000,000,000 Programme for the Issue of Warrants**  
*unconditionally and irrevocably guaranteed by*

**Banco Bilbao Vizcaya Argentaria, S.A.**  
*(incorporated with limited liability in Spain)*

Under this €1,000,000,000 Programme for the Issue of Warrants (the “**Programme**”), BBVA Global Markets B.V. (the “**Issuer**”) may from time to time issue warrants (the “**Warrants**”) denominated in any currency agreed with the relevant Dealer (as defined below).

This document (this “**Base Prospectus**”) constitutes a base prospectus in respect of all Warrants other than Exempt Warrants (as defined below) issued under the Programme for the purposes of Article 8 of the Prospectus Regulation (as defined below). The terms and conditions of the Warrants (the “**Conditions**”) will comprise the General Conditions and each Annex specified as applicable in the completed Issue Terms (each as defined below). This Base Prospectus, any supplement to this Base Prospectus (a “**Supplement to this Base Prospectus**”), any applicable Annex and the Issue Terms for a Series will comprise the “**Offering Documents**”.

The satisfaction of the Issuer’s economic obligations (in cash and in deliverable assets) (if applicable) in respect of the Warrants will be unconditionally and irrevocably guaranteed pursuant to a guarantee governed by Spanish law entered into by Banco Bilbao Vizcaya Argentaria, S.A. (“**BBVA**” or the “**Guarantor**”) (the “**Guarantee**”). The Guarantor and its consolidated subsidiaries are referred to herein as the “**Group**”.

Warrants may be issued in bearer or, registered form (respectively “**Bearer Warrants**” and “**Registered Warrants**”).

Warrants may be issued whose return is linked to one or more indices (“**Index Linked Warrants**”), one or more shares or depositary receipts (“**Equity Linked Warrants**”), one or more inflation indices (“**Inflation Linked Warrants**”), one or more foreign exchange rates (“**Foreign Exchange (FX) Rate Linked Warrants**”), one or more exchange traded fund shares (“**ETF Linked Warrants**”), one or more fund shares or units (“**Fund Linked Warrants**”) or any combination thereof (“**Combination Warrants**”). Warrants may provide that settlement will be by way of cash settlement (“**Cash Settled Warrants**”) or potentially physical delivery (“**Physical Delivery Warrants**”) as provided in the Issue Terms.

The maximum outstanding amount of all issue prices of Warrants from time to time outstanding under the Programme will not exceed €1,000,000,000 (or its equivalent in other currencies). Warrants may be issued on a continuing basis to one or more dealers appointed from time to time by the Issuer (the “**Dealers**” and each a “**Dealer**”). References in this Base Prospectus to the “**relevant Dealer**” shall, in the case of an issue of Warrants being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Warrants as designated in each specific issue of Warrants.

**Investors should ensure that they understand the nature of the relevant Warrants and the extent of their exposure to risks and that they consider the suitability of the relevant Warrants as an investment in the light of their own circumstances and financial condition. An investment in Warrants may involve a high degree of risk and Investors should be prepared to sustain a total loss of the purchase price of their Warrants. For a discussion of these risks see the “Risk Factors” section on pages 11 to 43 below.**

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Warrants which are to be admitted to trading on a regulated market in the European Economic Area (the “**EEA**”) and/or offered to the public in the EEA other than in the circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation (as defined below). The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid. This Base Prospectus has been approved as a base prospectus by the Central Bank of Ireland, as competent authority under Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The Central Bank of Ireland only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or Guarantor or the quality of the Warrants that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Warrants. Such approval relates only to Warrants that are to be admitted to trading on a regulated market for the purposes of the Prospectus Regulation (each such regulated market being a “**Regulated Market**”) and/or that are to be offered to the public in any member state of the EEA in circumstances that require the publication of a prospectus.

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) for Warrants issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to its official list (the “**Official List**”) and trading on the Regulated Market of Euronext Dublin. The Regulated Market of Euronext Dublin is a regulated market for the purposes of Directive 2014/65/EU (as amended, “**MiFID II**”). Application may also be made for Warrants issued under the Programme to be listed and/or admitted to trading on any other Regulated Market.

The requirement to publish a prospectus under the Prospectus Regulation only applies to Warrants which are to be admitted to trading on a Regulated Market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. References in this Base Prospectus to “**Exempt Warrants**” are to Warrants for which no prospectus is required to be published under the Prospectus Regulation. The Central Bank of Ireland has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Warrants.

Application may be made to the Vienna Stock Exchange for Exempt Warrants to be admitted to listing and trading on the Vienna Stock Exchange’s multilateral trading facility (the “**Vienna MTF**”) during the period of 12 months from the date of this Base Prospectus. The Vienna MTF is not a regulated market for the purposes of MiFID II. Application may also be made to any other multilateral trading facility specified in the applicable Issue Terms.

Save where expressly provided or the context otherwise requires, where Exempt Warrants are to be admitted to trading on the Vienna MTF, or any other multilateral trading facility, references in this document to Base Prospectus shall be construed to be to Base Listing Particulars. Exempt Warrants may also be unlisted.

If and to the extent the Warrants will be publicly offered, directly or indirectly, in Switzerland in the meaning of the Swiss Federal Act on Financial Services of 15 June 2018 (“**FinSA**”) or if the Warrants shall be admitted to trading on a Swiss trading venue in the sense of the Swiss Federal Financial Market Infrastructure Act of 19 June 2015 (“**FMIA**”), e.g. the SIX Swiss Exchange, a prospectus pursuant to the requirements of Article 40 et seq. FinSA would be required. Such requirement may be met on the basis of (i) an automatic recognition of this Base Prospectus in Switzerland under the rules of the FinSA by way of a notification of, and a registration of the Base Prospectus with, a reviewing body (*Prüfstelle*) within the meaning of Article 52 FinSA (a “**Swiss Reviewing Body**”) pursuant to the rules of the FinSA, as implemented by the relevant Swiss Reviewing Body and (ii) depositing the relevant Final Terms with the Swiss Reviewing Body. Such a registration pursuant to (i) would be possible for a Base Prospectus that is approved by the by the Central Bank of Ireland, for offerings to retail investors, as competent authority under the Prospectus Regulation, i.e. for any Warrants other than Exempt Warrants.

Except to the extent the Base Prospectus is registered with the Swiss Reviewing Body under the rules of the FinSA, neither this Programme nor any other offering or marketing material relating to the Warrants constitutes a prospectus pursuant to the FinSA, and neither this Programme nor any other offering or marketing material relating to the Warrants may be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA and FinSO for such public distribution are complied with.

None of the Warrants constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes of June 23, 2006 ("CISA") and are neither subject to the authorisation nor the supervision by the Swiss Financial Market Supervisory Authority FINMA and investors do not benefit from the specific investor protection provided under the CISA. Investors bear the Issuer risk.

The Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any U.S. state securities laws and may not be offered sold or delivered in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

**IMPORTANT - PROHIBITION OF SALES TO EEA RETAIL INVESTORS AND UK RETAIL INVESTORS** - Unless otherwise specified in the Issue Terms relating to the Warrants, the Warrants issued under the Programme are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to (a) any EEA retail investor or (b) any UK retail investor. For these purposes, an "EEA retail investor" means a person who is one (or more) of: (i) a "retail client" as defined in point (11) of Article 4(1) of MiFID II, (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "**Insurance Distribution Directive**") or (iii) not a qualified investor as defined in the Prospectus Regulation.

In addition, a "UK retail investor" means a person who is one (or more) of: (i) a "retail client", as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, , no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to EEA retail investors has been prepared and therefore offering or selling the Warrants or otherwise making them available to any EEA retail investor may be unlawful under the PRIIPs Regulation. In addition, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to UK retail investors has been prepared and therefore offering or selling the Warrants or otherwise making them available to any UK retail investor may be unlawful under the UK PRIIPs Regulation.

**MIFID II PRODUCT GOVERNANCE AND UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET** – The applicable Issue Terms in respect of any Warrants may include a legend entitled (a) in the case of the EEA, "**MiFID II Product Governance**" and (b) in the case of the UK, "**UK MiFIR Product Governance**" which will outline the target market assessment in respect of the Warrants and which channels for distribution of the Warrants are appropriate. Any person subsequently offering, selling or recommending the Warrants (for the purposes of this paragraph, a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to (a) in the case of the EEA, MiFID II and (b) in the case of the UK, the the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Warrants (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for (a) the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Warrants is a manufacturer in respect of such Warrants, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules and (b) for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Warrants is a manufacturer in respect of such Warrants, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**EU BENCHMARK REGULATION** – Amounts payable under the Warrants or assets deliverable under the Warrants may be calculated or otherwise determined by reference to certain reference rates, indices or other variables, which may constitute a benchmark under the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**BMR**"). If any such reference rate, index or variable does constitute such a benchmark, the applicable Issue Terms in respect of any Warrants which are not Exempt Warrants will indicate whether or not the administrator thereof is included in the register of administrators and benchmarks established and maintained by the European Warrants and Markets Authority ("**ESMA Register**") pursuant to Article 36 of the BMR. Not every reference rate, index or variable will fall within the scope of the BMR. Furthermore, transitional provisions in the BMR may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Issue Terms. The registration status of any administrator under the BMR is a matter of public record and, save where required by applicable law, the Issuer does not intend to update any Issue Terms to reflect any change in the registration status of any administrator.

**IMPORTANT – SWISS RETAIL INVESTORS** - If and to the extent the Warrants will be offered, sold or advertised, directly or indirectly to retail clients (*Privatkundinnen und -kunden*) ("**Retail Clients**") pursuant to Article 4 para. 2 FinSA in Switzerland a key investor document (*Basisinformationsblatt*) within the meaning of Article 58 et seq. of FinSA relating to the Warrants (a "**FinSA-KID**") would need to be prepared, unless the Retail Clients shall receive a key information document pursuant to the PRIIPs Regulation instead of a FinSA-KID.

The Issuer is incorporated under Dutch law and has its seat in Amsterdam, the Netherlands but has its tax residency in Spain. The Guarantor is incorporated and has its tax residency in Spain. Investors should note the statements on pages 242-247 (inclusive) regarding the tax treatment in Spain of income obtained in respect of the Warrants.

The Issuer and the Guarantor may agree with the relevant Dealer that Warrants may be issued in a form not contemplated by the "*Terms and Conditions of the Warrants*" set out herein, in which event a Supplement to this Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Warrants.

In connection with any offering of Warrants under this Base Prospectus, the Dealers are not acting for anyone other than the Issuer and will not be responsible to anyone other than the Issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

**Arranger and Dealer**

**BBVA**

The date of this Base Prospectus is 6 July 2023

Notice of the Aggregate Number of Warrants, the issue price per Warrant and certain other information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Warrants*") of Warrants (other than in the case of Exempt Warrants) will be set out in a final terms document (the "**Final Terms**") which will be filed with the Central Bank of Ireland and published on the website of Euronext Dublin (<https://www.euronext.com/en/markets/dublin>). In the case of Exempt Warrants, notice of the Aggregate Number of Warrants, the issue price per Warrant and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the "**Pricing Supplement**").

References herein to "**Issue Terms**" mean either (i) where the Warrants are not Exempt Warrants, the applicable Final Terms or (ii) where the Warrants are Exempt Warrants, the applicable Pricing Supplement, and references should be construed accordingly. Copies of the Issue Terms will be available from the specified office set out below of the Principal Warrant Agent (as defined below).

The Issuer and the Guarantor (the "**Responsible Persons**") accept responsibility for the information contained in this Base Prospectus and the Issue Terms for each Tranche of Warrants issued under the Programme. To the best of the knowledge of the Responsible Persons, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus. Other than in relation to the documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus.

The language of this Base Prospectus is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of this Base Prospectus.

The Dealer(s) have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealer(s) as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme.

No person is or has been authorised by the Issuer or the Guarantor to give any information or to make any representation not contained in or not consistent with (a) this Base Prospectus or (b) any other information supplied in connection with the Programme or the Warrants and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any Dealer.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Warrants (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Guarantor or any of the Dealer(s) that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Warrants should purchase any Warrants. Each investor contemplating purchasing any Warrants should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Warrants constitutes an offer or invitation by or on behalf of the Issuer or the Guarantor or any of the Dealer(s) to any person to subscribe for or to purchase any Warrants.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Warrants shall in any circumstances imply that the information contained herein concerning the Issuer and/or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealer(s) expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Programme or to advise any investor in the Warrants of any information coming to their attention.

## IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF WARRANTS GENERALLY

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Warrants in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Warrants may be restricted by law in certain jurisdictions. The Issuer, the Guarantor and the Dealer(s) do not represent that this Base Prospectus may be lawfully distributed, or that any Warrants may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor or the Dealer(s) which is intended to permit a public offering of any Warrants or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Warrants may be offered or sold, directly or indirectly, and neither the Offering Documents nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession the Offering Documents or any Warrants may come must inform themselves about, and observe any such restrictions on the distribution of the Offering Documents and the offering and sale of Warrants. In particular, there are restrictions on the distribution of the Offering Documents and the offer or sale of Warrants in, without limitation, the United States, Switzerland, the United Kingdom and the EEA (including, without limitation, Spain, the Republic of Italy, Germany and France) (see “*Subscription and Sale*”).

In all cases, Warrants must not be offered, distributed or sold to Spanish Residents (as defined under “*Subscription and Sale—Spain*”, below) who are retail clients as defined under point (11) of Article 4(1) of MiFID II (see “*Subscription and Sale—Spain*”).

**NEITHER THE PROGRAMME NOR THE WARRANTS HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE “SEC”), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF WARRANTS OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.**

None of the Issuer, the Guarantor or the Dealer(s) makes any representation to any investor in the Warrants regarding the legality of its investments under any applicable laws. Any investor in the Warrants should be able to bear the economic risk of an investment in the Warrants for an indefinite period of time.

The Warrants may not be a suitable investment for all investors. Each potential purchaser of Warrants should realise that investing in the Warrants entails significant risks and may not be appropriate for investors lacking financial expertise. Prospective purchasers should consult their own financial, tax and legal advisors as to the risks entailed by an investment in such Warrants and the suitability of such Warrants in light of their particular circumstances and ensure that its acquisition is fully consistent with their financial needs and investment policies, is lawful under the laws of the jurisdiction of its incorporation and/or in which it operates, and is a suitable investment for it to make. Each potential investor in the Warrants must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisors, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the Warrants, the merits and risks of investing in the Warrants and the information contained or incorporated by reference in this Base Prospectus or any applicable Supplement to this Base Prospectus and all the information contained in the Issue Terms;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Warrants and the impact the Warrants will have on its overall investment portfolio;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Warrants, including Warrants with amounts payable in one or more currencies, or where the specified currency for payments of the Warrants is different from the potential investor’s currency;
- (d) understands thoroughly the terms of the Warrants and be familiar with the behaviour of any relevant indices and financial markets;
- (e) in respect of Warrants linked to the performance of, without limitation, one or more, or a combination of, underlying shares or depositary receipts, indices, rates of interest, other rates, foreign exchange rates, exchange traded fund shares, funds, inflation indices and/or entities (together, “**Reference Items**” and each, a “**Reference Item**”) (in respect of such Warrants, together, “**Reference Item Linked Warrants**” and each a “**Reference Item Linked Warrant**”), understands thoroughly (if necessary, in consultation with the investor’s own legal, tax, accountancy, regulatory, investment or other professional advisers) the nature of each such Reference Item Linked Warrant; and
- (f) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

None of the Issuer, the Guarantor, the Dealer or any affiliate of BBVA has given, and will not give, to any potential investor in the Warrants (either directly or indirectly) any assurance, advice, recommendation or guarantee as to the merits, performance or suitability of such Warrants, and the investor should be aware that the Issuer is acting as an arm's-length contractual counterparty and not as an advisor or fiduciary.

In making an investment decision, investors must rely on their own examination of the Issuer and the Guarantor and the terms of the Warrants being offered, including the merits and risks involved.

No website referred to in this Base Prospectus forms part of this Base Prospectus.

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## GENERAL DESCRIPTION OF THE PROGRAMME

### GENERAL DESCRIPTION OF THE PROGRAMME

The following must be read as an introduction to this Base Prospectus and any decision to invest in the Warrants should be based on a consideration of this Base Prospectus as a whole, the Issue Terms and the documents incorporated by reference.

#### *Information relating to the Issuer*

##### **BBVA Global Markets B.V.**

Legal Entity Identifier (LEI): 213800L2COK1WB5Q3Z55.

BBVA Global Markets B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), was incorporated under the laws of the Netherlands on October 29, 2009 for an unlimited duration.

BBVA Global Markets B.V. has its seat (*zetel*) in Amsterdam, the Netherlands and its principal place of business at Calle Saucedá, 28, Edificio Asia, 28050 Madrid, Spain (tel: +34 913745123).

BBVA Global Markets B.V. is registered in the trade register of the Netherlands Chamber of Commerce under number 34363108.

##### Business:

The principal business of BBVA Global Markets B.V. is to raise funds on the capital and money markets to finance the business activities of, and enter into other financial agreements with, the Guarantor and its subsidiaries.

##### Directors:

The Directors of BBVA Global Markets B.V. are as follows:

<b>Name</b>	<b>Position at BBVA Global Markets B.V.</b>	<b>Present Principal Occupation Outside of BBVA Global Markets B.V.</b>
Marian Coscarón Tomé	Managing Director	Head of Global Securities of BBVA
Christian Højbjerg Mortensen	Managing Director	Global Securities Manager of BBVA

#### *Information Relating to the Guarantor*

##### The Guarantor and the Group:

Banco Bilbao Vizcaya Argentaria, S.A.

Legal Entity Identifier (LEI): K8MS7FD7N5Z2WQ51AZ71

BBVA's predecessor bank, BBV (Banco Bilbao Vizcaya), was incorporated as a public limited company (a "sociedad anónima" or S.A.) under the Spanish Corporations Law on October 1, 1988. BBVA was formed following the merger of Argentaria into BBV (Banco Bilbao Vizcaya), which was approved by the shareholders of each entity on December 18, 1999 and registered on January 28, 2000. It conducts its

## GENERAL DESCRIPTION OF THE PROGRAMME

business under the commercial name "**BBVA**". BBVA is registered with the Commercial Registry of Vizcaya (Spain). It has its registered office at Plaza de San Nicolás 4, Bilbao, Spain, 48005, and operates out of Calle Azul, 4, 28050, Madrid, Spain (Telephone: +34-91-374-6201).

### Business:

The BBVA Group is a customer-centric global financial services group founded in 1857. Internationally diversified and with strengths in the traditional banking businesses of retail banking, asset management and wholesale banking, the Group is committed to offering a compelling digital proposition focused on customer experience.

For this purpose, the Group is focused on increasingly offering products online and through mobile channels, improving the functionality of its digital offerings and refining the customer experience, contributing to the delivery of our strategy in a sustainable and inclusive way. BBVA is committed to sustainability, which is impacting the banking business as part of its daily activities, encompassing not only relations with customers but also internal processes. In 2021, the number of digital and mobile customers and the volume of digital sales continued to increase.

### Board of Directors:

The members of the Board of Directors of BBVA as of the date of this Base Prospectus are as follows:

Carlos Torres Vila  
Onur Genç  
José Miguel Andrés Torrecillas  
Jaime Félix Caruana Lacorte  
Sonia Lilia Dulá  
Raúl Catarino Galamba de Oliveira  
Belén Garijo López  
Connie Hedegaard Koksang  
Lourdes Máiz Carro  
José Maldonado Ramos  
Ana Cristina Peralta Moreno  
Juan Pi Llorens  
Ana Leonor Revenga Shanklin  
Carlos Vicente Salazar Lomelín  
Jan Paul Marie Francis Verplancke

### *Description of the Programme*

#### Description:

€1,000,000,000 Programme for the Issue of Warrants (the "**Programme**").

#### Arranger:

Banco Bilbao Vizcaya Argentaria, S.A.

#### Dealers:

Banco Bilbao Vizcaya Argentaria, S.A.

The Issuer may from time to time terminate the appointment of any Dealer(s) under the Programme or appoint additional dealers either in respect of a single Tranche or in respect of the Programme.

#### Principal Warrant Agent

Deutsche Bank AG, London Branch



## GENERAL DESCRIPTION OF THE PROGRAMME

Luxembourg Warrant Agent, Registrar and Transfer Agent	Deutsche Bank Luxembourg S.A.
Calculation Agent:	Banco Bilbao Vizcaya Argentaria, S.A.
Listing:	<p>This Base Prospectus has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.</p> <p>Application has been made to Euronext Dublin for certain Warrants to be admitted to the Official List and for the securities to be admitted to trading on its regulated market.</p> <p>Application has been made to the Vienna Stock Exchange for certain Warrants issued under the Programme during the period of twelve months after the date of this Base Prospectus to be listed and admitted to trading on the Vienna MTF and/or any other Stock Exchange specified in the applicable Issue Terms.</p>
Size:	The maximum outstanding amount of all Warrants from time to time outstanding under the Programme will not exceed €1,000,000,000 (or its equivalent in other currencies).
Currencies:	Subject to compliance with all applicable legal and/or regulatory and/or central bank requirements, Warrants may be issued in any currency agreed with the relevant Dealer. Payments in respect of Warrants may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Warrants are issued.
Settlement Dates:	Any Settlement Date, will be subject to compliance with all relevant laws, regulations, central bank requirements and directives.
Issue Price:	The issue price and number of Warrants to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.
Final Terms or Pricing Supplement:	The issue terms of each Warrant other than Exempt Warrants will be set out and completed by Part A of the applicable Final Terms. The issue terms of each Tranche of Exempt Securities, will be set out in a pricing supplement documented by Part A of the applicable Pricing Supplement.
Method of Issue:	The Warrants will be issued on a syndicated or non-syndicated basis. The Warrants will be issued in one or more Series (which may be issued on the same date or which may be issued in more than one Tranche on different dates). The Warrants may be issued in Tranches on a continuous basis with no minimum issue size, subject to compliance with all applicable laws, regulations and directives. Further Warrants may be issued as part of an existing Series.
Form of Warrants:	The Warrants of each Series will be in either bearer form, or registered form.

## GENERAL DESCRIPTION OF THE PROGRAMME

Issue Price:	Warrants may be issued at their Issue Price. The Issue Price and amount of Warrants to be issued under the Programme will be determined by the Issuer, the Guarantor and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Type of Warrants:	Warrants may be issued whose return is linked to one or more indices (" <b>Index Linked Warrants</b> "), one or more shares or depositary receipts (" <b>Equity Linked Warrants</b> "), one or more inflation indices (" <b>Inflation Linked Warrants</b> "), one or more exchange traded fund shares (" <b>ETF Linked Warrants</b> "), one or more fund shares or units (" <b>Fund Linked Warrants</b> "), one or more foreign exchange rates (" <b>Foreign Exchange (FX) Rate Linked Warrants</b> ") or any combination thereof (" <b>Combination Warrants</b> ") as more fully described herein. Warrants may provide that settlement will be by way of cash settlement (" <b>Cash Settled Warrants</b> ") and/or physical delivery (" <b>Physically Settled Warrants</b> ") as provided in the Issue Terms.
Settlement of the Warrants:	A Warrant may, as provided in the Issue Terms, provide that settlement will be by way of cash settlement (" <b>Cash Settled Warrant</b> ") or by way of physical delivery (" <b>Physically Settled Warrant</b> ")
Governing Law:	The terms and conditions of the Warrants, all related contractual documentation and any non-contractual obligations arising out of or in connection with the Warrants and all related contractual documentation will be governed by, and shall be construed in accordance with, English law.
Selling Restrictions:	<p>United States, European Economic Area (EEA), EEA Retail Investors, Austria, Finland, France, Germany, Ireland, Portugal, Republic of Italy, Spain, Sweden, The Netherlands, Argentina, Chile, Colombia, Hong Kong, Mexico, Monaco, Panama, Peru, Republic of Korea, Singapore, Switzerland, Taiwan, The Bahamas, Turkey, United Kingdom, UK Retail Investors, Uruguay and Venezuela. See "<i>Subscription and Sale and Transfer and Selling Restrictions</i>".</p> <p>In connection with an offering and sale of a particular Tranche of Exempt Warrant, additional selling restrictions may be imposed which will be set out in the Pricing Supplement.</p>
Risk Factors:	<p>Investors should understand the risks of investing in any type of Warrant before they make their investment decision. They should make their own independent decision to invest in any type of Warrant and as to whether an investment in such Warrant is appropriate or proper for them based upon their own judgement and upon advice from such advisers as they consider necessary.</p> <p>For a description of certain risks involved in investing in the Warrants, see "<i>Risk Factors</i>".</p> <p>Risk factors are designed both to protect investors from investments from which they are not suitable and to set out the financial risks associated with an investment in a particular type of Warrant.</p>

## RISK FACTORS

### RISK FACTORS

*In purchasing Warrants, investors expose themselves to the risk that the Issuer and the Guarantor may become insolvent, subject to early intervention or resolution measures, or otherwise be unable to make all payments due in respect of the Warrants or under the Guarantee. Each of the Issuer and the Guarantor believes that the “Risk Factors relating to the Issuer” and the “Risk Factors relating to the Guarantor” sections below describe the principal risks that may affect their ability to fulfil their obligations under Warrants issued under the Programme. Most of these factors are contingencies which may or may not occur, and the inability of the Issuer or the Guarantor to perform its obligations in respect of any Warrants may occur for other reasons which may not, based on information currently available to them, be considered significant risks by either the Issuer or the Guarantor or which they may not currently be able to anticipate.*

**The Warrants are subject to risks generally associated with an investment in conventional debt securities and are senior unsecured obligations of the Issuer. Payments to be made on the Warrants (if any) depend on the ability of the Issuer and the Guarantor to satisfy their obligations as they come due. Investors are subject to the credit risk, and to changes in the market's view of the creditworthiness of the Issuer and the Guarantor, and in the event the Issuer and the Guarantor were to default on its obligations, an investor may not receive any amounts owed to it under the terms of the Warrants.**

**In addition, factors which are material for the purpose of assessing the market risks associated with Warrants issued under the Programme are also described below and the principal risks inherent in investing in Warrants issued under the Programme are also described below. These are risks that are additional to the risks associated with an investment in conventional debt securities.**

*Investors in the Warrants should consider carefully, among other things in the light of their financial circumstances and investment objectives, all of the information in this Base Prospectus and, in particular, the risk factors set forth below before making an investment decision. Warrantholders may lose the value of their entire investment in certain circumstances.*

References herein to “**BBVA**” or to the “**Bank**” shall be read and construed as references to the Guarantor.

The Risk Factors set out below appear under the following headings:

1. **Risk Factors relating to the Issuer.**
  - 1.1 The Issuer is dependent on the Guarantor to make payments on the Warrants
  - 1.2 Certain considerations in relation to the forum upon insolvency of the Issuer
  - 1.3 The Issuer may become taxable in a jurisdiction other than Spain
2. **Risk Factors relating to the Guarantor.**
  - 2.1 Macroeconomic Risks and Geopolitical Risks
  - 2.2 Business Risks
  - 2.3 Financial Risks
  - 2.4 Legal, Regulatory, Tax and Compliance Risks
  - 2.5 Operational Risks
  - 2.6 Risk related to early intervention and resolution
3. **Risk Factors relating to the Warrants.**
  - 3.1 Risk Factors associated with Warrants that are linked to one or more specific types of Reference Items.
  - 3.2 Risk Factors associated with Warrants that are linked to Reference Item linked Warrants.
  - 3.3 Risk Factors relating to Warrants with certain features
  - 3.4 Risk Factors regarding the purchase, holding and selling of Warrants generally.
  - 3.5 Risk Factors relating to termination and adjustment rights of the Issuer, the Guarantor and/or the Calculation Agent

## RISK FACTORS

### 1. Risk Factors relating to the Issuer

#### 1.1 The Issuer is dependent on the Guarantor to make payments on the Warrants

The Issuer is a wholly-owned subsidiary of the Guarantor which was established for the purpose of, among others, issuing Warrants and on-lending the proceeds within the Group. The Issuer is therefore dependent upon other members of the Group paying interest on and repaying their loans in a timely fashion. Should the Guarantor fail to pay interest on or repay any loan in a timely fashion this will have a material adverse effect on the ability of the Issuer to fulfil its obligations under Warrants issued under the Programme.

By virtue of its dependence on the Guarantor, each of the risks described below that affect the Guarantor will also indirectly affect the Issuer.

#### 1.2 Certain considerations in relation to the forum upon insolvency of the Issuer

In the event of insolvency of the Issuer, the court having jurisdiction to open insolvency proceedings and the law applicable to those proceedings and their effects will be determined in accordance with the provisions of Council Regulation (EC) No 848/2015, of May 20 2015, on insolvency proceedings ("**Regulation 848/2015**"), the Royal Legislative Decree 1/2020, of May 5, 2020, that approved the recasted version of the Spanish Insolvency Act (*Real Decreto Legislativo 1/2020, de 5 de mayo por el que se aprueba el texto refundido de la Ley Concursal*), (as amended the "**Spanish Insolvency Law**") and the Dutch Insolvency Law (*faillissementswet*) of September 30, 1893 (as amended the "**Dutch Insolvency Law**"). Pursuant to these provisions, the courts of the place where the Issuer has its centre of main interests shall have jurisdiction to open insolvency proceedings against it and the law applicable to the insolvency proceedings and their effects will be the law of the place where such proceedings are opened.

Under Regulation 848/2015, the centre of main interests should correspond to the place where the debtor conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties. In the case of a company or legal person, Regulation 848/2015 presumes, in the absence of proof to the contrary, that the place of its registered office is the centre of its main interests. Based on this presumption, a Dutch court may consider that it has jurisdiction to open insolvency proceedings against the Issuer. Notwithstanding this presumption, it is arguable that the centre of main interests of the Issuer should be considered to be located in Spain and that the Spanish courts should be the courts with jurisdiction to open insolvency proceedings against it. In addition, even if the centre of main interests of the Issuer were not in Spain, the Spanish court could still open insolvency proceedings (named territorial insolvency proceedings) if they consider that the Issuer has an establishment within the territory of Spain, the effects of which would be limited to the assets of the Issuer situated in Spain.

Warrantholders should be aware that, in accordance with the above, in the case of an eventual insolvency of the Issuer, there is uncertainty as to whether the insolvency proceedings would be opened in the Netherlands or in Spain.

#### 1.3 The Issuer may become taxable in a jurisdiction other than Spain and this may increase the aggregate tax burden on the Issuer

Since its incorporation, the Issuer has had, on a continuous basis, its place of "effective management" in Spain.

For Spanish tax purposes, the Issuer will therefore qualify as a tax resident of Spain on the basis of Spanish domestic law and subject to Spanish taxes. For Dutch tax purposes, a company is considered a tax resident of the Netherlands, irrespective the company's place of "effective management", if it is incorporated under Dutch law (the so-called "**Incorporation Rule**") and will as such in principle be subject to Dutch taxes.

This would result in the Issuer being a tax resident in both Spain and the Netherlands. In such event, the so-called tie-breaker provision (the "**Tie-Breaker Provision**") included in Article 4(4) of the Convention between the Netherlands and Spain for the Avoidance of Double Taxation with respect to Taxes on Income and on Net Wealth (the "**Convention**"), determines that the Issuer should qualify solely as a tax resident in Spain for purposes of the Convention, provided that the Issuer's place of "effective management" is in Spain.

The test of "effective management" is largely a question of fact and degree based on all the circumstances, rather than a question of law. Nevertheless, the relevant case law and OECD guidance suggest that the Issuer is likely to be regarded as having become Spanish tax resident from incorporation and remaining so if, as the Issuer intends, (i) most meetings of its executive directors are prepared and held in Spain (and none will be held in presence in the Netherlands) with a majority of executive directors present in Spain for those meetings; (ii) at those meetings there are full discussions of, and decisions are made regarding, the key strategic issues affecting the Issuer and its subsidiaries; (iii) those meetings are properly minuted; (iv) a majority of its executive directors, together with supporting staff, are based in Spain; and (v) the Issuer has permanent staffed office premises in Spain. These facts and circumstances may change (for example, the directors or the

## RISK FACTORS

place where board of directors meetings take place may change), and this may result in the Issuer becoming (also) a tax resident of the Netherlands or another jurisdiction.

Furthermore, the applicable tax laws or interpretations thereof, applicable tax treaties, including the Convention and the Tie-Breaker Provision, may change. In the event that the Convention would change, or if Spain and the Netherlands would designate the Convention as a so-called 'covered tax agreement' subject to the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (the "MLI"), the Issuer may become (also) a tax resident of the Netherlands (at least until the moment Spain and the Netherlands will reach an agreement on our tax residency for purposes of the Convention).

Moreover, the Issuer may become subject to income taxes in other countries with regard to the income generated in the respective other country, for example, due to the existence of a permanent establishment or a permanent representative in such other country.

As a consequence, the Issuer's overall effective income tax rate and income tax expense could materially increase, which could have a material adverse effect the Issuer's financial condition.

### 2. Risk Factors relating to the Guarantor

The description of the risks inherent to the activity of the Group, its businesses and its operations, as well as the quantitative information on the different risks, based on data referring to the 2022 and 2021 financial years, and, where appropriate, data referring to the three-month period ended March 31, 2023, are described in this section and it complements what is included in the consolidated financial statements ("**Consolidated Financial Statements**") and the consolidated management report ("**Consolidated Management Report**") and for the year ended December 31, 2022 and 2021 and the quarterly report for the three months ended March 31, 2023.

In the Chapter "*Risk Management*" of the Management Report attached to the Consolidated Financial Statements for 2022, both the risk factors and the risk principles and policies of the Group are indicated, as well as the corporate governance scheme on risk management, the internal control model and the tools, circuits and relevant procedures.

The main risk factors that the Group takes into consideration at the date of this Base Prospectus are detailed below.

#### 2.1 Macroeconomic and Geopolitical Risks

*A deterioration in economic conditions, including inflationary pressures, or the institutional environment in the countries where the Group operates could have a material adverse effect on the Group's business, financial condition and results of operations*

The Group is sensitive to the deterioration of economic conditions or the alteration of the institutional environment of the countries in which it operates, and especially Spain, Mexico and Turkey, which respectively represented 59.7 per cent., 20.5 per cent. and 9.6 per cent. of the Group's assets as of March 31, 2023 (60.0 per cent., 20.0 per cent. and 9.3 per cent. as of December 31, 2022, respectively, and 62.4 per cent., 17.8 per cent. and 8.5 per cent. as of December 31, 2021, respectively). For the periods ended December 31, 2022 and 2021, the Group's attributable profit amounted to €6,358 million and €4,653 million, respectively (€1,846 million and €1,325 million, respectively, for the periods ended March 31, 2023 and 2022) and the adjusted attributable profit was €6,559 million and €5,069 million, respectively (€1,846 million and €1,325 million, respectively, for the periods ended March 31, 2023 and 2022). The share of the adjusted attributable profit of Spain, Mexico, Turkey and South America was 28.4 per cent., 63.2 per cent., 7.7 per cent. and 11.1 per cent., respectively, for the period ended December 31, 2022, and 30.5 per cent., 50.3 per cent., 14.6 per cent. and 9.4 per cent., respectively, for the period ended December 31, 2021 (29.3 per cent., 69.6 per cent., 15.0 per cent. and 9.9 per cent., respectively, for the period ended March 31, 2023 and 45.1 per cent., 58.6 per cent., 5.7 per cent. and 12.1 per cent., respectively, for the period ended March 31, 2022). The share of the Group's gross margin of Spain, Mexico, Turkey and South America was 24.7 per cent., 43.5 per cent., 12.8 per cent. and 17.1 per cent., respectively, for the period ended December 31, 2022 and 28.0 per cent., 36.1 per cent., 16.2 per cent. and 15.0 per cent., respectively, for the period ended December 31, 2021 (24.8 per cent., 47.5 per cent., 11.5 per cent. and 16.9 per cent., respectively, for the period ended March 31, 2023 and 30.7 per cent., 41.4 per cent., 9.3 per cent. and 16.4 per cent., respectively, for the period ended March 31, 2022). Additionally, the Group is exposed to sovereign debt, especially sovereign debt related to these countries. Furthermore, the Group increased in May 2022 its shareholding stake in Türkiye Garanti Bankası A.Ş. ("**Garanti BBVA**") by an additional 36.12 per cent. (reaching 85.97 per cent.) as a result of the voluntary takeover offer ("**VTO**") for the shares of Garanti BBVA not already owned by BBVA announced in November 2021.

The global economy is currently facing a number of extraordinary challenges. The war in Ukraine and the related sanctions imposed against Russia have led to significant disruption, instability and volatility in global markets, as well as higher inflation and lower economic growth.

The economic effects are being felt mainly through higher commodity prices, mainly of energy commodities, despite the moderation observed in the last months. While the Group's direct exposure to Ukraine and Russia is limited, the war could

## RISK FACTORS

adversely affect the Group's business, financial condition and results of operations.

Geopolitical and economic risks have also increased lately as a result of trade tensions between the United States and China, Brexit, the rise of populism, among others. Growing tensions may lead, among others, to a deglobalisation of the world economy, an increase in protectionism, a general reduction of international trade in goods and services and a reduction in the integration of financial markets, any of which could materially and adversely affect the Group's business, financial condition and results of operations.

Moreover, the world economy could be vulnerable to other factors such as the aggressive interest rate hikes by central banks due to growing and widespread inflationary pressures, which could cause a significant growth slowdown and, even a sharp economic recession, as well as episodes of financial stress, such as that recently observed in the banking sector.

The central banks of many developed and emerging economies have significantly augmented policy rates over the last year which have motivated, along with other factors, tensions in the international financial markets leading to the collapse of some American banks (California-based Silicon Valley Bank (SVB) and New York's Signature Bank) and European Banks (Credit Suisse) and monetary conditions are likely to remain restrictive for a relatively long period of time. The United States Federal Reserve and the European Central Bank (the "ECB") have raised policy interest rates respectively by 475 and 350 basis points since 2022 and further adjustments are expected in the coming months, taking them up to around 5.25 per cent. in the first case and 4.00 per cent. in the case of the interest rates for refinancing operations in the Eurozone. Likewise, uncertainty about the future evolution of monetary policy is high, among other factors, due to the volatile dynamics of inflation, the unexpected resilience of demand and the recent turbulence in the banking sector during the month of March 2023.

The Group's results of operations have been affected by the increases in interest rates adopted by central banks in an attempt to tame inflation, contributing to the rise in funding costs. Further increases in interest rates could adversely affect the Group by reducing the demand for credit, limiting its ability to generate credit for its clients and leading to an increase in the default rate of its counterparties.

The Group bears, among others, the following general risks with respect to the economic and institutional environment in which it operates: a deterioration in economic activity in the countries in which it operates, including recession scenarios; more persistent inflationary pressures, which could trigger a more severe tightening of monetary conditions; stagflation due to more intense or prolonged supply crises; changes in exchange rates; an unfavourable evolution of the real estate market; very high oil and gas prices, which could have a negative impact on disposable income levels in areas that are net energy importers, such as Spain or Turkey, to which the Group is particularly exposed; changes in the institutional environment of the countries in which the Group operates, which could give rise to sudden and sharp drops in GDP and/or changes in regulatory or government policy, including in terms of exchange controls and restrictions on the distribution of dividends or the imposition of new taxes or charges; a growth in the public debt or in the external deficit could lead to a downward revision of the credit ratings of the sovereign debt and even a possible default or restructuring of said debt; and episodes of volatility in the markets, which could cause significant losses for the Group.

Any of these factors may have a material adverse effect on the Group's business, financial condition and results of operations.

### ***Risks relating to the political, economic and social conditions in Turkey***

In May 2022, the Group increased its shareholding stake in Garanti BBVA from 49.85 per cent. to 85.97 per cent. following the completion of its voluntary takeover bid (see Note 3 of the 2022 Consolidated Financial Statements (as defined in "Documents Incorporated by Reference" below).

Turkey has, from time to time, experienced volatile political, economic and social conditions. As of the date of this Base Prospectus, Turkey is facing an economic crisis characterised by strong depreciation of the Turkish lira, high inflation (according to the Turkish Statistical Institute (TUIK), the inflation rate in Turkey was 12.5 per cent. for the three months ended March 31, 2023; see Note 2.2.19 to the 2022 Consolidated Financial Statements for information on the impact of the application of IAS 29 on the 2022 Consolidated Financial Statements), a significant trade deficit, depletion of the central bank's foreign reserves and rising external financing costs. The recent earthquakes of February 2023 have also deepened Turkey's economic struggles. In addition to the vast human losses, the earthquakes and the government's response thereto have added to mounting pressures the inflation as well as on external and tax balances. Continuing unfavourable economic conditions in Turkey, such as the elevated inflation and devaluation of the Turkish lira, may result in a potential deterioration in the purchasing power and creditworthiness of the Group's clients (both individual and corporate). In addition, the Turkish central bank's repeated interest rate cuts in a context of high inflation and currency depreciation have affected and may continue to affect the Group's results.

Additionally, certain geopolitical factors, such as the war in Ukraine and regional conflicts (such as in Syria, Armenia/Azerbaijan), and internal political developments, such as the general elections scheduled for May 2023, create uncertainty about the future evolution of the economy and could trigger scenarios of greater instability.

## RISK FACTORS

There can be no assurance that these and other factors will not have an impact on Turkey and will not cause further deterioration of the Turkish economy, which may have a material adverse effect on the Turkish banking sector and the Group's business, financial condition and results of operations in Turkey.

### ***Risks associated with pandemics like the COVID-19 pandemic could have a material adverse effect on the Group's business, financial condition and results of operations***

The COVID-19 (coronavirus) pandemic has adversely affected the world economy, and economic activity and conditions in the countries in which the Group operates. Among other challenges, these countries have had to deal with supply disruptions and increasing inflationary pressures, while public debt has increased significantly due to the support and spending measures implemented by government authorities. Furthermore, there has been an increase in loan losses from both companies and individuals, which has been slowed down by the impact of government support measures, including bank payment deferrals, credit with public guarantee and direct aid measures.

With the outbreak of COVID-19, the Group experienced a decline in its activity. For example, the granting of new loans to individuals decreased during lockdowns. In addition, in several countries, including Spain, the Group closed a significant number of its branches and reduced the opening hours of working with the public, with central services teams having to work remotely. Furthermore, the Group has been affected by the measures or recommendations adopted by regulatory authorities in the banking sector, such as variations in reference interest rates, the modification of prudential requirements, the temporary suspension of dividend payments, changes to the terms of payment deferrals and the granting of guarantees or public guarantees for credit granted to companies and self-employed persons, the adoption of further similar measures or the modification or termination of those already approved, as well as changes in the financial assets purchase programmes implemented by the ECB. As of December 31, 2022 and 2021, the outstanding balance of loans for which payment deferrals and/or financing with a public guarantee were granted at the Group level amounted to €32,059 million and €38,025 million, respectively (granted to 2.04 million and 2.45 million customers, respectively), equivalent to 8.2 per cent. and 10.9 per cent. of the lending portfolio of which 56.5 per cent. and 57.7 per cent. are payment deferrals and 43.5 per cent. and 42.3 per cent. financing with public guarantee, with an average Instituto de Crédito Oficial guarantee coverage of 76 per cent as of December 31, 2022. Moreover, pandemics like the COVID-19 pandemic could adversely affect the business and operations of third parties that provide critical services to the Group and, in particular, the higher demand for and/or the lower availability of certain resources, compounded by ongoing supply bottlenecks could, in some cases, make it more difficult for the Group to maintain the required service levels.

Further, pandemics such as the COVID-19 pandemic may exacerbate other risks disclosed in this "Risk Factor" section, including but not limited to risks associated with the credit quality of the Group's borrowers and counterparties or collateral, the availability of ECB funding, the Group's exposure to sovereign debt and rating downgrades, the Group's ability to comply with its regulatory requirements, including MREL (as defined below) and other capital requirements, and the deterioration of economic conditions or changes in the institutional environment. (see "A deterioration in economic conditions, including inflationary pressures, or the institutional environment in the countries where the Group operates could have a material adverse effect on the Group's business, financial condition and results of operations" and "Increasingly onerous capital and liquidity requirements may have a material adverse effect on the Group's business, financial condition and results of operations").

As a result of the above, a pandemic could have a material adverse effect on the Group's business, financial condition and results of operations

## **2.2 Business Risks**

### ***The Group's businesses are subject to inherent risks concerning borrowers and counterparties' credit quality and the value of collateral that strengthens its lending portfolio, particularly in Spain***

The total maximum credit risk exposure of the Group [(calculated as set forth in Note 7.2.2 to the 2022 Consolidated Financial Statements)] as of March 31, 2023 and December 31, 2022 was €854,011 million and €815,533 million, respectively (€753,730 million as of December 31, 2021). The maximum exposure of loans and advances to customers at amortised cost at March 31, 2023 and December 31, 2022 was €373,481 million and €368,588 million, respectively (€330,055 million as of December 31, 2021). The accumulated loss allowances of loans and advances to customers at amortised cost at March 31, 2023 and December 31, 2022 amounts to €11,164 million and €11,237 million, respectively (€11,116 million as of December 31, 2021).

As of March 31, 2023 and December 31, 2022, the impairment on financial assets not measured at fair value through profit or loss (impairment of financial assets) was a negative balance of €968 million and €3,379 million, respectively (which as of December 31, 2022 was 11 per cent. higher than the negative balance for the previous year of €3,034 million as of December 31, 2021). This was due to the deterioration of the macroeconomic environment with the downward revision of growth expectations in an inflationary environment and general increase in the prices of energy raw materials and interest rates. The Group has exposures to many different products and counterparties, and the credit quality of its exposures can

## RISK FACTORS

have a significant effect on the Group's earnings. Adverse changes in the credit quality of the Group's counterparties (including borrowers) or in their behaviour or businesses, or any adverse changes in the collateral they may have provided, may reduce the value of the Group's assets, and materially increase the Group's write-downs and loss allowances. Credit risk can be affected by a range of factors, including an adverse economic environment, a decrease in consumption or corporate or government spending, changes in the rating of individual contractual counterparties, their debt levels and the environment in which they operate, increased unemployment, higher commodity prices (especially energy commodities), reduced asset values, increased retail or corporate insolvency levels, changes in interest rates (as well as the timing, magnitude and pace of these changes), litigation and legal and regulatory developments.

In recent years, the Group's non-performing loans ("NPL") ratio (as defined in the Alternative Performance Measures section of the Consolidated Management Report 2022 (as defined in "Documents Incorporated by Reference" below), which was 3.3 per cent., 3.4 per cent. and 4.1 per cent. as of March 31, 2023, December 31, 2022 and December 31, 2021, respectively) has benefited from the low interest rate environment, which has led to increased recoveries and repayments. The recent increases in interest rates and possible further successive rate increases may cause a deterioration in the Group's default rate and an increase in the Group's risk-weighted assets ("RWAs"). The Group's coverage ratio (as defined in the Alternative Performance Measures section of the Consolidated Management Report 2022) stood at 82 per cent., 81 per cent. and 75 per cent. as of March 31, 2023, December 31, 2022 and December 31, 2021, respectively.

Furthermore, economic deterioration typically results in a decrease in the price of real estate assets. The Group remains significantly exposed to the real estate market, mainly in Spain and, to a lesser extent, Mexico and Turkey, due to the fact that many of its loans are secured by real estate assets and due to the significant volume of real estate assets that it maintains on its balance sheet. As of December 31, 2022 and December 31, 2021, the Group's exposure to the construction and real estate sectors (excluding the mortgage portfolio) in Spain was equivalent to €9,549 and €9,504 million, respectively, of which €1,861 and €2,123 million, respectively, corresponded to loans for construction, real estate development and house purchases in Spain (representing 1.1 per cent. and 1.3 per cent., respectively, of the Group's loans and advances to customers in Spain (excluding the public sector) and 0.3 per cent. of the Group's consolidated assets as of each of December 31, 2022 and 2021). The total real estate exposure (excluding the mortgage portfolio), including developer credit and foreclosed assets without other assets, reflected a coverage ratio of 34 per cent. and 22 per cent. in Spain as of December 31, 2022 and 2021, respectively. A fall in the price of real estate assets in Spain (or, to a lesser extent, Mexico or Turkey) would reduce the value of any real estate securing loans granted by the Group and, therefore, in the event of default, the amount of the expected losses related to such loans would increase. In addition, it could also have a significant adverse effect on the default rates of the Group's residential mortgage portfolio, the balance of which, as of March 31, 2023, December 31, 2022 and December 31, 2021, was €91,999 million, €91,569 million and €91,324 million, respectively, at a global level. The impact of an increase in default rates on the Group will depend on its magnitude, timing and pace, and could be significant. Furthermore, it is possible that the Group has incorrectly assessed the creditworthiness or willingness to pay of its counterparties, that it has underestimated the credit risks and potential losses inherent in its credit exposure and that it has made insufficient provisions for such risks in a timely manner. The processes involved in making such assessments, which have a crucial impact on the Group's results and financial condition, require difficult, subjective and complex calculations, including forecasts of the impact that macroeconomic conditions could have on these counterparties. In particular, the Group's estimates of losses derived from its exposure to credit risk may prove to be inadequate or insufficient in the current environment of economic uncertainty, which could affect the adequacy of the provisions for insolvencies provided by the Group. An increase in non-performing or low-quality loans could significantly and adversely affect the Group's business, financial condition and results of operations.

As of December 31, 2022 and December 31, 2021, the gross amount of loans of the Group subject to refinancing and restructuring of the Group was €15,120 million and €17,949 million, respectively (which represents a 16 per cent. decrease between 2021 and 2022), mainly concentrated in Spain and Turkey, which represents 4.2 per cent. and 5.6 per cent., respectively, of total loans and advances to customers. These loans subject to refinancing and restructuring have an associated collateral value of €5,192 million and €6,668 million, respectively, and 54 per cent. and 51 per cent., respectively, of those loans were classified as impaired as of these respective dates.

As of December 31, 2022 and December 31, 2021, assets from foreclosures and recoveries, net of impairment losses amounted to €714 million and €837 million, respectively.

***The Group's business is particularly vulnerable to interest rates and is exposed to risks associated with the continuity of certain reference rates and the transition to alternative reference rates***

The Group's results of operations are substantially dependent upon the level of its net interest income, which is the difference between interest income from interest-earning assets and interest expense on interest-bearing liabilities. It is possible that changes in market interest rates affect the Group's interest-earning assets differently from the Group's interest-bearing liabilities. This, in turn, may lead to a reduction in the Group's net interest margin, which could have a significant adverse effect on its results. Moreover, changes in interest rates may affect the Group's credit risk exposure. In Spain the net interest margin for the periods ended March 31, 2023, increased by 38.2 per cent., as compared to the corresponding



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period for the previous year; in Mexico it has increased by 48.2 per cent. (29.2 per cent. at constant exchange rates); in Turkey it has increased by 27.4 per cent. (63.0 per cent. at constant exchange rates) and in South America it has increased by 47.0 per cent. (81.7 per cent. at constant exchange rates).

Interest rates are highly sensitive to many factors beyond the Group's control, including fiscal and monetary policies of governments and central banks, regulation of the financial sector, domestic and international economic and political conditions and other factors. The COVID-19 pandemic triggered a process of cuts in reference interest rates, which were then progressively reversed by central banks in order to combat inflation, with four interest rate increases implemented by the ECB since July 2022 through December 31, 2022 one more in February 2023 and another one in March 2023. However, interest rate increases are being implemented at a different pace across regions and it is possible that such increases could be reversed in case concerns about economic growth or financial stability arise among other considerations. The Group's results of operations have been affected by the increases in interest rates adopted by central banks in an attempt to tame inflation, contributing both to a rise in net interest income and a rise in funding costs. Further increases in interest rates could adversely affect the Group by reducing the demand for credit, limiting its ability to generate credit for its clients and/or increasing the default rate of its borrowers and counterparties. In particular, the repayment capacity of loans tied to variable interest rates is more sensitive to changes in rates. As of December 31, 2022, and December 31, 2021, 49.2 per cent. and 50.2 per cent., respectively, of the total transactions with a maturity greater than one year included in "Loans and advanced customers" had floating interest rates. See note 7.31 of the Consolidated Financial Statements where the interest rate sensitivity analysis is detailed.

With regard to the risk of variation in the market value of assets and liabilities, as of December 31, 2022, the average value at risk (VaR) was €27 million. By type of market risk assumed by the Group's trading portfolio, the main such risk for the Group continues to be linked to interest rates, representing 54 per cent. of the total at the end of 2022 (including spread risk) and decreasing the relative weight compared to the end of 2021 (when this was 57 per cent.). Exchange risk represents 22 per cent. of the total, an increase compared to the end of the year 2021 (when exchange risk was 16 per cent.), while variable income risk and volatility and correlation risk also increased, representing 11 per cent. at the end of the year 2022 (as compared to 9 per cent. at the end of the year 2021). As of December 31, 2022, the VaR balance was €29 million (€32 million corresponding to interest and spread risk, €13 million to exchange rate risk, €7 million to equity risk, €5 million to volatility risk and €-28 million of diversification effects).

Moreover, the transition away from and discontinuation of interbank offer rates ("IBORs") could have an adverse effect on the Group. In recent years, international regulators have been driving a transition from the use of IBORs, including the London interbank offered rate ("LIBOR"), the euro interbank offered rate ("EURIBOR") and the euro overnight index average ("EONIA"), to alternative risk free rates ("RFRs"). This has resulted in regulatory reform and changes to existing IBORs, with further changes anticipated. These reforms and changes may cause an IBOR to perform differently than it has done in the past or to be discontinued. The Group is particularly exposed to EURIBOR-based financial instruments. However, as of March 31, 2023, the Group considers that there are limited transition risks relating to EURIBOR as it has been replaced by the hybrid EURIBOR which uses a methodology that meets the requirements of the European Regulation of Reference Indices.

Although the transition from LIBOR EUR, CHF, JPY and GBP has been carried out without relevant impacts, the Group continues to maintain financial assets and liabilities whose contracts are referenced to USD LIBOR, when used, including, among others, for loans, deposits and debt issuances as well as underlying derivative financial instruments, and the Group continues to work to adapt or modify the related documentation. The uncertainty about the nature and extent of USD LIBOR reforms and changes, and how they might affect financial instruments, could negatively impact the valuation and/or trading of a wide range of financial instruments that used USD LIBOR, including securities, loans, deposits and derivative instruments based on USD LIBOR issued by the Group or otherwise included in the financial assets and liabilities of the Group. Such uncertainty may also affect the availability and cost of hedging instruments and debt. See also the risk factors "The regulation and reform of 'benchmarks' may adversely affect the value of Warrants linked to or referencing such 'benchmarks'" and "The Group is exposed to risks related to reforms of Index and Commodity Index 'Benchmarks'" below. The implementation of any alternative RFRs may be impossible or impracticable under the existing terms of certain financial instruments. Such transition could also result in pricing risks arising from how changes to reference rates could impact pricing mechanisms in some instruments, and could have an adverse effect on the value of, return on and trading market for such financial instruments and on the Group's profitability. In addition, the transition to RFRs will require important operational changes to the Group's systems and infrastructure, as all systems will need to account for the changes in the reference rates.

Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

### ***The Group faces increasing competition and is exposed to a changing business model***

The markets in which the Group operates are highly competitive and it is expected that this trend will continue in the coming

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years with the increasing entry of non-bank competitors (some of which have large client portfolios and strong brand recognition) and the emergence of new business models. In recent years, the financial services sector has undergone a significant transformation driven by the development of mobile technologies and the entry of new players into activities previously controlled by financial institutions. Although the Group is making efforts to adapt to these changes through its digital transformation, its competitive position is affected by the regulatory asymmetry that benefits non-bank operators. For example, banking groups are subject to prudential regulations that have implications for most of their businesses, including those in which they compete with non-bank operators (such as FinTech or BigTech) that are only subject to regulations specific to the activity they develop or that benefit from loopholes in the regulatory environment. Furthermore, when banking groups carry out financial activities through the use of new technologies, they are generally subject to additional internal governance rules that place such groups at a competitive disadvantage.

Moreover, the widespread adoption of new technologies, including crypto currencies and alternative payment systems that do not use the banking system, could erode the Group's business or require the Group to make substantial investment to modify or adapt existing products and services, including its mobile and internet banking capabilities. Likewise, the increasing use of these new technologies and mobile banking platforms could have an adverse impact on the Group's investments in facilities, equipment and employees of the branch network. A faster pace of transformation towards mobile and online banking models could require changes in the Group's commercial banking strategy, including the closure or sale of some branches, and the restructuring of others, and the significant reduction in employees. These changes could result in significant expenses as the Group reconfigures and transforms its commercial network. In addition, the trend towards the consolidation in the banking industry has created larger banks with which the Group must compete. According to the Bank of Spain, as a result of consolidation in the banking industry, the ten largest banking entities managed 87 per cent. % of customer deposits in Spain as of March 2022. Failure to implement such changes efficiently and on a timely basis could have a material adverse impact on the Group's competitive position or otherwise have a material adverse effect on the Group's business, financial condition or results of operations. (see Note 24 of the 2022 Consolidated Financial Statements).

The future success of the Group depends, in part, on its ability to use technology to provide suitable products and services for customers. While the Group has focused on developing its technological capabilities in recent years and is committed to digitisation, its ability to compete successfully is likely to be adversely affected by, on the one hand, the existing uneven playing field between banks and non-bank players, and on the other hand, the increasing relevance of access to digital data and interactions for customer relationship management, which places digital platforms at an advantage. Digital platforms (such as those maintained by large technology or social media companies and FinTechs) increasingly dominate access to data and control over digital interactions, and are already eroding the Group's results in highly relevant markets such as payments. These platforms can leverage their advantage in access to data to compete with the Group in other markets and could reduce the Group's operations and margins in its core businesses such as lending or wealth management. Some of the Group's competitors have created alliances with BigTech that may affect the Group's ability to compete successfully and could adversely affect the Group. In the event that the Group is not successful in addressing increasing competition, its business, financial condition and results of operations could be materially and adversely affected.

### *The Group faces risks related to its acquisitions and divestitures*

The Group has acquired and sold several companies and businesses over the past few years. On November 15, 2021, BBVA announced its decision to launch a VTO for the entire share capital of Garanti BBVA not already owned by BBVA. On May 18, 2022, BBVA announced the end of the offer acceptance period and the acquisition of an additional 36.12 per cent. (taking its total shareholding following the VTO to 85.97 per cent.). Other recent operations are the sale of BBVA USA Bancshares Inc. and other Group companies in the United States and the sale of BBVA Paraguay (see Note 3 of the 2022 Consolidated Financial Statements).

The Group may not complete any ongoing or future transactions in a timely manner, on a cost-effective basis or at all and, if completed, they may not have the expected results. In addition, if completed, the Group's results of operations could be adversely affected by divestiture or acquisition-related charges and contingencies. The Group may be subject to litigation in connection with, or as a result of, divestitures or acquisitions, including claims from terminated employees, customers or third parties. In the case of an acquisition, the Group may be liable for potential or existing litigation and claims related to an acquired business, including because either the Group is not indemnified for such claims or the indemnification is insufficient. Further, in the case of a divestiture, the Group may be required to indemnify the buyer in respect of similar or other matters, including claims against the divested entity or business.

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In the case of an acquisition, even though the Group reviews the companies it plans to acquire, it is often not possible for these reviews to be complete in all respects and there may be risks associated with unforeseen events or liabilities relating to the acquired assets or businesses that may not have been revealed or properly assessed during the due diligence processes, resulting in the Group assuming unforeseen liabilities or an acquisition not performing as expected. In addition, acquisitions are inherently risky because of the difficulties that may arise in integrating people, operations and technologies. There can be no assurance that any of the businesses the Group acquires can be successfully integrated or that they will perform well once integrated.

Acquisitions may also lead to potential write-downs that adversely affect the Group's results of operations. Any of the foregoing may cause the Group to incur significant unexpected expenses, may divert significant resources and management attention from the Group's other business concerns, or may otherwise have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group faces risks derived from its international geographic diversification and its significant presence in emerging countries. The Group's ability to distribute dividends depends, in part, on the receipt of dividends from its subsidiaries***

The Group is made up of commercial banks, insurance companies and other financial services companies in various countries and its performance as a global business depends on its ability to manage its different businesses under various economic, social and political conditions, facing different legal and regulatory requirements in many of the jurisdictions in which it operates (including, among others, different supervisory regimes and different tax and legal regimes related to the repatriation of funds or the nationalisation or expropriation of assets).

In addition, the Group's international operations may expose it to risks and challenges to which its local competitors may not be exposed, such as currency risk (as of December 31, 2022 and December 31, 2021, 44.7 per cent. and 41.5 per cent. of the assets, respectively, and 42.1 per cent. and 37.8 per cent. of the Group's liabilities, respectively, were denominated in currencies other than euro), the difficulty of managing or supervising a local entity from abroad, political risks (which could affect only foreign investors) or limitations on the distribution or repatriation of dividends (for example, the repatriation of dividends from each of BBVA's Venezuelan and Argentinean subsidiaries (whose book values were €109 million and €1,396 million as of December 31, 2022, and €78 million and €1,130 million as of December 31, 2021) is subject to certain restrictions and there is no assurance that further restrictions will not be imposed), thus worsening its position compared to that of local competitors.

In 2022, dividend income from its subsidiaries represented €3,347 million, which was approximately 35.2 per cent. of the gross margin of the Bank. This represented an increase of 97.0 per cent. compared to 2021. This was due in part to the Group's decision to follow a 'Multiple Point of Entry' strategy, in accordance with the framework for the resolution of financial entities designed by the Financial Stability Board ("FSB"), by which each of the Group's subsidiaries are self-sufficient and each subsidiary is responsible for managing its own capital and liquidity. This means that the payment of dividends, distributions and advances by the Group's subsidiaries to BBVA depends not only on the results of those subsidiaries, but also on the context of their operations and liquidity needs, and may be further limited by legal, regulatory and contractual restrictions. Furthermore, the Bank's right, as a shareholder, to participate in the distribution of assets resulting from the eventual liquidation or any reorganisation of its subsidiaries will be effectively subordinated to the rights of the creditors of those subsidiaries, including their commercial creditors.

There can be no guarantee that the Group will be successful in developing and implementing policies and strategies in all of the countries in which it operates, some of which have experienced significant economic, political and social volatility in recent decades. In particular, the Group has a significant presence in several emerging countries, such as Mexico and Turkey, and is therefore vulnerable to any deterioration in economic, social or political conditions in these countries. Emerging markets are generally affected by the conditions of other commercially or financially related markets and by the evolution of global financial markets in general (they may be affected, for example, by the evolution of GDP and interest rates in the United States and the exchange rate of the U.S. dollar), as well as by fluctuations in the prices of commodities. The perception that the risks associated with investing in emerging economies have increased, in general, or in emerging markets where the Group operates, in particular, could reduce capital flows to those economies and negatively affect such economies and therefore the Group. Moreover, emerging countries are more prone to experience significant changes in inflation and foreign exchange rates, which may have a material impact on the Group's results of operations, assets (including RWAs) and liabilities. For example, in Turkey, accumulated inflation for the year 2022 estimated by the Turkish Statistical Institute (Turkstat) was 64.3 per cent. (in 2021 inflation amounted to 36.1 per cent.) and the exchange rate in December 2022 was 19.96 Turkish liras per euro (in December 2021 the exchange rate was 15.23 Turkish liras per euro).

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As of December 31, 2022, the estimated sensitivities of the Group's result attributable to the owners of the parent company, taking into account the coverage against depreciations and appreciations of 1 per cent. of the average foreign exchange rate for the Mexican peso and Turkish lira was €19 million and €4 million, respectively. To the extent that hedging positions are periodically moderated, the sensitivity estimate attempts to reflect an average (or effective) sensitivity in the year against depreciations and appreciations.

The Group's operations in emerging countries are also exposed to heightened political risks, such as changes in governmental policies, expropriation, nationalisation, interest rate limits, exchange controls, capital controls, government restrictions on dividends or bank fees and adverse tax policies. For example, the repatriation of dividends from BBVA's Venezuelan, Argentinian and Turkish subsidiaries is subject to certain restrictions and there is no assurance that further restrictions will not be imposed. Since BBVA's ability to pay dividends depends, in part, on the receipt of dividends from its subsidiaries, such restrictions may, in turn, affect BBVA's ability to pay dividends.

If the Group failed to adopt effective and timely policies and strategies in response to the risks and challenges it faces in each of the regions where it operates, particularly in emerging countries, the Group's business, financial condition and results of operations could be materially and negatively affected.

### *The Group is exposed to various risks in connection with climate change*

Climate change presents short, medium and long-term risks to the Group and its customers, and these risks are expected to increase over time. The Group's activities or those of its customers and/or counterparties could be negatively affected by, among others, the following risks:

- *Transition Risks:* Risks linked to the transition to a low-carbon economy as a response to climate change, and that arise from changes in legislation, the market, consumers, etc., to mitigate and address the requirements derived from climate change. Transition risks include:
  - *Legal and regulatory risks:* Legislative or regulatory changes regarding how banks manage climate risk or that otherwise affect banking practices or the disclosure of climate-related information may result in higher compliance, operational and credit risks and costs. The Group's customers and counterparties may also face similar challenges.
  - *Technological risks:* Among others, those risks derived from the transition costs to low-emission technologies or from non-adaptation to them, which could eventually reduce the credit capacity of the Group's customers.
  - *Market risks:* BBVA is exposed to risks of a considerable increase in the cost of financing for customers with greater exposure to climate change risk, in such a way that their solvency or credit rating is affected. BBVA is also exposed to risks derived from changes in demand, and changes in energy supply and prices, among others.
  - *Reputational risks:* The perception of climate change as a risk by society, shareholders, customers, governments and other stakeholders continues to increase, including in relation to the financial sector's operations and strategy. This may result in increased scrutiny of the Group's activities, policies, objectives and the way in which matters related to climate change are disclosed. The Group's reputation may be harmed if its efforts to reduce environmental and social risks are deemed to be insufficient.
- *Physical risks:* Risks that come from climate change and can be caused by greater frequency and severity of extreme weather events or long-term weather changes, and that can lead to physical damage to the assets of the Group or its customers, the interruption of their operations, disruptions in the supply chain or increased expenses necessary to deal with them, thus impacting the value of assets or the solvency of customers.

Any of these factors may have a material adverse effect on the Group's business, financial condition and results of operations.

## 2.3 Financial Risks

### *The Group has a continuous demand for liquidity to finance its activities and the withdrawal of deposits or other sources of liquidity could significantly affect it*

Traditionally, one of the Group's main sources of financing has been savings accounts and demand deposits. As of March 31, 2023, December 31, 2022 and December 31, 2021, the balance of customer deposits represented 73 per cent., 75 per cent. and 72 per cent., respectively, of the Group's total financial liabilities at amortised cost. However, the volume of wholesale and retail deposits can fluctuate significantly, including as a result of factors beyond the Group's control, such as general economic conditions, changes in economic policy or administrative decisions that diminish their attractiveness as savings instruments (for example, as a consequence of changes in taxation, coverage

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by guarantee funds for deposits or expropriations) or competition from other savings or investment instruments (including deposits from other banks).

Likewise, changes in interest rates and credit spreads may significantly affect the cost of the Group's short and long-term wholesale financing. Changes in credit spreads are driven by market factors and are also influenced by the market's perception of the Group's solvency. As of March 31, 2023, December 31, 2022 and December 31, 2021, debt securities issued by the Group represented 10.1 per cent., 10.5 per cent. and 11.4 per cent., respectively, of the total financial liabilities at amortised cost of the Group.

In addition, the Group has made and continues to make significant use of public sources of liquidity, such as the ECB's extraordinary measures taken in response to the financial crisis since 2008 or those taken in connection with the crisis caused by the COVID-19 pandemic. In its monetary policy decision of October 27, 2022, the ECB decided to adjust the interest rates applicable to its Targeted Longer-Term Refinancing Operations III (**TLTRO III**) from November 23, 2022 and offer credit institutions additional voluntary early repayment dates for these operations. In December 2022, BBVA began the repayment of the TLTRO III program in an amount of €24 billion, corresponding to approximately two thirds of the total drawn amount. The amount recorded in "Deposits from central banks - Time deposits" includes the drawdowns of the TLTRO III facilities of the ECB, mainly by BBVA, amounting to €14,711 million as of March 31, 2023 (€26,711 million as of December 31, 2022, and €38,692 million as of December 31, 2021).

As of December 31, 2022, the Loan-to-Stable Customer Deposits ratio ("**LtSCD**") in the Group is 96 per cent. This ratio measures the relationship between net lending (which includes loans and advances to customers included in the following line items in the consolidated balance sheet: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at amortized cost", net of loss allowances) and stable customer funds (comprising the financing obtained and managed by the Liquidity Management Units (LMUs) among their target customers - see Note 7.5.1 to the 2022 Consolidated Financial Statements).

In the event of a withdrawal of deposits or other sources of liquidity, especially if it is sudden or unexpected, the Group may not be able to finance its financial obligations or meet the minimum liquidity requirements that apply to it, and may be forced to incur higher financial costs, liquidate assets and take additional measures to reduce leverage. Furthermore, the Group could be subject to the adoption of early intervention measures or, ultimately, to the adoption of a resolution measure by the Relevant Spanish Resolution Authority (as defined below). Any of the above could have a material adverse effect on the Group's business, financial condition and results of operations.

"**Relevant Spanish Resolution Authority**" means any of the Spanish Fund for the Orderly Restructuring of Banks (Fondo de Reestructuración Ordenada Bancaria), the European Single Resolution Mechanism, the Bank of Spain and the Spanish Securities Market Commission ("CNMV") or any other entity with the authority to exercise the Spanish Bail-in Power (as defined below) from time to time, according to Law 11/2015 (as defined below).

### *The Group depends on its credit ratings and sovereign credit ratings, especially Spain's credit ratings*

Rating agencies periodically review the Group's debt credit ratings. Any reduction, effective or anticipated, in any such ratings of the Group, whether below investment grade or otherwise, could limit or impair the Group's access to capital markets and other possible sources of liquidity and increase the Group's financing cost, and entail the breach or early termination of certain contracts or give rise to additional obligations under those contracts, such as the need to grant additional guarantees. [The Group estimates that if, at December 31, 2022, rating agencies had downgraded the Bank's long-term senior debt rating by one notch, it would have had to provide additional guarantees/ collateral amounting to €57.9 million under its derivative and other financial contracts. A hypothetical two-notch downgrade would have involved an outlay of €82.3 million in additional guarantees/collateral.] Furthermore, if the Group were required to cancel its derivative contracts with some of its counterparties and were unable to replace them, its market risk would worsen. Likewise, a reduction in the credit rating could affect the Group's ability to sell or market some of its products or to participate in certain transactions, and could lead to the loss of customer deposits and make third parties less willing to carry out commercial transactions with the Group (especially those that require a minimum credit rating), having a significant adverse impact on the Group's business, financial condition and results of operations.

Furthermore, the Group's credit ratings could be affected by variations in sovereign credit ratings, particularly the rating of Spanish sovereign debt. The Group holds a significant portfolio of debt issued by the Kingdom of Spain, by the Spanish autonomous communities and by other Spanish issuers. As of December 31, 2022 and December 31, 2021, the Group's exposure (EBA criteria) to the Kingdom of Spain's public debt portfolio was €39,485 million and €38,626 million, respectively, representing 5.5 per cent. and 5.8 per cent. of the consolidated total assets of the Group, respectively. Any decrease in the credit rating of the Kingdom of Spain could adversely affect the valuation of the respective debt portfolios held by the Group and lead to a reduction in the Group's credit ratings. Additionally, counterparties to many of the credit agreements signed with the Group could also be affected by a decrease in the credit rating of the Kingdom of Spain, which could limit their ability to attract additional resources or otherwise affect their ability to pay their outstanding obligations

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to the Group. The Group's exposure to the public debt portfolio of the rest of Europe, Mexico and Turkey as of December 31, 2022 was €6,227 million, €33,726 million and €9,871 million respectively (as of December 31, 2021 it was €8,336 million, €32,445 million and €5,827 million, respectively), representing and 0.9 per cent., 4.7 per cent. and 1.4 per cent., respectively, of the consolidated total assets of the Group (as of December 31, 2021 it represented 1.3 per cent., 4.9 per cent. and 0.9 per cent., respectively). Downgrades and rating revisions for these countries would therefore also have an impact on the Group's financial position.

In the future, new reviews or changes in BBVA's credit ratings could occur as a result of the current or future economic situation and geopolitical conditions, which could have a significant adverse effect on the Group's business, financial condition and results of operations.

### 2.4 Legal, Regulatory, Tax and Compliance Risks

#### *Legal Risks*

##### *The Group is party to a number of legal and regulatory actions and proceedings*

The financial sector faces an environment of increasing regulatory and litigation pressure. The Group is party to government procedures and investigations, such as those carried out by the antitrust authorities which, among other things, have in the past and could in the future result in sanctions, as well as lead to claims by customers and others.

The various Group entities are also frequently party to individual or collective judicial proceedings (including class actions) resulting from their activity and operations, as well as arbitration proceedings. More generally, in recent years, regulators have increased their supervisory focus on consumer protection and corporate behaviour, which has resulted in a larger number of regulatory actions.

In Spain and in other jurisdictions where the Group operates, legal and regulatory actions and proceedings against financial institutions, prompted in part by certain recent national and supranational rulings in favour of consumers (with regards to matters such as credit cards and mortgage loans), have increased significantly in recent years and this trend could continue in the future. Legal and regulatory actions and proceedings faced by other financial institutions, in relation to these and other matters, especially if such actions or proceedings result in favourable resolutions for the consumer, could also adversely affect the Group.

All of the above may result in a significant increase in operating and compliance costs and/or a reduction in revenues, and it is possible that an adverse outcome in any proceedings (depending on the amount thereof, the penalties imposed or the resulting procedural or management costs for the Group) could materially and adversely affect the Group, including by damaging its reputation.

It is difficult to predict the outcome of legal and regulatory actions and proceedings, both those to which the Group is currently exposed and those that may arise in the future, including actions and proceedings relating to former Group subsidiaries or in respect of which the Group may have indemnification obligations. Any of such outcomes could be adverse to the Group. In addition, a decision in any matter, whether against the Group or against another credit entity facing similar claims as those faced by the Group, could give rise to other claims against the Group. In addition, these actions and proceedings draw resources away from the Group and may require significant attention on the part of the Group's management and employees.

As of March 31, 2023 and December 31, 2022, the Group had €667 and €685 million (€623 million as of December 31, 2021), respectively, in provisions for the proceedings it is facing (which are included in the line item "Provisions for taxes and other legal contingencies" in the consolidated balance sheet) of which €524 million as of December 31, 2022 (€533 million as of December 31, 2021) corresponded to legal contingencies and €161 million as of December 31, 2022 (€91 million as of December 31, 2021) corresponded to tax related contingencies. Most of these provisions for legal contingencies correspond to the Bank and its subsidiaries registered in Spain, which account for approximately 78 per cent. of these provisions. However, the uncertainty arising from these proceedings (including those for which no provisions have been made, either because it is not possible to estimate any such provisions or for other reasons) makes it impossible to guarantee that the possible losses arising from such proceedings will not exceed, where applicable, the amounts that the Group currently has provisioned and, therefore, could affect the Group's consolidated results.

As a result of the above, legal and regulatory actions and proceedings currently faced by the Group or to which it may become subject in the future or which may otherwise affect the Group, whether individually or in the aggregate, if resolved in whole or in part adversely to the Group's interests, could have a material adverse effect on the Group's business, financial condition and results of operations.

##### *The Spanish judicial authorities are carrying out a criminal investigation relating to possible bribery, revelation of secrets and corruption by the Bank*

Spanish judicial authorities are investigating the activities of Centro Exclusivo de Negocios y Transacciones, S.L.

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("Cenyt"). Such investigation includes the provision of services by Cenyt to BBVA. On July 29, 2019, BBVA was named as an investigated party (investigado) in a criminal judicial investigation (Preliminary Proceeding No. 96/2017 – Piece No. 9, Central Investigating Court No. 6 of the National High Court) for alleged facts which could constitute bribery, revelation of secrets and corruption. On February 3, 2020, BBVA was notified by the Central Investigating Court No. 6 of the National High Court of the order lifting the secrecy of the proceedings. Certain current and former officers and employees of the Group, as well as former directors, have also been named as investigated parties in connection with this investigation. BBVA has been and continues to be proactively collaborating with the Spanish judicial authorities, including sharing with the courts information obtained in the internal investigation hired by BBVA in 2019 to contribute to the clarification of the facts. As at the date of this Base Prospectus, no formal accusation against BBVA has been made.

This criminal judicial proceeding is in the pre-trial phase. Therefore, it is not possible at this time to predict the scope or duration of such proceeding or any related proceeding or its or their possible outcomes or implications for the Group, including any fines, damages or harm to the Group's reputation caused thereby.

### ***Regulatory, Tax and Compliance Risks***

The financial services sector is one of the most regulated sectors in the world. The Group is subject to a broad regulatory and supervisory framework, which has increased significantly in the last decade. Regulatory activity in recent years has affected multiple areas, including changes in accounting standards; strict regulation of capital, liquidity and remuneration; bank charges and taxes on financial transactions; regulations affecting mortgages, banking products and consumers and users; recovery and resolution measures; stress tests; prevention of money laundering and terrorist financing; market abuse; conduct in the financial markets; anti-corruption; and requirements as to the periodic publication of information. Governments, regulatory authorities and other institutions continually make proposals to strengthen the resistance of financial institutions to future crises. Further, there is an increasing focus on the climate-related financial risk management capabilities of banks.

Furthermore, the international nature of the Group's operations means that the Group is subject to a wide and complex range of local and international regulations in these matters, sometimes with overlapping scopes and areas regulated. This complexity, which can be exacerbated by differences and changes in the interpretation or application of these standards by local authorities, makes compliance risk management difficult and costly, requiring highly sophisticated monitoring, qualified personnel and general training of employees.

Any change in the Group's business that is necessary to comply with any particular regulations at any given time, especially in Spain, Mexico or Turkey, could lead to a considerable loss of income, limit the Group's ability to identify business opportunities, affect the valuation of its assets, force the Group to increase its prices and, therefore, reduce the demand for its products, impose additional costs on the Group or otherwise adversely affect its business, financial condition and results of operations.

***The Group is subject to a comprehensive regulatory and supervisory framework, including resolution regulations, which could have a material adverse effect on its business, financial condition and results of operations***

The Group is subject to a comprehensive regulatory and supervisory framework, the complexity and scope of which has increased significantly since the previous 2008 financial crisis and the crisis caused by the COVID-19 pandemic. In particular, the banking sector is subject to continuous scrutiny at the political level and by the supervisory bodies, and it is foreseeable that in the future there will continue to be political intervention in regulatory and supervisory processes, as well as in the governance of the main financial entities. For these reasons, the laws, regulations and policies to which the Group is subject, as well as their interpretation and application, may change at any time. In addition, supervisors and regulators have significant discretion in carrying out their duties, which gives rise to uncertainty regarding the interpretation and implementation of the regulatory framework. Moreover, regulatory fragmentation and the implementation by some countries of more flexible or stricter rules or regulations could also negatively affect the Group's ability to compete with financial institutions that may or may not have to comply with any such rules or regulations, as applicable.

Regulatory changes over the last decade, as well as those currently being proposed (including changes in the interpretation or application of existing regulations), have increased and may continue to substantially increase the Group's operating expenses and adversely affect its business model. For example, the imposition of prudential capital standards has limited and is expected to continue to limit the ability of subsidiaries to distribute capital to the Bank, while liquidity standards may lead the Group to hold a higher proportion of financial instruments with higher liquidity and lower performance, which can adversely affect its net interest margin. In addition, the Group's regulatory and supervisory authorities may require the Group to review or increase its loan loss allowances and record asset impairments, which could have an adverse effect on its financial condition.

Any legislative or regulatory measure, any necessary change in the Group's business operations, as a consequence of such measures, as well as any failure to comply with them, could result in a significant loss of income, represent a limitation on the ability of the Group to take advantage of business opportunities and offer certain products and services, affect the value

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of the Group's assets, force the Group to increase prices (which could reduce the demand for its products), impose additional compliance costs or result in other possible adverse effects for the Group.

One of the most significant regulatory changes resulting from the previous 2008 global financial crisis, was the introduction of resolution regulations (see "*Risks related to early intervention and resolution*"). In the event that the Relevant Spanish Resolution Authority considers that the Group is in a situation where conditions for early intervention or resolution are met, it may adopt the measures provided for in the applicable resolution regulations, including without prior notice. Such measures could include, among others, the write down and/or conversion into equity (or other securities or obligations) of the Group's unsecured debt. Likewise, the Relevant Spanish Resolution Authority may apply Non-Viability Loss Absorption (see "*Risks related to early intervention and resolution*") in the event that it determines that the entity meets the conditions for its resolution or that it will be no longer viable unless capital instruments are written down or converted into equity or extraordinary public support is provided.

Any such determination or the mere possibility that such determination could be made, could materially and adversely affect the Group's business, financial condition and results of operations, as well as the market price and behaviour of certain securities issued by the Group (or their terms, if amended following any exercise of the Spanish Bail-in Power (as defined in "*Risks related to early intervention and resolution*")).

In addition, on April 18, 2023, the European Commission adopted a legislative package proposal to adjust and strengthen the European Union's existing bank crisis management and deposit insurance framework (the "**CMDI Proposal**"). The package implies the review of the BRRD and SRM Regulation (each, as defined below) frameworks as well as a separate legislative proposal to amend Directive 2014/49/EU, of 16 April, on deposit guarantee schemes ("**Directive 2014/49**"), all with the aim of preserving financial stability, protecting taxpayers' money and providing better protection for depositors (including new rules that foresee that all deposits relative to ordinary unsecured claims are preferred). However, the CMDI Proposal is subject to further discussion by the European Parliament and the Council and, as of the date of this Base Prospectus, there is a high degree of uncertainty with regards to the proposed adjustments and when they will be finally implemented in the European Union. Therefore, the exact impact of these adjustments and the potential effects on the Group cannot be assessed yet.

### ***Increasingly onerous capital and liquidity requirements may have a material adverse effect on the Group's business, financial condition and results of operations***

The Group is subject to various minimum capital, liquidity and funding requirements, among others. For example, in its capacity as a Spanish credit institution, the Group is subject to compliance with a "Pillar 1" solvency requirement, a "Pillar 2" solvency requirement and a "combined buffer requirement", at both the individual and consolidated levels.

As a result of the most recent supervisory review and evaluation process ("SREP") carried out by the ECB, BBVA must maintain, at a consolidated level, from January 1, 2023, a common equity tier 1 ("CET1") ratio of 8.75 per cent. and a total capital ratio of 13.00 per cent. The consolidated overall capital requirement includes: (i) the "Pillar 1" minimum capital requirement of 4.50 per cent.; (ii) the minimum capital requirement of "Pillar 2" of 1.71 per cent. (of which at least 0.96 per cent. must be met with CET1), of which 0.21 per cent. (0.12 per cent. must be met with CET1) is determined on the basis of the ECB's prudential provisioning expectation, which as of January 1, 2023 will no longer be treated as a deduction from CET1; (iii) the capital conservation buffer (2.5 per cent. of CET1); (iv) the capital buffer for Other Systemically Important Institutions (O-SIIs) (0.75 per cent. of CET1); and (v) the capital buffer for Countercyclical Risk (0.04 per cent. of CET1). Likewise, BBVA must maintain, at an individual level, a CET1 ratio of 7.90 per cent. and a total capital ratio of 12.06 per cent. These ratios include a Pillar 2 requirement at the individual level of 1.5 per cent., of which at least 0.84 per cent. must be met with CET1. These figures include the 0.04 per cent counter-cyclical buffer applicable to the Group and the 0.06 per cent counter-cyclical buffer applicable to the Issuer at an individual level, as it is disclosed in the 1Q23 Consolidated Interim Financial Statements.

As of March 31, 2023 and December 31, 2022, the Group's phased-in total capital ratio was 16.30 per cent. and 15.98 per cent., respectively (17.24 per cent. as of December 31, 2021) on a consolidated basis and 17.19 per cent. and 16.94 per cent., respectively (19.64 per cent. as of December 31, 2021) on an individual basis, and its CET1 phased-in capital ratio was 13.13 per cent. and 12.68 per cent., respectively (12.98 per cent. as of December 31, 2021) on a consolidated basis and 13.01 per cent. and 12.77 per cent., respectively (14.14 per cent. as of December 31, 2021) on an individual basis, and the Group's fully loaded total capital ratio was 16.30 per cent. and 15.94 per cent., respectively (16.99 per cent. as of December 31, 2021) on a consolidated basis and 17.19 per cent. and 16.95 per cent., respectively (19.68 per cent. as of December 31, 2021) on an individual basis, while the Group's fully loaded CET1 ratio was 13.13 per cent. and 12.61 per cent., respectively (12.75 per cent. as of December 31, 2021) on a consolidated basis and 13.01 per cent. and 12.74 per cent., respectively (14.11 per cent. as of December 31, 2021) on an individual basis.

Such ratios exceed the applicable regulatory requirements described above, but there can be no assurance that the total capital requirements imposed on the Bank and/or the Group from time to time may not be higher than the levels of capital available at such point in time. There can also be no assurance as to the result of any future SREP carried out by the ECB



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and whether this will impose any further additional "Pillar 2" own funds requirements on the Bank and/or the Group.

Additionally, BBVA, as a Spanish credit institution, must maintain a minimum level of own funds and eligible liabilities (the "MREL requirement" and the own funds and eligible liabilities satisfying the MREL requirement, "MREL"). On March 8, 2022, the Bank announced that it had received a communication from the Bank of Spain of its new MREL requirement, as determined by the Single Resolution Board (the "SRB"), repealing and superseding the previous MREL requirement communicated in May 2021.

In accordance with this new communication, BBVA has to maintain, from January 1, 2022, a volume of own MREL equal to 21.46 per cent. of the total RWAs of its resolution group (the "MREL in RWAs"), of which 13.5 per cent. of the total RWAs of BBVA's resolution group has to be fulfilled with subordinated instruments (the "MREL in RWAs subordination requirement"). The MREL in RWAs and the MREL in RWAs subordination requirement do not include the combined buffer requirement which, according to applicable regulations and supervisory criteria, is currently 3.26 per cent. (setting the MREL in RWAs including the combined buffer requirement at 24.72 per cent. and the MREL in RWAs subordination requirement including the combined buffer requirement at 16.76 per cent.).

As of March 31, 2023 and December 31, 2022, the unsubordinated MREL of the resolution group amounted to 26.89 per cent. and 26.45 per cent., respectively (28.24 per cent. as of December 31, 2021) of its RWAs, and the unsubordinated MREL corresponded to 23.59 per cent. and 21.74 per cent., respectively (24.65 per cent. as of December 31, 2021).

In addition, BBVA had to maintain, from January 1, 2022, an amount of unsubordinated MREL in terms of the total exposure considered for calculating the leverage ratio equal to 7.50 per cent. (the "MREL in LR") of which 5.84 per cent., in terms of the total exposure considered for calculating the leverage ratio, shall be satisfied with subordinated instruments (the "MREL in LR subordination requirement").

As of March 31, 2023 and December 31, 2022, the resolution group has unsubordinated MREL of 10.93 per cent. and 11.14 per cent., respectively (11.31 per cent. as of December 31, 2021) and subordinated MREL of 9.02 per cent. and 9.16 per cent., respectively (9.88 per cent. as of December 31, 2021) in terms of total exposure taken into account for the calculation of the leverage ratio.

The BBVA resolution group consists of the Bank and its subsidiaries belonging to the same European resolution group and, as of March 31, 2023, the RWAs of the resolution group amounted to €106,655 million and the total exposure considered for calculating the leverage ratio amounted to €508,210 million.

As of the date of this Base Prospectus, no "Pillar 2" MREL Requirement has been imposed on BBVA and BBVA complies with the MREL in RWAs, the MREL in RWAs subordination requirement, the MREL in LR and the MREL in LR subordination requirement.

However, both the capital and the MREL requirements, the own funds and the eligible liabilities available for MREL purposes are subject to interpretation and change and, therefore, no assurance can be given that the Group's interpretation is the appropriate one or that the Bank and/or the Group will not be subject to more stringent requirements at any future time. Likewise, no assurance can be given that the Bank and/or the Group will be able to fulfil whatever future requirements may be imposed, even if such requirements were to be equal or lower than those currently in force. There can also be no assurances as to the ability of the Bank and/or the Group to comply with any capital target announced to the market at any given time, which could be adversely perceived by investors and/or supervisors, who could interpret that a lack of capital-generating capacity for the Bank and/or the Group exists or that the capital structure has deteriorated, either of which could adversely affect the market value or behaviour of securities issued by the Bank and/or the Group (and, in particular, of the Preferred Securities and any of its other capital instruments and eligible liabilities) and, therefore, lead to the implementation of new recommendations or requirements regarding "Pillar 2" or (should the Relevant Spanish Resolution Authority interpret that obstacles may exist for the viability of the resolution of the Bank and/or the Group) MREL. Further, the Bank and/or the Group may report amounts different from consensus estimates, as occurred with respect to the CET1 ratios of the Bank and the Group as of December 31, 2021, which may also affect market perceptions of BBVA and the Group.

If the Bank or the Group failed to comply with its "combined buffer requirement", it would have to calculate the Maximum Distributable Amount ("MDA") and, until such calculation has been undertaken and reported to the Bank of Spain, the Bank would not be able to make any (i) distributions relating to CET1 capital; (ii) payments related to variable remuneration or discretionary pension benefits; and (iii) distributions linked to additional tier 1 ("AT1") instruments ("discretionary payments"). Once the MDA has been calculated and reported, such discretionary payments would be limited to the calculated MDA. Likewise, should the Bank or the Group not meet the applicable combined buffer requirement, it could result in the imposition of additional requirements of "Pillar 2". Regarding MREL, failure by the Bank to meet its respective "combined buffer requirement" for these purposes, taken together with its MREL requirements (the "MREL-MDA") could result in the imposition of restrictions or prohibitions on discretionary payments. Additionally, failure to comply with the capital requirements may result in the implementation of early intervention measures or, ultimately, resolution measures by the resolution authorities.

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Regulation (EU) 2019/876 of the European Parliament and of the Council, of May 20, 2019 (as amended, replaced or supplemented at any time, "CRR II") establishes a binding requirement for the leverage ratio effective from June 28, 2021 of 3 per cent. of Tier 1 capital (as of March 31, 2023, December 31, 2022 and December 31, 2021 the phased-in leverage ratio of the Group was 6.6 per cent., 6.49 per cent. and 6.80 per cent., respectively and fully loaded it was 6.6 per cent., 6.46 per cent. and 6.69 per cent.). Any failure to comply with this leverage ratio buffer may also result in the need to calculate and report the MDA, and restrictions on discretionary payments. Moreover, CRR II proposes new requirements that capital instruments must meet in order to be considered AT1 or Tier 2 instruments. Once the grandfathering period in CRR II has elapsed, AT1 and/or Tier 2 instruments which do not comply with the new requirements at such date will no longer be considered as capital instruments.

Additionally, the implementation of the ECB's expectations regarding prudential provisions for NPLs (published on May 15, 2018) and the ECB's review of internal models being used by banks subject to its supervision for the calculation of their RWAs ("TRIMs"), as well as complementary regulatory initiatives like the EBA's roadmap to repair internal models used to calculate own funds requirements for credit risk under the Internal Ratings Based ("IRB") approach, could result in the need to increase provisions for future NPLs and increases in the Group's capital needs.

Furthermore, the implementation of the Basel III reforms (including changes to the calculation of the Group's Operational Risk) could result in an increase of the Bank's and the Group's total RWAs and, therefore, could also result in a decrease of the Bank's and the Group's capital ratios. Likewise, the lack of uniformity in the implementation of the Basel III reforms across jurisdictions in terms of timing and applicable regulations could give rise to inequalities and competition distortions. Moreover, the lack of regulatory coordination, with some countries bringing forward the application of Basel III requirements or increasing such requirements, could adversely affect an entity with global operations such as the Group and could affect its profitability.

Additionally, should the Total Loss Absorbing Capacity ("TLAC") requirements currently only imposed upon financial institutions of global systemic importance ("G-SIBs"), be imposed on non-G-SIBs entities or should the Group once again be classified as a G-SIB, additional minimum requirements similar to MREL could in the future be imposed upon the Group.

There can be no assurance that the above capital or MREL requirements will not adversely affect the Bank's or its subsidiaries' ability to make discretionary payments, or result in the cancellation of such payments (in whole or in part), or require the Bank or such subsidiaries to issue additional securities that qualify as eligible liabilities or regulatory capital, to liquidate assets, to curtail business or to take any other actions, any of which may have adverse effects on the Group's business, financial condition and results of operations. Furthermore, an increase in capital or MREL requirements could adversely affect the return on equity and other of the Group's financial results indicators. Moreover, the Bank's or the Group's failure to comply with their capital or MREL requirements could have a significant adverse effect on the Group's business, financial condition and results of operations.

Lastly, the Group must also comply with liquidity and funding ratios. Several elements of the liquidity coverage ratio ("LCR") and net stable financing ratio ("NSFR"), as introduced by national banking regulators and fulfilled by the Group, may require implementing changes in some of its commercial practices, which could expose the Group to additional expenses (including an increase in compliance expenses), affect the profitability of its activities or otherwise lead to a significant adverse effect on the Group's business, financial condition or results of operations. As of March 31, 2023 and December 31, 2022, the Group's LCR was 142 per cent. and 159 per cent., respectively (165 per cent. as of December 31, 2021) and its NSFR was 132 per cent. and 135 per cent., respectively (135 per cent. as of December 31, 2021).

### ***The Group is exposed to tax risks that may adversely affect it***

The size, geographic diversity and complexity of the Group and its commercial and financial relationships with both third parties and related parties result in the need to consider, evaluate and interpret a considerable number of tax laws and regulations, as well as any relevant interpretative materials, which in turn involve the use of estimates, the interpretation of indeterminate legal concepts and the determination of appropriate valuations in order to comply with the tax obligations of the Group. In particular, the preparation of the Group's tax returns and the process for establishing tax provisions involve the use of estimates and interpretations of tax laws and regulations, which are complex and subject to review by the tax authorities. Any error or discrepancy with tax authorities in any of the jurisdictions in which the Group operates may give rise to prolonged administrative or judicial proceedings that may have a material adverse effect on the Group's results of operations.

In addition, governments in different jurisdictions, including Spain, are seeking to identify new funding sources, and, they have recently focused on the financial sector. The Group's presence in various jurisdictions increases its exposure to regulatory and interpretative changes, which could lead to (i) an increase in the types of tax to which the Group is subject, including in response to the demands of various political forces such as the regulation of a minimum effective tax rate introduced in the Spanish Corporate Income Tax Law and the Non-Residents Income Tax Law by Law 22/2021, of 28th December, in the General State Budget for 2022, with effects as of January 1, 2022 (i.e., the minimum net tax liability is

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18 per cent. of the tax base for credit institutions) or EU Council Directive 2022/2523 of December 14, 2022 that guarantees a minimum level of global taxation of multinational groups in the European Union with income of at least €750 million and that is pending to be transposed into Spanish regulation before December 31, 2023, (ii) changes in the calculation of tax bases, and exemptions therefrom, such as is provided in the Spanish Corporate Income Tax Law to limit the exemption for dividends and capital gains from domestic and foreign subsidiaries to 95 per cent., which would mean that 5 per cent. of the dividends and capital gains of Group companies in Spain will be subject to, and not exempt from corporate tax or, (iii) the creation of new taxes, like the common financial transaction tax ("FTT") in the proposed Tax Directive of the European Commission for the Financial Transactions Tax (which would tax the acquisitions of certain securities negotiated in markets where the Group operates) and the Spanish FTT which came into effect in Spain in January 2021 or the creation of a temporary tax on extraordinary profits applicable to credit institutions operating in Spain amounting to 4.8 per cent. of net income from interest and commissions generated in Spain, which is currently intended to apply to fiscal years 2023 and 2024 (the estimated impact for 2023 is expected to be €225 million) all of which may have adverse effects on the business, financial condition and results of operations of the Group.

### *The Group is exposed to compliance risks*

The Group, due to its role in the economy and the nature of its activities, is singularly exposed to certain compliance risks. In particular, the Group must comply with regulations regarding customer conduct, market conduct, the prevention of money laundering and the financing of terrorist activities, the protection of personal data, the restrictions established by national or international sanctions programs and anti-corruption laws (including the US Foreign Corrupt Practices Act of 1977 and the UK Bribery Act of 2010), the violations of which could lead to very significant penalties. These anti-corruption laws generally prohibit providing anything of value to government officials for the purposes of obtaining or retaining business or securing any improper business advantage. As part of the Group's business, the Group directly or indirectly, through third parties, deals with entities whose employees are considered to be government officials. The Group's activities are also subject to complex customer protection and market integrity regulations.

Generally, these regulations require banking entities to among other measures, use diligence measures to manage compliance risk. Sometimes banking entities must apply reinforced due diligence measures due to the very nature of their activities (among others, private banking, money transfer and foreign currency exchange operations), they may present a higher risk of money laundering or terrorist financing.

Although the Group has adopted policies, procedures, systems and other measures to manage compliance risk, it is dependent on its employees and external suppliers for the implementation of these policies, procedures, systems and other measures, and it cannot guarantee that these are sufficient or that the employees (116,923, 115,675 and 110,432 as of March 31, 2023, December 31, 2022 and December 31, 2021, respectively) or other persons of the Group or its business partners, agents and/or other third parties with a business or professional relationship with BBVA do not circumvent or violate current regulations or the Group's ethics and compliance regulations, acts for which such persons or the Group could be held ultimately responsible and/or that could damage the Group's reputation. In particular, acts of misconduct by any employee, and particularly by senior management, could erode trust and confidence and damage the Group's reputation among existing and potential clients and other stakeholders. Actual or alleged misconduct by Group entities in any number of activities or circumstances, including operations, employment related offenses such as sexual harassment and discrimination, regulatory compliance, the use and protection of data and systems, and the satisfaction of client expectations, and actions taken by regulators or others in response to such misconduct, could lead to, among other things, sanctions, fines and reputational damage, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

If there is a breach of the applicable regulations or BBVA's ethics and compliance regulations or if the competent authorities consider that the Group does not perform the necessary due diligence inherent to its activities, such authorities could impose limitations on the Group's activities, the revocation of its authorisations and licenses, and economic penalties, in addition to having significant consequences for the Group's reputation, which could have a significant adverse impact on the Group's business, financial condition and results of operations. Furthermore, the Group from time to time conducts investigations related to alleged violations of such regulations and BBVA's ethics and compliance regulations, and any such investigation or any related proceeding could be time consuming and costly, and its results difficult to predict.

Finally, mainly in 2020, the COVID-19 pandemic led many countries to adopt specific regulations, largely focused on consumer protection measures. These difficulties associated with the need to timely adapt the Group's processes and systems to these new regulations quickly has posed a compliance risk. Likewise, the increase in remote account opening driven in part by the pandemic has resulted in increased money laundering risks. Additionally, criminals have sought to exploit the opportunities created by the pandemic across the globe, which has resulted in increased money laundering risks associated with counterfeiting of medical goods, investment fraud, cyber-crime scams and exploitation of economic stimulus measures put in place by governments. Increased strain on the Group's communications surveillance frameworks could raise the Group's market conduct risk.

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Any attack, failure or deficiency in the Group's systems could, among other things, lead to the misappropriation of funds of the Group's clients or the Group itself and the unauthorised disclosure, destruction or use of confidential information, as well as preventing the normal operation of the Group, and impair its ability to provide services and carry out its internal management. Furthermore, this could result in the loss of customers and business opportunities, damage to computers and systems, violation of regulations regarding data protection and/or other regulations, exposure to litigation, fines, sanctions or interventions, loss of confidence in the Group's security measures, damage to its reputation, reimbursements and compensation, and additional regulatory compliance expenses and could have a significant adverse impact on the Group's business, financial condition and results of operations.

***BBVA's financial statements are based in part on assumptions and estimates which, if inaccurate, could cause material misstatement of the results of its operations and financial condition***

The preparation of financial statements in compliance with IFRS-IASB requires the use of estimates. It also requires management to exercise judgment in applying relevant accounting policies. The key areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the consolidated and individual financial statements, include the classification, measurement and impairment of financial assets, particularly where such assets do not have a readily available market price, the assumptions used to quantify certain provisions and for the actuarial calculation of post-employment benefit liabilities and commitments, the useful life and impairment losses of tangible and intangible assets, the valuation of goodwill and purchase price allocation of business combinations, the fair value of certain unlisted financial assets and liabilities, the recoverability of deferred tax assets and the exchange and inflation rates of Venezuela. There is a risk that if the judgment exercised or the estimates or assumptions used subsequently turn out to be incorrect then this could result in significant loss to the Group beyond that anticipated or provided for, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Observable market prices are not available for many of the financial assets and liabilities that the Group holds at fair value and a variety of techniques to estimate the fair value are used. Should the valuation of such financial assets or liabilities become observable, for example as a result of sales or trading in comparable assets or liabilities by third parties, this could result in a materially different valuation to the current carrying value in the Group's financial statements.

The further development of standards and interpretations under IFRS-IASB could also significantly affect the results of operations, financial condition and prospects of the Group.

### 2.5 Operational Risks

***Attacks, failures or deficiencies in the Group's procedures, systems and security or those of third parties to which the Group is exposed could have a significant adverse impact on the Group's business, financial condition and results of operations, and could be detrimental for its reputation***

The Group's activities depend to a large extent on its ability to process and report effectively and accurately on a high volume of highly complex transactions with numerous and diverse products and services (by their nature, generally ephemeral), in different currencies and subject to different regulatory regimes. Therefore, it relies on highly sophisticated information technology (IT) systems for data transmission, processing and storage. However, IT systems are vulnerable to various problems, such as hardware and software malfunctions, computer viruses, hacking, and physical damage to IT centers. BBVA's exposure to these risks has increased significantly in recent years due to the Group's implementation of its ambitious digital strategy. The Group acquired 11.2 million new customers through its own channels in 2022. As a result of the improvement in digital capacities, the acquisition of customers through these channels has increased steadily over recent years, and in 2022 reached an all-time high at over 6.2 million, accounting for 55 per cent. of all new customers. Mobile customers have grown by 65 per cent. since December 2019 reaching 47.4 million and accounting for 70 per cent. of the total. Digital sales now amount to 78 per cent. of the total units sold. Digital services, as well as other alternatives that BBVA offers users to become BBVA customers, have become even more important after the COVID-19 outbreak and the ensuing restrictions on mobility in the countries in which the Group operates. Currently, one in three new clients chooses digital channels to start their relationship with BBVA. The Group suffers cybersecurity incidents and system failures from time to time.

Any attack, failure or deficiency in the Group's systems could, among other things, lead to the misappropriation of funds of the Group's clients or the Group itself and the unauthorised disclosure, destruction or use of confidential information, as well as preventing the normal operation of the Group, and impairing its ability to provide services and carry out its internal management. In addition, any attack, failure or deficiency could result in the loss of customers and business opportunities, damage to computers and systems, violation of regulations regarding data protection and/or other regulations, exposure to litigation, fines, sanctions or interventions, loss of confidence in the Group's security measures, damage to its reputation, reimbursements and compensation, and additional regulatory compliance expenses and could have a significant adverse impact on the Group's business, financial condition and results of operations. Furthermore, it is possible that such attacks, failures or deficiencies will not be detected on time or ever. The Group is likely to be forced to spend significant additional resources to improve its security measures in the future. As cyber-attacks are becoming increasingly sophisticated and

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difficult to prevent, the Group may not be able to anticipate or prevent all possible vulnerabilities, nor to implement preventive measures that are effective or sufficient. Customers and other third parties to which the Group is significantly exposed, including the Group's service providers (such as data processing companies to which the Group has outsourced certain services), face similar risks. Any attack, failure or deficiency that may affect such third parties could, among other things, adversely affect the Group's ability to carry out operations or provide services to its clients or result in the unauthorised disclosure, destruction or use of confidential information. Furthermore, the Group may not be aware of such attack, failure or deficiency in time, which could limit its ability to react. Moreover, as a result of the increasing consolidation, interdependence and complexity of financial institutions and technological systems, an attack, failure or deficiency that significantly degrades, eliminates or compromises the systems or data of one or more financial institutions could have a significant impact on its counterparts or other market participants, including the Group.

### 2.6. Risks related to early intervention and resolution

***The liabilities of the Guarantor including the Guarantee may also be subject to loss absorption through their permanent write-down and/or conversion into equity***

The Bank Recovery and Resolution Directive (the "BRRD I"), as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC ("BRRD II" and together with BRRD I, the "BRRD") was implemented in Spain through Law 11/2015, as amended by Royal Decree-Law 11/2017, of 23 June, on urgent measures in financial matters (Real Decreto-ley 11/2017, de 23 de junio, de medidas urgentes en materia financiera) ("RDL 11/2017") and by Royal Decree-Law 7/2021, of 27 April ("RDL 7/2021") which has partially implemented BRRD II in Spain.

BRRD, as implemented in Spain through Law 11/2015 (as amended), together with Royal Decree 1012/2015, of 6 November, implementing Law 11/2015 (the "RD 1012/2015") and Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (as amended, replaced or supplemented from time to time, including by Regulation (EU) 2019/877 of the European Parliament and the Council of 20 May 2019, the "SRM Regulation") and its developing regulations is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in any relevant unsound or failing credit institution, investment firm, financial institution or holding company (each a "relevant entity") so as to ensure the continuity of the relevant entity critical financial and economic functions, while minimising the impact of a relevant entity's failure on the economy and financial system.

The Guarantee is an unsecured and unsubordinated preferred senior obligation of the Guarantor (crédito ordinario preferente). Subject to statutory preferences, the Guarantee will rank equally with any of the Guarantor's other unsecured and unsubordinated senior preferred indebtedness (créditos ordinarios preferentes). However, the Guarantee will be effectively subordinated to all of the Guarantor's secured indebtedness, to the extent of the value of the assets securing such indebtedness, and other preferential obligations under Spanish law including the covered deposits and natural persons and micro, small and medium enterprises deposits referred to in Additional Provisions 14 of Law 11/2015. The Guarantee is also structurally subordinated to all indebtedness of subsidiaries of the Guarantor insofar as any right of the Guarantor to receive any assets of such companies upon their winding-up will be effectively subordinated to the claims of the creditors of those companies in the winding-up.

As provided in the BRRD, Law 11/2015 and its developing regulations contain four resolution tools and powers including bail-in which gives resolution authorities the power to write down and/or to convert certain claims of unsecured creditors (including the Warrantholders and the Issuer) of a failing relevant entity (such as the Guarantor) (which write-down may result in the reduction of such claims to zero) and to convert certain unsecured debt claims to equity or other instruments of ownership (the "Spanish Bail-in Power"), which equity or other instruments could also be subject to any future write-down. Any application of the Spanish Bail-in Power under the BRRD shall be in accordance with the hierarchy of claims in normal insolvency proceedings. Accordingly, the impact of such application on the Warrantholders (as beneficiaries of the Guarantee) or the Issuer will depend on their ranking in accordance with such hierarchy, including any priority given to other creditors such as depositors. In this respect, as indicated in "The Group is subject to a comprehensive regulatory and supervisory framework, including resolution regulations, which could have a significant adverse effect on its business, financial condition and results of operations" above, the CMDI Proposal provides for a general depositor preference in insolvency. If the CMDI Proposal is implemented in its current form, this would mean that the senior preferred claims (such as those arising from the Guarantee) will rank junior to the claims of all depositors, including deposits of large corporates and other deposits that are currently excluded from such privileged claims. Any such general depositor preference would also impact upon any application of the Spanish Bail-in Power, as such application is to be carried out in the order of the hierarchy of claims in normal insolvency proceedings. Accordingly, this would mean that following any such amendment

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of the insolvency laws of Spain to establish a general depositor preference, any resulting write-down or conversion of the senior preferred claims (such as those arising from the Guarantee) by the Relevant Resolution Authority would be carried out before any write-down or conversion of the claims of depositors such as those of large corporates that, with the current bail-in regime, would have been written-down or converted alongside the senior preferred indebtedness. By removing the requirement for such deposits to be written-down or converted in this manner, one of the stated objectives of this proposed amendment is to reduce the likelihood of deposits generally needing to be included in any such write-down or conversion upon any application of the Spanish Bail-in Power and improve the process for the application of the Spanish Bail-in Power. However, this may have the corresponding impact of increasing the likelihood of any write-down or conversion of the senior preferred claims (including those arising from the Guarantee). Nevertheless, the exact impact of the CMDI Proposal is not known yet given it is still in the form of a legislative proposal and therefore subject to further amendments.

Additionally, the exercise of the Spanish Bail-in Power and the exercise of any such powers may result in such Warrantheolders losing some or all of their investment. Such application could also involve the suspension of payments for a certain period, or the disapplication of provisions in, the Conditions of the Warrants. Furthermore, the determination that all or part of the Guarantee of the amount of any Warrants or any liability of BBVA (such as those arising from the Hedging Agreements (as defined below) towards the Issuer will be subject to loss absorption is likely to be inherently unpredictable and may depend on a number of factors which may also be outside of the institution's control. This determination will be made by the institution's regulators and there may be many factors, including factors not directly related to the institution, which could result in such a determination.

As a result, the exercise of any power under Law 11/2015 or any suggestion of such exercise could materially adversely affect the rights of Warrantheolders, the price or value of any Warrants and/or the ability of the relevant Issuer and the Guarantor to satisfy their respective obligations under any Securities and the Guarantee.

To the extent any resulting treatment of Warrantheolders pursuant to the exercise of the Spanish Bail-in Power is less favourable than would have been the case under such hierarchy in normal insolvency proceedings, a Warrantheolder has a right to compensation under the BRRD based on an independent valuation of the relevant entity (which is referred to as the "no creditor worse off safeguard" under the BRRD). Any such compensation is unlikely to compensate that Warrantheolder for the losses it has actually incurred and there is likely to be a considerable delay in the recovery of such compensation. Compensation payments (if any) are also likely to be made considerably later than when amounts may otherwise have been due under the Warrants.

### ***Warrantheolders may not be able to exercise their rights in the event of the adoption of any early intervention or resolution measure under Law 11/2015 and the SRM Regulation***

The Guarantor and, indirectly, the Issuer, may be subject to a procedure of early intervention or resolution pursuant to the BRRD as implemented through Law 11/2015, RDL 7/2021 and RD 1012/2015, and the SRM Regulation, if the Guarantor or its group of consolidated credit entities is in breach (or due, among other things, to a rapidly deteriorating financial condition, it is likely in the near future to be in breach) of applicable regulatory requirements relating to solvency, liquidity, internal structure or internal controls or the conditions for resolution.

Pursuant to Law 11/2015, the adoption of any early intervention or resolution procedure shall not itself constitute an event of default or entitle any counterparty of the Issuer or Guarantor to exercise any rights it may otherwise have in respect thereof and any provision providing for such rights shall further be deemed not to apply. However, this does not limit the ability of a counterparty to declare any event of default and exercise its rights accordingly where an event of default arises either before or after the exercise of any such early intervention or resolution procedure and does not necessarily relate to the exercise of any relevant measure or power which has been applied pursuant to Law 11/2015.

Any enforcement by a Warrantheolder of its rights under the Warrants upon the occurrence of an event of default following the adoption of any resolution procedure will be subject to the relevant provisions of the BRRD, as implemented through Law 11/2015, RDL 7/2021 and RD 1012/2015, and the SRM Regulation in relation to the exercise of the relevant measures and powers pursuant to such procedure, including the resolution tools and powers as referred below.

Any claims on the occurrence of an event of default will consequently be limited by the application of any measures pursuant to the provisions of Law 11/2015, RDL 7/2021 and RD 1012/2015, and the SRM Regulation. The taking of any such action could adversely affect the rights of Warrantheolders and the price or value of their investment in the Warrants as well as the ability of the Issuer and/or the Guarantor to satisfy its obligations under the Warrants or the Guarantee. The enforcement by a Warrantheolder of any rights it may otherwise have on the occurrence of any event of default may be limited in these circumstances.

### ***Additional information on the BRRD and SRM Regulation***

In accordance with Article 20 of Law 11/2015, a relevant entity will be considered as failing or likely to fail in any of the following circumstances: (i) it is, or is likely in the near future to be, in significant breach of its solvency or any other requirements necessary for maintaining its authorisation; (ii) its assets are, or are likely in the near future to be, less than its

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liabilities; (iii) it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (iv) it requires extraordinary public financial support (except in limited circumstances). The determination that a relevant entity is no longer viable may depend on a number of factors which may be outside of that relevant entity's control.

As provided in the BRRD and the SRM Regulation, Law 11/2015 contains four resolution tools and powers, which may be used alone or in combination where the relevant resolution authority considers that (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the public interest, are: (i) sale of business – which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control), which may limit the capacity of the relevant entity to meet its repayment obligations; (iii) asset separation – which enables resolution authorities to transfer certain categories of assets (including impaired or problem assets) to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) the general bail-in tool.

Pursuant to Law 11/2015 the adoption of any early intervention or resolution procedure shall not itself constitute an event of default or entitle any counterparty of the Issuer or Guarantor to exercise any rights it may otherwise have in respect thereof and any provision providing for such rights shall further be deemed not to apply. However, this does not limit the ability of a counterparty to declare any event of default and exercise its rights accordingly where an event of default arises either before or after the exercise of any such early intervention or resolution procedure and does not necessarily relate to the exercise of any relevant measure or power which has been applied pursuant to Law 11/2015.

### *Risks relating to the Spanish Insolvency Law affecting the Guarantor*

The Spanish Insolvency Law governs general insolvency and pre-insolvency proceedings in Spain.

The Spanish Insolvency Law establishes a single insolvency proceeding applicable to Spanish debtors (whether incorporated or not) and various preinsolvency tools to try to restructure the debt. In this regard, recently, the Kingdom of Spain has implemented the European Directive 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132, through Spanish Law 16/2022, of 5 September (the "Insolvency Law Reform").

The new pre-insolvency instruments established by the Insolvency Law Reform are set out in the Second Book of the Insolvency Law significantly the new restructuring plans. These pre-insolvency instruments replace the refinancing agreements and enable the amendment of the conditions or the structure of the debtor's assets and liabilities, or its equity (among other things). The restructuring plans may also involve the transfer of assets, transfer of business units or transfer of the whole company. However, such pre-insolvency instruments are not applicable to credit institutions such as BBVA.

Furthermore, the Spanish Insolvency Law provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrators (administradores concursales) within one month from the last official publication in the Official Gazette (Boletín Oficial del Estado) of the court order declaring the insolvency, (ii) provisions in a contract granting one party the right to terminate it by reason only of the other's insolvency may not be enforceable (despite this, the Insolvency Law Reform introduced the possibility for the restructuring plan to terminate agreements with bilateral/reciprocal obligations when such actions is deemed necessary for the good of the restructuring plan or to avoid the insolvency of the debtor), and (iii) interest (other than ordinary interest accruing under secured liabilities up to an amount equal to the value of the asset subject to the security and the maximum secured liabilities under the relevant security and provided that a contingent claim has been reported in due course to the insolvency administrator) shall cease to accrue as from the date of the declaration of insolvency and any amount of interest accrued up to such date (other than any interest accrued under secured liabilities up to an amount equal to the lower of the value of the asset subject to the security and the maximum secured liabilities under the relevant security) shall become subordinated.

In addition, as indicated in "The Group is subject to a comprehensive regulatory and supervisory framework, including resolution regulations, which could have a significant adverse effect on its business, financial condition and results of operations" above, the CMDI Proposal provides for a general depositor preference in insolvency. Therefore, the implementation of the CMDI Proposal in its current form would mean that the senior preferred claims (such as those arising from the Guarantee) will rank junior to the claims of all depositors, including deposits of large corporates and other deposits that are currently excluded from the above privileged claims. Nevertheless, the exact impact of the CMDI Proposal is not known yet given it is still in the form of a legislative proposal and therefore subject to further amendments.

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### 3. Risk Factors relating to the Warrants

#### 3.1 Risk Factors associated with Warrants that are linked to specific types of Reference Items

There are certain factors which are material for the purpose of assessing the risks associated with an investment in Warrants issued under the Programme. Such factors will vary depending on the type of Warrants issued, in particular in relation to Warrants in respect of which amounts payable under the Warrants are linked to the value of one or more index, share, inflation index, unit, interest or share in a fund, foreign exchange rate or the combination of any of the foregoing.

##### *There are specific risks relating to Equity Linked Warrants*

The Issuer may issue Warrants where the Settlement Amount or the value of the Entitlement (if any) is dependent upon the price of or changes in the price of shares or a basket of shares (or depositary receipts) or, depending on the price of or change in the price of shares or the basket of shares (or depositary receipts), where the Issuer's obligation on exercise is to deliver a specified number of shares ("**Equity Linked Warrants**"). Accordingly, an investment in Equity Linked Warrants may bear similar market risks to a direct equity investment and investors should take advice accordingly.

Investors in any such Warrants should be aware that, depending on the terms of the Equity Linked Warrants, (i) the Settlement or delivery of any specified shares and/or depositary receipts may occur at a different time than expected and (ii) they may lose all or a substantial portion of their investment if the value of the share(s) and/or depositary receipt(s) does not move in the anticipated direction. In addition, the movements in the price of the share or depositary receipt or basket of shares and/or depositary receipts may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the share or shares may affect the return to investors, even if the average price is consistent with their expectations. All these factors may affect the investments in the Warrants.

The market price of such Warrants may be volatile and may be affected by the time remaining to the exercise date, the volatility of the share(s) and/or depositary receipt(s), the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant share(s) or depositary receipt(s) as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such shares or depositary receipts may be traded.

Upon determining that a Potential Adjustment Event, Extraordinary Event or Additional Disruption Event has occurred in relation to an underlying share or the issuer of such underlying share, the Calculation Agent has broad discretion to make certain determinations to account for such event including to (i) make adjustments to the terms of the Warrants and/or (ii) (in the case of an Extraordinary Event or an Additional Disruption Event) cause cancellation of the Warrants, any of which determinations may have an adverse effect on the value of the Warrants.

See also risk factor "*The Calculation Agent, which will be the Guarantor or an affiliate of the Guarantor, has broad discretionary powers which may not take into account the interests of the Warrantholders*" below

##### *There are specific risks relating to ETF Linked Warrants*

The Issuer may issue Warrants where the settlement amount or the value of the Entitlement (as defined in General Condition 3(f)) is dependent upon the price of or changes in the price of an exchange traded fund share or a basket of exchange traded fund shares or, depending on the price of or change in the price of an exchange traded fund share or a basket of exchange traded fund shares, where the Issuer's obligation on expiration is to deliver a specified number of shares ("ETF Linked Warrants"). Accordingly, an investment in ETF Linked Warrants may bear similar market risks to a direct ETF investment and investors should take advice accordingly.

Investors in any such Warrants should be aware that, depending on the terms of the ETF Linked Warrants (i) payment of the settlement amount or delivery of any specified ETF shares may occur at a different time than expected and (ii) they may lose all or a substantial portion of their investment if the value of the ETF share(s) does not move in the anticipated direction. In addition, the movements in the price of the ETF share or basket of ETF shares may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the ETF share or ETF shares may affect the actual yield to investors, even if the average level is consistent with their expectations. All these factors may affect the investments in the Warrants.

The market price of such Warrants may be volatile and may be affected by the time remaining to the settlement date, the volatility of the ETF share(s), the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant ETF share(s) as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such ETF shares may be traded.

The market price of such Warrants may be volatile and may be affected by the time remaining to the settlement date and the volatility of ETF share(s) as well as the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) or pricing source(s) on which the ETF itself, any securities or other



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components comprising the ETF may be traded. The ETF may comprise equities, bonds or other securities, or it may be an ETF referencing certain price data which will be subject to market price fluctuations or may reference other underlying component types. An index may include valuations only and not actual transactions and the data sources used to compile the index may be subject to change, which may adversely affect the return on the Warrants.

Where ETF Linked Warrants are linked to an ETF and the investment objective of such ETF is to track the performance of one or more underlying assets or an index, the investors of such Warrants are exposed to the performance of such ETF rather than the underlying asset(s) or index such ETF tracks. An ETF may not be able to accurately track the underlying asset(s) or the constituent securities of the underlying index which could give rise to a difference between the performance of the underlying asset(s) or index and such ETF. Accordingly, investor who purchase Warrants that are linked to an ETF may receive a lower return than if such investors had invested directly in the asset(s) or the components of the index underlying such ETF.

Upon determining that one or more Potential ETF Events (as defined in ETF Linked Condition 2) has occurred, the Calculation Agent may seek to make adjustments in accordance with the ETF Linked Conditions. Such adjustments may have an adverse effect on the value of the Warrants.

Upon determining that one or more Extraordinary ETF Events (as defined in ETF Linked Condition 2) has occurred the Issuer may seek to make adjustments, substitute the relevant ETF Share(s), as the case may be, with exchange traded fund share(s), as the case may be, with similar characteristics or, if no such ETF is selected, with a replacement index, or redeem the Warrants at its discretion. Any adjustment or substitution may have an adverse effect on the value of the Warrants.

See also risk factor "*The Calculation Agent, which will be the Guarantor or an affiliate of the Guarantor, has broad discretionary powers which may not take into account the interests of the Warrantholders*" below.

### ***There are specific risks relating to Index Linked Warrants***

The Issuer may issue Warrants where the Settlement Amount is dependent upon the level of or changes in the level of an index or a basket of indices ("**Index Linked Warrants**"). Accordingly, an investment in Index Linked Warrants may bear similar market risks to a direct investment in the equities or other components of the index and investors should take advice accordingly

Investors in any such Warrants should be aware that (i) the Settlement may occur at a different time than expected and (ii) they may lose all or a substantial portion of their investment if the value of the index or indices does not move in the anticipated direction. In addition, movements in the level of the index/ indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the index or indices may affect the return to investors, even if the average level is consistent with their expectations. All these factors may affect the investments in the Warrants

The market price of such Warrants may be volatile and may be affected by the time remaining to the settlement date and the volatility of the level of the index or indices as well as the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) or pricing source(s) on which any securities or other components comprising the index or indices may be traded. The index may reference equities, bonds or other securities, or it may be an index referencing certain property price data which will be subject to market price fluctuations or may reference other underlying asset types. An index may include valuations only and not actual transactions and the data sources used to compile the index may be subject to change, which may adversely affect the return on the Warrants.

Upon determining that one or more Index Adjustment Events or Additional Disruption Events (as defined in "Annex 2 - Additional Terms and Conditions for Index Linked Warrants") has occurred the Issuer may require the Calculation Agent to make such adjustments as it determines appropriate to the terms of the Warrants or settle the Warrants. Such action may have an adverse effect on the value and liquidity of the affected Index Linked Warrants.

### ***A change in the composition or discontinuance of an index could adversely affect the market value of the Warrants***

The sponsor of any index can add, delete or substitute the components of such index or make other methodological changes that could change the level of one or more components. The changing of components of any index may affect the level of such index as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the settlement amount. The sponsor of any such index may also alter, discontinue or suspend calculation or dissemination of such index. The sponsor of an index will have no involvement in the offer and sale of the Warrants and will have no obligation to any purchaser of such Warrants. The sponsor of an index may take any actions in respect of such index without regard to the interests of the purchasers of the Warrants, and any of these actions could adversely affect the market value of the Warrants.

### ***There are specific risks relating to Fund Linked Warrants***

The Issuer may issue Warrants where the Settlement Amount or the value of the Entitlement (if any) is dependent upon the

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price or changes in the price of units or shares in one or more funds or, depending on the price or changes in the price of units or shares in such fund or funds, where the Issuer's obligation on exercise is to deliver a specified amount of fund shares ("**Fund Linked Warrants**"). Accordingly, an investment in Fund Linked Warrants may bear similar market risks to a direct fund investment and investors should take advice accordingly.

Investors in any such Warrants should be aware that, depending on the terms of the Fund Linked Warrants (i) the Settlement or delivery of any specified Fund shares may occur at a different time than expected and (ii) they may lose all or a substantial portion of their investment. In addition, the movements in the price of units, shares or interests in the fund or funds may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the units or shares in the fund or funds may affect the return to investors, even if the average level is consistent with their expectations.

The market price of such Warrants may be volatile and may depend on the time remaining to the settlement date and the volatility of the price of units or shares in the fund(s). The price of units or shares in a fund may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any units or Shares in the fund(s) may be traded. In addition, the price of units or shares in a fund may be affected by the performance of the fund service providers, and, in particular, the investment advisor. Prospective investors should review carefully the prospectus, information memorandum and/or base prospectus (if any) issued by any relevant fund before purchasing any Warrants. None of the Issuer, the Guarantor, any affiliate of the Issuer or Guarantor or the Calculation Agent make any representation as to the creditworthiness of any relevant fund or any such fund's administrative, custodian, investment manager or adviser. If such persons are not creditworthy or otherwise fail to perform, as the case may be, it may adversely affect the value of the Warrants.

In addition, when the Issuer issues Fund Linked Warrants to one or more funds, including hedge funds, the relevant fund(s) may trade and invest in a broad range of investments such as debt and equity securities, commodities or commodity indices and foreign exchange and may enter into derivative transactions, including, without limitation, futures and options. The relevant fund(s) may often be illiquid and may only be traded on a monthly, quarterly or even less frequent basis. The trading strategies of funds are often opaque. The relevant fund(s), as well as the markets and instruments in which they invest, are often not subject to review by governmental authorities, self-regulatory organisations or other supervisory authorities. If the underlying relevant fund(s) do not perform sufficiently well, the value of the Warrants will fall, and may in certain circumstances be zero.

In the event of the occurrence of one or more Extraordinary Fund Events (as defined in Fund Linked Condition, as the case may be), the Issuer may seek to make adjustments, substitute the relevant Fund Shares, as the case may be, with fund shares of a fund, as the case may be, with similar characteristics or, if no such fund is selected, with a replacement index, or cancel the Warrants at its discretion. Any adjustment or substitution may have an adverse effect on the value of the Warrants.

In the event that Settlement Amount proceeds in respect of the underlying Fund Shares are not received by the hedge provider on or prior to the Settlement Date or Termination Date, such date may be postponed for a period of up to two calendar years (or such other period as may be specified in the Issue Terms) and no additional amount shall be payable as a result of such delay and so in such circumstance investors may therefore miss the opportunity to invest the Settlement Amount proceeds that would have been otherwise received earlier in other assets or investments.

See also risk factors "*Warrantholder does not have rights of ownership in the Reference Item(s)*" and "*The Calculation Agent, which will be the Guarantor or an affiliate of the Guarantor, has broad discretionary powers which may not take into account the interests of the Warrantholders*" below.

For all the above reasons, investing directly or indirectly in funds is generally considered to be risky. If the underlying fund does not perform sufficiently well, the value of the Warrants will fall, and may in certain circumstances be zero.

### ***There are specific risks relating to Foreign Exchange (FX) Rate Linked Warrants***

The Issuer may issue Warrants where the Settlement Amount is dependent upon movements in currency exchange rates or are payable in one or more currencies which may be different from the currency in which the Warrants are denominated ("**Foreign Exchange (FX) Rate Warrants**"). Accordingly, an investment in Foreign Exchange (FX) Rate Warrants may bear similar market risks to a direct foreign exchange investment and investors should take advice accordingly.

Investors in any such Warrants should be aware that, depending on the terms of the Foreign Exchange (FX) Rate Warrants (i) the settlement may occur at a different time or in a different currency than expected and (ii) they may lose a substantial portion or all of their investment. In addition, movements in currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the return to investors, even if the average level is consistent with their expectations. All these factors may affect the investments in the Warrants.

The foreign exchange rate(s) to which the Warrants are linked will affect the nature and value of the investment return on

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the Warrants. The performance of foreign exchange rates are dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency. Where the Warrants are linked to the currency of an emerging market jurisdiction, such risks maybe magnified—see also risk factor “*Where the Warrants are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currencies can be significantly more volatile than currencies of more developed markets*” below.

Following a relevant Disruption Event, the applicable valuation date may be postponed so long as the relevant disruption event continues, the Calculation Agent may determine the applicable exchange rate, the related date for payment or delivery may be deferred so long as the relevant disruption event continues or a fallback reference price source or sources may be used to calculate the rate instead of the originally designated price source. Furthermore, following an Additional Disruption Event, the Warrants may be cancelled (or on the originally designated date) by payment of the applicable early settlement amount rather than any amount that would have otherwise been calculated in respect of and due on the relevant date. As a consequence, investors in any Foreign Exchange (FX) Rate Linked Warrants may be affected by an adverse effect on (i) the value of, and/or amounts due in respect of, the Warrants due to the occurrence of any Disruption Event and application of the related disruption fallback(s); or (ii) an investor's investment schedule, timetable or plans if any due date for payment under the Warrants is postponed as a consequence of an Additional Disruption Event. See also risk factor “*The Calculation Agent, which will be the Guarantor or an affiliate of the Guarantor, has broad discretionary powers which may not take into account the interests of the Warrantholders*” below.

### ***There are specific risks relating to Inflation Linked Warrants***

The Issuer may issue Warrants where the Settlement Amount (if any) is dependent upon the level of an inflation index or indices (“Inflation Linked Warrants”).

Investors in any such Warrants should be aware that, depending on the terms of the Inflation Linked Warrants (i) settlement may occur at a different time than expected and (ii) they may lose all or a substantial portion of their investment. In addition, the movements in the level of the inflation index or indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the inflation index or indices may affect the return to investors, even if the average level is consistent with their expectations.

In certain circumstances following cessation of publication of the inflation index, the Calculation Agent may determine a successor inflation index and make adjustments to the terms of the Warrants and such adjustments may have an adverse effect on the value of the Warrants. In certain circumstances following cessation of publication of the inflation index, the Calculation Agent may determine that there is no appropriate alternative inflation index, in which case the Issuer may cancel the Warrants and investors may receive less than their initial investment in the Warrants. Such action may have an effect on the value of the Warrants. See also risk factor “*The Calculation Agent, which will generally be the Guarantor or an affiliate of the Guarantor, has broad discretionary powers which may not take into account the interests of the Warrantholders*” below.

The market price of such Warrants may be volatile and may depend on the time remaining to the exercise date and the volatility of the level of the inflation index or indices. The level of the inflation index or indices may be affected by the economic, financial and political events in one or more jurisdictions.

## **3.2 Risk Factors associated with Reference Item linked Warrants**

### ***The value of Warrants linked to a relevant Reference Item may be influenced by unpredictable factors***

The value of the Warrants may be influenced by several factors beyond the Issuer's, and/or its Affiliates and, where applicable, the Guarantor's control including:

- (a) Valuation of the relevant Reference Item. The value of a Warrant at any time is expected to be affected primarily by changes in the level of the relevant Reference Item to which the Warrants are linked. It is impossible to predict how the level of the relevant Reference Item will vary over time. The historical performance value (if any) of the relevant Reference Item does not indicate the future performance of the relevant Reference Item. Factors which may have an effect on the value of the relevant Reference Item include the rate of return of the relevant Reference Item and, where relevant, the financial position and prospects of the issuer of the relevant Reference Item, the market price or value of the applicable underlying security, index, fund (including mutual funds and hedge funds) exchange traded fund (“ETF”) or basket of securities, indices, funds (including mutual funds and hedge funds) or ETFs. In addition, the level of the relevant Reference Item may depend on a number of inter-related factors, including economic, financial

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and political events and their effect on the capital markets generally and relevant stock exchanges. Potential purchasers should also note that whilst the value of the Warrants is linked to the relevant Reference Item and will be influenced (positively or negatively) by the relevant Reference Item, any change may not be comparable and may be disproportionate. It is possible that while the relevant Reference Item is increasing in value, the value of the Warrants may fall. Further, the Conditions of the Warrants will allow the Calculation Agent to make adjustments or take any other appropriate action if circumstances occur where the Warrants or any exchanges or price sources are affected by market disruption, adjustment events or circumstances affecting normal activities;

- (b) **Volatility.** The term “volatility” refers to the actual and anticipated frequency and magnitude of changes of the market price with respect to a relevant Reference Item. Volatility is affected by a number of factors such as macroeconomic factors (i.e. those economic factors which have broad economic effects), speculative trading and supply and demand in the options, futures and other derivatives markets. Volatility of a relevant Reference Item will move up and down over time (sometimes more sharply than at other times) and different relevant Reference Items will most likely have separate volatilities at any particular time;
- (c) **Dividend Rates and other Distributions.** The value of Warrants could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or other distributions on a relevant Reference Item;
- (d) **Creditworthiness.** Any prospective purchaser who purchases the Warrants is relying upon the creditworthiness of the Issuer and, if applicable, the Guarantor and has no rights against any other person. If the Issuer or the Guarantor, if applicable, becomes insolvent, purchasers may suffer potential loss of their entire investment irrespective of any favourable development of the other value determining factors, such as a relevant Reference Item; and
- (e) **Exchange Rates.** Even where payments in respect of the Warrants are not expressly linked to a rate or rates of exchange between currencies, the value of the Warrants could, in certain circumstances, be affected by such factors as fluctuations in the rates of exchange between any currency in which any payment in respect of the Warrants is to be made and any currency in which a relevant Reference Item is traded, appreciation or depreciation of any such currencies and any existing or future or governmental or other restrictions on the exchangeability of such currencies. There can be no assurance that rates of exchange between any relevant currencies which are current rates at the date of issue of the Warrants will be representative of the relevant rates of exchange used in computing the value of the Warrants at any time thereafter.

Some or all of the above factors will influence the price purchasers will receive if a purchaser sells its Warrants prior to exercise. For example, purchasers may have to sell certain Warrants at a substantial discount from the investment amount if the market price or value of the applicable relevant Reference Item is at, below, or not sufficiently above the initial market price or value.

### ***Investors may lose some or all of their investment***

Reference Item Linked Warrants are securities which do not provide for predetermined settlement amounts, but amounts payable or deliverable will be dependent upon the performance of the Reference Item, or a combination of Reference Items. Each type of Reference Item has its own risk profile and depends on various factors that can change its value and performance. These factors include credit, interest rate, foreign exchange, correlation, time value, political and/or other risks. All the factors associated with an impact on the value of the Reference Item will also affect the Warrants that are linked to Reference Item(s). Therefore, Warrant holders holding Reference Item Linked Warrants are in addition to the risks related to the Warrants in general also exposed to the risks of the relevant Reference Item(s).

An investment in Reference Item Linked Warrants therefore entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. These risks include the possibility that the holder of a Reference Item Linked Warrant could lose all or a substantial portion of the Issue Price of such Warrant, and that the resulting return on investment (if any) will be lower than on conventional debt securities issued by the Issuer around the same time or no return of investment will be achieved at all. To achieve a return on investment on the Reference Item Linked Warrant upon expiration, an investor must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Reference Item(s).

### ***A Warrant holder does not have rights of ownership in the Reference Item(s)***

Purchasers of Warrants should be aware that neither the Issuer nor the Guarantor is under no obligation to hold a position in any Reference Item(s) and should note that the relevant Reference Item(s) that may be held by the Issuer or the Guarantor will not be held by them for the benefit of the purchasers of such Warrants, and as such, purchasers will not obtain any rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any Reference Item referenced by such Warrants. As a result, warrant holders will not be able to exercise rights they would have as owner or have any recourse to any issuer of a Reference Item.

### ***It may not be possible to use the Warrants as a perfect hedge against the market risk associated with investing in a***

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### ***Reference Item***

Investors intending to purchase Warrants to hedge against the market risk associated with investing in a Reference Item should recognise the complexities of utilising Warrants in this manner. For example, the value of the Warrants may not exactly match the value of the Reference Item. Due to fluctuating supply and demand for the Warrants, there is no assurance that their value will match movements in the value of the Reference Item.

### ***There are specific risks with regard to Warrants linked to a combination of Reference Items***

An investment in Warrants that are linked to a combination of Reference Items will entail significant risks not associated with an investment in a conventional debt security. A combination of the risks associated to the Reference Items may be significantly higher than the risks of each Reference Item considered on its own. On expiration of these type of Warrants, the Warrant holders will receive a Cash Settlement Amount or Entitlement (if any) determined by reference to the value of a combination of a number of different Reference Items.

### ***The Issuer, the Guarantor and their respective affiliates may take positions in or deal with Reference Item(s)***

The Issuer and/or the Guarantor and their respective affiliates may engage in activities or arrangements in a range of capacities that may result in conflicts of interest between their own financial interests and those of Warrantholders.

The Issuer, the Guarantor and their respective affiliates may for example:

- (i) in the ordinary course of business, effect transactions for their own account or for the account of their customers (which may include the issuers of Reference Items) and hold positions where they benefit from an increase or decrease of the value of the the Reference Item(s) or related derivatives;
- (ii) in connection with an offering of Warrants, enter into one or more transactions with respect to the Reference Item(s) or related derivatives for example in connection with hedging or market-making activities;
- (iii) act as financial advisers to certain issuers of Reference Items or reference entities;

Each of activities could have an adverse affect on the value of the Reference Item(s) and therefore affect the affect the price, liquidity or value of the relevant Warrants and which could therefore be adverse to the interests of the relevant Warrantholders. The Issuer, the Guarantor and their respective affiliates may from time to time possess or have access to information relating to Warrants, the Reference Item(s), reference entities or any derivatives referencing them. None of the Issuer, the Gurantor and their respective affiliates is obliged (i) to disclose such information or (ii) to take into account the interest of Warrantholders when engaging in such activities.

### **3.3 Risk Factors relating to Warrants with certain features**

There are particular risks associated with an investment in certain types of Warrants and an investor may lose some or all of the amount invested by it.

### ***There are risks associated with leveraged exposures***

Leverage involves the use of a number of financial techniques to increase the exposure to a Reference Item, and can therefore magnify both returns and losses. While the use of leverage allows for potential multiples of a return (assuming a return is achieved) when the Reference Item moves in the anticipated direction, it will conversely magnify losses when the Reference Item moves against expectations. If the relevant Warrants include leverage, potential holders of such Warrants should note that these Warrants will involve a higher level of risk, and that whenever there are losses such losses will be higher (other things being equal) than those of a similar Warrant which is not leveraged.

### ***There are specific risks with regard to Warrantss linked to the Worst Performing Reference Item***

Investors in Warrants linked to the performance of the worst performing Reference Item are subject to the risk associated with the worst-performing Reference Item. This means, that irrespective of how the other Reference Items perform, if the Reference Item having the worst performance fails to meet specified thresholds or barriers, Warrantholders could lose some or all of their initial investment.

### ***There are risks associated with Warrants with barrier feature(s)***

In the case of Warrants with a barrier feature, amounts payable in respect of the Warrants will be conditional on the value or performance of the relevant Reference Item(s), as determined in accordance with the applicable conditions, being (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Issue Terms, a specified barrier value. If such condition is not satisfied, then Warrantholders could loose some or all of their intial investment.

### ***There are specific risks with regard to Warants providing for an Automatic Early Expiration***

In the case of Warrants that provide for an automatic early expiration, the timing of settlement of such Warrants is uncertain

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since the occurrence of an Automatic Early Expiration Event will be dependent upon the performance of the Reference Item(s). In the case of an unfavourable development of the value of the Reference Item(s), the settlement of such Warrants may not occur until the scheduled settlement date and the amount payable (if any) on settlement may be determined based on the unfavourable performance of the Reference Item(s) and may be zero and lower than the amount an investor would have received had an Automatic Early Expiration Event occurred.

### ***There are risks associated with Physically Settled Warrants***

*Warrantholders may receive physical delivery of shares, fund shares or ETF shares in lieu of payment of cash amounts*

Where the Warrants include the right of the Issuer to settle, subject to the fulfilment of a particular condition, the Warrants at their maturity by delivering shares, fund shares or ETF shares to the investor, the investor will receive such shares, fund shares or ETF shares rather than a monetary amount upon maturity. Holders will, therefore, be exposed to the issuer of such shares, fund shares or ETF shares and the risks associated with such shares, fund shares or ETF shares. Warrantholders should not assume that they will be able to sell such shares, fund shares or ETF shares for a specific price after the expiration of the Warrants, and in particular not for the purchase price of the Warrants. Under certain circumstances the shares, fund shares or ETF shares may only have a very low value or may, in fact, be worthless. Warrantholders may also be subject to certain documentary or stamp taxes in relation to the delivery and/or disposal of such shares.

### ***There are certain requirements to be fulfilled and payments to be made by the Holder in order to receive Entitlement(s) in connection with Physically Settled Warrants and the Issuer may decide to settle by way of cash payment instead in certain circumstances***

In order to receive the Entitlement in respect of a Warrant settled by way of Physical Delivery, the holder of such Warrant must deliver or send to the relevant Clearing System or Principal Warrant Agent (as applicable) a duly completed Asset Transfer Notice on or prior to the relevant time on the Cut-off Date and pay the relevant Expenses. If a Warrantholder fails to deliver as required the certification of non-U.S. beneficial ownership or certification that it is an eligible investor for U.S. securities law purposes, the Issuer may deliver what the Calculation Agent determines to be the fair market value of the Entitlement instead of the relevant assets.

### ***Warrantholders may be required to pay certain expenses in relation to Physically Settled Warrants***

Holders of Warrants subject to Physical Delivery must pay all taxes and expenses relating to delivery of such Warrants. As defined in the Terms and Conditions of the Warrants, "Expenses" includes all costs, taxes, duties and/or expenses including stamp duty, stamp duty reserve tax, transfer tax and/or other costs, duties or taxes arising from the delivery of the Entitlement.

### ***Settlement disruption***

In the case of Warrants which are redeemable by delivery of assets, if a Settlement Disruption Event occurs or exists on the due date for expiration of the Warrants, settlement will be postponed until the next Settlement Business Day in respect of which there is no Settlement Disruption Event. The Issuer in these circumstances also has the right to pay the Disruption Cash Settlement Amount in lieu of delivering the Entitlement (as defined in the Terms and Conditions).

If a Failure to Deliver due to Illiquidity occurs, the Issuer has the right, in lieu of delivery of the assets affected by such event, to pay the Failure to Deliver Settlement Amount to the Warrantholders. The Disruption Cash Settlement Amount and/or the Failure to Deliver Settlement Amount may be less than the fair market value of the Entitlement.

### ***There are specific risks in relation to Warrants that are denominated in or linked to emerging market currencies***

Where the Warrants are denominated in an emerging market currency or linked to one or more emerging market currencies, amounts determined to be due or deliverable in respect of such Warrants may be significantly more volatile and subject to less certainty as to future rates than if the Warrants were linked to currencies of more developed markets, for example emerging markets' currencies are highly exposed to the risk of a currency crisis happening in the future.

In particular, policies or actions of any relevant governments of the jurisdictions of such emerging markets currencies to which the Warrants may be linked (the "Currency Jurisdictions") could adversely affect the relevant exchange rate(s) (such as through market interventions of their central banks or equivalent bodies; governmental action which changes or interferes with currency valuations or currency fluctuations that would otherwise occur in response to economic forces; and restrictions on foreign investment and currency convertibility or movement across borders). Non-governmental action may also directly or indirectly adversely affect the relevant exchange rates (such as through weak overall growth and performance of each applicable Currency Jurisdiction's economy and stock exchanges; political, economic and social uncertainty, including risks of nationalisation and expropriation of assets and natural disasters; or wars which affect any Currency Jurisdiction directly or indirectly).

Investors should note that the risk of occurrence and the severity of consequence of the matters described above may be greater with respect to any emerging market jurisdiction than they otherwise would be in relation to more developed

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countries. Economies in emerging markets are generally more heavily dependent upon international trade, and accordingly, may be affected adversely by trade barriers, foreign exchange controls (including taxes), managed adjustments in relative currency values and other protectionist measures imposed or negotiated with countries with which they trade.

The occurrence of any of the above circumstances may have an adverse effect on the value of the Warrants and amounts due (if any), or the date for payment thereunder.

### ***There are specific risks relating to Warrants linked to Emerging Markets***

The Issuer may issue Warrants where the amount payable (if any) on is linked to Reference Items which consist of (i) securities, funds, ETFs or indices comprising securities of issuers that are located in, or subject to regulation in, emerging or developing countries, or (ii) securities which are denominated in the currency of, or are traded in, emerging or developing countries or (iii) currencies of emerging or developing countries. Investors should note that additional risks may be associated with investment in such Warrants, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws including, but not limited to, those relating to expropriation, nationalisation and confiscation. Warrants traded in emerging or developing countries tend to be less liquid and the prices of such securities more volatile. In addition, settlement of trades in some such markets may be slower and more subject to failure than in markets in developed countries.

The probability of the occurrence of a disruption event and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets.

### ***Warrants may be issued in one currency and settled in another currency***

If the Issue Terms specify that the Settlement Exchange Rate Provisions are applicable, then such Warrants are issued in one currency (the "**SER Subject Currency**") but all amounts due thereunder (if any) are settled in another currency (the "**Settlement Currency**"). As such, the applicable amounts are converted by converting such amounts by reference to the applicable Settlement Exchange Rate specified in the applicable Issue Terms or, if not so specified, determined by the Calculation Agent in accordance with the terms and conditions of the Warrants.

If the Issue Terms specify that the SER Intermediate Currency Requirements are applicable, then such Warrants are denominated in one currency but all or certain amounts due thereunder, as the case may be, if any, are converted into an intermediate currency (the "**SER Intermediate Currency**") and then settled in the Settlement Currency. As such, the applicable amounts are converted by converting such amounts by reference to the applicable Second Settlement Exchange Rate and then the second Settlement Exchange Rate, each as specified in the applicable Issue Terms or, if not so specified, determined by the Calculation Agent in accordance with the terms and conditions of the Warrants. Investors should understand that, where a fixed Settlement Exchange Rate or Second Settlement Exchange Rate is not specified in the Issue Terms, that neither the Issuer nor the Guarantor have control over the Settlement Exchange Rate and will not make any adjustment or change in the terms of the Warrants in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the settlement currency, the settlement currency or any foreign currency. Investors will bear those risks. In addition, if an Unscheduled Holiday or a Price Source Disruption occurs in respect of the applicable Settlement Exchange Rate, the applicable disruption fallbacks may provide that the scheduled settlement exchange rate valuation date for such rate will be postponed, then this may result in deferral of the corresponding settlement date under the Warrants. If a date for payment is so postponed, this could adversely affect an investor's investment schedule, timetable or plans as they will receive settlement amounts (if any) in respect of the Warrants later than the originally scheduled date for payment. No interest will accrue or other amount will be payable by the Issuer in the event of any such delay.

## **3.4 Risk Factors regarding the purchase holding and selling of Warrants generally**

### ***Investors may lose the original invested amount***

Investors may lose all or some of their investment in the Warrants, as the case may be, as a result of the occurrence of any one or more of the following events:

(i) pursuant to Condition 2 of the Terms and Conditions, the Issuer and the Guarantor of the Warrants are subject to insolvency proceedings or some other event impairing the ability of each to perform some or all of its payment obligations under the Warrants (such as the early intervention measures or resolution as described in Risk Factor "Risks related to early termination and resolution");

(ii) pursuant to Condition 3 of the Terms and Conditions, the terms of the relevant Warrants do not provide for full repayment of the initial purchase price upon final maturity and/or mandatory early expiration of such Warrants and the relevant Reference Item(s) perform in such a manner that the final settlement amount and/or mandatory early expiration

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amount is less than the initial purchase price;

(iii) the investor seeks to sell the relevant Warrants prior to their scheduled maturity, and the sale price of the Warrants in the secondary market is less than the investor's initial investment; and

(iv) the Warrants are subject to certain adjustments in accordance with the terms and conditions of such Warrants that may result in the scheduled amount to be paid or asset(s) to be delivered upon expiration being reduced to or being valued at an amount less than an investor's initial investment.

***The relevant market value of the Warrants at any time is dependent on other matters in addition to the credit risk of the Issuer and Guarantor and the performance of the relevant Reference Item(s)***

The market value of the Warrants at any time will be affected by a number of factors independent of the creditworthiness of the Issuer and the Guarantor (if any) and the performance of the relevant Reference Item(s), including:

(i) changes in market parameters such price level of the underlying(s), interest rates, volatility and credit spreads;

(ii) the time remaining to any Settlement Date.

(iii) where the Reference Item(s) is/are equity securities, the dividend rate on reference item(s) and the financial results and prospects of the issuer of each Reference Item.

The amount payable and/or deliverable in respect of Warrants at any time prior to expiration is typically expected to be less than the trading price of such Warrants at that time. The difference between the trading price and such amount will reflect, among other things, a "time value" for the Warrants. The "time value" of the Warrants will depend partly upon the length of the period remaining to

***A Warrants's purchase price may not reflect its inherent value***

Investors in the Warrantss should be aware that the purchase price of a Warrant does not necessarily reflect its inherent value. Any difference between a Warrant's purchase price and its inherent value may be due to a number of different factors including, without limitation, prevailing market conditions and fees, discounts or commissions paid or accorded to the various parties involved in structuring and/or distributing the Warrant. Any such difference in value could negatively affect the return (if any) an investor may receive. For further information investors should refer to the party from whom they are purchasing the Warrants. Investors may also wish to seek an independent valuation of Warrants prior to their purchase.

***An active secondary market in respect of the Warrants may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Warrants***

Warrants may have no established trading market when issued, and one may never develop, so investors should be prepared to hold their Warrants until the settlement date. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Warrants easily or at prices that will provide them with a return comparable to similar investments that have a developed secondary market. This is particularly the case for Warrants that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. Illiquidity may have a severely adverse effect on the market value of Warrants.

***Potential conflicts of interest relating to distributors or other entities involved in the offer or listing of the Warrants***

Investors should be aware that potential conflicts of interest may arise in connection with the Warrants, as any distributors or other entities involved in the offer and/or the listing of the Warrants as indicated in the Issue Terms, may act pursuant to a mandate granted by the Issuer and/or the Guarantor and for the Dealer and can receive commissions and/or fees on the basis of the services performed in relation to such offer and/or listing.

***Although the Issuer is not subject to the general Spanish Bail-in Power or analogous bail-in tool, its creditworthiness may be affected by actions taken in respect of the Guarantee***

Pursuant to BRRD and Law 11/2015, the Issuer and/or the Warrants are not subject to the general Spanish Bail-in Power or analogous bail-in tool. The Warrants constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank *pari passu* and rateably among themselves and at least *pari passu* with all other unsecured and unsubordinated outstanding obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Notwithstanding the foregoing, the Guarantee in respect of the Warrants and the agreements entered into between the Guarantor and the Issuer upon which the Issuer depends to pay any settlement amount of the Warrants to the Warrantholders (the "**Hedging Agreements**"), according to the BRRD and Law 11/2015 (as defined in "*Risks related to Early Intervention and Resolution*") are liabilities of BBVA that are potentially subject to the Spanish Bail-in Power.



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### ***The Issuer of the Warrants may be substituted without the consent of the Warrantholders***

The conditions of the Warrants provide that the Issuer of the Warrants may be replaced as obligor under such Warrants with the Guarantor or any company from BBVA's group. Whilst the new issuer will provide an indemnity in favour of the Warrantholders in relation to any additional tax or duties that become payable solely as a result of such substitution, Warrantholders will not have the right to object to such substitution. See General Condition 12 (Substitution of the Issuer). Any such substitution may have an adverse effect on the value of the Warrants.

### ***The value of the Warrants could be adversely affected by a Change in English Law or administrative practice***

The Conditions of the Warrants are governed by English law, or in the case of the Guarantee, Spanish law, in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Spanish or English law or an administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any Warrants affected by it.

### ***U.S. Foreign Account Tax Compliance Act Withholding***

Whilst the Warrants are in global form and held within the Clearing Systems, in all but the most remote circumstances it is not expected that the new reporting regime and potential withholding tax imposed by Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("FATCA") will affect the amount of any payment received by the Clearing Systems (see "Taxation—*Foreign Account Tax Compliance Act*").

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Warrants are discharged once it has made payment to, or to the order of, the common depositary for the Clearing Systems and the Issuer has therefore no responsibility for any amount thereafter transmitted through the Clearing Systems and custodians or intermediaries. Further, foreign financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an "IGA") are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make.

### ***Spanish Tax Rules***

If according to certain criteria issued by the Spanish tax authorities, a particular warrant cannot be considered as an option for Spanish tax purposes but as a financial asset, any gain or loss deriving from the warrant will qualify as income obtained from the use of third party capital rather than a capital gain or loss. If this is the case, reporting obligations would be applicable and if they would not be met, payments would be made net of the applicable Spanish withholding tax, as described in "*Spanish Taxation*" (B) *Alternative Spanish Tax Treatment*"

The procedure described in this Base Prospectus for the provision of information required by Spanish laws and regulations if a particular warrant is considered as a financial asset is a summary only and none of the Issuer, the Guarantor or the Dealer, assumes any responsibility therefore. In the event that the currently applicable procedures are modified, amended or supplemented by, among other things, any Spanish law, regulation, interpretation or ruling of the Spanish tax authorities, the relevant Issuer will notify the holders of such information procedures and their implications, as the relevant Issuer may be required to apply withholding tax on distributions in respect of the relevant warrants if the holders do not comply with such information procedures. Warrantholders must seek their own advice to ensure that the relevant procedures comply with the correct tax treatment of their warrants.

### ***Effect on the Warrants of hedging transactions by the Issuer***

The Issuer may use a portion of the total proceeds from the sale of the Warrants for transactions to hedge the risks of the Issuer relating to the Warrants. In such case, the Issuer or any of its Affiliates may conclude transactions that correspond to the obligations of the Issuer under the Warrants. As a rule, such transactions are concluded prior to or on the issue date of the relevant Warrants, but it is also possible to conclude such transactions after such date. On or before a valuation date the Issuer or any of its Affiliates may take the steps necessary for closing out any hedging transactions. It cannot, however, be ruled out that the price of a relevant Reference Item will be influenced by such transactions. Entering into or closing out these hedging transactions may influence the probability of occurrence or non-occurrence of determining events in the case of Warrants with a value based on the occurrence of a certain event in relation to a relevant Reference Item.

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### ***Limitations on exercise of Warrants***

If so indicated in the Issue Terms, the Issuer will have the option to limit the number of Warrants exercisable on any date (other than the final exercise date) to the maximum number specified in the Issue Terms and, in conjunction with such limitation, to limit the number of Warrants exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of Warrants being exercised on any date (other than the final exercise date) exceeds such maximum number and the Issuer elects to limit the number of Warrants exercisable on such date, a Warrantholder may not be able to exercise on such date all the Warrants that such Warrantholder desires to exercise. In any such case, the number of Warrants to be exercised on such date will be reduced until the total number of Warrants exercised on such date no longer exceeds such maximum, such Warrants being selected at the discretion of the Issuer or in any other manner specified in the Issue Terms. Unless otherwise specified in the Issue Terms, the Warrants tendered for exercise but not exercised on such date will be automatically exercised on the next date on which Warrants may be exercised, subject to the same daily maximum limitation and delayed exercise provisions.

### ***Minimum exercise amount of Warrants***

If so indicated in the Issue Terms, a Warrantholder must tender or, in the case of automatic exercise, hold a specified number of Warrants at any one time in order to exercise. Thus, Warrantholders with fewer than the specified minimum number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such

Warrants incur the risk that there may be differences between the trading price of such Warrants and the Cash Settlement Amount (in the case of Cash Settled Warrants) or the value of the Entitlement (in the case of Physical Delivery Warrants) of such Warrants.

### ***Time lag after exercise of Warrants***

In the case of any exercise of Warrants, there will be a time lag between the time that a Warrantholder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) or the value of the Entitlement (in the case of Physical Delivery Warrants) relating to such exercise is determined. Any such delay between the time of exercise and the determination of the Cash Settlement Amount or value of the Entitlement will be specified in the Issue Terms. However, such delay could be significantly longer, particularly in the case of a delay in the exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a Market Disruption Event or the failure to open of an exchange (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of Foreign Exchange (FX) Rate Linked Warrants. The applicable Cash Settlement Amount or Entitlement may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount or Entitlement of the relevant Warrants, and may result in such Cash Settlement Amount or Entitlement being zero.

## **3.5. Risk Factors relating to termination and adjustment rights of the Issuer, the Guarantor and/or the Calculation Agent**

***The Calculation Agent, which will be the Guarantor or an affiliate of the Guarantor, has broad discretionary powers which may not take into account the interests of the Warrantholders***

As the Calculation Agent will be the Guarantor or an affiliate of the Guarantor, potential conflicts of interest may exist between the Calculation Agent and the Warrantholders, including with respect to the exercise of the very broad discretionary powers of the Calculation Agent. For example, the Calculation Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to a Tranche of Warrants have occurred and (ii) to determine any resulting adjustments and calculations or substitutions as described in such conditions. Investors should be aware that any determination made by the Calculation Agent may have an impact on the value and financial return of the Warrants or result in the occurrence of an early repayment at an amount less than an investor's initial investment. Any such discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest or proven error) shall be binding on the relevant Issuer and all Warrantholders.

***If a Reference Item Linked Warrant includes Market Disruption Events or Failure to Open of an Exchange and the Calculation Agent determines such an event has occurred, any consequential postponement of the Scheduled Valuation Date may have an adverse effect on the Warrants***

If an issue of Reference Item Linked Warrants includes provisions dealing with the occurrence of a Market Disruption Event or failure to open of an exchange on a Scheduled Valuation Date, and the Calculation Agent determines that a Market Disruption Event or failure to open of an exchange has occurred or exists on such date, any consequential postponement of the Valuation Date or any alternative provisions for valuation provided in any such Warrants may have an adverse effect

## **RISK FACTORS**

on the value and liquidity of such Warrants. The timing of such dates (as scheduled or as so postponed or adjusted) may affect the value of the relevant Warrants such that the Warrantholder may receive a lower Settlement amount and/or other payment under the relevant Warrants than otherwise would have been the case. The occurrence of such a Market Disruption Event or failure to open of an exchange in relation to any Reference Item comprising a basket may also have such an adverse effect on Warrants related to such basket. In addition, any such consequential postponement may result in the postponement of the date of expiration of the Warrants.

### ***Risks relating to payment disruption events***

Where the applicable Issue Terms states that Payment Disruption Event applies, if a disruption event occurs which prohibits or prevents the Issuer from making a payment in respect of the Warrants, such payment will be postponed to the earlier of: (i) the date falling 2 business days after the date on which such disruption event is no longer occurring or (ii) a date falling 30 calendar days following the scheduled due date for payment of the relevant amount, which, for the avoidance of doubt, may be later than the scheduled Settlement Date. No interest shall accrue as a result of such postponement. In the event the payment is postponed in accordance with (ii) above, the Issuer shall make payment of the relevant amount in U.S. Dollars, using an exchange rate to be determined by the Calculation Agent. As such, investors should note that they may be paid in a currency that is different from their investment and which may negatively impact the return on their investment.

## DOCUMENTS INCORPORATED BY REFERENCE

### DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the Central Bank, shall be incorporated in, and form part of, this Base Prospectus:

- (a) the audited annual financial statements of BBVA Global Markets B.V. for the financial years ended on December 31, 2022 ([https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/04/BBVA-Global-Markets-Memoria-2022\\_PDF.pdf](https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/04/BBVA-Global-Markets-Memoria-2022_PDF.pdf)) and December 31, 2021 (<https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/05/BBVAGlobalMarkets2021-1.pdf>) prepared in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code;
- (b) the unaudited interim report of the Guarantor corresponding to ([https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/04/Financial-Statements-and-Management-Report-Jan-Mar-2023\\_ENG.pdf](https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/04/Financial-Statements-and-Management-Report-Jan-Mar-2023_ENG.pdf))
- (c) the English translation of the audited consolidated financial statements of the Guarantor as at, and for, the financial year ended December 31, 2022 (which includes for comparison purposes financial data for the years ended on December 31, 2021 and 2020) (the "**2022 Consolidated Financial Statements**"), and the audit report issued in respect thereof, prepared in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board (the "**IFRS-IASB**"), the EU-IFRS, considering the Bank of Spain Circular 4/2017, and with any other legislation governing financial reporting applicable to the Group in Spain and the audit report issued in respect thereof and the information on alternative performance measures on pages 193 to 207 (inclusive) of the "Consolidated Management Report – BBVA Group 2022" (the "**2022 Consolidated Management Report**") ([https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/02/5\\_2\\_2022\\_Consolidated\\_Annual\\_Accounts\\_and\\_Management\\_Report.pdf](https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/02/5_2_2022_Consolidated_Annual_Accounts_and_Management_Report.pdf)); and
- (d) the English translation of the audited consolidated financial statements of the Guarantor as at, and for, the financial year ended December 31, 2021 (which includes for comparison purposes financial data for the years ended on December 31, 2020 and 2019), and the audit report issued in respect thereof, prepared in compliance with the IFRS-IASB, the EU-IFRS, considering the Bank of Spain Circular 4/2017, and with any other legislation governing financial reporting applicable to the Group in Spain and the audit report issued in respect thereof and the information on alternative performance measures on pages 185 to 198 (inclusive) of the Management Report 2021 ([https://shareholdersandinvestors.bbva.com/wp-content/uploads/2022/03/BBVA-Group-Annual-Report-and-MR-Dec-2021\\_ENG.pdf](https://shareholdersandinvestors.bbva.com/wp-content/uploads/2022/03/BBVA-Group-Annual-Report-and-MR-Dec-2021_ENG.pdf));

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and/or the Guarantor and approved by the Central Bank in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the Issuer and the Guarantor at Calle Azul, 4, 28050, Madrid or on the Guarantor's website ([www.bbva.com](http://www.bbva.com)).

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus. Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

The Issuer and the Guarantor will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Warrants, prepare a supplement to this Base Prospectus or publish a new base prospectus for use in connection with any subsequent issue of Warrants.

The Guarantor files periodic reports (including Annual Reports on Form 20-F) (the "**Form 20-F**") and other information with the U.S. Securities and Exchange Commission (the "**SEC**"), which are available on the SEC's website (<http://www.sec.gov>), and investors are referred to such reports and other information for current information with respect to the Guarantor. The Issuer is not subject to the information reporting requirements of the Exchange Act, and the Issuer does not expect that it will be filing reports with the SEC.

## TERMS AND CONDITIONS OF THE WARRANTS

### TERMS AND CONDITIONS OF THE WARRANTS

*The following are the terms and conditions of the Warrants (the “**General Conditions**”, and each, a “**General Condition**”) which will be incorporated by reference into each Global Warrant (as defined below) and endorsed upon each definitive Warrant. The Issue Terms (as defined below) (or the relevant provisions thereof will be endorsed upon, or attached to, each Global Warrant, and definitive Warrant.*

*The additional terms and conditions contained in Annex 1 in respect of payouts (the “**Payout Conditions**”), Annex 2 in the case of Index Linked Warrants (the “**Index Linked Conditions**”), Annex 3 in the case of Equity Linked Warrants (the “**Equity Linked Conditions**”), Annex 4 in the case of ETF Linked Warrants (the “**ETF Linked Conditions**”), Annex 5 in the case of Fund Linked Warrants (the “**Fund Linked Conditions**”), Annex 6 in the case of Inflation Linked Warrants (the “**Inflation Linked Conditions**”), and, Annex 7 in the case of Foreign Exchange (FX) Rate Linked Warrants (the “**Foreign Exchange (FX) Linked Conditions**”) (each as defined below, an “**Annex**”, and together, the “**Annexes**”) will apply to the Warrants if so specified in the Issue Terms.*

*In the case of Non-Exempt Warrants (as defined below), reference should be made to the applicable Final Terms (for a description of the content of issue terms which will include the definitions of certain terms used in these General Conditions or specify which of such terms are to apply in relation to the relevant Warrants. In the case of Exempt Warrants (as defined below), reference should be made to the applicable Pricing Supplement (as defined below) for a description of the content of issue terms which will include the definitions of certain terms used in these General Conditions or specify which of such terms are to apply in relation to the relevant Warrants.*

Each Warrant is one of a Series (as defined below) of Warrants issued by BBVA Global Markets B.V. as issuer (the “**Issuer**”), pursuant to the Warrant Agreement (as defined below).

References herein to the “**Warrants**” shall be references to the Warrants of a Series and shall mean:

- (i) in relation to any Warrants represented by a Global Warrant (as defined below) or a Global Warrant Certificate, each Warrant in such Series;
- (ii) any Global Warrant or Global Warrant Certificate and;
- (iii) any definitive Warrants in bearer form (“**Definitive Bearer Warrants**”) issued in exchange for a Global Warrant (as defined below) and in registered form “**Registered Warrants**” (as defined below);

The Warrants have the benefit of an Amended and Restated Warrant Agreement (such Warrant Agreement as amended and/or supplemented and/or restated from time to time, the “**Warrant Agreement**”) dated 6 July 2023 and made between BBVA Global Markets B.V. as issuer (the “**Issuer**”), Banco Bilbao Vizcaya Argentaria, S.A. as guarantor (in such capacity, the “**Guarantor**”) and, unless otherwise specified in the Issue Terms, Banco Bilbao Vizcaya Argentaria, S.A. as calculation agent (the “**Calculation Agent**”, which expression shall include any successor calculation agent or any other calculation agent specified in the Issue Terms), Deutsche Bank AG, London Branch as principal warrant agent (the “**Principal Warrant Agent**”) and Deutsche Bank Luxembourg S.A. as Luxembourg warrant agent, registrar and transfer agent (the “**Luxembourg Warrant Agent**”, “**Registrar**” and “**Transfer Agent**”), which expressions shall include any successor Luxembourg warrant agent or registrar or any successor or additional transfer agents). The Principal Warrant Agent, Luxembourg Warrant Agent, Registrar and Transfer Agent, together with any other agent specified in the Issue Terms, are referred to collectively herein as the “**Warrant Agents**”, which expression shall include any successor principal warrant agent or any successor or additional warrant agent.

The issue terms for each Warrant (or the relevant provisions thereof) are set out in Part A of the Final Terms (or Pricing Supplement, in the case of Exempt Warrants) attached to or endorsed on the relevant Warrant which supplement, and will be read in conjunction with, these General Conditions and, if the Warrant is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation (an “**Exempt Warrant**”), may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these General Conditions or the additional terms and conditions set out in any Annex, replace or modify the General Conditions or the additional terms and conditions of such Annex, as the case may be, for the purposes of the Warrants.

Any references to a “**Non-Exempt Warrants**” are to a Warrant that is not an Exempt Warrant. References to the “**Issue Terms**”, “**Final Terms**” or “**Pricing Supplement**”, as the case may be, are, unless otherwise stated, to Part A of the Final Terms or the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Warrant.

The expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended or superseded).

The payment and non-cash delivery obligations in respect of the Warrants have been guaranteed by the Guarantor pursuant to a guarantee (the “**Guarantee**”) dated 6 July 2023 and executed by the Guarantor. The original of the Guarantee is held by the Principal Warrant Agent on behalf of the Warrantholders.

## TERMS AND CONDITIONS OF THE WARRANTS

Any reference to “**Warrantholders**” or “**holders**” in relation to any Warrants shall, subject as provided in General Condition 1(a), mean: (i) (in the case of Bearer Warrants (as defined below)) the holders of the Warrants and (in the case of Registered Warrants (as defined below)) the persons in whose name the Warrants are registered and (ii) in relation to any Warrants represented by a Global Warrant or a Global Warrant Certificate, be construed as provided below.

As used herein, “**Tranche**” means Warrants which are identical in all respects (including as to listing and admission to trading) and “**Series**” means a Tranche of Warrants together with any further Tranche or Tranches of Warrants which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, and/or Issue Prices (each as defined below).

The Warrantholders are entitled to the benefit of the Deed of Covenant (the “**Deed of Covenant**”) made by the Issuer. The original of the Deed of Covenant is held by the common depository for Euroclear Bank S.A./N.V. or any successor thereto (“**Euroclear**”) and Clearstream Banking, société anonyme or any successor thereto (“**Clearstream, Luxembourg**”).

Copies of the Guarantee, the Deed of Covenant, the Warrant Agreement and the Issue Terms (subject as set out above) are available for inspection during normal business hours at the specified offices of the Principal Warrant Agent. Copies of the Issue Terms may be obtained from the Principal Warrant Agent at its specified office during normal business hours. If the Warrant is an Exempt Warrant, the applicable Pricing Supplement will only be obtainable by a holder holding one or more Warrants and such Warrantholders must produce evidence satisfactory to the Issuer and the relevant Warrant Agent as to its holding of such Warrants and identity. The Warrantholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Warrant Agreement, the Guarantee and the Issue Terms which are applicable to them. The statements in the General Conditions include summaries of, and are subject to, the detailed provisions of the Warrant Agreement.

Words and expressions defined in the Warrant Agreement or used in the Issue Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Warrant Agreement and the Issue Terms, the Issue Terms will prevail.

### 1. Form, Title and Transfer

Warrants may be issued in bearer form (“**Bearer Warrants**”) or in registered form (“**Registered Warrants**”).

#### (a) Form and Title

##### (i) Bearer Warrants

- (A) *Form*: Each tranche of Warrants in global bearer form (a “**Global Warrant**”) will be initially issued in the form of a temporary global warrant (a “**Temporary Global Warrant**”) or a permanent global warrant (a “**Permanent Global Warrant**”) as indicated in the Issue Terms which will be delivered on or prior to the original issue date to a common depository for Euroclear and Clearstream, Luxembourg. Bearer Warrants in definitive form will be serially numbered.
- (B) *Title*: Title to the Bearer Warrants will pass by delivery. “**Warrantholder**” or “**holder**” means the holder of such Bearer Warrant.
- (C) *Ownership*: The holder of any Bearer Warrant shall (except as otherwise required by law) be treated as its absolute owner for all purposes (regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder.

##### (ii) Registered Warrants

- (A) *Form*: Registered Warrants may be evidenced by either an individual certificate if in definitive form (“**Individual Warrant Certificate**”) or a global certificate if in global form (“**Global Warrant Certificate**”).
- (B) *Title*: Title to the Registered Warrants passes by registration in the register which is kept by the Registrar in accordance with the provisions of the Warrant Agreement (the “**Register**”). A certificate (a “**Warrant Certificate**”) will be issued to each holder of Registered Warrants in respect of its registered holding. Each Warrant Certificate will be numbered serially with an identifying number which will be recorded in the Register. “**Warrantholder**” or “**holder**” means the person in whose name such Registered Warrant is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof).

## TERMS AND CONDITIONS OF THE WARRANTS

- (C) *Ownership*: The holder of any Registered Warrant shall (except as otherwise required by law) be treated as its absolute owner for all purposes (regardless of any notice of ownership, trust or any other interest therein, any writing thereon or on the Warrant Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder.

### (b) Transfers of Warrants

- (i) *Transfers*: Subject to General Conditions 1(b)(iv) (*Closed Periods*) and 1(b)(v) (*Regulations concerning transfers and registration*) below, a Registered Warrant may be transferred upon surrender of the relevant Warrant Certificate, with the endorsed form of transfer duly completed, at the specified office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer. Where not all the Registered Warrants represented by the surrendered Warrant Certificate are the subject of the transfer, a new Warrant Certificate in respect of the balance of the Registered Warrants will be issued to the transferor.
- (ii) *Registration and Delivery*: Within five business days of the surrender of a Warrant Certificate in accordance with General Condition 1(b)(i) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Warrant Certificate of a like number or nominal amount to the Registered Warrants transferred to each relevant holder at its specified office or (as the case may be) the specified office of any Transfer Agent or (at the request and risk of any such relevant holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant holder. In this General Condition 1(b)(ii) (*Registration and Delivery*), “**business day**” means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its specified office.
- (iii) *No charge*: The transfer of a Registered Warrant will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (iv) *Closed Periods*: Holders of Registered Warrants may not require transfers to be registered during the period of 15 days ending on the due date for any payment or on the due date for delivery of any Reference Item in respect of the Registered Warrants.
- (v) *Regulations concerning transfers and registration*: All transfers of Registered Warrants and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Warrants scheduled to the Warrant Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any holder of Registered Warrants who requests in writing a copy of such regulations.

### (c) General provisions relating to the Warrants

Warrants will be issued in an “**Aggregate Number of Warrants**” on the Issue Date as specified in the Issue Terms. The “**Notional Amount per Warrant**”, the “**Aggregate Notional Amount of the Series**” and the “**Aggregate Notional Amount of the Tranche**” may each be included for information purposes as an amount in the Specified Currency as specified in the Issue Terms. The Notional Amount per Warrant may be an amount in the Specified Currency that is different from the Issue Price for such Warrant and may be set out in the Issue Terms. The Issue Price per Warrant will be the amount in the Specified Currency specified in the Issue Terms and may also be expressed as a percentage of the Notional Amount per Warrant. If so specified in the Issue Terms, interests in any Warrants will be transferable in a minimum amount of such number of Warrants (the “**Minimum Transfer Number**”) as is specified in the Issue Terms.

Warrants may not be offered, sold, delivered or otherwise transferred at any time within the United States or for the account or benefit of U.S. persons (as such are used in Regulation S under the Securities Act or, in the case of Bearer Warrants, the United States Internal Revenue Code of 1986, as amended, and the CEA) and each Warrant will have a legend to such effect.

## 2. Status of the Warrants and the Guarantee

### (a) Status of the Warrants

The Warrants constitute direct, unconditional and unsecured and unsubordinated obligations of the Issuer and rank *pari passu*, without any preference or priority among themselves, with all other outstanding unsecured and unsubordinated

## TERMS AND CONDITIONS OF THE WARRANTS

obligations of the Issuer present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditor's right.

In the event of insolvency of the Issuer, the court having jurisdiction to open an insolvency proceeding and the law applicable to those proceedings and their effects will be determined in accordance with the provisions of Regulation (EU) No 2015/848, of May 20, 2015, on insolvency proceedings ("**Regulation 2015/848**") Royal Legislative Decree 1/2020, of May 5, approving the reinstated text of the Spanish Insolvency Law 22/2003, of July 9, 2003, as amended (the "**Spanish Insolvency Law**") and the Dutch Insolvency Law (*faillissementswet*) of September 30, 1893, as amended (the "**Dutch Insolvency Law**"). Pursuant to these provisions, the courts of the place where the Issuer has its centre of main interests shall have jurisdiction to open insolvency proceedings against it and the law applicable to the insolvency proceedings and their effects will be the law of the place where such proceedings are opened.

Under Regulation 2015/848 the centre of main interests should correspond to the place where the debtor conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties. In the case of a company or legal person, Regulation 2015/848 presumes, in the absence of proof to the contrary, that the place of its registered office is the centre of main interests. Based on this presumption a Dutch court may consider that it has jurisdiction to open insolvency proceedings against the Issuer. Notwithstanding this presumption, it is arguable that the centre of main interests of the Issuer should be considered to be located in Spain and that the Spanish courts should be the courts with jurisdiction to open insolvency proceedings against it. In addition, even if the centre of main interests of the Issuer were not in Spain, the Spanish court could still open insolvency proceedings (named territorial insolvency proceedings) if they consider that the Issuer has an establishment within the territory of Spain, the effects of which would be limited to the assets of the Issuer situated in Spain

In the event of insolvency (*faillissement*) of the Issuer declared by a Dutch court (either principal or territorial proceedings), claims relating to Warrants will be *pari passu claims* (*concurrente vorderingen*) as defined in the Dutch Insolvency Law. Ordinary claims rank below claims against the insolvency estate (*boedelschuld*) and credits with a privilege (*voorrecht*). Ordinary credits rank above subordinated credits and the rights of shareholders.

In the event of insolvency (*concurso*) of the Issuer declared by a Spanish court (either principal or territorial insolvency proceedings) claims relating to Warrants (which are not subordinated pursuant to article 309 of the Spanish Insolvency Law) will be ordinary credits (*créditos ordinarios*) as defined in the Spanish Insolvency Law. Ordinary credits rank below credits against the insolvency estate (*créditos contra la masa*) and privileged credits (*créditos privilegiados*) which shall be paid in full before ordinary credits. The claims of all creditors against the Issuer considered as "ordinary credits": will be satisfied pro rata in insolvency. Ordinary credits rank above subordinated credits and the rights of shareholders.

### *(b) Status of the Guarantee*

The payment and non-cash delivery obligations in respect of the Warrants have been unconditionally and irrevocably guaranteed by the Guarantor pursuant to the Guarantee.

The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

In the event of insolvency (*concurso*) of the Guarantor, under the Spanish Insolvency Law, claims of Warrantholders (which are not subordinated pursuant to article 309 of the Insolvency law) will be ordinary credits (*créditos ordinarios*) as defined in the Spanish Insolvency Law. Ordinary credits rank below credits against the insolvency estate (*créditos contra la masa*) and privileged credits (*créditos privilegiados*) (including, without limitation, any deposits for the purposes of Additional Provision 14.1 of Law 11/2015) which shall be paid in full before ordinary credits. The claims of all creditors against the Guarantor considered as "ordinary credits" will be satisfied pro rata in insolvency. Ordinary credits rank above subordinated credits and the rights of shareholders.

***The obligations of the Guarantor under the Guarantee and the obligations of BBVA under the Hedging Agreements entered into between BBVA and the Issuer in respect of any Warrants are also subject to the application of the general bail-in tool by the Fondo de Reestructuración Ordenada Bancaria (the "FROB") or any other Relevant Spanish Resolution Authority pursuant to Law 11/2015.***

***By its acquisition of any Warrants, each holder acknowledges and accepts that he may be adversely affected by the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority and the effects thereof, as further described in the Risk Factors, which may be imposed with or without any prior notice with respect to the Guarantee and/or the Hedging Agreements in relation to Warrants of any series.***

"**Relevant Spanish Resolution Authority**" means any of the Spanish Fund for the Orderly Restructuring of Banks (Fondo de Reestructuración Ordenada Bancaria), the European Single Resolution Mechanism, the Bank of Spain and



## TERMS AND CONDITIONS OF THE WARRANTS

the Spanish Securities Market Commission ("CNMV") or any other entity with the authority to exercise the Spanish Bail-in Power from time to time, according to Law 11/2015, of June 18, as amended from time to time, including amongst others, as amended by Royal Decree-Law 7/2021 ("**Law 11/2015**"), RD 1012/2015 and the SRM Regulation.

### 3. Exercise of Warrants

The Issue Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**"), European style Warrants ("**European Style Warrants**") or Bermudan style Warrants ("**Bermudan Style Warrants**") and whether settlement shall be by way of cash payment and/or physical delivery. In the case of Warrants which are specified in the Issue Terms to be Cash Settled Warrants, the Issue Terms will also indicate whether automatic exercise ("**Automatic Exercise**") is applicable.

#### (a) American Style Warrants

American Style Warrants are exercisable on any Exercise Business Day prior to the expiry of the Exercise Period.

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the Issue Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in General Condition 4 (Exercise Procedure), at or prior to 10.00 a.m. (London time) on the last Exercise Business Day of the Exercise Period (the "**Expiration Date**"), shall become void.

If the Warrants are Cash Settled Warrants (as defined below) and Automatic Exercise is specified as applying in the Issue Terms, any such American Style Warrant shall become void unless automatically exercised on or prior to the Expiration Date. If automatically exercised the provisions of General Condition 4(a) (*Automatic Exercise*) shall apply.

The (i) Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m. (Local Time) to the relevant Clearing System and the copy thereof is received by the Principal Warrant Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the Issue Terms, the Exercise Business Day on which the Warrants are automatically exercised, is referred to herein as the "**Actual Exercise Date**".

If any Exercise Notice is received by the relevant Clearing System or if the copy thereof is received by the Principal Warrant Agent, in each case, after 10.00 a.m. (London time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date.

#### (b) European Style Warrants

European Style Warrants are only exercisable on the Specified Exercise Date.

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the Issue Terms or (ii) if the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in General Condition 4 (*Exercise Procedure*), at or prior to 10.00 a.m. (London time) on the Specified Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the Issue Terms, any such European Style Warrant shall be automatically exercised on the Specified Exercise Date and the provisions of General Condition 4(a) (*Automatic Exercise*) shall apply.

#### (c) Bermudan Style Warrants

Bermudan Style Warrants are exercisable on the Potential Exercise Dates specified in the Issue Terms prior to the expiry of the Exercise Period.

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the Issue Terms or (ii) if the Warrants are Physical Delivery Warrants, any Bermudan Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in General Condition 4 (*Exercise Procedure*), at or prior to 10.00 a.m. (London time) (the "**Latest Exercise Time**"), on any Potential Exercise Date on or before the final such Potential Exercise Date (the "**Final Potential Exercise Date**"), shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the Issue Terms, any such Bermudan Style Warrant shall become void unless previously automatically exercised on any Potential Exercise Date or on the Final Potential Exercise Date. If automatically exercised the provisions of General Condition 4(a) (*Automatic Exercise*) shall apply.

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### *(d) Cash Settlement*

Unless previously exercised or purchased and cancelled, if the Warrants are specified in the Issue Terms as being Cash Settled Warrants and, in circumstances where more than one settlement method applies, the Warrants are to be settled by cash settlement (“**Cash Settled Warrants**”), then, each such Warrant entitles its holder, upon due exercise and subject to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal to an amount calculated in accordance with the Issue Terms (the “**Settlement Amount**”) in the currency (the “**Specified Currency**” or subject to the Settlement Exchange Rate Provisions being applicable, the “**Settlement Currency**” as the case may be) specified in the Issue Terms (the “**Cash Settlement Amount**”).

In relation to any Cash Settled Warrants where Automatic Exercise is specified as applying in the Issue Terms, the expressions “**exercise**”, “**due exercise**” and related expressions shall be construed to apply to any such Cash Settled Warrants which are automatically exercised in accordance with the above provisions.

### *(e) Payment Disruption Event*

If “Payment Disruption Event” is specified as applicable in the Issue Terms, where the Calculation Agent determines that a Payment Disruption Event has occurred or is likely to occur:

- (A) the next date for payment of any amount due in respect of the Warrants will be postponed to the earliest to occur of (i) the date falling 2 Business Days after the date on which the Calculation Agent determines that the Payment Disruption Event is no longer occurring or (ii) the date falling 30 calendar days following the scheduled due date for payment of the relevant amount (the “**Postponed Settlement Date**”) which, for the avoidance of doubt, may be later than the scheduled Settlement Date. No interest shall accrue and no Event of Default will result on account of such postponement; and
- (B) (i) in the case of (A)(i) above, the Issuer will pay the relevant amount due in respect of the Warrants in the Specified Currency on the Postponed Settlement Date, or (ii) in the case of (A)(ii) above, the Issuer shall give notice to the Warrantholders in accordance with General Condition 10, and (i) convert the relevant amount due in respect of the Warrants into U.S. Dollars using the rate of exchange between the Specified Currency and the U.S. Dollar that the Calculation Agent determines 5 Business Days prior to the Postponed Settlement Date and taking into consideration all information that it deems relevant. The Issuer will pay such amount in U.S. Dollars less the cost to the Issuer and/or any of its Affiliates (if any) of amending or unwinding any underlying related hedging arrangements in connection with such Payment Disruption Event and/or the related payment, and the Issuer shall have no further obligations whatsoever for the relevant settlement under the Warrants or (ii) if the Calculation Agent determines that it is not possible to determine the rate of exchange, the Issuer will settle the Warrants at an amount in U.S. Dollars determined by the Calculation Agent as the fair market value of the Warrants taking into account all factors which the Calculation Agent determines relevant less all costs (if any) incurred by the Issuer and/or any of its Affiliates in connection with the settlement, including, without limitation, any costs associated with unwinding any underlying related hedging arrangements, and all other expenses related thereto, as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

For the purposes of the above, “**Payment Disruption Event**” means an event which (a) prevents, restricts or delays the Issuer from converting or delivering relevant currencies, (b) imposes capital or exchange controls, (c) implements changes to laws relating to foreign investments or, (d) otherwise prohibits or prevents the Issuer from making a payment or performing an obligation required of it as a result of war, catastrophe, governmental action or other event beyond its control, including the relevant currencies exclusion as full settlement currency in the clearing systems where the Warrants settled on the Issue Date.

### *(f) Physical Settlement*

- (i) *Physical Delivery Warrants*: If the Warrants are specified in the Issue Terms as being Physical Delivery Warrants and in circumstances where more than one settlement method applied, the Warrants are to be settled by physical delivery (“**Physical Delivery Warrants**”), then upon the exercise of a Warrant by a Warrantholder and subject to certification as to non-U.S. beneficial ownership, the Issuer will deliver or procure the delivery of the Entitlement in respect of such Warrant on the Settlement Date to the account of the Clearing System specified, or as may otherwise be specified for that purpose by such Warrantholder in the relevant Exercise Notice, following payment by such Warrantholder to or to the order of the Issuer on or before the Exercise Price Payment Date of the Exercise Price (plus an amount equal to all applicable stamp tax, stamp duty reserve tax, estate, inheritance, gift, transfer, capital gains, corporation, income, property, withholding, other taxes, duties and charges (“**Taxes**”) or expenses, costs or charges or other payments (including depository, custodial, registration, transaction and exercise charges) (“**Expenses**”) due by reason of the exercise of such Warrant and the purchase for, and credit to or to the order of such Warrantholder of

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such Entitlement, all as more fully described in General Condition 4 (*Exercise*)). Physical Delivery Warrants may not be automatically exercised.

- (ii) *Settlement Disruption*: If, following the exercise of Physical Delivery Warrants, in the opinion of the Calculation Agent, delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date, then such Settlement Date for such Warrants shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Warrant by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date. In the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine in its discretion the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Warrant by payment to the relevant Holder of the Disruption Cash Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the holders in accordance with General Condition 10. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the holders in accordance with General Condition 10. The Calculation Agent shall give notice as soon as practicable to the holders in accordance with General Condition 10 that a Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Warrant in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Guarantor.

For the purposes hereof:

**“Disruption Cash Settlement Price”** in respect of any relevant Warrant shall be the fair market value of such Warrant (disregarding, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such Relevant Assets), less the cost to the Issuer and/ or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion, plus, if applicable and if already paid, the Exercise Price (or, whereas provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion);

**“Settlement Business Day”** in respect of each Warrant, has the meaning specified in the Issue Terms relating to such Warrant; and

**“Settlement Disruption Event”** means, in the opinion of the Calculation Agent an event beyond the control of the Issuer or the Guarantor as a result of which the Issuer or the Guarantor, as the case may be, cannot make or procure delivery of the Relevant Asset(s).

- (iii) *Failure to Deliver due to Illiquidity*: If “Failure to Deliver due to Illiquidity” is specified as applying in the Issue Terms and, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets (the **“Affected Relevant Assets”**) comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for the Relevant Assets (a **“Failure to Deliver due to Illiquidity”**), then:

- (1) subject as provided elsewhere in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated date of settlement in accordance with this General Condition 3(e); and
- (2) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Warrants by payment to the relevant Warrantholder of the Failure to Deliver Settlement Amount (as defined below) on the fifth Business Day following the date that notice of such election is given to the Warrantheolders in accordance with General Condition 10. Payment of the Failure to Deliver Settlement Amount will be made in such manner as shall be notified to the Warrantheolders in accordance with General Condition 10. The Calculation Agent shall give notice as soon as practicable to the

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Warrantheolders in accordance with General Condition 10 that the provisions of this General Condition 3(e)(iv) apply.

For the purposes hereof, “**Failure to Deliver Settlement Amount**” means, in respect of any relevant Warrant, the fair market value of such Warrant (taking into account, the Relevant Assets comprising the Entitlement which have been duly delivered as provided above, the value of such Relevant Assets), less the cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion.

- (iv) *Issuer’s Option to Substitute Assets or to pay the Alternate Cash Settlement Amount:* Notwithstanding any provision of these General Conditions to the contrary, the Issuer may, in its sole and absolute discretion in respect of Warrants to which this General Condition 3(e) applies, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprises assets which are not freely tradable, elect either (i) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in its sole and absolute discretion) of such other assets which the Calculation Agent determines, in its sole and absolute discretion, are freely tradable (the “**Substitute Asset**” or the “**Substitute Assets**”, as the case may be) or (ii) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, to the relevant Warrantheolders, but in lieu thereof to make payment to the relevant Warrantheolder on the Delivery Date of an amount equal to the fair market value of the Entitlement on or about the time of so electing as determined by the Calculation Agent in its sole and absolute discretion by reference to such sources as it considers appropriate (the “**Alternate Cash Settlement Amount**”). Notification of any such election will be given to Warrantheolders in accordance with General Condition 10 and in the event that the Issuer elects to pay the Alternate Cash Settlement Amount such notice shall give details of the manner in which such amount shall be paid.

For purposes hereof, a “**freely tradable**” security shall mean (i) with respect to the United States, a security which is registered under the Securities Act or not restricted under the Securities Act and which is not purchased from the issuer of such security and not purchased from an affiliate of the issuer of such security or which otherwise meets the requirements of a freely tradable security for purposes of the Securities Act, in each case, as determined by the Calculation Agent in its sole and absolute discretion or (ii) with respect to any other jurisdiction, a security not subject to any legal restrictions on transfer in such jurisdiction.

- (v) *Rights of Warrantheolders and Calculations* None of the Issuer, the Guarantor (if applicable), the Calculation Agent, any Delivery Agent and the Agents shall have any responsibility for any errors or omissions in any calculation or determination in respect of the Warrants.

The purchase of Warrant does not confer on any holder of such Warrants any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

### (g) *Rounding*

The Cash Settlement Amount will be rounded to the nearest two decimal places in the Specified Currency or, if applicable, the Settlement Currency, 0.005 being rounded upwards, with Warrants exercised at the same time by the same Warrantheolder being aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants.

### (h) *Definitions*

For the purposes of these General Conditions:

“**Affiliate**” means in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes “**control**” means ownership of a majority of the voting power of an entity;

“**Assessed Value Payment Amount**” means, in respect of a Warrant, an amount determined by the Calculation Agent to be the fair market value of the assets comprised in the Entitlement in respect of such Warrant less the cost to the Issuer and/or its Affiliates of unwinding any underlying relating hedging arrangements, all as determined by the Issuer;

“**Business Day**” means a day which is :

- (A) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System (T2) or any successor thereto (the “**T2 System**” or “**T2**”) is open (a “**TARGET Settlement Day**”);

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- (B) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant currency (and which, if the currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively); and
- (C) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the Issue Terms;

**“Cash Settlement Date”** means the date specified as such in the Issue Terms or, if such date is not a Business Day, the next succeeding Business Day unless specified otherwise in the applicable Issue Terms and if no such date is specified then the Cash Settlement Date shall be the date falling five Business Days following the relevant Exercise Date;

**“CEA”** means the United States Commodity Exchange Act, as amended;

**“Entitlement”** means, in relation to a Physical Delivery Warrant and (if applicable) each Calculation Amount, the quantity of Relevant Asset(s), as the case may be, which a Warrantholder is entitled to receive on the Settlement Date in respect of each such Warrant or each such Calculation Amount, as the case may be, following payment of the Exercise Price (including any Taxes and Expenses) equal to the Entitlement Amount specified in the Issue Terms (plus any cash amount to be delivered as a result of rounding down), as determined by the Calculation Agent, (and including any documents evidencing such Entitlement);

**“Exercise Business Day”** means a day that is a Business Day and, in the case of Index Linked Warrants or Equity Warrants Linked also a Scheduled Trading Day and in the case of Fund Linked Warrants, a Fund Business Day also;

**“Exercise Date”** means, in respect of any Warrant, (i) if Automatic Exercise is specified as being applicable in the Issue Terms, the Actual Exercise Date, Specified Exercise Date or Potential Exercise Date on which such Warrant is automatically exercised in accordance with General Condition 4(a) (Automatic Exercise in respect of Global Warrants or Global Warrant Certificates), or  
(ii) the Automatic Early Expiration Date, Actual Exercise Date, Specified Exercise Date or Potential Exercise Date in respect of which an Exercise Notice relating to that Warrant is delivered in accordance with the provisions of General Condition 4(b) (Exercise Notice);

**“Exercise Notice”** means any notice in the form scheduled to the Warrant Agreement (or such other form as may from time to time be agreed by the Issuer and the Principal Warrant Agent) which is delivered by a Warrantholder in accordance with General Condition 4(b) (*Exercise Notice*);

**“Exercise Period”** has the meaning given to it in the Issue Terms;

**“Exercise Price”** means, in respect of any Series of Warrants, the price, level or amount specified as such or otherwise determined as provided in the Issue Terms;

**“Exercise Price Payment Date”** has the meaning given to it in the Issue Terms;

**“Exercise Receipt”** means a receipt issued by a Warrant Agent or the Registrar to a depositing Warrantholder upon deposit of a Warrant with such Warrant Agent or the Registrar by any Warrantholder wanting to exercise a Warrant;

**“Issue Price”** has the meaning given to it in the Issue Terms;

**“Maximum Exercise Number”** has the meaning given to it in the Issue Terms;

**“Person”** means any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality;

**“Physical Delivery Settlement Date”** means, in relation to an Entitlement to be delivered following exercise of a Warrant on an Exercise Date, the first day on which settlement of a sale of such Entitlement on that Exercise Date customarily would take place through the relevant Clearing System, unless a Settlement Disruption Event prevents delivery of such Entitlement, or of some or all of the Relevant Assets included within such Entitlement, on that day in which case the day of settlement shall be postponed as provided in General Condition 3(e)(iv) (*Settlement Disruption*);

**“Potential Exercise Date”** means each date specified as such in the Issue Terms (or, if such date is not an Exercise

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Business Day, the next following Exercise Business Day);

“**Reference Item**” means one or more underlying reference assets or bases, as specified in the Issue Terms;

“**Relevant Assets**” means shares, bonds, other debt securities, other securities or other property specified as such in the Issue Terms, and “Relevant Asset” shall be construed accordingly;

“**Settlement Date**” means a Cash Settlement Date or a Physical Delivery Settlement Date, as the case may be; and

“**Specified Exercise Date**” means the date specified as such in the Issue Terms (or, if such date is not a Exercise Business Day the next following date that is a Exercise Business Day).

### 4. Exercise Procedure

#### (a) Automatic Exercise

This General Condition only applies to Cash Settled Warrants other than Warrants in definitive or individual certificate form and, where an Automatic Exercise is specified as applying in the Issue Terms. In such circumstances, the Warrants shall be automatically exercised as provided in General Condition 3(a) (*American Style Warrants*), General Condition 3(b) (*European Style Warrants*) or General Condition 3(c) (*Bermudan Style Warrants*) and this General Condition 4(a), in each case subject to any adjustments as may be specified in the applicable Annex(es).

No Exercise Notice is required to be submitted or any other action required to be taken by any relevant Warrantholder in order to receive the Cash Settlement Amount in respect of such Warrant. The Issuer shall transfer or cause to be transferred to each Clearing System through which such Warrants are held an amount equal to the aggregate of the Cash Settlement Amounts (if any) in respect of the Warrants held in each such Clearing System and each such Clearing System shall, subject to having received such aggregate Cash Settlement Amount, on the Settlement Date credit the account of each holder of such Warrant(s) in its books with an amount equal to the aggregate Cash Settlement Amount relating to the Warrant(s) held by such holder and on the Settlement Date debit such account with the number of Warrants exercised and in respect of which such Cash Settlement Amount is being paid. Neither the Issuer nor, if applicable, the Guarantor shall have any responsibility for the crediting by the relevant Clearing System of any such amounts to any such accounts.

#### (b) Exercise Notice

- (i) Warrants may be exercised by a Warrantholder (at its own expense) at such time and on such day(s) as provided in General Condition 3(a) (*American Style Warrants*), 3(b) (*European Style Warrants*) or 3(c) (*Bermudan Style Warrants*), as applicable, in each case subject to any adjustments as may be specified in the applicable Annex(es), by (i) depositing from a location outside the United States the relevant definitive Bearer Warrant or Individual Warrant Certificate (as applicable) and delivering from a location outside the United States a duly completed and signed Exercise Notice to a Warrant Agent (in the case of any Bearer Warrants) or to the Registrar (in the case of any Registered Warrants) and (ii) delivering a copy of such Exercise Notice to the Calculation Agent.
- (ii) Any Exercise Notice delivered (a) after the Expiration Date, in the case of American Style Warrants, shall be void, (b) after 10.00 a.m. (London time) on the Specified Exercise Date, in the case of European Style Warrants, shall be void, and (c) after the Latest Exercise Time on the Final Potential Exercise Date in the case of Bermudan Style Warrants, shall be void.
- (iii) The relevant Warrant Agent or the Registrar (as applicable) with which a definitive Bearer Warrant or Individual Warrant Certificate is so deposited shall deliver a duly completed Exercise Receipt to the depositing Warrantholder.
- (iv) No definitive Bearer Warrant or Individual Warrant Certificate, once deposited with a duly completed Exercise Notice in accordance with this General Condition 4 (*Exercise Procedure*), may be withdrawn; provided however that if, following due presentation of any such definitive Bearer Warrant or Individual Warrant Certificate, payment of the moneys falling due is improperly withheld or refused by the Issuer, the relevant Warrant Agent or the Registrar (as applicable) shall mail notification thereof to the depositing Warrantholder at such address as may have been given by such Warrantholder in the relevant Exercise Notice and shall hold such definitive Bearer Warrant or individual Warrant Certificate at its specified office for collection by the depositing Warrantholder against surrender of the relevant Exercise Receipt.

#### (c) Form of Exercise Notice for Cash Settled Warrants

If the Warrants are Cash Settled Warrants, the Exercise Notice shall:

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- (i) specify the name, address, telephone and facsimile details of the Warrantholder in respect of the Warrants being exercised;
- (ii) specify the number of Warrants of the relevant Series being exercised by the Warrantholder (which must not be less than the Minimum Exercise Number);
- (iii) include an irrevocable undertaking to pay any applicable Taxes due and Expenses payable by reason of exercise of the relevant Warrants and, if such amounts have not been paid prior to the Settlement Date, an authority to the Issuer to deduct an amount in respect thereof from any Cash Settlement Amount due to such Warrantholder (on the Settlement Date) and to credit the specified account of the Principal Warrant Agent (for the account of the relevant Issuer) with an amount or amounts in respect thereof;
- (iv) specify the details of the relevant account of the Warrantholder to be credited with the relevant Cash Settlement Amount;
- (v) contain a representation and warranty from the Warrantholder to the effect that the Warrants to which the Exercise Notice relates are free from all liens, charges, encumbrances and other third party rights;
- (vi) give a certification as to the non-U.S. beneficial ownership of the Warrants being exercised therewith (an “**Ownership Certificate**”).

### *(d) Form of Exercise Notice for Physical Delivery Warrants*

If the Warrants are Physical Delivery Warrants, the Exercise Notice shall:

- (i) specify the name, address, telephone and facsimile details of the Warrantholder in respect of the Warrants being exercised;
- (ii) specify the number of Warrants of the relevant Series being exercised by the Warrantholder (which must not be less than the Minimum Exercise Number);
- (iii) in the case of Physical Delivery Warrants, include an irrevocable undertaking to pay on or prior to the Exercise Price Payment Date to the specified account of the Principal Warrant Agent (for the account of the Issuer) the aggregate Exercise Price in respect of the Warrants being exercised (plus any applicable Taxes and Expenses);
- (iv) include an irrevocable undertaking to pay to the specified account of the Principal Warrant Agent (for the account of the Issuer) any applicable Taxes due and Expenses payable by reason of the transfer (if any) of the Entitlement to the account specified by the Warrantholder to the account of the Issuer with an amount in respect thereof;
- (v) specify the details of the Warrantholder’s account to be credited with the Entitlement;
- (vi) contain a representation and warranty from the Warrantholder to the effect that the Warrants to which the Exercise Notice relates are free from all liens, charges, encumbrances and other third party rights;
- (vii) give an Ownership Certificate in respect of the Warrants being exercised therewith; and

### *(e) Verification of the Warrantholder*

- (i) To exercise Warrants the holder thereof must duly complete an Exercise Notice. The relevant Warrant Agent or the Registrar shall, in accordance with its normal operating procedures, verify that each person exercising the Warrants and Certificates is the holder thereof.
- (ii) If, in the determination of the relevant Warrant Agent or the Registrar:
  - (A) the Exercise Notice is not complete or not in proper form;
  - (B) the person submitting an Exercise Notice is not validly entitled to deliver such Exercise Notice on behalf of the relevant Warrantholder (in the case of Bearer Warrants) or the person submitting an Exercise Notice is not validly entitled to exercise the relevant Warrants or not validly entitled to deliver such Exercise Notice (in the case of Registered Warrant); or
  - (C) the relevant Warrantholder does not provide evidence, at the reasonable request of the relevant Warrant Agent or the Registrar, that sufficient funds equal to any applicable Taxes, Expenses and the aggregate Exercise Price (if any) will be available on the Exercise Date,

that Exercise Notice will be treated as void and a new duly completed Exercise Notice must be submitted if exercise of the holder’s Warrants is still desired. The Issuer shall procure that the Principal Warrant Agent, upon being informed of the defective Exercise Notice in accordance with General Condition 4(f)(i), below,

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informs the person submitting such defective Exercise Notice of the defect(s) and of the requirement to submit a new duly completed Exercise Notice if such person intends to exercise the relevant Warrants on the relevant Exercise Date.

- (iii) Any determination by the relevant Warrant Agent or the Registrar as to any of the matters set out in General Condition 4(e)(ii) above shall, in the absence of manifest error, be conclusive and binding upon the Issuer and the holder of the Warrants purported to be exercised.
- (iv) In the case of Warrants the exercise of which would require the Issuer to deliver indebtedness in bearer form, the issue of, payment on and delivery of the Warrants and the indebtedness will be subject to the limitations set out in these Conditions (including the requirement of the holders to provide an Ownership Certificate).

### (f) *Notification to the Principal Warrant Agent*

- (i) Subject to the verification set out in General Condition 4(e) (*Verification of the Warrantholder*) above, the relevant Warrant Agent or the Registrar will either (a) confirm to the Principal Warrant Agent (copied to the Issuer and the Calculation Agent) the receipt of the Exercise Notice and the number of Warrants being exercised, or (b) inform the Principal Warrant Agent (copied to the Issuer and the Calculation Agent) of the defective Exercise Notice.
- (ii) Upon the exercise in part of the total number of Warrants represented by a definitive Bearer Warrant or an individual Registered Warrant, the Principal Warrant Agent or the Registrar, as the case maybe, will note such exercise and, in the case of Bearer Warrants and Bearer Certificates, the Principal Warrant Agent or, in the case of the Registered Warrants, the Registrar, shall cancel the relevant definitive Bearer Warrant or individual Registered Warrant (as applicable) deposited and issue the holder of the relevant Warrant with a new definitive Bearer Warrant or individual Registered Warrant (as applicable) representing the number of the holder's Warrants not exercised.

### (g) *Payment and delivery—Bearer Warrants*

- (i) In respect of Bearer Warrants which have been exercised and which are Cash Settled Warrants payments in respect of any amounts in respect of a Bearer Warrant shall be made only following presentation and surrender of such Bearer Warrants at the specified office of the relevant Warrant Agent outside the United States by cheque drawn in the currency in which the payment is due on, or upon application of a holder or a Bearer Warrant, by transfer to the account specified by the relevant Warrantholder in the Exercise Notice denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the principal financial centre of that currency.
- (ii) In respect of Bearer Warrants which have been exercised and which are Physical Delivery Warrants to transfer of the Exercise Price (plus any applicable Taxes and Expenses) by the Warrantholder to the relevant account of the Principal Warrant Agent (in favour of the Issuer) as aforesaid, the Issuer shall, on the Settlement Date deliver or procure the delivery of the Entitlement in respect of each Bearer Warrant for credit to the account specified in the relevant Exercise Notice. The Issuer shall be entitled, if it so elects, to divide any Entitlement to be transferred into such number of lots of such size as it desires to facilitate its delivery obligations.
- (iii) Exercise of the Bearer Warrants and payments and deliveries by the Issuer and the Warrant Agents will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at the relevant time (including, without limitation, any relevant exchange control laws or regulations) and none of the Issuer, the Guarantor or any Warrant Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices.
- (iv) If the due date for payment or delivery in respect of the Bearer Warrants is not a Business Day, the holder of the Bearer Warrants shall not be entitled to payment or delivery until the next following Business Day and shall not be liable for any payment in respect of such delay.

### (h) *Payment and delivery—Registered Warrants*

- (i) In respect of Registered Warrants which have been exercised in full and which are Cash Settled Warrants, payments shall be made only following surrender of the relevant Warrant Certificate at the specified office of the Registrar outside the United States by cheque drawn in the currency in which the payment is due on, or, upon application of a holder of a Registered Warrant, by transfer to the account specified by the relevant Warrantholder in the Exercise Notice denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the principal financial centre of that currency not later than the Business Day that is not later than fifteen days prior to the due date for payment.



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- (ii) In respect of Registered Warrants which have been exercised and which are Physical Delivery Warrants, subject to transfer of the Exercise Price (plus any applicable Taxes and Expenses) from the relevant account of the Warrantholder to the relevant account of the Principal Warrant Agent (in favour of the Issuer) as aforesaid, the Issuer shall, on the Settlement Date deliver or procure the delivery of the Entitlement in respect of each Registered Warrant for credit to the account specified in the relevant Exercise Notice. The Issuer shall be entitled, if it so elects, to divide any Entitlement to be transferred into such number of lots of such size as it desires to facilitate its delivery obligations.
  - (iii) Exercise of the Registered Warrants and payments and deliveries by the Issuer and the Warrant Agents will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at the relevant time (including, without limitation, any relevant exchange control laws or regulations) and none of the Issuer, the Guarantor or any Warrant Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices.
  - (iv) Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Business Day, for value the next succeeding Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed on the later of the due date for payment and the day on which the relevant Warrant Certificate is surrendered at the specified office of the Registrar. A holder of a Registered Warrant shall not be entitled to any payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Business Day or (B) a cheque mailed in accordance with this General Condition 4 (Exercise Procedure) arriving after the due date for payment or being lost in the mail.
  - (v) Each payment or delivery in respect of a Registered Warrant will be made to the person shown as the holder in the Register at the opening of business in the place of the Registrar's specified office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where the payment in respect of a Registered Warrant is to be made by cheque, the cheque will be mailed to the address of the holder in the Register at the close of the business on the relevant Record Date.
- (i) *Effect of Exercise Notice*
- (i) For so long as any Warrant is held by a Warrant Agent, the Registrar or the Transfer Agent in accordance with this General Condition 4, the depositor of the relevant definitive Bearer Warrant or Individual Warrant Certificate and not such Warrant Agent, Registrar or Transfer Agent (as applicable) shall be deemed to be the Warrantholder for all purposes.
  - (ii) Delivery of an Exercise Notice shall constitute an irrevocable election and undertaking by the Warrantholder to exercise the Warrants specified therein, provided that, in the case of a Registered Warrant, the person exercising and delivering such Exercise Notice is the person then appearing in the Register as the holder of the relevant Registered Warrant. If the person exercising and delivering the Exercise Notice is not the person so appearing, such Exercise Notice shall for all purposes become void and shall be deemed not to have been so delivered.
  - (iii) After the delivery of an Exercise Notice (other than an Exercise Notice which shall become void pursuant to General Condition 4(b)(ii)) by a Warrantholder, such Warrantholder shall not be permitted to transfer either legal or beneficial ownership of the Warrants exercised thereby. Notwithstanding this, if any Warrantholder does so transfer or attempt to transfer such Warrants, the Warrantholder will be liable to the Issuer and the Guarantor for any losses, costs and expenses suffered or incurred by either of them including those suffered or incurred as a consequence of their having terminated any related hedging operations in reliance on the relevant Exercise Notice and subsequently: (i) entering into replacement hedging operations in respect of such Warrants; or (ii) paying any amount on the subsequent exercise of such Warrants without having entered into any replacement hedging operations.
- (j) *General*
- (i) *Aggregation:* Warrants held by the same Warrantholder may be aggregated for the purpose of determining the aggregate Entitlement in respect of such Warrants, provided that, the aggregate Entitlement in respect of the same Warrantholder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in its sole and absolute discretion shall be paid to the Warrantholder.
  - (ii) *Dividends in respect of Physical Delivery Warrants:* If, in the case of Physical Delivery Warrants, the Relevant Assets to be delivered on the Settlement Date include shares, all dividends on the relevant shares to

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be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the shares executed on the Settlement Date and to be delivered in the same manner as such relevant shares. Any such dividends to be paid to a Warrantholder will be paid to the account specified by the Warrantholder in the relevant Exercise Notice as referred to in General Condition 4 (*Exercise Procedure*).

- (iii) *Limitation on rights of Warrantholders during Intervening Period:* For such period of time after delivery of the Entitlement as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the Relevant Assets (the “**Intervening Period**”), none of the Issuer, the Guarantor, the Warrant Agents, the Registrar or the Transfer Agent or any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Warrantholder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such Relevant Assets, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such Relevant Assets or (iii) be under any liability to a Warrantholder in respect of any loss or damage which such Warrantholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such Relevant Assets.
- (iv) *Replacements:* If any Warrant or Warrant Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Warrant Agent, in the case of Bearer Warrants, or the Registrar, in the case of Registered Warrants, during normal business hours (and, if the Warrants are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Warrant Agent or a Transfer Agent in any particular place, the Warrant Agent or Transfer Agent having its specified office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced forms must be surrendered before replacements will be issued.
- (k) *Force Majeure, Illegality and Administrator/Benchmark Event*
  - (i) Subject to General Condition 4(k)(iii) below, the Issuer shall have the right to cancel the Warrants if it shall have determined, in its sole and absolute discretion, that (i) its performance thereunder shall have become or will be unlawful in whole or in part as a result of compliance in good faith by the Issuer or the Guarantor with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power (“**applicable law**”), or (ii) results in an Administrator/Benchmark Event.
  - (ii) In such circumstances the Issuer will, however, if and to the extent permitted by applicable law, pay to each Warrantholder in respect of each Warrant held by it an amount determined by the Calculation Agent, in its sole and absolute discretion, as representing the fair market value of such Warrant immediately prior to such cancellation (ignoring such illegality) less the cost to the Issuer of, or the loss realised by the Issuer or any of its affiliates on, unwinding any related underlying hedging arrangements, the amount of such cost or loss being as determined by the Calculation Agent in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with General Condition 10.
  - (iii) Notwithstanding General Condition 4(k)(i) and (ii) above, in the event that the Calculation Agent determines that an Administrator/Benchmark Event has occurred, the Calculation Agent, shall give notice to the Issuer, and the Warrantholders as soon as reasonably practicable of the occurrence of such Administrator/Benchmark Event. The Calculation Agent shall then use reasonable endeavours to determine what amendments (if any) may be made to the terms and conditions of the Warrants that would result in such Administrator/Benchmark Event ceasing to apply within 20 calendar days of the Issuer receiving notice of the occurrence of such Administrator/Benchmark Event. In the event that the Calculation Agent proposes amendments to the terms and conditions of the Warrants in accordance with General Condition 4(k)(i), the Issuer shall make such amendments to the terms and conditions of the Warrants and there shall be no cancellation of the Warrants. In the event that the Calculation Agent determines, within 20 calendar days of the Issuer receiving notice of an Administrator/Benchmark Event, that no amendments may be made to the terms and conditions of the Warrants, (i) the Calculation Agent shall notify the Issuer of the same and (ii) upon, the Issuer having given not less than 10 nor more than 30 days’ notice to the Warrantholders in accordance with General Condition 10 (which notice shall be irrevocable), the Warrants shall be cancelled in accordance with Condition 4(k)(ii).

For the purposes of this Condition 4(k):

“**Administrator/Benchmark Event**” means, in relation to any Benchmark, the occurrence of a Benchmark Modification or Cessation Event, a Non-Approval Event, a Pre-Cessation Event, a Rejection Event or a Suspension/Withdrawal Event.

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**“Benchmark”** means any figure or rate and where any amount payable under the Warrants, or the value of the Warrants, is determined by reference to such figure, all as determined by the Calculation Agent.

**“Benchmark Modification or Cessation Event”** means, in respect of the Benchmark, any of the following has occurred or will occur:

- (A) any material change in such Benchmark;
- (B) any public statement by the relevant competent authority as a consequence of which the Benchmark will be prohibited from being used either generally, or in respect of the Warrants;
- (C) the permanent cancellation or cessation in the provision of such Benchmark;
- (D) the making of a public statement by (i) the administrator of the Benchmark that it has ceased publishing the Benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Benchmark); or (ii) the supervisor of the administrator of the Benchmark that the Benchmark has been permanently or indefinitely discontinued; or
- (E) it is not commercially reasonable to continue the use of the relevant Benchmark in connection with the Warrants as a result of any applicable licensing restrictions or changes in the cost of obtaining or maintaining any relevant licence (including, without limitation, where the Issuer, the Calculation Agent or any other entity is required to hold a valid licence in order to issue or perform its obligations in respect of the Warrants and for any reason such licence is either not obtained, not renewed or is revoked or there is a material change in the cost of obtaining or renewing such licence).

**“BMR”** means the EU Benchmark Regulation (Regulation (EU) 2016/1011).

**“Non-Approval Event”** means, in respect of the Benchmark:

- (i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the Benchmark or the administrator of the Benchmark is not obtained or will not be obtained;
- (ii) the Benchmark or the administrator of the Benchmark is not or will not be included in an official register; or
- (iii) the Benchmark or the administrator of the Benchmark does not or will not fulfil any legal or regulatory requirement applicable to the Issuer, the Calculation Agent or the Benchmark,

in each case, as required under any applicable law or regulation in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Warrants. For the avoidance of doubt, a Non-Approval Event shall not occur if the Benchmark or the administrator of the Benchmark is not included in an official register because its authorisation, registration, recognition, endorsement, equivalence or approval is suspended if, at the time of such suspension, the continued provision and use of the Benchmark is permitted in respect of the Warrants under the applicable law or regulation during the period of such suspension.

**“Pre-Cessation Event”**: a public statement by the supervisor of the administrator of the Benchmark (as applicable) that, in the view of such supervisor, (A) the Benchmark is (or will be deemed by such supervisor to be) no longer representative of an underlying market or (B) the methodology to calculate the Benchmark has materially changed.

**“Rejection Event”** means, in respect of the Benchmark, the relevant competent authority or other relevant official body rejects or refuses, or will reject or refuse any application for authorisation, registration, recognition, endorsement, equivalence, approval or inclusion in any official register which, in each case, is required in relation to the Benchmark or the administrator of the Benchmark under any applicable law or regulation for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Warrants.

**“Suspension/Withdrawal Event”** means, in respect of the Benchmark:

- (i) the relevant competent authority or other relevant official body suspends or withdraws, or will suspend or withdraw any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Benchmark or the administrator of the Benchmark which is required under any applicable law or regulation in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Warrants; or
- (ii) the Benchmark or the administrator of the Benchmark is or will be removed from any official register where inclusion in such register is required under any applicable law in order for any of the Issuer, the Calculation Agent or any other entity to perform its obligations in respect of the Warrants.

For the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or where inclusion in any official register

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is withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Benchmark is permitted in respect of the Warrants under the applicable law or regulation during the period of such suspension or withdrawal.

For the further avoidance of doubt, the above is additional, and without prejudice, to any other terms of the Warrants. In the event that under any such terms (i) any other consequences could apply in relation to an event or occurrence the subject of an Administrator/Benchmark Event or (ii) any such terms contradict the terms in this Condition 4(k), the Issuer shall determine which terms shall apply in its sole and absolute discretion.

### 5. Limitations on Rights of Warrantholders and Calculations

- (i) *Relevant Assets*: The purchase of Warrants does not confer on any holder of such Warrants any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.
- (ii) *Calculations*: Any discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest or proven error) shall be binding on the Issuer and all Warrantholders. None of the Issuer, the Guarantor or the Calculation Agent shall have any responsibility for any errors or omissions in any calculation or determination in respect of the Warrants.

### 6. Limitations on the number of Warrants exercisable

#### (a) American Style Warrants

This General Condition 6(a) applies only to American Style Warrants.

- (i) The number of Warrants exercisable on any Actual Exercise Date (whether pursuant to Automatic Exercise or by delivery of an Exercise Notice by the relevant Warrantholder, in each case as determined by the Issuer), must not be less than the Minimum Exercise Number (if any) specified in the Issue Terms. If the number of Warrants purported to be exercised by a Warrantholder on any Actual Exercise Date (or, in the case of Automatic Exercise, the number of Warrants held by such Warrantholder on the Actual Exercise Date) is greater than any Minimum Exercise Number specified in the Issue Terms, such Warrants may only be exercised in integral multiples of the such Minimum Exercise Amount. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.
- (ii) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Warrantholder or a group of Warrantholders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the “**Quota**”), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Exercise Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants is exercised on the same day by Warrantholder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

#### (b) European Style Warrants

This General Condition 6(b) applies only to European Style Warrants.

The number of Warrants exercisable by any Warrantholder on the Specified Exercise Date, as determined by the Issuer, must not be less than the Minimum Exercise Number (if any) specified in the Issue Terms. If the number of Warrants purported to be exercised by a Warrantholder on the relevant Specified Exercise Date is greater than any Minimum Exercise Number specified in the Issue Terms, such Warrants may only be exercised in integral multiples of such Minimum Exercise Amount. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

#### (c) Bermudan Style Warrants

This General Condition 6(c) applies only to Bermudan Style Warrants.

- (i) The number of Warrants exercisable by any Warrantholder on any Potential Exercise Date (or, in the case of Automatic Exercise, the number of Warrants held by any Warrantholder on the Final Potential Exercise Date, in each case as determined by the Issuer), must not be less than the Minimum Exercise Number (if any) specified in the Issue Terms. If the number of Warrants purported to be exercised by a Warrantholder on any

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Potential Exercise Date (or, in the case of Automatic Exercise, the number of Warrants held by such Warrantholder on the Final Potential Exercise Date) is greater than any Minimum Exercise Number specified in the Issue Terms, such Warrants may only be exercised in integral multiples of the such Minimum Exercise Amount. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

- (ii) If the Issuer determines that the number of Warrants being exercised on any Potential Exercise Date by any Warrantholder or a group of Warrantholders (whether or not acting in concert) exceeds the Quota, the Issuer may deem the Potential Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Potential Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each succeeding Potential Exercise Date until all such Warrants have been attributed with a Potential Exercise Date, provided, however, that the deemed Potential Exercise Date for any such Warrants which would thereby fall after the Final Potential Exercise Date shall fall on the Final Potential Exercise Date. In any case where more than the Quota of Warrants are exercised on the same day by Warrantholder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

### 7. Taxation

- (a) Neither the Issuer nor the Guarantor shall be liable for, or otherwise obliged to pay, any Taxes in The Netherlands which may arise as a result of the ownership, transfer or exercise of any Warrants.
- (b) If it is specified in the Issue Terms that a particular warrant is considered as an “option” for Spanish tax purposes neither the Issuer nor the Guarantor shall be liable for, or otherwise obliged to pay, any Taxes in the Kingdom of Spain which may arise as a result of the ownership, transfer or exercise of any Warrants.
- (c) If it is specified in the Issue Terms that a particular warrant is considered as a “financial asset” for Spanish tax purposes, all payments in respect of the Warrants by the Issuer or the Guarantor will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Spain or any political subdivision or authority thereof or therein having the power to tax unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Warrants after such withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Warrants, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Warrants:
  - (i) Presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Warrant by reason of his having some connection with Spain other than the mere holding of such Warrant; or
  - (ii) Presented for payment more than 30 days after the relevant Date as defined below except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Date (as defined also below); or
  - (iii) to, or to a third party on behalf of, a holder if such taxes or duties may be avoided by complying with any relevant requirement of Spanish law or by making a declaration of non-residence or other similar claim for exemption to any authority of or in Spain, unless such holder proved that he is not entitled so to comply or to make such declaration or claim, or
  - (iv) Presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Warrant to another Warrant Agent in a Member State of the European Union.
- (d) Both the Issuer and the Guarantor shall be permitted to withhold or deduct any amounts required by the rules of United States Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions) or pursuant to any agreement with the U.S. Internal Revenue Service (“**FATCA withholding**”) as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA withholding. Neither the Issuer nor the Guarantor shall be liable for, or otherwise obliged to pay, any FATCA withholding deducted or withheld by the Issuer, any Warrant Agent or any other party.

In these General Conditions, the “**Relevant Date**” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Warrant Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Warrantholders in accordance with General Condition 10.

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Likewise, the “**Payment Date**” means any day which (subject to General Condition 8) is:

- (A) If (i) no Additional Financial Centre is specified in the applicable Issue Terms and (ii) the Warrants are not issued in definitive form, a Business Day; or
- (B) in the case of Warrants in definitive form only, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation; or
- (C) If Additional Financial Centre(s) is/are specified in the applicable Issue Terms, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits), in each Additional Financial Centre specified in the Issue Terms;

### 8. Prescription

Claims for payment or delivery in respect of the Warrants shall become void unless the Warrants are presented for payment or delivery within ten years of the appropriate Relevant Due Date for payment or delivery.

For the purposes of this Condition 8, “**Relevant Due Date**” means the date on which such payment first becomes due.

### 9. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Warrantholders to create and issue further Warrants having terms and conditions the same as the Warrants or the same in all respects save for the amount and so that the same shall be consolidated and form a single Series with the outstanding Warrants.

### 10. Notices

All notices regarding the Bearer Warrants will be deemed to be validly given if published in one leading English language daily newspaper of general circulation in Europe (which is expected to be the Financial Times)., The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or any other relevant authority on which the Bearer Warrants are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Warrants will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Warrants are listed on a stock exchange or admitted to trading by another relevant authority, such notice will be published in a manner which complies with the rules of that stock exchange or relevant authority.

Until such time as any definitive Warrants are issued, notice may be given (so long as any Global Warrants or Global Warrant Certificates representing the Warrants are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg (instead of by way of publication in a newspaper or mailing)) by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Warrants. Any such notice shall be deemed to have been given to the holders of the Warrants on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg. For so long as any Warrants are listed on a stock exchange or admitted to listing by another relevant authority, any such notice provided to any Clearing System will be also published in a manner which complies with the rules of that stock exchange or relevant authority by the Issuer. Any such notice shall be deemed to have been given to the holders of the Warrants on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Warrantholder shall be in writing and given by lodging the same, together (in the case of any Warrants in definitive form) with the relative Warrant or Warrants, with the Principal Warrant Agent (in the case of Bearer Warrants) or the Registrar (in the case of Registered Warrants). Whilst any of the Warrants are represented by a Global Warrant or Global Warrant Certificate, such notice may be given by any holder of a Warrant to the Principal Warrant Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, in such manner as the Principal Warrant Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg may approve for this purpose.

### 11. Warrant Agents

The names of the initial Warrant Agents, Registrar and Transfer Agent (collectively, the “**Agents**” and each, an “**Agent**”) and their initial specified offices are set out below.

The Issuer and the Guarantor are entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

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- (a) so long as any Bearer Warrant is outstanding, there will at all times be a Principal Warrant Agent;
- (b) so long as any Registered Warrant is outstanding, there will at all time be a Registrar and a Transfer Agent;
- (c) in relation to Warrants which are not Exempt Warrants, so long as the Warrants are admitted to listing, trading and/or quotation by any relevant listing authority, stock exchange and/or quotation system, there will at all times be a Warrant Agent with a specified office in such place as may be required by the rules and regulations of such listing authority, stock exchange and/or quotation system; and
- (d) there will at all times be a Warrant Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to any European Council Directive or any law implementing or complying with, or introduced in order to conform to, such Directive.

Any variation, termination, appointment or change in Agents shall only take effect, in accordance with the terms of the Warrant Agreement, (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Warrantholders in accordance with General Condition 10 provided that no such variation, termination, appointment or change in Agents shall take effect (except in the case of insolvency) within 7 days of the Settlement Date of any Warrant. Notice of all changes in the identities or specified offices of any Agent will be given promptly by the Issuer or, as the case may be, the Guarantor to the Warrantholders in accordance with General Condition 10.

In acting under the Warrant Agreement, the Agents will act solely as agents of each of the Issuer and Guarantor and do not assume any obligations or relationship of agency or trust to or with the Warrantholders.

### 12. Modifications

The Warrant Agreement contains provisions for convening meetings of Warrantholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these General Conditions or any provisions of the Warrant Agreement. The Issuer may modify these Terms and Conditions without the consent of the Warrantholders in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Warrantholders or such modification is of a formal, minor or technical nature or to correct a manifest or proven error or to cure, correct or supplement any defective provision contained herein and/or therein or otherwise to comply with mandatory provisions of the law of the jurisdiction of incorporation of the Issuer or the Guarantor, or the law governing the Warrants. Notice of any such modification will be given to the Warrantholders in accordance with General Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

### 13. Substitution of the Issuer

- (i) The Issuer may, without the consent of the Warrantholders (and by subscribing any Warrants, each Warrantholder expressly consents to it), be replaced and substituted by the Guarantor or any other company of which 100 per cent. of the shares or other equity interests (as the case may be) carrying the right to vote are directly or indirectly owned by the Guarantor as principal obligor (in such capacity, the **"Substituted Obligor"**) in respect of the Warrants provided that:
  - (A) a deed poll and such other documents (if any) shall be executed by the Substituted Obligor, the Issuer and (if the Substituted Obligor is not the Guarantor) the Guarantor as may be necessary to give full effect to the substitution (together the **"Documents"**) and (without limiting the generality of the foregoing) pursuant to which the Substituted Obligor shall undertake in favour of each Warrantholder to be bound by the **"Terms and Conditions of the Warrants"** and the provisions of the Warrant Agreement and the deed of covenant in respect of any Warrants in global form dated 6 July 2022 (the **"Deed of Covenant"**) as fully as if the Substituted Obligor had been named in the Warrants, the Warrant Agreement and the Deed of Covenant as the principal obligor in respect of the Warrants in place of the Issuer (or any previous substitute) and (if the Substituted Obligor is not the Guarantor) pursuant to which the Guarantor shall unconditionally and irrevocably guarantee (the **"New Guarantee"**) in favour of each Warrantholder the payment of all sums payable by the Substituted Obligor as such principal obligor on the same terms mutatis mutandis as the Guarantee;
  - (B) without prejudice to the generality of General Condition 12(a)(i)(A), where the Substituted Obligor is incorporated, domiciled or resident for taxation purposes in a territory other than Spain, the Documents shall contain a covenant by the Substituted Obligor and/or such other provisions as may be necessary to ensure that each Warrantholder has the benefit of a covenant in terms corresponding to the provisions of General Condition 6 (*Taxation*) with the substitution for the references to The Netherlands or the

## TERMS AND CONDITIONS OF THE WARRANTS

Kingdom of Spain of references to the territory in which the Substituted Obligor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Obligor and (if the Substituted Obligor is not the Guarantor) the Guarantor to indemnify and hold harmless each Warrantholder against all Taxes or duties which arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred or levied against such Warrantholder as a result of any substitution pursuant to this General Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, any and all Taxes or duties which are imposed on any such Warrantholder by any political sub-division or taxing authority of any country in which such Warrantholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);

- (C) the Documents shall contain a warranty and representation by the Substituted Obligor and (if the Substituted Obligor is not the Guarantor) the Guarantor that the Substituted Obligor and (if the Substituted Obligor is not the Guarantor) the Guarantor have obtained all necessary governmental and regulatory approvals and consents for such substitution and (if the Substituted Obligor is not the Guarantor) for the giving by the Guarantor of the New Guarantee in respect of the obligations of the Substituted Obligor on the same terms *mutatis mutandis* as the Guarantee, that each of the Substituted Obligor and the Guarantor (if the Substituted Obligor is not the Guarantor) has obtained all necessary governmental and regulatory approvals and consents for the performance by each of the Substituted Obligor and the Guarantor (if the Substituted Obligor is not the Guarantor) of its obligations under the Documents and that all such approvals and consents are in full force and effect;
  - (D) in relation to Warrants which are not Exempt Warrants, each stock exchange which has the Warrants listed thereon shall not have stated or otherwise indicated that following the proposed substitution of the Substituted Obligor the Warrants would be de-listed from such stock exchange;
  - (E) the Substituted Obligor shall have appointed a process agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Warrants or the Documents.
- (ii) Upon the execution of the Documents as referred to in General Condition 12(a)(i) above, the Substituted Obligor shall be deemed to be named in the Warrants as the principal obligor in place of the Issuer (or of any previous substitute under these provisions) and the Warrants shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer (or such previous substitute as aforesaid) from all of its obligations in respect of the Warrants.
  - (iii) The Documents shall be deposited with and held by the Principal Warrant Agent for so long as any Warrant remains outstanding and for so long as any claim made against the Substituted Obligor or (if the Substituted Obligor is not the Guarantor) the Guarantor by any Warrantholder in relation to the Warrants or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Obligor and (if the Substituted Obligor is not the Guarantor) the Guarantor shall acknowledge in the Documents the right of every Warrantholder to the production of the Documents for the enforcement of any of the Warrants or the Documents.
  - (iv) Not later than 15 London Business Days after the execution of the Documents, the Substituted Obligor shall give notice thereof to the Warrantholders in accordance with General Condition 10.

### 14. Contracts (Rights of Third Parties) Act 1999

The Warrants shall not confer any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Warrants, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

### 15. Purchase by the Issuer or the Guarantor

Each of the Issuer and the Guarantor may at any time purchase Warrants at any price in the open market or by tender or private treaty. Any Warrants so purchased may be held, surrendered for cancellation or reissued or resold, and Warrants so reissued or resold shall for all purposes be deemed to form part of the original Series of Warrants.

### 16. Governing Law and Submission to Jurisdiction

#### (a) Governing law

The Warrants and any non-contractual obligations arising out of or in connection with them are governed by, and



## TERMS AND CONDITIONS OF THE WARRANTS

shall be construed in accordance with, English law. The Guarantee (including the status of the Guarantee pursuant to General Condition 2(b) (*Status of the Guarantee*)) and any non-contractual obligations arising out of or in connection with the Guarantee, are governed by, and shall be construed in accordance with, Spanish law.

### (b) **Submission to jurisdiction**

The Issuer agrees for the exclusive benefit of the Warrantholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Warrants (including any disputes relating to any non-contractual obligations arising out of or in connection with them) and that accordingly any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with the Warrants (including any non-contractual obligations arising out of or in connection with them) may be brought in such courts.

The Issuer (if applicable) hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this General Condition shall limit any right to take Proceedings against the Issuer (if applicable) in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

### (c) *Appointment of Process Agent*

The Issuer irrevocably appoints the Guarantor at its registered office for the time being in England as its agent for service of process, in any proceedings before the English courts in relation to any Proceedings and undertakes that, in the event of the Guarantor being unable or unwilling for any reason to act, it will immediately appoint another person as its agent for service of process in England in respect of any Proceedings. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

### ANNEX 1

#### ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

If specified as applicable in the Issue Terms, the terms and conditions applicable to payouts shall comprise the General Conditions and the additional terms and conditions for payouts set out below (the “**Payout Conditions**”), together with the terms and conditions as set out in each other Annex which is specified as applicable in the Issue Terms and subject to completion in the Issue Terms. In the event of any inconsistency between (i) the General Conditions and/or any other Annex and (ii) the Payout Conditions, the Payout Conditions shall prevail.

#### 1. Reference Item Linked Warrants

##### (a) Use of Payout Conditions

These Payout Conditions set out the methodology for determining various payouts and product features in respect of the Warrants. The applicable text shown in Payout Conditions 2,3,4,5 and 6 below will be extracted, included and completed at the paragraph indicated in the Issue Terms on the basis that (i) applicable text (including, where appropriate, section headings and terms defined in Payout Condition 6 which are required to be completed) from the relevant Payout Condition will be set out at the paragraph indicated in the Issue Terms and (ii) inapplicable text (and any terms defined in Payout Condition 6 which are not required to be completed) need not be included. For Exempt Warrants issued under the Programme, the applicable text that may be extracted, included and completed in the Pricing Supplement may be shortened, condensed and simplified to make it more concise and clear and to avoid repeating text. Where the Issue Terms specify that a table may be inserted, such table will set out amounts, entities, dates, items, rates, value levels, triggers, figures and other information which completes the definitions that appear in the relevant subparagraphs of the Issue Terms, the Terms and Conditions of the Warrants and the applicable Annex(es) to the Terms and Conditions of the Warrants. Notwithstanding the above, a table may be inserted in any section of the Issue Terms whether or not is so specified that a table may be inserted in such section of the Issue Terms.

##### (b) Use of Terms

Terms in these Payout Conditions or in the Issue Terms may be attributed a numerical or letter suffix value when included in the Issue Terms. Without limitation, the suffix can be denoted as “j”, “k”, “m”, “q”, “n”, “t”, “A”, “B”, “C” or “1”, “2”, “3” etc. And the term may be completed on the basis of the number or numbers represented by “j”, “k”, “m”, “q”, “n”, “t”, “”, “A”, “B”, “C” or 1, 2, 3 etc, as chosen at the time of an issue of Warrants. Moreover suffixes may be placed in series as necessary, such as “A(1)”, “B(1)”, “C(1)” etc. When applicable and in order to improve the reading and intelligibility of the formula(e) in the Issue Terms, the applicable suffixes may be included, completed and the relation between the term and the suffix will be explained and may be presented as a table, if necessary, in the Issue Terms. A term in Payout Condition 6 may be included in the applicable Issue Terms section more than once if there is more than one number represented by the term n, t or i. Conjunctions (e.g. or, and, but) and punctuation may also be included where appropriate. Suffixes may denote that a relevant term relates to an asset, item or date associated with that suffix. Suffixes may also be applied to payouts to denote that more than one payout may be applicable in respect of any Warrants.

The constituent parts of any formula(e) or term(s) used in these Payout Conditions and that are to be specified in the Issue Terms may be replaced in the Issue Terms by the prescribed amount, level, or percentage or other value or term (the “**Variable Data**”). If a Variable Data has a value of either 0 (zero) or 1 (one), or is not applicable in respect of the relevant formula(e), then the related formula(e) may be simplified, for the purpose of improving the reading and intelligibility in the formula(e) in Issue Terms, by deleting such Variable Data.

##### (c) Types of Warrants

The applicable Issue Terms will specify whether the Warrants are: Index Linked Warrants, each an “**Index Linked Warrant**”; Equity Linked Warrants, each an “**Equity Linked Warrant**”; ETF Linked Warrants, each an “**ETF Linked Warrant**”; Fund Linked Warrants, each a “**Fund Linked Warrant**”; Inflation Linked Warrants, each an “**Inflation Linked Warrant**”; Foreign Exchange Linked Warrant, each a “**Foreign Exchange (FX) Linked Warrant**” or any combination thereof, a “**Combination Warrant**”.

#### 2. Final Payout Formula(e)

For insertion and completion into Paragraph 24 “Final Payout” in the Issue Terms (except for Non-Exempt Warrants, the numbering is subject to change as appropriate).

##### (i) “Final Payout (i)—European Call”

Max [0 per cent.; Leverage\* (FS Value – Strike Percentage)]

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

**(ii) “Final Payout (ii)—European Put”**

Max [0 per cent.; Leverage\* (Strike Percentage – FS Value)]

**(iii) “Final Payout (ii)—European Call Spread”**

Min [Cap Percentage; Max [0 per cent.; Leverage\* (FS Value – Strike Percentage)]]

**(iv) “Final Payout (iii)—European Put Spread”**

Min [Cap Percentage; Max [0 per cent.; Leverage\* (Strike Percentage – FS Value)]]

**(v) “Final Payout (iv)—Call Knock-In”**

(A) If a Knock-in Event has occurred:

Max [0 per cent.; Leverage\* (FS Value – Strike Percentage)]; or

(B) If no Knock-in Event has occurred:

Zero

**(vi) “Final Payout (v)—Put Knock-In”**

(A) If a Knock-in Event has occurred:

Max [0 per cent.; Leverage\* (Strike Percentage – FS Value)]; or

(B) If a Knock-in Event has occurred:

Zero

**(vii) “Final Payout (vi)—Bonus Call”**

(A) If a Knock-in Event has occurred:

Max [Bonus Percentage; Leverage\* (FS Value – Strike Percentage)]; or

(B) If no Knock-in Event has occurred:

Zero

**(viii) “Final Payout (vii)—Bonus Put”**

(A) If a Knock-in Event has occurred:

Max [Bonus Percentage; Leverage\* (Strike Percentage – FS Value)]; or

(B) If no Knock-in Event has occurred:

Zero

**(ix) “Final Payout (viii)—Strike Podium n Conditions”**

(A) If the Barrier Condition [1] is satisfied in respect of the [ST Valuation Date][ST Valuation Period]:

Constant Percentage 1; or

(B) If the Barrier Condition [2] is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Barrier Condition [1] is not satisfied in respect of a [ST Valuation Date][ST Valuation Period]

Constant Percentage 2; or

(C) Otherwise:

Zero

(The above provisions of (B) may be duplicated in case more than two Barrier Conditions apply)

**(x) “Final Payout (ix)—Range”**

(A) If the Range Condition is satisfied in respect of the [ST Valuation Date][ST Valuation Period]: Constant Percentage ; or

(B) Otherwise:

Zero

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

**(xi) “Final Payout (x)—Reverse Range”**

- (A) If the Range Condition is not satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Constant Percentage; or
- (B) Otherwise:  
Zero

**(xii) “Final Payout (xi)—Twin Win”**

- (A) If Barrier Condition 1 is satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Leverage 1\* (FS Value – Strike Percentage 1); or
- (B) If Barrier Condition 2 is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Barrier Condition 1 is not satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Leverage 2\* (Strike Percentage 2 – FS Value); or
- (C) Otherwise:  
Zero

**(xiii) “Final Payout (xii)—Twin Win Spread”**

- (A) If Barrier Condition 1 is satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Min [Cap Percentage 1; Leverage 1\* (FS Value – Strike Percentage 1)]; or
- (B) If Barrier Condition 2 is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Barrier Condition 1 is not satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Min [Cap Percentage 2; Leverage 2\* (Strike Percentage 2 – FS Value)]; or
- (C) Otherwise:  
Zero

**(xiv) “Final Payout (xiii)—Twin Win Bonus”**

- (A) If Barrier Condition 1 is satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Max [Bonus Percentage 1; Leverage 1\* (FS Value – Strike Percentage 1)]; or
- (B) If Barrier Condition 2 is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Barrier Condition 1 is not satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Max [Bonus Percentage 2; Leverage 2\* (Strike Percentage 2 – FS Value)]; or
- (C) Otherwise:  
Zero

**(xv) “Final Payout (xiv)—Bonus Flex”**

- (A) If Range Condition 1 is satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Constant Percentage 1; or
- (A) If Range Condition 2 is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Range Condition 1 is not satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Constant Percentage 2; or
- (B) Otherwise:  
Zero

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

### (xvi) “Final Payout (xv)—Twin Win Podium”

- (A) If Barrier Condition 1 is satisfied in respect of the [ST Valuation Date][ST Valuation Period]:  
Constant Percentage 1; or
- (B) If Barrier Condition 2 is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Barrier Condition 1 is not satisfied in respect of the [ST Valuation Date][ST Valuation Period]  
Constant Percentage 2; or
- (C) If Barrier Condition 3 is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Barrier Condition 1 and 2 are not satisfied in respect of the [ST Valuation Date][ST Valuation Period]  
Constant Percentage 3; or
- (D) If Barrier Condition 4 is satisfied in respect of the [ST Valuation Date][ST Valuation Period] and Barrier Condition 1, 2 and 3 are not satisfied in respect of the [ST Valuation Date][ST Valuation Period]  
Constant Percentage 4; or
- (E) Otherwise:  
Zero

### (xvii) “Final Payout (xvi)—Digital”

- (A) If a Knock-in Event has occurred:  
Constant Percentage; or
- (B) If no Knock-in Event has occurred:  
Zero

### (xviii) “Final Payout (xvii)—Replace”:

*(Insert the following if local floor is applicable)*

$\text{Leverage} * \text{Max} \left[ 0; \sum_{k=1}^K (\text{RIWeighting}(k) * \text{Max}[\text{Floor Percentage}(i); \text{Modified Value}(i, k) - \text{Strike Percentage}(i)]) \right]$

*(Insert the following if local floor is not applicable)*

$\text{Leverage} * \text{Max} \left[ 0; \sum_{k=1}^K (\text{RIWeighting}(k) * (\text{Modified Value}(i, k) - \text{Strike Percentage}(i))) \right]$

### (xix) “Final Payout (xviii)—Himalaya”:

$\text{ConstantPercentage1} + \text{Leverage} * \text{Max} \left[ \frac{1}{\text{TotalM}} * \sum_{i=1}^M \text{Max}[\text{BestLockValue}(i) - \text{StrikePercentage}(i); \text{LocalFloorPercentage}(i)]; 0 \right]$

### (xx) “Final Payout (xix)”

*(insert the following if a floor is applicable)*

$\text{Max} [\text{Floor Percentage}; \text{Leverage} * (\text{FS Value} - \text{Strike Percentage})] + \text{Constant Percentage}$

*(insert the following if a cap and a floor are applicable)*

$\text{Min} [\text{Cap Percentage}; \text{Max} [\text{Floor Percentage}; \text{Leverage} * (\text{FS Value} - \text{Strike Percentage}) + \text{Constant Percentage}]$

*(insert the following if a floor is applicable)*

$\text{Max} [\text{Floor Percentage}; \text{Leverage} * (\text{Strike Percentage} - \text{FS Value})] + \text{Constant Percentage}$

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

*(insert the following if a cap and a floor is applicable)*

Min [Cap Percentage; Max [Floor Percentage; Leverage\* (Strike Percentage – FS Value)]] + Constant Percentage

**(xxi) “Final Payout (xx)—Strike Podium n Barriers”:**

(A) If Barrier Condition 1 is satisfied in respect of a [ST Valuation Date][ST Valuation Period]:

[Constant Percentage 1][*select and insert the final payout formula from “Final Payout (xix)”*][no Cash Settlement Amount will be payable and Physical Delivery will apply]; or

(B) If Barrier Condition [2] is satisfied in respect of a [ST Valuation Date][ST Valuation Period] and Barrier Condition [1] is not satisfied in respect of a [ST Valuation Date][ST Valuation Period]

[Constant Percentage 2][*select and insert the final payout formula from “Final Payout (xix)”*]; for the avoidance of doubt the selected final payout formula for this paragraph (B) may be different from the final payout formula for paragraph (A)[no Cash Settlement Amount will be payable and Physical Delivery will apply]

(C) Otherwise:

[Constant Percentage 3][*select and insert the final payout formula from “Final Payout (xix)”*]; for the avoidance of doubt the selected final payout formula for this paragraph (C) may be different from the final payout formula for any of the preceding paragraphs[no Cash Settlement Amount will be payable and Physical Delivery will apply].

(The above provisions of (B) may be duplicated in case more than two barriers apply)

**(xxii) “Final Payout (xxi)—Knock-in”:**

(A) If no Knock-in Event has occurred:

[Constant Percentage 1][*select and insert the final payout formula from “Final Payout (ixx)”*] [no Cash Settlement Amount will be payable and Physical Delivery will apply]; or

(B) If a Knock-in Event has occurred:

[Min [Constant Percentage 2; FS Value]][*select and insert the final payout formula from “Final Payout (xix)”*]; for the avoidance of doubt the selected final payout formula for this paragraph (B) may be different from the final payout formula for paragraph (A) [no Cash Settlement Amount will be payable and Physical Delivery will apply].

**(xxiii) “Final Payout (xxii)—Barrier and Knock-in Standard”:**

(A) If Barrier Condition is satisfied in respect of a [ST Valuation Date][ST Valuation Period]:

[100 per cent. + FS Additional Rate][*select and insert the final payout formula from “Final Payout (xix)”*] [no Cash Settlement Amount will be payable and Physical Delivery will apply]; or

(B) If Barrier Condition is not satisfied in respect of a [ST Valuation Date][ST Valuation Period] and no Knock-in Event has occurred:

[Constant Percentage][*select and insert the final payout formula from “Final Payout (xix)”*]; for the avoidance of doubt the selected final payout formula for this paragraph (B) may be different from the final payout formula for paragraph (A) [no Cash Settlement Amount will be payable and Physical Delivery will apply]; or

(C) If Barrier Condition is not satisfied in respect of a [ST Valuation Date][ST Valuation Period] and a Knock-in Event has occurred:

[Min [Constant Percentage; FS Value]][*select and insert the final payout formula from “Final Payout (xix)”*]; for the avoidance of doubt the selected final payout formula for this paragraph (C) may be different from the final payout formula for any of the preceding paragraphs [no Cash Settlement Amount will be payable and Physical Delivery will apply].

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

### (xxiv) “Final Payout (xxiii)—Booster”

- (A) If the Booster Condition is satisfied in respect of the ST Valuation Date:  
100 per cent. + Participation\* (Final Value – 100 per cent.); or
- (B) If the Booster Condition is not satisfied in respect of the ST Valuation Date and no Knock-in Event has occurred:  
100 per cent.; or
- (C) Otherwise:  
Final Value

### (xxv) “Final Payout (xxiv)—Booster with Cap”

- (A) If the Booster Condition is satisfied in respect of the ST Valuation Date:  
100 per cent. + Participation\* Min [Cap Percentage; Final Value – 100 per cent.]; or
- (B) If the Booster Condition is not satisfied in respect of ST Valuation Date and no Knock-in Event has occurred:  
100 per cent.; or
- (C) Otherwise:  
Final Value

### (xxvi) “Final Payout (xxv)—Autocall”

- (A) If the Final Condition is satisfied in respect of the ST Valuation Date: 100 per cent. + Final Digital Return; or
- (B) If the Final Condition is not satisfied in respect of the ST Valuation Date and no Knock-in Event has occurred:  
100 per cent.; or
- (C) Otherwise:  
Final Value

### (xxvii) “Final Payout (xxvi)—Booster Autocall”

- (A) If the Final Condition is satisfied in respect of the ST Valuation Date:  
100 per cent. + Max [Final Digital Return; Participation\* (Final Value – 100 per cent.)]; or
- (B) If the Final Condition is not satisfied in respect of the ST Valuation Date and no Knock-in Event has occurred:  
100 per cent.; or
- (C) Otherwise:  
Final Value

### (xxviii) “Final Payout (xxvii) - Call Knock-Out”

- (A) If no Knock-out Event has occurred:  
Max [0 per cent.; Leverage\* (FS Value – Strike Percentage)]; or
- (B) If a Knock-out Event has occurred:  
Zero

### (xxix) “Final Payout (xxviii)—Put Knock-Out”

- (A) If no Knock-out Event has occurred:  
Max [0 per cent.; Leverage\* (Strike Percentage – FS Value)]; or
- (B) If a Knock-out Event has occurred: Zero

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

### (xxx) “Final Payout (xxix)—Knock-Out”:

#### (A) If no Knock-out Event has occurred:

[Constant Percentage 1][select and insert the final payout formula from “Final Payout (xix)”] [no Cash Settlement Amount will be payable and Physical Delivery will apply]; or

#### (B) If no Knock-in Event has occurred:

[Min [Constant Percentage 2; FS Value]][select and insert the final payout formula from “Final Payout (xix)”]; for the avoidance of doubt the selected final payout formula for this paragraph (B) may be different from the final payout formula for paragraph (A) [no Cash Settlement Amount will be payable and Physical Delivery will apply].

### (xxxi) “Final Payout (xxx)—Barrier and Knock-out Standard”:

#### (A) If Barrier Condition is satisfied in respect of a [ST Valuation Date][ST Valuation Period]:

[100 per cent. + FS Additional Rate][select and insert the final payout formula from “Final Payout (xix)”] [no Cash Settlement Amount will be payable and Physical Delivery will apply]; or

#### (B) If Barrier Condition is not satisfied in respect of a [ST Valuation Date][ST Valuation Period] and no Knock-out Event has occurred:

[Constant Percentage][select and insert the final payout formula from “Final Payout (xix)”; for the avoidance of doubt the selected final payout formula for this paragraph (B) may be different from the final payout formula for paragraph (A)] [no Cash Settlement Amount will be payable and Physical Delivery will apply]; or

#### (C) If Barrier Condition is not satisfied in respect of a [ST Valuation Date][ST Valuation Period] and a Knock-out Event has occurred:

[Min [Constant Percentage; FS Value]][select and insert the final payout formula from “Final Payout (xix)”]; for the avoidance of doubt the selected final payout formula for this paragraph (C) may be different from the final payout formula for any of the preceding paragraphs [no Cash Settlement Amount will be payable and Physical Delivery will apply].

## 3. Automatic Early Expiration

If Automatic Early Expiration is specified as applicable in the Issue Terms and an Automatic Early Expiration Event occurs, then the Automatic Early Expiration Amount will be one of the following formulae as specified in the applicable Issue Terms:

For insertion in Paragraph 25 (xiv) “Automatic Early Expiration Payout” (except for Non-Exempt Warrants, the numbering is subject to change as appropriate).

### (i) “Automatic Early Expiration Amount (i)”

Zero.

### (ii) “Automatic Early Expiration Amount (ii)”

Calculation Amount\* (AEE Percentage + AEE MT)

### (iii) “Automatic Early Expiration Amount (iii)”

Calculation Amount\* Max [AEE Percentage; Constant Percentage + Leverage\* AEE Value]

### (iv) “Automatic Early Expiration Amount (iv)”: Autocall

Calculation Amount\* (100 per cent. + Digital Return(i))

### (v) “Automatic Early Expiration Amount (v)”: Booster Autocall

Calculation Amount\* [100 per cent. + Max [Digital Return(i); Participation\* (Booster Value – 100 per cent.)]]

## 4. Entitlement Amounts for Physical Delivery Warrants

For insertion into Paragraph 26 of the Issue Terms (Provisions applicable to Physical Delivery):

### (i) “Entitlement Amount (i)”:



## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

[Specify number [per Warrant] [of the] [the Reference Item][the Worst Performing Reference Item][Best Performing Reference Item]

### (ii) “Entitlement Amount (ii)”:

*((Insert if one Reference Item is specified as Relevant Asset))*

Calculation Amount / (Constant Percentage\* Reference RI Initial Price\* FX)

*(insert if more than one Reference Item is specified as Relevant Asset)*

1/K \* Calculation Amount/(Constant Percentage \* Reference RI Initial Price \* FX)

The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered (the “**Equity Element**”) and in lieu thereof the Issuer will pay a residual amount (the “**Residual Amount**”) equal to:

(Entitlement Amount – Equity Element)\* Physical Delivery Price\* FX

## 5. Definitions

### 5.1. General Definitions

“**AEE MT**” means [the product of (a) [specify percentage] and (b) the number of [ST Valuation Dates][Automatic Early Expiration Valuation Dates] from and including the Issue Date to [and including][but excluding] the [the date of the relevant Automatic Early Expiration Valuation Date]] [specify percentage].

“**AEE Percentage**” means [specify percentage].

“**AEE Value**” means in respect of a [ST Valuation Date][ST Valuation Period]and in respect of [each][of] Reference Item (k[=[specify]] to (k[=[specify]])) [specify value from Payout Condition 5.2].

“**Barrier [1][2][3][4]**” means [specify amount or percentage or number]. “**Barrier Percentage Strike Price**” means [specify percentage].

“**Barrier Value**” means, in respect of a [ST Valuation Date][ST Valuation Period] [and in respect of [each][of] Reference Item (k[=[specify]] to (k[=[specify]] ))] [specify defined term from Payout Condition 5.2]. *(Repeat as necessary)*

“**Basket**” means: (a) if the relevant Reference Items are Indices, the Basket of Indices (as defined in the Index Linked Conditions) as specified in the Issue Terms; (b) if the relevant Reference Items are Shares, the Basket of Shares (as defined in the Equity Linked Conditions) as specified in the Issue Terms; (c) if the relevant Reference Item are Inflation Indices, a basket composed of each Inflation Index specified in the Issue Terms; (d) if the relevant Reference Items are ETF Shares, the ETF Basket (as defined in the ETF Linked Conditions); (e) if the relevant Reference Item are Fund Shares, the Fund Basket (as defined in the Fund Linked Conditions) as specified in the Issue Terms; (f) if the relevant Reference Item are Subject Currencies, a basket composed of each Subject Currency specified in the Issue Terms; and (g) in the case of Reference Items which are Shares, ETFs and/or Indices, where applicable, a basket of Shares, ETFs and/or Indices, as specified in the applicable Issue Terms, in each case subject to Weightings.

“**Basket Ranking**” means, in respect of a ST Valuation Date, the ranking of each Basket by Basket Value from highest Basket Value to lowest Basket Value in respect of such ST Valuation Date.

“**Best Lock Value (i)**” means, in respect of a [ST Valuation Date] [or ST Valuation Period], the highest RI Value on such [ST Valuation Date] [ST Valuation Period] of the Reference Item(s) in Himalaya Basket(i).

“**Best Replace Percentage**” means [specify percentage]. “**Bonus Percentage**” means [specify percentage]

“**Calculation Amount**” means an amount per Warrant as specified in the Issue Terms.

“**Call Strike Percentage**” means [specify percentage]

“**Cap Percentage [1][2]**” means [specify percentage].

“**Constant Percentage [1][2][3][4]**” means [specify percentage].

“**Digital Return**” means, in respect of [each][all][the] Automatic Early Expiration Valuation Date[s], [specify percentage]

“**Final Digital Return**” means, [specify percentage]

“**Final Level**” means, [specify amount or percentage or number]

“**Final Value**” means, in respect of the ST Valuation Date and in respect of [each][the] Reference Item (k[=[specify]])

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to (k=[specify])), the [RI Value][Best Value][Worst Value][Basket Value][Ranked Value].

“**Floor Percentage [1][2]**” means [specify percentage].

“**FS Additional Rate**” means [FS Rate][FS MT up Rate][FS Rate DCF][FS Rate MT]. “**FS Cap Percentage**” means [specify percentage].

“**FS Constant Percentage**” means [specify percentage]. “**FS Floor Percentage**” means [specify percentage].

“**FS Leverage**” means [specify percentage].

“**FS MT up Rate**” means: (insert if cap is applicable)

[Min [Max [FS Floor Percentage; FS Leverage\* (FS Value – FS Strike Percentage) + FS Spread]; FS Cap Percentage] + FS Constant Percentage].]

(insert if cap is not applicable)

[Max [FS Floor Percentage; FS Leverage\* (FS Value – FS Strike Percentage) + FS Spread + FS Constant Percentage].]

“**FS Rate**” means [specify rate].

“**FS Rate DCF**” means a percentage calculated as the product of the FR Rate and the applicable Day Count Fraction.

“**FS Rate MT**” means the product of (a) [specify rate] and (b) the number of ST Valuation Dates from and including the Issue Date to [and including][but excluding] the date of the relevant ST Valuation Date.

“**FS Strike Percentage**” means [specify percentage].

“**FS Value**” means, in respect of a [ST Valuation Date] or [ST Valuation Period] [and in respect of [each][of] Reference Item (k=[specify])] to (k=[specify])], [specify defined term from Payout Condition 5.2.]

“**FX**” is the relevant RI FX Level (i) on the relevant Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

“**Himalaya Basket(i)**” means, in respect of a ST Valuation Date(i), a Basket comprising each Reference Item in Himalaya Basket(i-1) but excluding the Reference Item in relation to Best Lock Value(i-1).

“**K**” means [specify number], being the total number of Reference Items in the Basket.

“**Knock-in Value**” means, in respect of a [ST Valuation Date] or [ST Valuation Period], [and in respect of [each][of] Reference Item (k=[specify]) to (k=[specify])], [specify defined term from Payout Condition 5.2.].

“**Knock-out Value**” means in respect of a [ST Valuation Date] [ST Valuation Period] [and in respect of [each][of] Reference Item (k=[specify]) to (k=[specify])], [specify defined term from Payout Condition 5.2].

“**Leverage**” means [specify percentage].

“**Local Floor Percentage**” means [specify percentage].

“**M**” means a series of ST Valuation Dates or ST Valuation Periods.

“**Max**” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets.

“**Min**” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a semi-colon inside those brackets.

“**Modified Value**” means: (a) If the FS Value(i,k) is one of the nfixed greatest value in the basket of Reference Items, the Best Replace Percentage; and (b) otherwise, FS Value

“**nfixed**” means [specify number].

“**Option FX**”: If Option FX is specified as applicable in respect of any Formula(e) in the Issue Terms, the RI FX Rate will be applied to the calculation of the relevant payout formula as further specified in the relevant Issue Terms.

“**Participation**” means [specify percentage].

“**Physical Delivery Price**” means, in respect of a ST Valuation Date, the RI Closing Value in respect of the Reference Item [with the] [Worst Value][Best Value][Ranked Value][on such ST Valuation Date].

“**Put Strike Percentage**” means [specify percentage].

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**"Ranked Basket Weighting"** means, in respect of a Basket, the percentage specified for the ordinal positioning of the Based in the Basket Ranking

**"Ranked Weighting"** means, in respect of a Reference Item, the percentage specified for the ordinal positioning of the Reference Item in the Ranking.

**"Range Value"** means, in respect of a [ST Valuation Date] or [ST Valuation Period], *[specify defined term from Payout Condition 5.2.]*

**"Ranking"** means, in respect of a ST Valuation Date, the ranking of each Reference Item by RI Value from highest RI Value to lowest RI Value in respect of such ST Valuation Date.

**"Reference Item [1][2]..[N]"** the asset or reference basis specified as such in the applicable Issue Terms.

**"Spread"** means *[specify percentage]*.

**"Strike Percentage [1][2]"** means *[specify percentage]*.

**"Total M"** means *[specify number]* being the total number of [ST Valuation Dates][ST Valuation Periods] for the Warrants. (REVISAR)

**"Weighting"** means, in respect of each Reference Item *[specify number, amount or percentage in relation to each Reference Item comprising the Basket]*.

### 5.2. Value Definitions

**"Average Basket Value"** means, in respect of a ST Valuation Period, the arithmetic average of the Basket Values on each ST Valuation Date in such ST Valuation Period.

**"Average Best Value"** means, in respect of a ST Valuation Period, the arithmetic average of the Best Values on each ST Valuation Date in such ST Valuation Period.

**"Average Rainbow Value"** means, in respect of a ST Valuation Period, the arithmetic average of the Rainbow Values on each ST Valuation Date in such ST Valuation Period.

**"Average Worst Value"** means, in respect of a ST Valuation Period, the arithmetic average of the Worst Values on each ST Valuation Date in such ST Valuation Period.

**"Barrier Initial Price"** means a price equal to the product of (x) the RI Closing Value for a Reference Item on the [Strike Date][Initial Calculation Date] and (y) the Barrier Percentage Strike Price.

**"Barrier Initial Maximum Price"** means a price equal to the product of (x) the greatest RI Closing Value for a Reference Item on any [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period] and (y) the Barrier Percentage Strike Price.

**"Barrier Initial Minimum Price"** means an amount equal to the product of (x) the lowest RI Closing Value for such Reference Item on any [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period] and (y) the Barrier Percentage Strike Price.

**"Barrier Initial Average Price"** means an amount equal to the product of (x) the arithmetic average of the RI Closing Values for a Reference Item on each [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period] and (y) the Barrier Percentage Strike Price.

**"Basket Intraday Value"** means, in respect of a ST Valuation Date and any time at which a value for all the Reference Items in the Basket is calculated], the sum of the values calculated for each Reference Item in the Basket at such time as (a) the RI Intraday Value for such Reference Item is calculated in respect of such ST Valuation Date multiplied by (b) the relevant Weighting.

**"Basket Performance"** means in respect of an ST Valuation Date, (a) the Basket Value in respect of such day minus (b) 100 per cent.

**"Basket Value"** means, in respect of a ST Valuation Date and in respect of Reference Item(s) [from (k=[specify])] to (k=[specify])], the sum of the values calculated for each Reference Item in the Basket as (a) the [RI Value] [RI Capped Value] for such Reference Item in respect of such ST Valuation Date multiplied by (b) the relevant Weighting.

**"Best Intraday Value"** means, in respect of a ST Valuation Date, the RI Intraday Value for the Reference Item(s) with the highest or equal highest RI Intraday Value for any Reference Item in the Basket in respect of such ST Valuation Date.

**"Best Performance"** means, in respect of a ST Valuation Date, the Performance for the Reference Item(s) with the highest or equal highest Performance for any Reference Item in the Basket in respect of such ST Valuation Date.

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**“Best Performing Reference Item”** means, in respect of a ST Valuation Date, the Reference Item(s) with highest or equal highest RI Value for any Reference Item in the Basket in respect of such ST Valuation Date

**“Best Value”** means, in respect of a ST Valuation Date, the RI Value for the Reference Item(s) with the highest or equal highest RI Value for any Reference Item in the Basket in respect of such ST Valuation Date.

**“Booster Value”** means in respect of an Automatic Early Expiration Valuation Date and in respect of [each][the] Reference Item (k[=specify] to (k[=specify])), the [RI Value][Best Value][Worst Value][Basket Value][Ranked Value][expressed as a percentage].

**“FX Average Level”** means the arithmetic average of the RI FX Levels for a Reference Item on each [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period].

**“FX Closing Level”** means the RI FX Level for a Reference Item on the [Strike Date][Initial Calculation Date].

**“FX Maximum Level”** means the greatest RI FX Level for a Reference Item on any [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period].

**“FX Minimum Level”** means the lowest RI FX Level for a Reference Item on any [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period].

**“FX Value”** means, in respect of a Reference Item and any day, either (i) the RI FX Level for such day divided by the RI FX Strike Level or (ii) the RI FX Strike Level divided by the RI FX Level for such day, as specified in the Issue Terms.

**“Highest Basket Value”** means, in respect of a ST Valuation Period, the highest or equal highest Basket Value on any ST Valuation Date in such ST Valuation Period.

**“Highest Best Intraday Value”** means, in respect of a ST Valuation Period, the highest or equal highest Best Intraday Value on any ST Valuation Date in such ST Valuation Period.

**“Highest Best Value”** means, in respect of a ST Valuation Period, the highest or equal highest Best Value on any ST Valuation Date in such ST Valuation Period.

**“Highest Rainbow Value”** means, in respect of a ST Valuation Period, the highest or equal highest Rainbow Value on any ST Valuation Date in such ST Valuation Period.

**“Highest RI Closing Value”** means, in respect of a Reference Item and a ST Valuation Period, the highest or equal highest RI Closing Value for such Reference Item on any ST Valuation Date in such ST Valuation Period.

**“Highest RI Intraday Value”** means, in respect of a Reference Item and a ST Valuation Period, the highest or equal highest RI Intraday Value for such Reference Item on any ST Valuation Date in such ST Valuation Period.

**“Highest RI Value”** means, in respect of a Reference Item and a ST Valuation Period, the highest or equal highest RI Value for such Reference Item on any ST Valuation Date [in such ST Valuation Period] [in the period from and including [the start of such ST Valuation Period] [specify] up to and including such ST Valuation Date]

**“Highest Worst Value”** means, in respect of a ST Valuation Period, the highest or equal highest Worst Value on any ST Valuation Date in such ST Valuation Period.

**“Inflation Rate”** means, in respect of a [ST Valuation Date] [ST Valuation Period], [specify defined term from Payout Condition 5.2 for a Reference Item which is an Inflation Index.]

**“Initial Average Price”** means for a Reference Item, the arithmetic average of the RI Closing Value for a Reference Item on each Strike Day in the Strike Period. [Initial Calculation Day in the Initial Calculation Period]

**“Initial Closing Price”** means the RI Closing Value of a Reference Item on [the Strike Date][the Initial Calculation Date].

**“Initial Maximum Price”** means the highest RI Closing Value for a Reference Item on any [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period].

**“Initial Minimum Price”** means the lowest RI Closing Value for a Reference Item on any [Strike Day in the Strike Period] [Initial Calculation Day in the Initial Calculation Period].

**“Intraday Level”** means, in respect of an Index and subject to the Index Linked Conditions, an amount equal to the level of such Index as determined by the Calculation Agent at any relevant time during the regular trading session hours of the relevant Exchanges, without regard to after hours or any other trading outside of the regular trading session hours, on the relevant ST Valuation Date [multiplied by the FX Value].

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**“Intraday Price”** means, in respect of (i) a Share, an ETF Share or a Fund Share and subject to the Equity Linked Conditions the ETF Linked Conditions or the Fund Linked Conditions, as applicable, an amount equal to the price of such Share or ETF Share or Fund Share quoted on the relevant Exchange as determined by the Calculation Agent at any relevant time during the regular trading session hours of the relevant Exchange, without regard to after hours or any other trading outside of the regular trading session hours, on the relevant ST Valuation Date [multiplied by the FX Value]; and (ii) a Subject Currency and subject to the Foreign Exchange (FX) Rate Conditions, a rate determined by reference to the definition of Settlement Price in the Foreign Exchange (FX) Conditions by the Calculation Agent and for such purpose the applicable Valuation Time shall be any relevant time on the relevant ST Valuation Date.

**“Inverse Performance”** means, in respect of a Reference Item and a ST Valuation Date, (a) the RI Inverse Value in respect of such day minus (b) 100 per cent. [and multiplied by (c) the FX Value]

**“Lowest Basket Value”** means, in respect of a ST Valuation Period, the lowest or equal lowest Basket Value on any ST Valuation Date in such ST Valuation Period.

**“Lowest Best Value”** means, in respect of a ST Valuation Period, the lowest or equal lowest Best Value on any ST Valuation Date in such ST Valuation Period.

**“Lowest Rainbow Value”** means, in respect of a ST Valuation Period, the lowest or equal lowest Rainbow Value on any ST Valuation Date in such ST Valuation Period.

**“Lowest RI Closing Value”** means, in respect of a Reference Item and a ST Valuation Period, the lowest or equal lowest RI Closing Value for such Reference Item on any ST Valuation Date in such ST Valuation Period

**“Lowest RI Intraday Value”** means, in respect of a Reference Item and a ST Valuation Period, the lowest or equal lowest RI Intraday Value for such Reference Item on any ST Valuation Date in such ST Valuation Period.

**“Lowest RI Value”** means, in respect of a Reference Item and a ST Valuation Period, the lowest or equal lowest RI Value for such Reference Item on any ST Valuation Date in such [ST Valuation Period] [in the period from and including) [the start of such ST Valuation Period] [*specify*] up to and including such ST Valuation Date].

**“Lowest Worst Intraday Value”** means, in respect of a ST Valuation Period, the lowest Worst Intraday Value on any ST Valuation Date in such ST Valuation Period.

**“Lowest Worst Value”** means, in respect of a ST Valuation Period, the lowest or equal lowest Worst Value on any ST Valuation Date in such ST Valuation Period.

**“Performance”** means, in respect of a Reference Item and a ST Valuation Date, (a) the RI Value for such Reference Item in respect of such day minus (b) 100 per cent. [, and multiplied by (c) the FX Value]

**“Performance Difference”** means in respect of a ST Valuation Date, the Performance for Reference Item (k=[*specify*]) [Basket Performance [A]] in respect of such ST Valuation Date minus the Performance for Reference Item (k=[*specify*]) [[Basket Performance [B]] in respect of such ST Valuation Date.

**“Reference RI Initial Price”** means, in respect of a ST Valuation Date, [and in respect of each Reference Item in the Basket], the RI Initial Value in respect of [such][the] Reference Item [with the][Worst Value][Best Value][Ranked Value] [on such ST Valuation Date].

**“Rainbow Basket Value”** means, in respect of a ST Valuation Date, the sum of the values calculated for each Basket as (a) the Basket Value for such Basket in respect of such ST Valuation Date multiplied by (b) the relevant Ranked Basket Weighting.

**“Rainbow Value”** means, in respect of a ST Valuation Date, the sum of the values calculated for each Reference Item in the Basket as (a) the RI Value for such Reference Item in respect of such ST Valuation Date multiplied by (b) the relevant Ranked Weighting.

**“Ranked Basket Value”** means, in respect of a ST Valuation Date, the Basket Value in respect of the Basket with the [first][second][*specify*] ordinal positioning in the Basket Ranking in respect of such ST Valuation Date.

**“Ranked Value”** means, in respect of a ST Valuation Date, the RI Value in respect of the Reference Item with the [first][second][*specify*] ordinal positioning in the Ranking in respect of such ST Valuation Date.

**“Restrike Performance”** means, in respect of a Reference Item and a ST Valuation Date (a) (i) the RI Closing Value for such Reference Item in respect of such day divided by (ii) the RI Closing Value for such Reference Item in respect of the immediately preceding ST Valuation Date or if none, the [Strike Date][Initial Calculation Date] (b) less 100 per cent. [, and multiplied by (c) the FX Value].

**“RI Average Value”** means, in respect of a Reference Item and a ST Valuation Date, [(a)] the arithmetic average of the RI Closing Value for such Reference Item in respect of each [set of] Averaging Date[s] specified in relation to such

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ST Valuation Date, [multiplied by (b) the FX Value].

**"RI Capped Value"** means, in respect of a Reference Item and a ST Valuation Date, the lowest or equal lowest value between the RI Value for such Reference Item in respect of such ST Valuation Date and a Cap Percentage.

**"RI Closing Value"** means, in respect of a Reference Item and a ST Valuation Date:

- (a) if the relevant Reference Item is an Index, the Settlement Level (as defined in the Index Linked Conditions);
- (b) if the relevant Reference Item is a Share, the Settlement Price (as defined in the Equity Linked Conditions);
- (c) if the relevant Reference Item is an Inflation Index, the Relevant Level (as defined in the Inflation Linked Conditions);
- (d) if the relevant Reference Item is an Exchange Traded Fund, the Settlement Price of the ETF Share (as defined in the ETF Linked Conditions);
- (e) if the relevant Reference Item is a Fund, the NAV per Fund Share (as defined in the Fund Linked Conditions); [and/or]
- (f) if the relevant Reference Item is a Subject Currency, the Settlement Price (as defined in the Foreign Exchange (FX) Rate Linked Conditions);

in each case on such ST Valuation Date.

**"RI FX Level"** means, in respect of a ST Valuation Date, and for the purpose of converting an amount in respect of a Reference Item into the Specified Currency, [the Settlement Exchange Rate on the RI FX Observation Date immediately following such ST Valuation Date.][the FX rate determined as set out in paragraph 29 in the Issue Terms.][*(include relevant rate or page/service and, if applicable, observation time)*](or any successor to such page or service)] or if it is not reasonably practicable to determine the RI FX Level from such source, the RI FX Level will be determined by the Calculation Agent as the rate it determines would have prevailed but for such impracticability, by reference to any such source(s) and/or any information that the Calculation Agent deems relevant as soon as reasonably practicable thereafter.]

**"RI FX Rate"** means (i) the RI FX Level, (ii) the FX Value or (iii) the number, as specified in the applicable Issue Terms

**"RI FX Strike Level"** means, in respect of a Reference Item, [*specify rate*][FX Closing Level][FX Maximum Level][FX Minimum Level][FX Average Level].

**"RI Growing Average Value"** means, in respect of a Reference Item and a ST Valuation Date, the arithmetic average of [(a)][i)] the RI Closing Value for such Reference Item in respect of each Averaging Date[s] specified in relation to such ST Valuation Date on which the RI Closing Value is [equal to or][higher than] the RI Closing Value in respect of the immediately preceding Averaging Date or if none, the RI Initial Value, divided by [ii] the relevant RI Initial Value [multiplied by (b) the FX Value].

**"RI Initial Value"** means, in respect of a Reference Item, [*specify price*] [Exercise Price] [Initial Closing Price] [Initial Maximum Price] [Initial Minimum Price][Initial Average Price] [Barrier Initial Price] [Barrier Initial Maximum Price] [Barrier Initial Minimum Price] [Barrier Initial Average Price].

**"RI Intraday Level"** means:

- (a) if the relevant Reference Item is an Index, the Intraday Level; or
- (b) if the relevant Reference Item is a Share, or an ETF Share or a Fund Share, the Intraday Price; or
- (c) if the relevant Reference Item is a Subject Currency, the Intraday Price.

**"RI Intraday Value"** means, in respect of a Reference Item and a ST Valuation Date, [(a)] (i) the RI Intraday Level for such Reference Item in respect of such ST Valuation Date (ii) divided by the relevant RI Initial Value [multiplied by (b) FX Value].

**"RI Inverse Value"** means, in respect of a Reference Item and a ST Valuation Date, [(a)] (i) the RI Initial Value divided by (ii) the [RI Closing Value][RI Average Value] for such Reference Item in respect of such ST Valuation Date [multiplied by (b) the FX Value].

**"RI Restrike Value"** means, in respect of a Reference Item and a ST Valuation Date (a) the RI Closing Value for such Reference Item in respect of such ST Valuation Date divided by (b) the RI Closing Value for such Reference Item in respect of the immediately preceding ST Valuation Date or if none, the [Strike Date] [Initial Calculation Date].

**"RI Value [A][B]"** means, in respect of a Reference Item and a ST Valuation Date, [(a)] (i) the [RI Closing Value][RI

## ADDITIONAL TERMS AND CONDITIONS FOR PAYOUTS

Average Value] for such Reference Item in respect of such ST Valuation Date, divided by (ii) the relevant RI Initial Value [multiplied by (b) the FX Value] [(expressed as a percentage)].

**“RI Value Difference”** means, in respect of a ST Valuation Date, the RI Value for Reference Item (k[=specify]) in respect of such ST Valuation Date minus the RI Value for Reference Item (k[=specify]) in respect of such ST Valuation Date.

**“Worst Intraday Value”** means, in respect of a ST Valuation Date, the RI Intraday Value for the Reference Item(s) with the lowest or equal lowest RI Intraday Value for any Reference Item in the Basket in respect of such ST Valuation Date.

**“Worst Inverse Value”** means, in respect of ST Valuation Date, the RI Inverse Value for the Reference Item(s) with the lowest or equal lowest RI Inverse Value for any Reference Item in the Basket in respect of such ST Valuation Date.

**“Worst Performance”** means, in respect of a ST Valuation Date, the Performance for the Reference Item(s) with the lowest or equal lowest Performance for any Reference Item in the Basket in respect of such ST Valuation Date.

**“Worst Performing Reference Item”** means, in respect of a ST Valuation Date, the Reference Item(s) with the lowest or equal lowest RI Value for any Reference Item in the Basket in respect of such ST Valuation Date.

**“Worst Value”** means, in respect of a ST Valuation Date, the RI Value for the Reference Item(s) with the lowest or equal lowest RI Value for any Reference Item in the Basket in respect of such ST Valuation Date.

### 5.3. Dates and Periods

Payments under the Warrants may be associated with ST Valuation Dates and/or ST Valuation Periods, as the case may be, as specified in the Issue Terms. For the avoidance of doubt, several set of dates may be used for the determination and calculation of a particular payout. If, as a result of application of any provision of these Conditions, the date on which any determination in respect of a payment is due to be made (including, without limitation, any Valuation Date) is postponed (the **“Postponed Date”**) and would consequently fall on or after such relevant payment date (including, without limitation any Automatic Early Expiration Date), the date for such payment shall be postponed to first Business Day immediately succeeding the Postponed Date.

**“RI FX Observation Date”** means, in respect of the RI FX level and a ST Valuation Date, the SER Valuation Date (as may be adjusted in accordance with the Settlement Exchange Rate Provisions) immediately following such ST Valuation Date.

**“ST Valuation Date”** means each [of the][Strike Date][Strike Day][Exercise Date][Exercise Business Day][Specified Exercise Date][Potential Exercise Date] [Final Potential Exercise Date] [Expiration Date][Automatic Early Expiration Valuation Date][Averaging Date][Valuation Date][Settlement Price Date] [Observation Date] [Determination Date] [Knock-in Determination Day][Knock-out Determination Day][Settlement Level Date][Settlement Price Date][Calculation Date][Initial Calculation Date][Final Calculation Date][Fund Valuation Date][Averaging Date]

**“ST Valuation Period”** means each [Automatic Early Expiration Valuation Period][ST-Exercise Period][Exercise Period] [Knock-in Determination Period][Knock-out Determination Period] ][Valuation Period][Exercise Period][Observation Period]

### 5.4. Conditional Conditions

If one or more conditions defined below are applicable for the determination and calculation of a payout formula(e), the definition shall be inserted, completed and adjusted in the Issue Terms in order to take into account any value definitions in Payout Condition 5.2, relevant Date(s) and or Periods, and/or other Variable Data.

**“Barrier Condition”** means, in respect of a [ST Valuation Date][ST Valuation Period], that the Barrier Value [for] [each][any] [Observation Date][in respect of such][the relevant][on such] [ST Valuation Date][ ST Valuation Period], as determined by the Calculation Agent, is [greater than][less than][equal to or greater than][less than or equal to] [the Barrier] [Put Strike Percentage] [and][or](repeat as necessary)]

**“Barrier Condition 1”** means, in respect of a [ST Valuation Date][ST Valuation Period], that the Barrier Value [for] [each][any] [Observation Date][in respect of such][the relevant][on such] [ ST Valuation Dates] [ST Valuation Period], as determined by the Calculation Agent is [greater than][less than][equal to or greater than][less than or equal to] [Barrier] [Put Strike Percentage][Call Strike Percentage]. [ 1]

**“Barrier Condition 2”** means, in respect of a [ST Valuation Date] [ ST Valuation Period] that the Barrier Value [for] [each][any] [Observation Date][in respect of such][the relevant][on such] [ST Valuation Date] [ ST Valuation Period], as determined by the Calculation Agent is [greater than][less than][equal to or greater than][less than or equal to] [Barrier] [1] [Call Strike Percentage] [, but is [greater than][less than][equal to or greater than][less than or equal to] [Barrier

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2.] [Put Strike Percentage]

**“Booster Condition”** means, in respect of the ST Valuation Date, that the Final Value on such ST Valuation Date, as determined by the Calculation Agent, is equal to or greater than the Final Level.

**“Final Condition”** means, in respect of the ST Valuation Date, that the Final Value on such ST Valuation Date, as determined by the Calculation Agent, is equal to or greater than the Final Level.

**“Range Condition [1][2]”** means, in respect of a [ST Valuation Date] [ST Valuation Period] that the Range Value on such [ST Valuation Date] [in respect of such ST Valuation Period], as determined by the Calculation Agent is [greater than][greater than or equal to] the Barrier [1] and [less than][less than or equal to] the Barrier [2].

### 5.5. Enumeration Convention

Without prejudice to any other provision of these Payout Conditions and as a general rule the following suffixes in relation to the payout terms will be used. Other suffix terms may be selected and may be included in the Issue Terms with other definitions or provisions from the Payout Conditions:

**“i”** [from i = [specify] to i = [specify]] or **“m”** [from m = [specify] to m = [specify]] in relation to the relevant ST Valuation Date or ST Valuation Period.

**“j”** [from j = [specify] to j = [specify]] means the relevant Strike Date.

**“k”** [from k = [specify] to k = [specify]] means the relevant Reference Item.

**“q”** [from q = [specify] to q = [specify]] or **“t”** [from t = [specify] to t = [specify]] means the relevant Observation Date or ST Valuation Date.

Any of these suffixes will be inserted, completed and explained, if necessary, in the Issue Terms and a table for a better understanding may be included, especially in case two or more suffixed apply.

## 6. Settlement Exchange Rate Provisions

If Settlement Exchange Rate Provisions are specified as applicable in the Issue Terms, then notwithstanding the Warrants are denominated in, and calculations made in respect of, the Specified Currency (the **“SER Subject Currency”**), “), as shall be specified in the Issue Terms either, (i) all payments or (ii) only those payments to which the Settlement Exchange Rate Provisions are specified to apply, in respect of the Warrants shall be made in the Settlement Currency (the **“Settlement Currency”** or the **“SER Base Currency”**).

Unless SER—Intermediate Currency Requirements are specified as applicable in the Issue Terms, the Calculation Agent will determine the amount to be paid in the SER Base Currency by applying the Settlement Exchange Rate to the amount that would have been payable in the SER Subject Currency were it not for the provisions of this Payout Condition 6.

If SER Intermediate Currency Requirements are specified as applicable in the Issue Terms, the Calculation Agent will determine the amount to be paid in the SER Base Currency by (i) applying the Settlement Exchange Rate to the amount that would have been payable in the SER Subject Currency were it not for the provisions of this Payout Condition 6 to produce an amount denominated in the SER Intermediate Currency, and then (ii) applying the Second Settlement Exchange Rate to such amount denominated in the SER Intermediate Currency.

Any such payment shall be made on the date such payment would have otherwise been due provided that, if limb (b) of the definition of “Settlement Exchange Rate” below applies, such payment may be deferred in accordance with Payout Condition 6.1(e) below if the SER Valuation Date is postponed as set out herein. No additional amount shall be payable in respect of any such delay.

### 6.1. SER Valuation and Disruption Provisions

The provisions of this Payout Condition 6.1 apply only in respect of the SER Subject Currency, where Settlement Exchange Rate Provisions are specified as applicable in the Issue Terms and limb (b) and/or (c) of the definition of “Settlement Exchange Rate” below applies.

#### (a) SER Disruption Events

The occurrence of any of the following events shall be a **“SER Disruption Event”**:

Where the Settlement Exchange Rate is specified in the Issue Terms as USD/PEN, USD/CLP or USD/ COP, unless otherwise specified in the Issue Terms, the occurrence of a Price Source Disruption, or any other event that, in the opinion of the Calculation Agent, is analogous thereto and/or, where so specified in the Issue Terms, the occurrence of any of the events set out in sub-paragraphs (ii) to (viii) below or any other event that in the opinion



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of the Calculation Agent is analogous thereto.

In respect of any other Settlement Exchange Rate, if so specified in the Issue Terms, the occurrence of any of the following events:

- (i) Price Source Disruption;
- (ii) Illiquidity Disruption;
- (iii) Dual Exchange Rate;
- (iv) General Inconvertibility;
- (v) General Non-Transferability;
- (vi) Material Change in Circumstance;
- (vii) Nationalisation;
- (viii) Price Materiality; and/or any other event that, in the opinion of the Calculation Agent, is analogous to any of (i) to (viii) above.

The Calculation Agent shall give notice as soon as practicable to the Warrantholders in accordance with General Condition 10 of the occurrence of a SER Disrupted Day on any day that but for the occurrence of the SER Disrupted Day would have been a SER Valuation Date.

### **(b) Consequences of a SER Disruption Event**

Upon a SER Disruption Event occurring or continuing on any SER Valuation Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the relevant SER Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply in determining the consequences of the SER Disruption Event: (a) Calculation Agent Determination where the applicable SER Disruption Event is other than Price Source Disruption or Price Materiality; and (b) the applicable SER Disruption Fallback where the applicable SER Disruption Event is a Price Source Disruption or Price Materiality.

### **(c) SER Unscheduled Holiday**

If the Calculation Agent determines that a date that would otherwise have been a SER Valuation Date is a SER Unscheduled Holiday in respect of the SER Subject Currency then such date shall be the immediately succeeding SER Scheduled Trading Day after the occurrence of the SER Unscheduled Holiday, subject as provided above, and Provided That if such SER Valuation Date has not occurred on or before the SER Maximum Days of Postponement then the next SER Scheduled Trading Day after such period that would have been a SER Scheduled Trading Day but for the SER Unscheduled Holiday shall be deemed to be the relevant date for valuation and the Settlement Exchange Rate shall be determined by the Calculation Agent on such day in its sole discretion acting in good faith having taken into account relevant market practice and by reference to such additional source(s) as it deems appropriate.

### **(d) SER Cumulative Events**

If “SER Cumulative Events” is specified as applicable in the Issue Terms, then, in no event shall the total number of consecutive calendar days during which any SER Valuation Date is postponed as a consequence of the provisions of this Payout Condition 6.1 due to either (i) a SER Unscheduled Holiday or (ii) a SER Valuation Postponement (or a combination of both (i) and (ii)) exceed the SER Maximum Cumulative Days of Postponement in the aggregate. If a SER Valuation Date is postponed by the number of calendar days equal to the SER Maximum Cumulative Days of Postponement and at the end of such period (i) a SER Unscheduled Holiday shall have occurred or be continuing on the day immediately following such period (the “**Final Day**”), then such Final Day shall be deemed to be the relevant SER Valuation Date and (ii) if a Price Source Disruption shall have occurred or be continuing on the Final Day, then Valuation Postponement shall not apply and the Settlement Exchange Rate shall be determined in accordance with the next applicable SER Disruption Fallback. Unless otherwise specified in the Issue Terms, SER Cumulative Events will be deemed to be specified as applicable for the purposes of this Condition (d) if the Settlement Exchange Rate is specified in the Issue Terms as either USD/PEN, USD/CLP or USD/COP.

### **(e) Postponement of payment or settlement days**

Where any SER Valuation Date is postponed as a consequence of the provisions of this Payout Condition 6.1, then the corresponding date for payment or delivery of any assets shall fall on the later of

- (a) the date for such payment or delivery otherwise determined in accordance with the Issue Terms and

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(b) (i) where the Settlement Exchange Rate is specified in the Issue Terms as USD/PEN, USD/CLP or USD/COP, the day falling two SER Number of Postponement Settlement Days after the SER Valuation Date, unless otherwise specified in the Issue Terms, and (ii) in the case of any other Settlement Exchange Rate, the day falling the SER Number of Postponement Settlement Days specified in the Issue Terms (or, if none are so specified, two Business Days) after the SER Valuation Date.

### 6.2. Consequences of a SER Additional Disruption Event

Other than where limb (a) of the definition of “Settlement Exchange Rate” below applies, if the Calculation Agent determines that a SER Additional Disruption Event has occurred, the Issuer may settle the Warrants by giving notice to Warrantholders in accordance with General Condition 10. If the Warrants are so settled the Issuer will pay an amount to each Warrantholder (if any) in respect of each Warrant held by him which amount shall be the fair market value of a Warrant (which may be zero), taking into account the SER Additional Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements all as determined by the Calculation Agent in its sole and absolute discretion. Payments (if any) will be made in such manner as shall be notified to the Warrantholders in accordance with General Condition 10.

### 6.3. Definitions

“**Change in Law**” means that, on or after the Trade Date (as specified in the Issue Terms) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that it is unable to perform its obligations in respect of the Warrants or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Warrants.

“**Dual Exchange Rate**” means that the SER Subject Currency splits into dual or multiple currency exchange rates.

“**EMTA**” means EMTA, Inc., the trade association for the Emerging Markets. “**Exchange Rate Divergence**” means:

- (i) if the Settlement Exchange Rate specified in the Issue Terms is USD/ARS, that, in the reasonable opinion of not less than 5 unaffiliated EMTA Members notified to EMTA (or its successor) by no later than 4 p.m., Buenos Aires time on the SER Valuation Date, the SER Price Source has failed, for a period of not less than three consecutive SER Scheduled Trading Days (for any reason, including due to a split in the currency exchange rate or other event) to reflect the current prevailing Argentine Peso bid and offer rates for a standard size Argentine Peso/U.S. Dollar financial transaction for same-day settlement in the Buenos Aires marketplace on the SER Valuation Date; and
- (ii) if the Settlement Exchange Rate specified in the Issue Terms is USD/BRL, that, in the reasonable and independent judgement, as notified to EMTA in accordance with the EMTA BRL Exchange Rate Divergence Procedures, of not less than 7 unaffiliated EMTA members that are recognised market makers active in the BRL/U.S. Dollar foreign exchange market (no less than 4 of which shall be active participants in the onshore BRL/USD spot market), the SER Price Source (following a split of the exchange rates in Brazil or otherwise) no longer reflects the then-prevailing Brazilian Reais / U.S. Dollar spot rate for standard-size wholesale financial transactions involving the exchange of Brazilian Reais for U.S. Dollars delivered outside of Brazil, and
- (iii) if the Settlement Exchange Rate specified in the Issue Terms is a rate other than USD/ARS or USD/BRL but, it is specified in the relevant EMTA Template Terms as determined by the Calculation Agent as of the Issue Date and in respect of such Settlement Exchange Rate, that Price Source Disruption shall include Exchange Rate Divergence, then Exchange Rate Divergence shall have the meaning given in the relevant EMTA Template Terms with respect to such Settlement Exchange Rate.

“**General Inconvertibility**” means the occurrence of any event that generally makes it impossible to convert a SER Subject Currency into the SER Base Currency or a SER Subject Currency into the SER Intermediate Currency in a SER Subject Currency Jurisdiction through customary legal channels.

“**General Non-Transferability**” means the occurrence of any event that generally makes it impossible to deliver (A) the SER Base Currency from accounts inside a SER Subject Currency Jurisdiction to accounts outside a SER Subject Currency Jurisdiction or (B) the SER Subject Currency between accounts inside a SER Subject Currency Jurisdiction or to a party that is a non-resident of a SER Subject Currency Jurisdiction.

“**Governmental Authority**” means (i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or (ii) any other entity (private or public) charged with the regulation of the financial markets (including the central bank), in each case in any relevant jurisdiction.

“**Hedging Disruption**” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable

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efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk of the Issuer issuing and performing its obligations with respect to the Warrants, or (B) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s).

**“Illiquidity Disruption”** means the occurrence of any event in respect of the SER Subject Currency whereby it becomes impossible for the Calculation Agent to obtain a firm quote for such currency in an amount deemed necessary by the Calculation Agent to hedge its obligations under the Warrants (in one or more transaction(s)) on the relevant SER Valuation Date (or, if different, the day on which rates for such SER Valuation Date would, in the ordinary course, be published or announced by the relevant SER Price Source).

**“Increased Cost of Hedging”** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Warrants, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**“Initial Settlement Exchange Rate”** or **“Initial SER”** means the rate specified as such in the Issue Terms

**“Second Settlement Exchange Rate”** means the rate published on the price source (or successor to such source) at the observation time, both specified as such in the Issue Terms, for the exchange of the SER Settlement Currency per one unit of the SER Intermediate Currency, however, (i) if it is not reasonably practicable to determine such rate at such time due to a SER Disruption Event or such other delay or postponement in converting the SER Base Currency into the SER Intermediate Currency, the Calculation Agent shall, subject to the consequence of such event, observe such rate as soon as practicable once the conversion into the SER Intermediate Currency has taken place, or (ii) if it is not reasonably practicable to determine the Second Settlement Exchange Rate from such source, the Second Settlement Exchange Rate will be determined by the Calculation Agent as the rate it determines would have prevailed but for such impracticability by reference to such source(s) as it deems appropriate for the exchange of the SER Intermediate Currency per one unit of the SER Base Currency at or about the time and by reference to such source(s) as the Calculation Agent deems appropriate.

**“Material Change in Circumstance”** means the occurrence of any event (other than those events specified as SER Disruption Events) in the SER Subject Currency Jurisdiction beyond the control of the parties to a hedging arrangement in respect of the Warrants which makes it impossible (A) for a party to fulfil its obligations under the hedging arrangement or (B) generally to fulfil obligations similar to such party’s obligations under that hedging arrangement.

**“Nationalisation”** means any expropriation, confiscation, requisition, nationalisation or other action by any Governmental Authority which deprives a party to a hedging arrangement in respect of the Warrants of all or substantially all of its assets in the SER Subject Currency Jurisdiction.

**“Price Materiality”** means that, in the determination of the Calculation Agent, the SER Primary Rate differs from any SER Secondary Rate by at least the SER Price Materiality Percentage or if there are insufficient responses on the relevant SER Valuation Date to any survey used to calculate any such rate, then the SER Price Materiality Percentage will be deemed to be met.

**“Price Source Disruption”** means, in respect of any date on which a calculation is due to be made in accordance with these Settlement Exchange Rate provisions, that it becomes impossible to obtain the rate or rates from which the Settlement Exchange Rate is calculated and, where the Settlement Exchange Rate is specified in the Issue Terms as:

- (i) USD/ARS;
- (ii) USD/BRL; or
- (iii) any other Settlement Exchange Rate in respect of which the Calculation Agent determines that as of the Issue Date, the relevant EMTA Template Terms for such rate (if any) specifies that Price Source Disruption includes Exchange Rate Divergence, then Price Source Disruption shall include Exchange Rate Divergence.

**“Relevant Screen Page”** means the relevant page specified as such in the Issue Terms or any successor to such page or service acceptable to the Calculation Agent.

**“Settlement Currency”** or **“SER Base Currency”** means the currency specified as such in the Issue Terms.

**“Settlement Exchange Rate”** means (a) the rate specified as such in the Issue Terms, (b) if no such rate is specified and, subject as referred to in Payout Condition 6.1 above, the rate of exchange appearing on the SER Price Source at

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the SER Valuation Time on the relevant SER Valuation Date for the exchange of the SER Subject Currency per one unit of the SER Base Currency for settlement on the SER Number of Settlement Days; or (c) if SER Intermediate Currency Requirements are specified as applicable in the Issue Terms and no rate is specified as the Settlement Exchange Rate in the Issue Terms, the rate of exchange appearing on the SER Price Source at the SER Valuation Time on the relevant SER Valuation Date for the exchange of the SER Subject Currency per one unit of the SER Intermediate Currency for settlement on the SER Number of Settlement Days.

**“SER Additional Disruption Event”** means (i) (unless specified as not applicable in the Issue Terms) Change in Law, or (ii) Hedging Disruption or Increased Cost of Hedging, if specified in the Issue Terms.

**“SER Disrupted Day”** means any SER Scheduled Trading Day on which the Calculation Agent determines that a SER Disruption Event has occurred.

**“SER Disruption Fallback”** means a source or method that may give rise to an alternative basis for determining the Settlement Exchange Rate when a SER Disruption Event occurs or exists on a day that is a SER Valuation Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the SER Price Source) being,

- (i) where the Settlement Exchange Rate is specified in the Issue Terms as USD/PEN, USD/CLP or USD/COP in the following order: Valuation Postponement and Calculation Agent Determination (unless otherwise specified in the Issue Terms); and
- (ii) in the case of any other Settlement Exchange Rate, any of Calculation Agent Determination, First Fallback Reference Price, Second Fallback Reference Price and Valuation Postponement, as so specified in the Issue Terms for such SER Subject Currency.

Where more than one SER Disruption Fallback is so specified then such SER Disruption Fallbacks shall apply in the order in which they are specified either in (i) or (ii) above or in the Issue Terms until the Settlement Exchange Rate can be determined for such exchange rate relating to that SER Settlement Currency, for such SER Valuation Date.

Where:

**“Calculation Agent Determination”** means that the Calculation Agent shall determine the Settlement Exchange Rate taking into consideration all information that it deems relevant. If the Calculation Agent determines that it is not possible to determine the Settlement Exchange Rate, the Issuer may cancel all but not some only of the Warrants pursuant to General Condition 4(k).

**“First Fallback Reference Price”** means that the Calculation Agent shall determine the Settlement Exchange Rate by reference to the applicable First Fallback Reference Price and, for which purpose, references in the definition of Settlement Exchange Rate to “SER Price Source”, “SER Valuation Time” and “SER Number of Settlement Days” shall be construed, respectively, to be to “SER First Fallback Price Source”, “SER First Fallback Valuation Time” and “SER First Fallback Number of Settlement Days” (in each case, where such terms shall have the meanings given to them in the Issue Terms).

**“Second Fallback Reference Price”** means that the Calculation Agent shall determine the Settlement Exchange Rate by reference to the applicable Second Fallback Reference Price and, for which purpose, references in the definition of Settlement Exchange Rate to “SER Price Source”, “SER Valuation Time” and “SER Number of Settlement Days” shall be construed, respectively, to be to “SER Second Fallback Price Source”, “SER Second Fallback Valuation Time” and “SER Second Fallback Number of Settlement Days” (in each case, where such terms shall have the meanings given to them in the Issue Terms).

**“SER Intermediate Currency”** means the currency specified as such in the applicable Issue Terms.

**“SER Maximum Cumulative Days of Postponement”** means (i) where the SER Subject Currency is PEN, CLP or COP, 30 calendar days, unless otherwise specified in the Issue Terms, and (ii) for any other SER Subject Currency, the number of days specified as such in the Issue Terms or, if no such number is specified, 30 calendar days.

**“SER Maximum Days of Postponement”** means the number of days specified as such in the Issue Terms or, if no such number is specified, 30 calendar days.

**“SER Number of Postponement Settlement Days”** means SER Settlement Days unless otherwise specified in the Issue Terms.

**“SER Number of Settlement Days”** means, in respect of a SER Subject Currency, the number of days on which commercial banks are open (or, but for the occurrence of a SER Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the SER Settlement Day Centre(s) (each, a **“SER Settlement Day”**). Where no such number or zero is so specified, then

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such rate shall be for settlement on the same day, provided that (i) where the Subject Currency is CLP, unless otherwise specified in the Issue Terms, the SER Number of Settlement Days shall be deemed to be 1 and (ii) where the Subject Currency is PEN or COP, unless otherwise specified in the Issue Terms, the SER Number of Settlement Days shall be deemed to be zero.

**“SER Price Materiality Percentage”** means the percentage specified as such in the Issue Terms or, if no such percentage is specified, 3 per cent.

**“SER Price Source”** means

- (a) where the Settlement Exchange Rate is specified in the Issue Terms as USD/PEN, unless otherwise specified in the Issue Terms, in respect of a SER Valuation Date the “PEN INTERBANK AVE (PEN05) Rate” being the PEN/USD average exchange rate in the interbank market, expressed as the amount of PEN per one USD for settlement on the same day, reported by the Banco Central de Perú (<http://www.bcrp.gob.pe>) (or any successor or replacement to such page) as the “Tipo de Cambio Interbancario Promedio” at approximately 2.00 p.m. Lima Time (the **“SER Valuation Time”**) on that SER Valuation Date;
- (b) where the Settlement Exchange Rate is specified in the Issue Terms as USD/CLP, unless otherwise specified in the Issue Terms, in respect of a SER Valuation Date the “CLP DÓLAR OBS (CLP 10)” rate being the USD/CLP exchange rate, expressed as the amount of CLP per one USD, for settlement in one SER Scheduled Trading Day reported by the Banco Central de Chile (<http://www.bcentral.cl>) (or any successor or replacement to such page) as the “Dólar Observado” rate by no later than 10.30 a.m. Santiago time (the **“SER Valuation Time”**), on the first SER Scheduled Trading Day following that SER Valuation Date (or any successor or replacement to such page);
- (c) where the Settlement Exchange Rate is specified in the Issue Terms as USD/COP, unless otherwise specified in the Issue Terms, in respect of a SER Valuation Date the “COP TRM (COP02) Rate” being the USD/COP exchange rate for such day, expressed as the amount of COP per one USD, for settlement on the same day reported by the Colombian Financial Superintendency as published on its website (<http://www.banrep.gov.co>) (or any successor or replacement to such page) as the “Tasa Representativa del Mercado (TRM)” (also referred to as the “Tasa de Cambio Representativa del Mercado” (TCRM)) by no later than 10.30 a.m. Bogotá time (the **“SER Valuation Time”**) on the first SER Scheduled Trading Day following such SER Valuation Date; or
- (d) for any other Settlement Exchange Rate, such other price source(s) specified as such in the Issue Terms (or any successor to such price source(s) as determined by the Calculation Agent.

**“SER Primary Rate”** means the rate specified as such in the Issue Terms.

**“SER Secondary Rate”** means the rate specified as such in the Issue Terms.

**“SER Settlement Day Centres”** means (i) where the Settlement Exchange Rate is specified in the Issue Terms as USD/PEN, USD/COP or USD/CLP, New York (unless otherwise specified in the Issue Terms) and (ii) for any other Settlement Exchange Rate, each SER Settlement Day Centre specified as such in the Issue Terms.

**“SER Scheduled Trading Day”** means a day on which commercial banks are open (or, but for the occurrence of a SER Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the or each SER Scheduled Trading Day City specified in the Issue Terms provided that where the SER Subject Currency is BRL, then notwithstanding the foregoing, if the relevant SER Valuation Date falls on a date that, as at the Trade Date, is not a scheduled day on which commercial banks are open (or, but for the occurrence of a Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in New York City (an **“NYC Business Day”**) then no adjustment to such date shall be made on account of the fact that such date is not an NYC Business Day.

**“SER Scheduled Trading Day City/Cities”** means (i) where the Settlement Exchange Rate is specified in the Issue Terms as USD/PEN, the SER Scheduled Trading Day City/Cities shall be, unless otherwise specified in the Issue Terms, New York City and Lima, (ii) where the Settlement Exchange Rate is specified in the Issue Terms as USD/CLP, the SER Scheduled Trading Day City/Cities shall be, unless otherwise specified in the Issue Terms, in New York City and Santiago; (iii) where the Settlement Exchange Rate is specified in the Issue Terms as USD/COP, the SER Scheduled Trading Day City/Cities shall be, unless otherwise specified in the Issue Terms, New York City and Bogotá; and (iv) in other cases the city or cities specified in the Issue Terms

**“SER Subject Currency”** means the currency specified as such in the Issue Terms.

**“SER Subject Currency Jurisdiction”** means each country for which the SER Subject Currency is the lawful currency or each country for which the SER Intermediate Currency is the lawful currency, as the case may be.

**“SER Unscheduled Holiday”** means a day that is not a SER Scheduled Trading Day and the market was not aware of

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such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the principal financial centre of the SER Subject Currency two SER Scheduled Trading Days prior to the relevant scheduled SER Valuation Date.

**“SER Valuation Date”** means any date specified as such in the Issue Terms or, if such day is not a SER Scheduled Trading Day, the immediately preceding SER Scheduled Trading Day and, in the event of a SER Unscheduled Holiday, subject to adjustment as set out in Payout Condition 6.1(c) above, unless, in the opinion of the Calculation Agent, the resultant day is a SER Disrupted Day, in which case the provisions of Payout Condition 6.1(b) shall apply. Where the amount so due is the Early Expiration Amount, then the SER Valuation Date shall be deemed to be the fifth SER Scheduled Trading Day prior to the date of early settlement of the Warrants.

**“SER Valuation Time”** means, unless otherwise specified in the Issue Terms, (i) where the Settlement Exchange Rate is specified in the Issue Terms as USD/PEN, approximately 2.00 p.m. Lima Time on the SER Valuation Date, (ii) where the Settlement Exchange Rate is specified in the Issue Terms as USD/CLP, no later than 10.30 a.m. Santiago time on the first SER Scheduled Trading Day following the SER Valuation Date, (iii) where the Settlement Exchange Rate is specified in the Issue Terms as USD/COP, no later than 10.30 a.m. Bogotá time on the first SER Scheduled Trading Day following the SER Valuation Date, or (iv) the time at which the SER Price Source publishes the relevant rate or rates from which the Settlement Exchange Rate is calculated.

**“Valuation Postponement”** means that the Settlement Exchange Rate, shall be determined on the immediately succeeding SER Scheduled Trading Day which is not a SER Disrupted Day unless the Calculation Agent determines that no such SER Scheduled Trading Day which is not a SER Disrupted Day has occurred on or before the day falling the SER Maximum Days of Postponement following the originally designated SER Valuation Date, as the case may be. In such event, the Settlement Exchange Rate shall be determined on the next SER Scheduled Trading Day after the SER Maximum Days of Postponement (notwithstanding the fact that day may be a SER Disrupted Day) in accordance with the next applicable SER Disruption Fallback.

## ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED WARRANTS

### ANNEX 2

#### ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED WARRANTS

*If specified as applicable in the Issue Terms, the terms and conditions applicable to Index Linked Warrants shall comprise the General Conditions and the additional terms and conditions for Index Linked Warrants set out below (the “**Index Linked Conditions**”), together with the terms and conditions as set out in each other Annex which is specified as applicable in the Issue Terms and subject to completion in the Issue Terms. In the event of any inconsistency between the General Conditions and the Index Linked Conditions, the Index Linked Conditions shall prevail. In the event of any inconsistency between the Index Linked Conditions and the Payout Conditions, the Payout Conditions shall prevail.*

#### 1. Disrupted Day

The Calculation Agent shall give notice as soon as practicable to the Issuer and the Issuer shall give notice as soon as practicable to the Guarantor, the Principal Warrant Agent and the Warrantholders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Settlement Level Date.

#### 2. Adjustments to an Index

##### (a) Successor Index Sponsor Calculates and Reports an Index

If a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the “**Successor Index Sponsor**”) acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the “**Successor Index**”) will be deemed to be the Index.

##### (b) Modification and Cessation of Calculation of an Index

If (i) on or prior to the last Settlement Level Date the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent component(s) and capitalisation, contracts or commodities and other routine events) (an “**Index Modification**”), or permanently cancels a relevant Index and no Successor Index exists (an “**Index Cancellation**”), or (ii) on a Settlement Level Date the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an “**Index Disruption**” and, together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”), then,

(i) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Warrants and, if so, shall calculate the relevant Settlement Level using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Settlement Level Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those components that comprised that Index immediately prior to that Index Adjustment Event; or

(ii) where the Calculation Agent determines that no adjustment has been proposed by the Related Exchange or Related Pricing Source, as applicable and that no other action will produce a commercially reasonable result, the Issuer, in its sole and absolute discretion may on giving notice to Warrantholders in accordance with General Condition 10 :

(A) cancel all but not some only of the Warrants, each Warrant being cancelled by payment of an amount equal to the fair market value of a Warrant taking into account the Index Adjustment Event (the “**Calculated Index Adjustment Amount**”), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the “**Modified Calculated Index Adjustment Amount**”), all as determined by the Calculation Agent in its sole and absolute discretion. as soon as practicable following the occurrence of the relevant Index Adjustment Event (the “**Calculated Index Adjustment Amount Determination Date**”); or

(B) require the Calculation Agent to determine the Calculated Index Adjustment Amount on the Calculated Index Adjustment Amount Determination Date, and cancel each Warrant on the scheduled Expiration Date by payment of the Calculated Index Adjustment Amount. For avoidance of any doubt, the Calculated Index Adjustment Amount shall not accrue any interest from the date of its calculation to the Expiration Date.

(iii) Notwithstanding (i) and (ii) above, in the case of a Single-Exchange or Multi-Exchange Index, if there are any options or future contracts of the Index traded on the Related Exchange, the Calculation Agent may in its sole

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and absolute discretion, upon the occurrence of an Index Adjustment Event, make the corresponding adjustments made on any Related Exchange (an “**Exchange Based Adjustment**”).

### (c) Notice

Upon the occurrence of an Index Adjustment Event, the Calculation Agent shall, as soon as practicable, other than in the case of an Exchange Based Adjustment, notify the Issuer of any determination made by it pursuant to paragraph (b) above and the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with General Condition 10 stating the occurrence of the Index Adjustment Event, giving details thereof and the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Index Adjustment Event or the proposed action.

## 3. Correction of Index

If the relevant level of the Index published on a given day which is used or to be used by the Calculation Agent to make any determination under the Warrants is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor within the Index Correction Period, the level to be used shall be the level of the Index as so corrected; provided that any corrections published after the day which is three Exchange Business Days or Index Business Days, as applicable prior to a due date for payment under the Warrants calculated by reference to the level of the Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## 4. Additional Disruption Events

- (a) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) or (if applicable) (iii) below:
- (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Index Linked Conditions and/or the Issue Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or
  - (ii) cancel the Warrants by giving notice to Warrantholders in accordance with General Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant held by him which amount shall be the fair market value of a Warrant taking into account the Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, if applicable and already paid, the Exercise Price (**the Calculated Additional Adjustment Amount**”), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with General Condition 10 (Notices); or
  - (iii) require the Calculation Agent to calculate the Calculated Additional Disruption Amount as soon as practicable following the occurrence of the Additional Disruption Event (**the “Calculated Additional Disruption Amount Determination Date”**) and on the Expiration Date shall cancel each Warrant at an amount calculated by the Calculation Agent equal to (x) the Calculated Additional Disruption Amount plus interest accrued on the Calculated Additional Disruption Amount on a daily basis from and including the Calculated Additional Disruption Amount Determination Date to but excluding the Expiration Date, each such daily accrual rate being at a rate equal to Issuer’s funding cost on or about the relevant day.
- (b) Upon the occurrence of an Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with General Condition 10 stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event or the proposed action.

## 5. Knock-in Event and Knock-out Event

- (a) This Index Linked Condition 5 is applicable only if:
- (i) Knock-in Event is specified as applicable in the Issue Terms, in which case any payment under the Warrants which is expressed to be subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event; or
  - (ii) Knock-out Event is specified as applicable in the Issue Terms, in which case any payment under the relevant



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Warrants which is expressed to be subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

### 6. Automatic Early Expiration

If “**Automatic Early Expiration**” is specified as applicable in the Issue Terms, then unless previously exercised or purchased and cancelled, if an Automatic Early Expiration Event occurs, the Warrant shall be cancelled in whole, but not in part, on the Automatic Early Expiration Settlement Date immediately following such Automatic Early Expiration Valuation Date or Automatic Early Expiration Valuation Period, as applicable, and the Issuer shall settle the Warrants at an amount equal to the relevant Automatic Early Expiration Amount.

### 7. Definitions

“**Additional Disruption Event**” means (i) (unless specified otherwise in the Issue Terms) Change in Law (ii) (unless specified otherwise in the Issue Terms) in the case of an Index other than a Single-Exchange Index or Multi-Exchange Index, Hedging Disruption (iii) in the case of a Single-Exchange Index or a Multi-Exchange Index, Hedging Disruption, if specified in the Issue Terms and (iv) Increased Cost of Hedging, Increased Cost of Component Borrow and/or Loss of Component Borrow if specified in the Issue Terms.

“**AEE Value**” has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1 (*Value Definitions*).

“**Affiliate**” means in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes “control” means ownership of a majority of the voting power of an entity.

“**Automatic Early Expiration Amount**” means an amount, calculated as set out in the Issue Terms.

“**Automatic Early Expiration Settlement Date**” means each date specified as such in the Issue Terms or if such date is not a Business Day, the next following Business Day, and no Warrantholder shall be entitled to any further payment in respect of such delay.

“**Automatic Early Expiration Event**” means the AEE Value is (A),

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Automatic Early Expiration Trigger, (i), (ii), (iii) or (iv) applying or (B) within or outside the Automatic Early Expiration Range as specified in the Issue Terms.

“**Automatic Early Expiration Range**” means the range of levels, amounts, numbers or percentages specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these Index Linked Conditions.

“**Automatic Early Expiration Trigger**” means the level, amount, number or percentage specified as such in the Issue Terms, subject to adjustment from time to time in accordance with the provisions of these Index Linked Conditions.

“**Automatic Early Expiration Valuation Date**” means each date specified as such in the Issue Terms as may be adjusted in accordance with the definition of “Valuation Date” below.

“**Automatic Early Expiration Valuation Period**” means each period specified as such in the applicable Issue Terms;

“**Automatic Early Expiration Valuation Time**” means the time specified as such in the Issue Terms.

“**Averaging Date**” means each date specified as an Averaging Date in the Issue Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (a) if “**Omission**” is specified as applying in the Issue Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level, price or amount, as applicable provided that, if through the operation of this provision no Averaging Dates would occur, then the Averaging Date will not be omitted and the provisions of the definition of “Valuation Date” will apply for purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted

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Day; or

- (b) if “**Postponement**” is specified as applying in the Issue Terms, then the provisions of the definition of “Valuation Date” will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (c) if “**Modified Postponement**” is specified as applying in the Issue Terms then: :
  - (i) where the Warrants are Index Linked Warrants relating to a single Index, the Averaging Date shall be the first succeeding Valid Date (as defined in (C) below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (a) of the definition of Valuation Date below;
  - (ii) where the Warrants are Index Linked Warrants relating to a Basket of Indices
    - (1) if Scheduled Trading Day (All Indices Basis) or Scheduled Trading Day (Cross Asset Basis) applies the Averaging Date for each Index shall be the first succeeding Valid Date in relation to every Index forming part of the Basket of Indices. If the first succeeding Valid Date in relation to every Index forming part of the Basket of Indices has not occurred for a number of consecutive Scheduled Trading days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date) in respect of every Index forming part of the Basket of Indices, and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of Valuation Date below; and
    - (2) if Scheduled Trading Day (Per Index Basis) applies the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the originally scheduled Averaging Date, and the Averaging Date for each Index affected by the occurrence of a Disrupted Day (each an "Affected Item") shall be the first succeeding Valid Date relating to the Affected Item unless a Valid Date in respect of the Affected Item has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date for the Affected Item, notwithstanding the fact that such day is already an Averaging Date with respect to the Affected Item, and (ii) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of Valuation Date below;
  - (iii) for the purposes of these Terms and Conditions “**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

“**Basket of Indices**” means a basket composed of each Index specified in the Issue Terms subject to the Weightings

“**Change in Law**” means that, on or after the Trade Date (as specified in the Issue Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or

(ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant hedge positions relating to an Index and/or (B) the Issuer will incur a materially increased cost in performing its obligations in relation to the Index Linked Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

“**Clearance System**” means the principal domestic clearance system customarily used for settling trades in the relevant components.

“**Clearance System Business Days**” means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event results in the Clearance System being unable to clear the transfer of a

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relevant component would have been) open for the acceptance and execution of settlement instructions.

**“Component”** means, in respect of a Multi-Exchange Index, each component of such Index.

**“Disrupted Day”** means any day which is:

- (a) (i) in the case of a Multi-Exchange Index, any Scheduled Trading Day on which: (i) the Index Sponsor fails to publish the level of the Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred; or  
(ii) in the case of any Single-Exchange Index, any Scheduled Trading Day on which (x) the relevant Exchange and/or any Related Exchange fails to open for trading during their regular trading session or (y) a Market Disruption Event has occurred; or  
(iii) in the case of any Index that is not a Multi-Exchange Index or a Single-Exchange Index, (x) the Index Sponsor fails to publish the level of the Index; (y) the Price Source and/or the Related Pricing Source is not available; or (z) a Hedging Disruption has occurred; or
- (b) Where either Exchange Business Day (Cross Asset Basis) or Index Business Day (Cross Asset Basis) as applicable and Scheduled Trading Day (Cross Asset Basis) are specified as applicable in the Issue Terms for (i) Index Linked Warrants and (ii) Equity Linked Warrants and/or (iii) ETF Linked Warrants, a Disrupted Day occurs under and as defined in these Index Linked Conditions, the Equity Linked Conditions and/or the ETF Linked Conditions.

**“Early Closure”** means:

- (a) in the case of a Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day; and
- (b) in the case of any Single-Exchange Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to components that comprise 20 per cent. or more of the level of such Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**“Exchange”** means:

- (a) in the case of a Multi-Exchange Index, in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Calculation Agent; and
- (b) in the case of any Single-Exchange Index, each exchange or quotation system specified as such for such Index in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the components comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the components comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means in the case of a Single-Exchange Index or a Multi-Exchange either (i) in the case of a single Index, Exchange Business Day (Single Index Basis) or (ii) in the case of a basket of Indices or other assets, (a) Exchange Business Day (All Indices Basis) or (b) Exchange Business Day (Per Index Basis) or (c) Exchange Business Day (Cross Asset Basis), in each case as specified in the Issue Terms, provided that if no such specification is made in the Issue Terms, Exchange Business Day (All Indices Basis) shall apply.

**“Exchange Business Day (All Indices Basis)”** means any Scheduled Trading Day on which (i) in respect of all Single-Exchange Indices, each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) in respect of all Multi-Exchange Indices, (a) the relevant Index Sponsor(s) publishes the level of such Multi-Exchange Indices and (b) each Related Exchange is open for trading during its regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Business Day (Cross Asset Basis)”** means, in respect of a basket of assets, any Scheduled Trading Day on which (i) in respect of all Single-Exchange Indices, each Exchange and each Related Exchange are open for trading during their regular trading sessions notwithstanding any such Exchange or Related Exchange closing prior to its

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Scheduled Closing Time) and (ii) in respect of all Multi-Exchange Indices, (a) the relevant Index Sponsor(s) publishes the level of such Multi-Exchange Indices and (b) each Related Exchange is open for trading during its regular trading session (notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time) and which, in each case, is also an Exchange Business Day under and as defined in the Equity Linked Conditions and/or the ETF Linked Conditions, as applicable.

**“Exchange Business Day (Per Index Basis)”** means in respect of any Index:

- (a) in respect of a Single-Exchange Index, any Scheduled Trading Day on which the relevant Exchange and Related Exchange is open for trading during its respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time; and
- (b) in respect of a Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of such Multi-Exchange Index; and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Business Day (Single Index Basis)”** means any Scheduled Trading Day on which (i) in respect of a Single-Exchange Index, the Exchange and the Related Exchange, are open for trading during their regular trading session, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) in respect of a Multi-Exchange Index (a) the Index Sponsor publishes the level of such Multi-Exchange Index and (b) the Related Exchange is open for trading during its regular trading session, notwithstanding such Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Disruption”** means:

- (a) in respect of a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (A) any Component on the Exchange in respect of such Component; or (B) in futures or options contracts relating to such Index on the Related Exchange; and
- (b) in respect of a Single-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for on any relevant Exchange(s) components that comprise 20 per cent. or more of the level of the relevant Index, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange.

**“Hedging Disruption”** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or component(s) it deems necessary to hedge the component(s) price risk or other relevant price risks including but not limited to the currency risk of the Issuer issuing and performing its obligations with respect to the Warrants, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or component(s).

**“Hedging Components”** means the number or amount of components comprised in an Index that the Issuer and/or any of its Affiliates deems necessary to hedge the component(s) price risk or other relevant price risks of entering into and performing its obligations with respect to the Warrants.

**“Increased Cost of Hedging”** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) (a) to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or component(s) it deems necessary to hedge the component(s) price risk or other relevant price risks (including, without limitation, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Warrants, or (b) to realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), or component(s) relating to any hedge positions in the relevant Index, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**“Increased Cost of Component Borrow”** means that the Issuer and/or any of its Affiliates would incur a rate to borrow any component(s) comprised in an Index that is greater than the Initial Component Loan Rate as applicable.

**“Index”** and **“Indices”** mean, subject to adjustment in accordance with these Index Linked Conditions, the index or indices specified in the Issue Terms and related expressions shall be construed accordingly. If any Index is not a Single Exchange or Multi-Exchange Index as determined by the Calculation Agent it will be specified as such in the applicable Issue Terms.

**“Index Business Day”** means in the case of an Index other than a Single-Exchange Index or a Multi-Exchange either

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(i) in the case of a single Index, Index Business Day (Single Index Basis) or (ii) in the case of a basket of Indices or other assets, (a) Index Business Day (All Indices Basis) or (b) Index Business Day (Per Index Basis) or (c) Index Business Day (Cross Asset Basis), in each case as specified in the Issue Terms, provided that if no such specification is made in the Issue Terms, Index Business Day (All Indices Basis) shall apply.

**"Index Business Day (All Indices Basis)"** means any Scheduled Trading Day on which in respect of all Indices other than Single-Exchange Indices or Multi-Exchange Indices, (i) the relevant Index Sponsor publishes the level of such Index (ii) each Pricing Source and Related Pricing Source (if any) are available, as determined by the Calculation Agent and (iii) that is an Index Trading Day in respect of the relevant Index.

**"Index Business Day (Cross Asset Basis)"** means, in respect of a basket of component and/or assets, any Scheduled Trading Day on which, in respect of all Indices other than Single Exchange Indices or Multi-Exchange Indices, (i) the Index Sponsor publishes the level of the relevant Index (ii) each Pricing Source and Related Pricing Source are available, as determined by the Calculation Agent and (iii) that is an Index Trading Day in respect of the relevant Index which, in each case, is also an Exchange Business Day under and as defined in the Equity Linked Conditions and/or the ETF Linked Conditions, as applicable.

**"Index Business Day (Per Index Basis)"** means in respect of any Index other than a Single-Exchange Index or Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor publishes the level of the relevant Index (ii) each Pricing Source and Related Pricing Source are available, as determined by the Calculation Agent and (iii) that is an Index Trading Day in respect of the relevant Index.

**"Index Business Day (Single Index Basis)"** means any Scheduled Trading Day on which in respect of all Indices other than Single Exchange Indices or Multi-Exchange Indices, (i) the Index Sponsor publishes the level of the relevant Index (ii) each Pricing Source and Related Pricing Source are available, as determined by the Calculation Agent and (iii) that is an Index Trading Day in respect of the relevant Index.

**"Index Correction Period"** means (a) the period specified in the Issue Terms, or (b) if none is so specified, (i) in respect of a Multi-Exchange Index, no later than five Exchange Business Days following the date of the original publication or (ii) in respect of an Index which is a Single-Exchange Index, one Settlement Cycle or (iii) in respect of an Index which is not a Single-Exchange Index or a Multi-Exchange Index, no later than five Index Business Days following the date of the original publication..

**"Index Sponsor"** means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Index in the Issue Terms.

**"Index Trading Day"** means, in respect of an Index, that is not a Single-Exchange or Multi-Exchange Index, any day with respect to which the Issuer and/or any of its Affiliates determines acting in good faith and in a commercially reasonable manner it is able to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) asset(s) or component(s) it deems necessary to hedge its obligations in respect of such Index under the Warrants.

**"Initial Component Loan Rate"** means, in respect of a component comprised in an Index, the Initial Component Loan Rate specified in relation to such component in the Issue Terms.

**"Knock-in Barrier"** means the level, amount, percentage or number specified as such in the Issue Terms, subject to adjustment from time to time in accordance with the provisions of these Index Linked Conditions.

**"Knock-in Determination Day"** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**"Knock-in Determination Period"** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**"Knock-in Event"** means the Knock-in Value is (A):

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to.

the Knock-in Barrier or (B) within or outside the Knock-in Range (x) on a Knock-in Determination Day or (y) in

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respect of any Knock-in Determination Period, as specified in the Issue Terms.

**“Knock-in Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Range”** means the range of levels, amounts, numbers or percentages specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions of these Index Linked Conditions.

**“Knock-in Valuation Time”** means the time specified as such in the Issue Terms.

**“Knock-in Value”** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1.

**“Knock-out Barrier”** means the level, amount, number or percentage specified as such in the Issue Terms, subject to adjustment from time to time in accordance with the provisions of these Index Linked Conditions.

**“Knock-out Determination Day”** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**“Knock-out Determination Period”** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**“Knock-out Event”** means the Knock-out Value is (A):

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Knock-out Barrier or (B) within or outside the Knock-out Range (x) on a Knock-in Determination Day or (y) in respect of any Knock-in Determination Period, as specified in the Issue Terms.

**“Knock-out Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Range”** means the range of levels, amounts, numbers or percentages specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions of these Index Linked Conditions.

**“Knock-out Valuation Time”** means the time specified as such in the Issue Terms.

**“Knock-out Value”** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1.

**“Loss of Component Borrow”** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any component(s) comprised in an Index in an amount equal to the Hedging Components, at a rate equal to or less than the Maximum Component Loan Rate.

**“Market Disruption Event”** means:

- (a) in respect of a Multi-Exchange Index either:
  - (i) (A) the occurrence or existence, in respect of any Component, of:
    - (1) a Trading Disruption in respect of such Component, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded;
    - (2) an Exchange Disruption in respect of such Component, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect

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of the Exchange on which such Component is principally traded; or

(3) an Early Closure in respect of such Component; and

(A) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or

(ii) the occurrence or existence, in respect of futures or options contracts relating to such Index, of: (1) a Trading Disruption; (2) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Valuation Time; or (3) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component at any time, if a Market Disruption Event occurs in respect of such Component at that time, then the relevant percentage contribution of that Component to the level of such Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market opening data; and

(b) in the case of Single-Exchange Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a component included in such Index at any time, then the relevant percentage contribution of that component to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that component and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event.

**“Maximum Component Loan Rate”** means, in respect of a component comprised in an Index, the Maximum Component Loan Rate specified in the Issue Terms.

**“Multi-Exchange Index”** means any Index in respect of which the components are principally traded on more than one Exchange, as specified in the Issue Terms or, if not specified, any Index the Calculation Agent determines as such.

**“Observation Date”** means each date specified as an Observation Date in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

**“Observation Period”** means the period specified as the Observation Period in the Issue Terms.

**“Pricing Source”** means in relation to an Index other than a Single-Exchange Index or Multi-Exchange Index each pricing source specified as such for such Index in the Issue Terms, any successor to such pricing source or any substitute pricing source, in each case as determined by the Calculation Agent.

**“Related Exchange”** means, in relation to a Single-Exchange Index or Multi-Exchange Index, each exchange or quotation system on which option contracts or futures contracts relating to such Index are traded, or each exchange or quotation system specified as such for such Index in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where “All Exchanges” is specified as the Related Exchange in the Issue Terms, in relation to a Single-Exchange Index or Multi-Exchange Index

**“Related Exchange”** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index.

**“Related Pricing Source”** means in relation to an Index other than a Single-Exchange Index or Multi-Exchange Index, each pricing source specified as such for such Index in the Issue Terms, any successor to such pricing source or any substitute pricing source, in each case as determined by the Calculation Agent; provided that where All Pricing Sources is specified as the Related Pricing Source in the Issue Terms,

**“Related Pricing Source”** shall mean each pricing source determined to be a Related Pricing Source by the Calculation Agent, acting in good faith and in a commercially reasonable manner.

**“Scheduled Closing Time”** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours subject as provided in “Valuation

## ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED WARRANTS

Time” below.

“**Scheduled Trading Day**” means either (i) in the case of a single Index, Scheduled Trading Day (Single Index Basis) or (ii) in the case of a Basket of Indices, (a) Scheduled Trading Day (All Indices Basis) or (b) Scheduled Trading Day (Per Index Basis) or (c) Scheduled Trading Day (Cross Asset Basis), in each case as specified in the Issue Terms, provided that if no such specification is made in the Issue Terms, Scheduled Trading Day (All Indices Basis) shall apply.

“**Scheduled Trading Day (All Indices Basis)**” means (i) in respect of all Single-Exchange Indices, any day on which each Exchange and each Related Exchange are scheduled to be open for trading during their respective regular trading session(s), and (ii) in respect of all Multi-Exchange Indices, any day on which (a) the relevant Index Sponsor(s) is scheduled to publish the level of such Multi-Exchange Indices and (b) each Related Exchange is scheduled to be open for trading during its regular trading session and (iii) in respect of each Index that is not a Single-Exchange Index or a Multi-Exchange Index, any day on which (x) the Index Sponsor is scheduled to publish the level of the relevant Indices (y) each Pricing Source and related Pricing Source are scheduled to be available, as determined by the Calculation Agent and (z) that the Calculation Agent determines is scheduled to be an Index Trading Day in respect of the relevant Index.

“**Scheduled Trading Day (Cross Asset Basis)**” means, in respect of a basket of assets, any day on which (i) in respect of all Single-Exchange Indices, each Exchange and each Related Exchange are scheduled to be open for trading during their regular trading sessions (ii) in respect of all Multi-Exchange Indices, (a) the relevant Index Sponsor(s) is scheduled to publish the level of such Multi-Exchange Indices and (b) each Related Exchange is scheduled to be open for trading during its regular trading session, and (iii) in respect of each Index that is not a Single-Exchange Index or a Multi-Exchange Index, any day on which (x) the Index Sponsor is scheduled to publish the level of the relevant Index (y) each Pricing Source and related Pricing Source are scheduled to be available, as determined by the Calculation Agent and (z) that the Calculation Agent determines is scheduled to be an Index Trading Day in respect of the relevant Index which, in each case, is also a Scheduled Trading Day under and as defined in the Equity Linked Conditions and/or the ETF Linked Conditions, as applicable

“**Scheduled Trading Day (Per Index Basis)**” means:

- (a) in respect of a Single-Exchange Index, any day on which the relevant Exchange and Related Exchange are scheduled to be open for trading for their respective regular trading session(s);
- (b) in respect of any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of such Index; and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session; and
- (c) in respect of each Index that is not a Single-Exchange Index or a Multi-Exchange Index, any day on which (x) the Index Sponsor is scheduled to publish the level of the relevant Index and (y) each Pricing Source and related Pricing Source are scheduled to be available, as determined by the Calculation Agent and (z) that the Calculation Agent determines is scheduled to be an Index Trading Day in respect of the relevant Index.

“**Scheduled Trading Day (Single Index Basis)**” means any day on which (i) in respect of a Single-Exchange Index, the relevant Exchange and the relevant Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s), and (ii) in respect of a Multi-Exchange Index (a) the relevant Index Sponsor is scheduled to publish the level of such Multi-Exchange Index and (b) the relevant Related Exchange, if any, is scheduled to be open for trading during its regular trading session and (iii) in respect of each Index that is not a Single-Exchange Index or a Multi-Exchange Index, any day on which (x) the Index Sponsor is scheduled to publish the level of the relevant Index (y) each Pricing Source and related Pricing Source are scheduled to be available, as determined by the Calculation Agent and (z) that the Calculation Agent determines is scheduled to be an Index Trading Day in respect of the relevant Index.

“**Scheduled Valuation Date**” means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

“**Screen Page**” means the page specified in the Issue Terms, or any successor page or service thereto.

“**Settlement Cycle**” means, in respect of a Single-Exchange Index, the period of Clearance System Business Days following a trade in the component(s) comprising such Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

“**Settlement Level**” means, subject as referred to in relation to any Settlement Level Date:

- (a) in the case of a Single-Exchange Index or Multi-Exchange Index, the official closing level of the Index as calculated and published by the relevant Index Sponsor on the relevant Settlement Level Date, as determined by



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the Calculation Agent or,

- (b) in relation to an Index that is neither a Single-Exchange Index nor a Multi-Exchange Index, the closing level of the Index as calculated and published by the relevant Index Sponsor on the relevant Settlement Level Date, as determined by the Calculation Agent or,
- (c) if so specified in the Issue Terms, the level of the Index determined by the Calculation Agent as set out in the Issue Terms at the Valuation Time on the relevant Settlement Level Date.

**“Settlement Level Date”** means an Averaging Date or a Valuation Date as the case may be.

**“Single-Exchange Index”** means any Index in respect of which the components are principally traded on one Exchange, as specified in the Issue Terms or, if not specified, any Index the Calculation Agent determines as such.

**“Specified Maximum Days of Disruption”** means eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the Issue Terms.

**“Strike Date”** means the Strike Date specified in the Issue Terms as may be adjusted in accordance with the definition of “Valuation Date” below, provided that: in the case of Index Linked Warrants relating to a Basket of Indices, if the Strike Date for any Index forming part of the Basket of Indices is specified to be the Trade Date (subject, for the avoidance of doubt, to any adjustments relating to the Strike Date that are set out in the Issue Terms) then:

- (i) if the Strike Date for any Index forming part of the Basket of Indices is not a Scheduled Trading Day, the Strike Date for such Index shall be the first succeeding Scheduled Trading Day; unless (ii) in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then the Strike Date for such Index, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of such Index forming part of the Basket of Indices unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date is a Disrupted Day in respect of such Index.

In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the relevant Index, notwithstanding the fact that such day is a Disrupted Day with respect to such Index, and (ii) the Calculation Agent shall determine the Settlement Level using the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange or Pricing Source traded or quoted level as of the Valuation Time on the last such consecutive Scheduled Trading Day of each component comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant component on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant component as of the Valuation Time on the last such consecutive Scheduled Trading Day) and otherwise in accordance with the above provisions.

**“Strike Day”** means each date specified as such in the applicable Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

**“Strike Period”** means the period specified as the Strike Period in the Issue Terms.

**“Trading Disruption”** means:

- (a) in the case of a Single-Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to component(s) that comprise 20 per cent. or more of the level of such Index on any relevant Exchange(s) or (b) in futures or options contracts relating to such Index on any relevant Related Exchange; and
- (b) in the case of a Multi-Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component on the Exchange in respect of such Component; or (ii) in futures or options contracts relating to the Index on the Related Exchange.

**“Valuation Date”** means the Strike Date, Strike Day, Expiration Date, Actual Exercise Date, Potential Exercise Date(s), Automatic Early Expiration Valuation Date Knock-in Determination Day, Knock-out Determination Day Observation Date and Specified Exercise Date or such other date, as the case may be, specified in the Issue Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (a) in the case of Index Linked Warrants relating to a single Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading

## ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED WARRANTS

Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Level by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange or Pricing Source, as applicable, traded or quoted level as of the Valuation Time on the last such consecutive Scheduled Trading Day of each component comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant component on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant component as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

(b) in the case of Index Linked Warrants relating to a Basket of Indices:

- (1) if Scheduled Trading Day (All Indices Basis) or Scheduled Trading Day (Cross Asset Basis) applies, the Valuation Date for each Index, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of any Index forming part of the Basket of Indices unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day in respect of any Index forming part of the Basket of Indices. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for each Index forming part of the Basket of Indices, notwithstanding the fact that such day is a Disrupted Day with respect to one or more Indices (each an “**Affected Item**”), and (ii) the Calculation Agent shall determine (a) the Settlement Level of each Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Affected Item last in effect prior to the occurrence of the first Disrupted Day using the Exchange or Pricing Source, as applicable, traded or quoted level as of the Valuation Time on the last such consecutive Scheduled Trading Day of each component comprised in that Affected Item (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant component on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant component as of the Valuation Time on the last such consecutive Scheduled Trading Day) and otherwise in accordance with the above provisions and (b) the Settlement Level of each Index that is not an Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day as specified in the Issue Terms and otherwise in accordance with the above provisions; or
- (2) if Scheduled Trading Day (Per Index Basis) applies, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an “Affected Item”) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day with respect to the Affected Item, and (ii) the Calculation Agent shall determine the Settlement Level of the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the level of the Affected Item last in effect prior to the occurrence of the first Disrupted Day using the Exchange or Pricing Source, as applicable, traded or quoted level as of the Valuation Time on the last such consecutive Scheduled Trading Day of each component comprised in the Affected Item (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant component on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant component as of the Valuation Time on the last such consecutive Scheduled Trading Day) and otherwise in accordance with the above provisions.

“**Valuation Time**” means:

- (a) the Automatic Early Expiration Valuation Time, the Knock-in Valuation Time, the Knock-Out Valuation Time or the Valuation Time, as the case may be, specified in the Issue Terms; or
- (b) if not specified in the Issue Terms
  - (i) in the case of a Multi-Exchange Index, means in respect of such Index: (A) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and
  - (y) in respect of any options contracts or futures contracts on the Index, the close of trading on the Related

## ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED WARRANTS

Exchange; and (B) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; or

- (ii) in the case of a Single-Exchange Index, means the Scheduled Closing Time on the Exchange on the relevant date. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or
- (iii) in the case of any Index other than a Single-Exchange Index or a Multi-Exchange Index the time at which the closing level of the Index is calculated and published by the Index Sponsor.

**“Weighting”** means the weighting (if any) to be applied to each item comprising the Basket of Indices if, and as specified in the Issue Terms or if no such weighting is so specified then no weighting shall apply to any such item.

### 8. Index Disclaimer

The Index Linked Warrants are not sponsored, endorsed, sold or promoted by any Index or any Index Sponsor and no Index Sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Index Linked Warrants. The Issuer shall have no liability to the Warrantholders for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Except as disclosed prior to the Issue Date, neither the Issuer nor its Affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Calculation Agent will obtain information concerning the Indices from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, its Affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.

## ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED WARRANTS

### ANNEX 3

#### ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED WARRANTS

*If specified as applicable in the Issue Terms, the terms and conditions applicable to Equity Linked Warrants shall comprise the General Conditions and the additional terms and conditions for Equity Linked Warrants set out below (the “**Equity Linked Conditions**”), together with the terms and conditions as set out in each other Annex which is specified as applicable in the Issue Terms and subject to completion in the Issue Terms. In the event of any inconsistency between the General Conditions and the Equity Linked Conditions, the Equity Linked Conditions shall prevail. In the event of any inconsistency between the Equity Linked Conditions and the Payout Conditions, the Payout Conditions shall prevail.*

#### 1. Disrupted Day

The Calculation Agent shall give notice as soon as practicable to the Issuer and the Issuer shall give notice as soon as practicable to the Guarantor, the Principal Warrant Agent and the Warrantholders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Settlement Price Date.

#### 2. Depositary Receipts

##### (a) Application of Depositary Receipt provisions

If “Depositary Receipt provisions” are specified as applicable in the Issue Terms, for the purposes of these Equity Linked Conditions in relation to each relevant Depositary Receipt:

- (i) references to “**Share**” or “**Shares**” shall be deemed to include an ordinary share or ordinary shares or other relevant equity securities, as the case may be, of the Share Company or Basket Company to which the relevant Depositary Receipts specified in the Issue Terms relate;
- (ii) references to “**Exchange**” shall, in the context of the ordinary shares or other relevant equity securities of the Share Company or Basket Company, be deemed to be references to the Share Exchange specified in the Issue Terms;
- (iii) references to “**Share Company**” or “**Basket Company**” shall, in the context of a Depositary Receipt, be deemed to include references to the issuer or obligor of the Depositary Receipts;
- (iv) with respect to Depositary Receipts only, the following additional event shall constitute a Potential Adjustment Event for the purposes of Equity Linked Condition 3:  
“a distribution in respect of the Shares of property other than cash, shares or rights relating to any Shares to the holder(s) of the Shares”; and
- (v) with respect to Depositary Receipts only, the following events shall constitute Additional Disruption Events for the purposes of Equity Linked Condition 5:
  - (A) a Termination; and
  - (B) an Adjustment Event.

##### (b) Definitions specific to Depositary Receipts

“**Adjustment Event**” means (a) the terms and conditions of the Depositary Receipts have been altered or any adjustment or modification has been made pursuant to such terms and conditions (in each case whether by the Share Company or Basket Company or any party having influence over such terms and conditions) or the Depositary Receipts are converted into other securities and/or (b) the aggregate amounts (or currency thereof) to which a holder is entitled under the Depositary Receipts are altered.

“**Depositary Receipt**” means a depositary receipt relating to ordinary shares or other relevant equity securities issued by a Share Company or Basket Company, as specified in the Issue Terms, subject to adjustment pursuant to the provisions specified in Equity Linked Conditions 3 and 4.

“**Termination**” means, in relation to an issue of Depositary Receipts, such issue has been terminated, cancelled or otherwise ceased to be outstanding for any reason. This shall include, without limitation, the termination of the deposit agreement in respect of the Shares and/or written instructions being given by the Share Company or Basket Company to the depositary of the Shares to withdraw or surrender the Shares.

## ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED WARRANTS

### 3. Potential Adjustment Events and Extraordinary Events

#### (a) Potential Adjustment Events

- (i) **“Potential Adjustment Event”** means any of the following:
  - (A) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
  - (B) a distribution, issue or dividend to existing holders of the relevant Shares of (a) such Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Company or Share Company, as the case may be, equally or proportionately with such payments to holders of such Shares or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Basket Company or Share Company, as the case may be, as a result of a spin-off or other similar transaction or (d) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
  - (C) an extraordinary dividend as determined by the Calculation Agent;
  - (D) a call by a Basket Company or Share Company, as the case may be, in respect of relevant Shares that are not fully paid;
  - (E) a repurchase by the Basket Company or its subsidiaries or Share Company or its subsidiaries, as the case may be, of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
  - (F) in respect of a Basket Company or Share Company, as the case may be, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Basket Company or Share Company, as the case may be, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, certificates, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent;
  - (G) any adjustment effected as a result of any shareholder rights plan or arrangement as described in 3(a)(i)(D) above; or
  - (H) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative or other effect on the theoretical value of the relevant Shares.
- (ii) **“Potential Adjustment Event Effective Date”** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent in its sole and absolute discretion.
- (iii) Following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange (**“Exchange Based Adjustment”**) to options on the Shares traded on that options exchange.

## ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED WARRANTS

- (iv) Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall, other than where Exchange Based Adjustment applies notify the Issuer as soon as practicable and the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with General Condition 10 stating the occurrence of the Potential Adjustment Event, giving details thereof and the adjustment to be taken in relation thereto, provided that any failure to give or non-receipt of such notice will not affect the validity of such Potential Adjustment Event or Potential Adjustment Event Effective Date or the adjustment in relation thereto.
- (b) Extraordinary Events
  - (A) The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Tender Offer (unless Tender Offer is specified as Not applicable in the Issue Terms), or, if specified as applicable in the Issue Terms, Illiquidity, Listing Change or Listing Suspension, as the case may be, shall be deemed to be an **“Extraordinary Event”**, the consequences of which are set forth below:

**“De-Listing”** means, in respect of any relevant Shares, that the Exchange announces pursuant to the rules of such Exchange, that such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

**“Illiquidity”** means, in respect of Equity Linked Warrants that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days falling after the Issue Date (the “Relevant Period”), (a) the difference between the bid prices and the ask prices in respect of any relevant Share during the Relevant Period is greater than 1 per cent. (on average), and/or (b) the average purchase price or the average selling price, (each of (a) and (b) determined by the Calculation Agent from the order book of the relevant Share on the relevant Exchange during the Relevant Period), in relation to the purchase or sale of Shares with a value equal to or greater than EUR 10,000.00 (or its equivalent in any other currency as determined by the Calculation Agent at such time and by reference to such sources as it determines appropriate), is greater than MID plus 1 per cent. of MID (in relation to a purchase of Shares) or lower than the MID minus 1 per cent. of MID (in relation to a sale of Shares). For these purposes, “MID” means an amount equal to (a) the sum of the bid price and the ask price, in each case for the relevant Share at the relevant time, (b) divided by two.

**“Insolvency”** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Basket Company or Share Company, as the case may be, (i) all the Shares of that Basket Company or Share Company, as the case may be, are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Shares of that Basket Company or Share Company, as the case may be, become legally prohibited from transferring them.

**“Listing Change”** means, in respect of any relevant Shares, that such Shares cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such Shares were listed, traded or publicly quoted on the Issue Date, for any reason (other than a Merger Event or Tender Offer or where this is a De-Listing).

**“Listing Suspension”** means, in respect of any relevant Shares, that the listing of such Shares on the Exchange has been suspended (other than where this is a De-Listing).

**“Merger Event”** means, in respect of any relevant Shares, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person),

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or (iv) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the relevant Extraordinary Event Effective Date is on or before (a) in the case of Cash Settled Warrants, the latest of the last occurring Settlement Price Date or (b) in the case of Physical Delivery Warrants, the relevant Settlement Date.

**“Nationalisation”** means that all the Shares or all or substantially all the assets of the Basket Company or Share Company, as the case may be, are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof.

**“Tender Offer”** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 30 per cent. and less than 100 per cent. (the **“Percentage Range”**) of the outstanding voting shares of the Basket Company or Share Company, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

(b) Consequences of the occurrence of an Extraordinary Event:

If an Extraordinary Event occurs in relation to a Share or a Basket of Shares, the Issuer in its sole and absolute discretion may take the action described in (i) to (iii) below in respect of a Warrant relating to a Share or a Basket of Shares, and the actions described in (iv) or (v) below in respect of a Warrant relating to a Basket of Shares only:

- (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms to account for the relevant Extraordinary Event, and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Warrants. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange. In addition, in relation to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares in accordance with the provisions of sub-paragraph (v) below;
- (ii) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the **“Options Exchange”**), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (iii) where the Issuer determines that no adjustment has been proposed by the Options Exchange and that no other action will produce a commercially reasonable result, the Issuer, in its sole and absolute discretion may, on giving notice to Warrant holders in accordance with General Condition 10.
  - (A) cancel all but not some only of the Warrants, each Warrant being cancelled by payment of an amount equal to the fair market value of a Warrant taking into account the relevant Extraordinary Event (the **“Calculated Extraordinary Event Amount”**), less the cost to the Issuer and/or its Affiliates of

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unwinding any underlying related hedging arrangements (the “**Modified Calculated Extraordinary Event Amount**”), all as determined by the Calculation Agent in its sole and absolute discretion as soon as practicable following the occurrence of the relevant Extraordinary Event (the “**Calculated Extraordinary Event Amount Determination Date**”), or

- (B) require the Calculation Agent to determine the Calculated Extraordinary Event Amount on the Calculated Extraordinary Event Amount Determination Date, and cancel each Warrant on the scheduled Expiration Date by payment of the Calculated Extraordinary Event Amount. For avoidance of any doubt, the Calculated Extraordinary Event Amount shall not accrue any interest from the date of its calculation to the Expiration Date.
- (iv) in the case of Equity Linked Warrants relating to a Basket of Shares, cancel the Warrants in part by giving notice to Warrantholders in accordance with General Condition 10. If the Warrants are so cancelled in part, the portion (the “**Cancelled Amount**”) of each Warrant representing the affected Share(s) shall be cancelled and the Issuer will:
  - (i) pay to each Warrantholder in respect of each Warrant held by him an amount equal to the fair market value of the Cancelled Amount, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; and
  - (ii) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms to account for such cancellation in part. For the avoidance of doubt the remaining part of each Warrant after such cancellation and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with General Condition 10;
- (v) in the case of Equity Linked Warrants relating to a Basket of Shares, on or after the relevant Extraordinary Event Effective Date, require the Calculation Agent to adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a “**Substitute Share**”) for each Share (each, an “**Affected Share**”) of each Basket Company (each, an “**Affected Basket Company**”) which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a “**Share**”, and the issuer of such shares a “**Basket Company**”, for the purposes of the Warrants, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Warrants was to be determined by reference to an initial price (the “**Initial Price**”) of the Affected Share, the relevant Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price} = A \times (B/C)$$

where:

“**A**” is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

“**B**” is the Initial Price of the relevant Affected Share; and

“**C**” is the fair market value of the relevant Affected Share on the Substitution Date (which may, where available, be determined by reference to the official closing price of the Affected Share on the relevant Exchange and/or such other source(s) as the Calculation Agent determines appropriate).

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the “**Substitution Date**”) in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.



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In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in the sole and absolute discretion of the Calculation Agent:

- (i) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer, that is, or that as of the relevant Extraordinary Event Effective Date (i) is promptly scheduled to be, publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (ii) is not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) where (i) above does not apply, including in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:
  - (1) the issuer of the share shall, to the extent possible, belong to the same economic sector as the Affected Basket Company and shall not already be included in the Basket of Shares; and
  - (2) the issuer of the share shall, to the extent possible, have a comparable market capitalisation, international standing and exposure as the Affected Basket Company in respect of the Affected Share.

Upon the occurrence of an Extraordinary Event, if the Issuer determines that an adjustment in accordance with the above provisions is necessary it shall give notice as soon as practicable to the Warrantholders in accordance with General Condition 10 stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto, including, in the case of a Share substitution, the identity of the Substitute Shares and the Substitution Date, provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Extraordinary Event or the proposed action.

### 4. Correction of Share Price

If the relevant price of the relevant Share published on a given day and used or to be used by the Calculation Agent to make any determination under the Warrants is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the Share Correction Period of the original publication, the price to be used shall be the price of the relevant Share as so corrected, except that any corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Warrants calculated by reference to the price of a Share will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

### 5. Additional Disruption Events

- (a) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or, in the case of Warrants linked to a Basket of Shares only, (iv) below:
  - (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case with respect to Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or
  - (ii) cancel all but not only some of the Warrants by giving notice to Warrantholders in accordance with General Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant held by him which amount shall be the fair market value of a Warrant taking into account the Additional Disruption Event less the cost to the Issuer and/ or its Affiliates of unwinding any underlying related hedging arrangements (the “**Calculated Additional Disruption Amount**”), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with General Condition 10; or
  - (iii) require the Calculation Agent to calculate the Calculated Additional Disruption Amount as soon as practicable following the occurrence of the Additional Disruption Event (the “**Calculated Additional Disruption Amount Determination Date**”) and on the Expiration Date shall cancel each Warrant at an amount calculated by the Calculation Agent equal to the Calculated Additional Disruption Amount plus interest accrued on the Calculated Additional Disruption Amount on a daily basis from and including

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the Calculated Additional Disruption Amount Determination Date to but excluding the Expiration Date, each such daily accrual being at a rate equal to Issuer's funding cost on or about the relevant day; or

- (iv) in the case of Warrants linked to a Basket of Shares, require Calculation Agent to adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the issuer of such shares a "**Basket Company**" for the purposes of the Warrants, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these Equity Linked Conditions and/or the Issue Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Warrants was to be determined by reference to the an initial price (the "**Initial Price**") of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

Initial Price=A × (B/C) where:

"A" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected Share; and

"C" is the fair market value of the relevant Affected Share on the Substitution Date (which may, where available, be determined by reference to the official closing price of the Affected Share on the relevant Exchange and/or such other source(s) as the Calculation Agent determines appropriate).

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant date of the Additional Disruption Event.

The Weighting of each Substitute Share in the Basket of Shares will be equal to the Weighting of the relevant Affected Share.

In order to be selected as a Substitute Share, the relevant share must be a share which, in the sole and absolute discretion of the Calculation Agent:

- (i) is not already included in the Basket of Shares;
  - (ii) the Issuer of such share belongs to the same economic sector as the Basket Company in respect of the Affected Share; and
  - (iii) the Issuer of such share has a comparable market capitalisation, international standing and exposure as the Basket Company in respect of the Affected Share.
- (b) Upon the occurrence of an Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer as soon as practicable and the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with General Condition 10 stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event or the proposed action.

### 6. Knock-in Event and Knock-out Event

- (a) This Equity Linked Condition 6 is applicable only if:

- (i) Knock-in Event is specified as applicable in the Issue Terms, in which case any payment and/or delivery under the relevant Warrants which is expressed to be subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event; or
- (ii) Knock-out Event is specified as applicable in the Issue Terms, in which case any payment and/or delivery under the relevant Warrants which is expressed to be subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

### 7. Automatic Early Expiration

If "**Automatic Early Expiration**" is specified as applicable in the Issue Terms then, unless previously exercised

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or purchased and cancelled if an Automatic Early Expiration Event occurs, the Warrants shall cancel in whole, but not in part, on the Automatic Early Expiration Date immediately following such Automatic Early Expiration Valuation Date or Automatic Early Expiration Valuation Period, as applicable and the Issuer shall settle the Warrants an amount equal to the relevant Automatic Early Expiration Amount.

### 8. Definitions

**“Additional Disruption Event”** means (i) (unless specified otherwise in the Issue Terms) Change in Law, (ii) Failure to Deliver (in the case of Warrants to be settled by delivery), or (iii) any of Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing, Stop-Loss Event and/or Loss of Stock Borrow, if specified in the Issue Terms.

**“Affiliate”** means in relation to any entity (the **“First Entity”**), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes “control” means ownership of a majority of the voting power of an entity.

**“AEE Value”** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1 (*General Definitions*).

**“Automatic Early Expiration Amount”** means an amount calculated as set out in the Issue Terms. **“Automatic Early Expiration Event”** means the AEE Value is (A),

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Automatic Early Expiration Trigger, (i), (ii), (iii) applying or (iv) or (B) within or outside the Automatic Early Expiration Range as specified in the Issue Terms.

**“Automatic Early Expiration Range”** means the range of prices, amounts, percentages or number specified as such in the Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these Equity Linked Conditions.

**“Automatic Early Expiration Settlement Date”** means each date specified as such in the Issue Terms or if such date is not a Business Day, the next following Business Day, and no Warrantholder shall be entitled to any further payment in respect of any such delay.

**“Automatic Early Expiration Trigger”** means the price, amount, percentage or number specified as such in the Issue Terms, subject to adjustment as provided in these Equity Linked Conditions.

**“Automatic Early Expiration Valuation Date”** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

**“Automatic Early Expiration Valuation Period”** means each period specified as such in the Issue Terms;

**“Automatic Early Expiration Valuation Time”** means the time specified as such in the applicable Issue Terms.

**“Averaging Date”** means each date specified as an Averaging Date in the Issue Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (a) if **“Omission”** is specified as applying in the Issue Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level, price or amount, as applicable provided that, if through the operation of this provision no Averaging Dates would occur, then the provisions of the definition of “Valuation Date” will apply for purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (b) if **“Postponement”** is specified as applying in the Issue Terms, then the provisions of the definition of “Valuation Date” will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Disrupted Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (c) if **“Modified Postponement”** is specified as applying in the Issue Terms then:

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(i) where the Warrants are Equity Linked Warrants relating to a single share, the Averaging Date shall be the first succeeding Valid Date (as defined in (iii) below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (a) of the definition of Valuation Date below:

(ii) where the Warrants are Equity Linked Warrants relating to a Basket of Shares, :

(1) if Scheduled Trading Day (All Shares Basis) or Scheduled Trading Day (Cross Asset Basis) applies the Averaging Date for each Share shall be the first succeeding Valid Date in relation to every Share forming part of the Basket of Shares. If the first succeeding Valid Date in relation to every Share forming part of the Basket of Shares has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) such Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of every Share, and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of Valuation Date below;

(2) if Scheduled Trading Day (Per Share Basis) applies the Averaging Date for each Share not affected by the occurrence of a Disrupted Day shall be the originally scheduled Averaging Date, and the Averaging Date for each Share affected by the occurrence of a Disrupted Day (each an "Affected Item") shall be the first succeeding Valid Date relating to the Affected Item unless a Valid Date in respect of the Affected Item has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date for the Affected Item, notwithstanding the fact that such day is already an Averaging Date with respect to the Affected Item, and (ii) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of Valuation Date below; and

(iii) for the purposes of these Terms and Conditions, **"Valid Date"** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not occur.

**"Basket Company"** means each company specified as such in the Issue Terms and **"Basket Companies"** means all such companies.

**"Basket of Shares"** means a basket composed of Shares of each Basket Company specified in the Issue Terms in the Weightings or numbers of Shares of each Basket Company specified in the Issue Terms;

**"Change in Law"** means that, on or after the Trade Date (as specified in the Issue Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Share and/or (B) it will incur a materially increased cost in performing its obligations in relation to the Equity Linked Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant Share.

**"Clearance System Business Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions.

**"Disrupted Day"** means any Scheduled Trading Day on which:

- (a) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session;
- (b) a Market Disruption Event has occurred; or
- (c) where Exchange Business Day (Cross Asset Basis) and Scheduled Trading Day (Cross Asset Basis) are

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specified as applicable in the Issue Terms for (i) Equity Linked Warrants and (ii) Index Linked Warrants and/or (iii) ETF Linked Warrants, a Disrupted Day occurs under and as defined in these Equity Linked Condition and/or in the Index Linked Conditions and/or ETF Linked Conditions.

**“Early Closure”** means the closure on any Exchange Business Day of relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**“Exchange”** means, in respect of a Share, each exchange or quotation system specified as such for such Share in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means either (i) in the case of a single Share, Exchange Business Day (Single Share Basis) or (ii) in the case of a basket of Shares or other assets, (a) Exchange Business Day (All Shares Basis) or (b) Exchange Business Day (Per Share Basis) or (c) Exchange Business Day (Cross Asset Basis), in each case as specified in the Issue Terms, provided that if no such specification is made in the Issue Terms, Exchange Business Day (All Shares Basis) shall apply.

**“Exchange Business Day (All Shares Basis)”** means, in respect of a Basket of Shares, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Business Day (Cross Asset Basis)”** means, in respect of a basket of assets, any Scheduled Trading Day on which each Exchange and each Related Exchange in respect of all Shares comprised in the basket of assets are open for trading during its regular trading session (notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time) which is also an Exchange Business Day under and as defined in the Index Linked Conditions and/or the ETF Linked Conditions.

**“Exchange Business Day (Per Share Basis)”** means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and Related Exchange in respect of such Share is open for trading during its respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time.

**“Exchange Business Day (Single Share Basis)”** means any Scheduled Trading Day on which the Exchange and the Related Exchange are open for trading during their respective regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time.

**“Exchange Disruption”** means, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Share on any relevant Related Exchange.

**“Extraordinary Event Effective Date”** means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation Agent in its sole and absolute discretion.

**“Failure to Deliver”** means failure of the Issuer and/or any of its Affiliates to deliver, when due, the Relevant Assets comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for such Shares.

**“Hedging Disruption”** means that the Issuer or any of its Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk or any other relevant price risk including but not limited to the currency risk of the Issuer issuing and performing its obligations with respect to the Warrants, or (ii) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s).

**“Hedging Shares”** means the number of Shares that the Issuer or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Warrants.

**“Increased Cost of Hedging”** means that the Issuer or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s)

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or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Warrants, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**“Increased Cost of Stock Borrow”** means that the Issuer or any of its Affiliates would incur a rate to borrow any Share that is greater than the Initial Stock Loan Rate.

**“Initial Stock Loan Rate”** means, in respect of a Share, the initial stock loan rate specified in relation to such Share in the Issue Terms.

**“Insolvency Filing”** means that a Share Company or Basket Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company or Basket Company shall not be deemed an Insolvency Filing.

**“Knock-in Barrier”** means the price, amount, percentage or number specified as such in the Issue Terms, subject to adjustment from time to time in accordance with the provisions of these Equity Linked Conditions.

**“Knock-in Determination Day”** means each date(s) specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**“Knock-in Determination Period”** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**“Knock-in Event”** means the Knock-in Value is (A):

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Knock-in Barrier or (B) within or outside the Knock-in Range (x) on a Knock-in Determination Day or (y) in respect of any Knock-in Determination Period, as specified in the Issue Terms,

**“Knock-in Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Range”** means the range of prices, amounts, percentages or numbers specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth of these Equity Linked Conditions

**“Knock-in Valuation Time”** means the time specified as such in the Issue Terms.

**“Knock-in Value”** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1.

**“Knock-out Barrier”** means the price, amount, percentage or number specified as such in the Issue Terms subject to adjustment from time to time in accordance with the provisions of these Equity Linked Conditions.

**“Knock-out Determination Day”** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below

**“Knock-out Determination Period”** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**“Knock-out Event”** means the Knock-out Value is (A):

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- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Knock-out Barrier or (B) within or outside the Knock-out Range (x) on a Knock-in Determination Day or (y) in respect of any Knock-in Determination Period, as specified in the Issue Terms,

**“Knock-out Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Range”** means the range of prices, amounts, percentages or numbers specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions of these Equity Linked Conditions.

**“Knock-out Value”** has the meaning given to it in the Issue Terms, being a term defined in a Payout Condition 5.1.

**“Knock-out Valuation Time”** means the time specified as such in the Issue Terms.

**“Loss of Stock Borrow”** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

**“Market Disruption Event”** means, in relation to Equity Linked Warrants relating to a Single Share or a Basket of Shares, in respect of a Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent in its sole and absolute discretion, determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

**“Maximum Stock Loan Rate”** means, in respect of a Share, the Maximum Stock Loan Rate specified in the Issue Terms.

**“Observation Date”** means each date specified as an Observation Date in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below

**“Observation Period”** means the period specified as the Observation Period in the Issue Terms.

**“Related Exchange”** means, in relation to a Share, each exchange or quotation system on which option contracts or futures contracts relating to such Share are traded, or each exchange or quotation system specified as such for such Share in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where **“All Exchanges”** is specified as the Related Exchange in the Issue Terms, **“Related Exchange”** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share.

**“Scheduled Closing Time”** means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours subject as provided in “Valuation Time” below.

**“Scheduled Trading Day”** means either (i) in the case of a single Share, Scheduled Trading Day (Single Share Basis) or (ii) in the case of a Basket of Shares, (a) Scheduled Trading Day (All Shares Basis) or (b) Scheduled Trading Day (Per Share Basis) or (c) Scheduled Trading Day (Cross Asset Basis), in each case as specified in the Issue Terms provided that if no such specification is made in the Issue Terms, Scheduled Trading Day (All Shares Basis) shall apply.

**“Scheduled Trading Day (All Shares Basis)”** means, in respect of a Basket of Shares, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all Shares comprised in

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the Basket of Shares for their respective regular trading sessions.

**“Scheduled Trading Day (Cross Asset Basis)”** means, in respect of a basket of assets, any day on which each Exchange and each Related Exchange (if any) in respect of all Shares comprised in the basket of assets is scheduled to be open for trading for its regular trading session which is also a Scheduled Trading Day for the purpose of the Index Linked Conditions and/or the ETF Linked Conditions, as applicable.

**“Scheduled Trading Day (Per Share Basis)”** means in respect of a Basket of Shares, any day on which the relevant Exchange and, Related Exchange in respect of such Share are scheduled to be open for trading for their respective regular trading sessions.

**“Scheduled Trading Day (Single Share Basis)”** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s).

**“Scheduled Valuation Date”** means, in respect of a Share, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

**“Screen Page”** means the page specified in the Issue Terms, or any successor page or service thereto.

**“Settlement Cycle”** means, in respect of a Share, the period of Clearance System Business Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

**“Settlement Price”** means, subject as referred to in relation to any Settlement Price Date, in the case of a Share:

- (i) an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date as may be specified in the Issue Terms) quoted on the relevant Exchange for such Share on the relevant Settlement Price Date, as determined by the Calculation Agent or,
- (ii) if so specified in the Issue Terms, the price of the Share determined by the Calculation Agent as set out in the Issue Terms at the Valuation Time on the relevant Settlement Price Date.

**“Settlement Price Date”** means an Averaging Date or Valuation Date, as the case may be.

**“Shares”** and **“Share”** mean in the case of an issue of Warrants relating to a Basket of Shares, each share and, in the case of an issue of Warrants relating to a single Share, the share, specified in the Issue Terms and related expressions shall be construed accordingly.

**“Share Company”** means, in the case of an issue of Warrants relating to a single Share, the company that has issued such Share.

**“Share Correction Period”** means (i) the period specified in the Issue Terms, or (ii) if none is so specified, one Settlement Cycle.

**“Specified Maximum Days of Disruption”** means eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the Issue Terms.

**“Stop-Loss Event”** means, in respect of a Share, the price of any Share as quoted on the relevant Exchange for such Share at any time or the Scheduled Closing Time, as specified in the Issue Terms, on any Scheduled Trading Day that is not a Disrupted Day in respect of such Share on or after the Trade Date or, if later the Strike Date, is less than 5 per cent., or such percentage specified in the Issue Terms, of its Strike Price or, if no Strike Price and/or Strike date is stipulated in the Issue Terms, the price given as the benchmark price for such Share in the Issue Terms, all as determined by the Calculation Agent.

**“Strike Date”** means the Strike Date specified in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below, provided that: in the case of Equity Linked Warrants relating to a Basket of Shares, if the Strike Date for any share forming part of the Basket of Shares is specified to be the Trade Date (subject, for the avoidance of doubt, to any adjustments relating to the Strike Date that are set out in the Issue Terms) then:

- (i) if the Strike Date for any Share forming part of the Basket of Shares is not a Scheduled Trading Day, the Strike Date for such Share shall be the first succeeding Scheduled Trading Day; unless
- (ii) in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then the Strike Date for such Share, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of such Share forming part of the Basket of Shares unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date is a Disrupted Day in respect of such Share.



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In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the relevant Share, notwithstanding the fact that such day is a Disrupted Day with respect to such Share, and (ii) the Calculation Agent shall determine the price of that Share as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating such price last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each Share comprised in that Basket of Shares (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Share on the last such consecutive Scheduled Trading Day, its good faith estimate of the price for the relevant Share as of the Valuation Time on the last such consecutive Scheduled Trading Day) and otherwise in accordance with the above provisions.

“**Strike Day**” means each date specified as such in the applicable Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

“**Strike Period**” means the period specified as the Strike Period in the Issue Terms.

“**Trading Disruption**” means, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to the Share or (b) in futures or options contracts relating to such Share on any relevant Related Exchange.

“**Valuation Date**” means, Strike Date, Strike Day, Expiration Date, Actual Exercise Date, Potential Exercise Date(s), Automatic Early Expiration Valuation Date, Knock-in Determination Day, Knock-out Determination Day, Observation Date or and Specified Exercise Date or such other date, as the case may be, specified in the Issue Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (a) in the case of Equity Linked Warrants relating to a single Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price in the manner set out in the Issue Terms or, if not set out or if not practicable, determine the Settlement Price in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on that the last such consecutive Scheduled Trading Day; or
- (b) in the case of Equity Linked Warrants relating to a Basket of Shares:
  - (1) if Scheduled Trading Day (All Shares Basis) or Scheduled Trading Day (Cross Asset Basis) applies, , the Valuation Date for each Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of any Shares forming part of the Basket of Shares unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day in respect of any Share forming part of the Basket of Shares. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for each Share forming part of the Basket of Shares, notwithstanding the fact that such day is a Disrupted Day with respect to any Share (each an “**Affected Item**”) and (ii) the Calculation Agent shall determine the (a) Settlement Price of each Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day using, in relation to each Affected Item, its good faith estimate of the value for the Affected Item and otherwise in accordance with the above provisions, and (b) Settlement Price of each Share that is not an Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day as specified in the Issue Terms and otherwise in accordance with the above provisions
  - (2) if Scheduled Trading Day (Per Share Basis) applies, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Share affected by the occurrence of a Disrupted Day (each an “**Affected Item**”) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day with respect to the Affected Item, and (ii) the Calculation Agent shall determine the Settlement Price of the Affected Item, as of the Valuation Time on the last such consecutive Scheduled Trading Day using, in relation to the Affected Item its good faith estimate of the value for the Affected Item and otherwise in accordance with the above provisions..

## **ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED WARRANTS**

**“Valuation Time”** means:

- (i) the Automatic Early Expiration Valuation Time, the Knock-in Valuation Time, the Knock-Out Valuation Time or the Valuation Time, as the case may be, specified in the Issue Terms or,
- (ii) if not specified in the Issue Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date, as the case may be, in relation to each Share to be valued provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Automatic Early Expiration Valuation Time, , Knock-in Valuation Time, Knock-Out Valuation Time or the Valuation Time, as the case may be, shall be such actual closing time.

**“Weighting”** means the weighting to be applied to each item of the Basket of Shares as specified in the Issue Terms or if no weighting is so specified then no weighting shall apply to any such item.

## ADDITIONAL TERMS AND CONDITIONS FOR ETF LINKED WARRANTS

### ANNEX 4

#### ADDITIONAL TERMS AND CONDITIONS FOR ETF LINKED WARRANTS

*If specified as applicable in the Issue Terms, the terms and conditions applicable to ETF Linked Warrants shall comprise the General Conditions and the additional terms and conditions for ETF Linked Warrants linked to one or more ETFs set out below (the “**ETF Linked Conditions**”), together with the terms and conditions as set out in each other Annex which is specified as applicable in the Issue Terms and subject to completion in the Issue Terms. In the event of any inconsistency between the General Conditions and the ETF Linked Conditions, the ETF Linked Conditions shall prevail. In the event of any inconsistency between the ETF Linked Conditions and the Payout Conditions, the Payout Conditions shall prevail.*

#### 1. Disrupted Day

The Calculation Agent shall give notice as soon as practicable to the Issuer and the Issuer shall give notice as soon as practicable to the Guarantor, the Principal Warrant Agent and the Warrantholders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Settlement Price Date.

#### 2. Potential ETF Events and Extraordinary ETF Events

##### (a) Potential ETF Events

- (i) “**Potential ETF Events**” means any of the following:
  - (A) a subdivision, consolidation, or reclassification of relevant ETF Shares or a free distribution or dividend of any such ETF Shares to existing holders by way of bonus, capitalisation or similar issue;
  - (B) a distribution, issue or dividend to existing holders of the relevant ETF Shares of (A) such ETF Shares or (B) other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the ETF equally or proportionately with such payments to holders of such ETF Shares; (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the ETF, as a result of a spin-off or other similar transaction; or (D) any of other type of securities, rights or warrants or other assets, in any case for payment (in cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
  - (C) an extraordinary dividend as determined by the Calculation Agent;
  - (D) a call by an ETF in respect of relevant ETF Shares that are not fully paid; and
  - (E) a repurchase by the ETF or its subsidiaries of relevant ETF Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
  - (F) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETF Shares.
- (ii) “**Potential ETF Event Effective Date**” means, in respect of a Potential ETF Event, the date on which such Potential ETF Event is announced by the relevant ETF, as determined by the Calculation Agent in its sole and absolute discretion.
- (iii) Following the declaration by the ETF of the terms of any Potential ETF Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential ETF Event has a diluting or concentrative effect on the theoretical value of the ETF Shares and, if so, will
  - (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these ETF Linked Conditions and/or the Issue Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETF Share) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential ETF Event made by an options exchange (“**ETF Exchange Based Adjustment**”) to options on the ETF Shares traded on that options exchange.
- (iv) Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall, other

## ADDITIONAL TERMS AND CONDITIONS FOR ETF LINKED WARRANTS

than where ETF Exchange Based Adjustment applies, notify the Issuer as soon as practicable and the Issuer shall give notice as soon as practicable to the Warrantholders in accordance with General Condition 10, stating the occurrence of the Potential ETF Event, giving details thereof and the adjustment to be taken in relation thereto, provided that any failure to give or non-receipt of such notice will not affect the validity of such Potential ETF Event or Potential ETF Event Effective Date or the adjustment in relation thereto.

### (b) Extraordinary ETF Events

**“Extraordinary ETF Event”** means, in the determination of the Calculation Agent, the occurrence at any time on or after the Issue Date of any of the following events and any applicable Additional Extraordinary ETF Event:

- (i) the ETF or any ETF Service Provider (i) ceases trading and/or, in the case of any ETF Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage or any other relevant business (as applicable), (ii) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger), (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv)(1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above;
- (ii) the occurrence of any Merger Event or Tender Offer (unless Tender Offer is specified as Not applicable in the Issue Terms), where:

**“Merger Event”** means, in respect of any relevant ETF Shares, any (i) reclassification or change of such ETF Shares that results in a transfer of or an irrevocable commitment to transfer all of such ETF Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of an ETF with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such ETF is the continuing entity and which does not result in a reclassification or change of all of such ETF Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETF Shares of the ETF that results in a transfer of or an irrevocable commitment to transfer all such ETF Shares (other than such ETF Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the ETF or its subsidiaries with or into another entity in which the ETF is the continuing entity and which does not result in a reclassification or change of all such ETF Shares outstanding but results in the outstanding ETF Shares (other than ETF Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETF Shares immediately following such event, in each case if the date of the occurrence of the Extraordinary ETF Event is on or before (a) in the case of Cash Settled Warrants, the latest of the last occurring Settlement Price Date or (b) in the case of Physical Delivery Warrants, the relevant Settlement Date; and

**“Tender Offer”** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 30 per cent. and less than 100 per cent.

## ADDITIONAL TERMS AND CONDITIONS FOR ETF LINKED WARRANTS

(the “**Percentage Range**”) of the outstanding voting shares of the ETF, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

- (iii) (a) an allegation of criminal or fraudulent activity is made in respect of the ETF, or any ETF Service Provider, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (b) the commencement or threat of any investigative, judicial, administrative, regulatory or other civil or criminal proceedings against the ETF, any ETF Service Provider or any key personnel of such entities, if such allegation, determination, suspicion or proceedings could (in the opinion of the Calculation Agent) have an adverse impact on a Hedge Provider’s rights or obligations in relation to hedging activities in respect of the Warrants or could materially affect the value of the ETF Shares;
- (iv) any ETF Service Provider or other agent or entity fulfilling such role, howsoever described in the ETF Documents as at the Issue Date, ceases to act in such capacity in relation to the ETF and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent;
- (v) (i) any of the investment objectives, investment restrictions or investment process (howsoever described) of the ETF are modified from that set out in the ETF Documents except where such change is of a formal, minor or technical nature or (ii) a material modification of the type of assets in which the ETF invests (including but not limited to a material deviation from the investment objectives, investment restrictions or investment process (howsoever described) set out in the ETF Documents);
- (vi) a material modification of the ETF (including but not limited to a modification of the ETF Documents) or a material modification of the method of calculating the net asset value per ETF Share (if any), or any change in the period or timing of the calculation or the publication of the net asset value per ETF Share (if any) or the occurrence of any event which in the determination of the Calculation Agent has or may have an adverse impact on the ETF or investors in the ETF (including, without limitation, the suspension of the net asset value per ETF Share (if any)), in each case other than a modification or event which does not affect the ETF Shares or the ETF or any portfolio of assets to which the ETF Share relate (either alone or in common with other ETF Shares issued by the ETF);
- (vii) any ETF Service Provider fails to provide the Calculation Agent, within a reasonable time, with any information that the Calculation Agent has reasonably requested regarding the investment portfolio of the ETF;
- (viii) (i) the occurrence of any event affecting a ETF Share that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of the relevant ETF Share; (ii) any failure of the ETF, or its authorised representative, to deliver, or cause to be delivered, (1) information that the ETF has agreed to deliver, or cause to be delivered to the Calculation Agent or Hedge Provider, or (2) information that has been previously delivered to any Hedge Provider or the Calculation Agent, as applicable, in accordance with the ETF’s, or its authorised representative’s, normal practice and that any Hedge Provider deems necessary for it or the Calculation Agent, as applicable, to monitor such ETF’s compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the relevant ETF Share;
- (ix) a reduction of the ETF’s aggregate value or the reduction of the ETF’s aggregate net asset value under an amount that, in the reasonable opinion of the Calculation Agent, has, or is likely to have, a significant effect on the management conditions of the ETF and/or its operating expenses or would increase the proportion of ETF Shares held, or likely to be held, by the Issuer, Guarantor or Hedge Provider to such extent that the full expiration in one single order of the ETF Shares held by the Issuer, Guarantor or Hedge Provider is likely to be impaired;
- (x) (i) any relevant activities of or in relation to the ETF or the ETF Service Providers are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, (ii) a relevant authorisation or licence is revoked or is under review by a competent authority in respect of the ETF or the ETF Service Providers, (iii) the ETF is required by a competent authority to redeem any ETF Shares and/or (iv) the Issuer, the Guarantor and/or any Hedge Provider is required by a competent authority, the ETF or any other relevant entity to dispose of or compulsorily redeem any ETF Shares held in connection with any hedging arrangements relating to the Warrants;
- (xi) (i) the non-execution or partial-execution by the ETF for any reason of a subscription or expiration order

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- in respect of any ETF Shares (including, for the avoidance of any doubt, any non-execution by the ETF pending completion of its fiscal audit), if such non-execution or partial execution could in the sole determination of any Hedge Provider have an adverse impact on any Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Warrants, (ii) the ETF otherwise suspends or refuses transfers of any of its ETF Shares as described in the ETF Documents, (iii) if applicable, the ETF ceases to be an undertaking for collective investments under the relevant jurisdiction's legislation, (iv) the ETF otherwise suspends or refuses expirations of any of its ETF Shares (including, without limitation, if the ETF applies any gating, deferral, suspension or other similar provisions permitting the ETF to delay or refuse expiration or transfer of ETF Shares) as described in the ETF Documents, (v) the ETF imposes in whole or in part any restriction (including, without limitation, any expiration *in specie*), charge or fee in respect of a expiration or subscription of its ETF Shares by the Issuer or any Hedge Provider or exercises its right to claw back the proceeds already paid on redeemed ETF Shares, if in any case it could in the sole determination of any Hedge Provider have an adverse impact on any Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Warrants, (vi) a mandatory expiration, in whole or in part, of the ETF Shares is imposed by the ETF on any one or more holders of ETF Shares at any time for any reason or (vii) the Issuer, any Hedge Provider, or any Affiliate thereof, is required by the ETF or ETF Service Provider to redeem any ETF Shares for any reason;
- (xii) all the ETF Shares or all or substantially all the assets of an ETF are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
  - (xiii) the currency or denomination of the ETF Share is amended from that set out in the ETF Documents as at the Trade Date;
  - (xiv) one or more of the key individuals involved with, or having supervision over, the ETF ceases to act in such capacity, and the ETF or relevant ETF Service Provider fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act;
  - (xv) following the issue by a ETF of a new class or series (howsoever described in the ETF Documents) of shares, the Calculation Agent, determines that such new class or series of shares has or may have an adverse effect on the hedging activities of the Hedge Provider in relation to the Warrants;
  - (xvi) there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Warrants (a "**Tax Event**") and, subject as provided below, the Issuer or the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to any of its Affiliates, provided that the Issuer or the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date the Calculation Agent determines that there is no reasonable means of mitigating the Tax Event as provided above;
  - (xvii) in connection with any hedging activities in relation to the Warrants, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Issue Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Issuer or the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider or the Issuer to adversely modify any reserve, special deposit, or similar requirement or that would adversely affect the amount of regulatory capital that would have to be maintained in respect of any holding of ETF Shares or that would subject a holder of the ETF Shares or the Issuer to any loss), purchase or sell any ETF Shares of the ETF or for the Issuer or the Hedge Provider to maintain such hedging arrangements, (ii) the cost to the Issuer or the Hedge Provider of such hedging activities would be materially increased for any reason or (iii) the Issuer and/or the Hedge Provider would be subject to a material loss and, subject as provided below, the Issuer or the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to any of its Affiliates, provided that the Issuer or the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date the Calculation Agent determines that

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that there is no practicable means of mitigating the Relevant Event as provided above;

- (xviii) in connection with the hedging activities in relation to the Warrants, if the cost to the Issuer or the Hedge Provider in relation to the Warrants and the related hedging activities would be materially increased or the Issuer and/or the Hedge Provider would be subject to a material loss relating to the Warrants and the related hedging activities;
  - (xix) in connection with the hedging activities in relation to the Warrants, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset or any futures or option contracts on the relevant Exchange it deems necessary to hedge the equity, commodity or other underlying ETF asset price risk or any other relevant price risk, including but not limited to the Issuer's obligations under the Warrants, or (b) to realise, recover or remit the proceeds of any such transaction, asset or futures or option contract or any relevant hedge positions relating to an ETF Share of the ETF;
  - (xx) at any time on or after the Issue Date, the Issuer and/or any of its Affiliates would incur an increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Warrants;
  - (xxi) the Issuer becomes legally prohibited from transferring or redeeming its holding of ETF Shares;
  - (xxii) the relevant Exchange announces that pursuant to the rules of such Exchange, the relevant ETF Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or otherwise  
(ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union);
  - (xxiii) (i) the occurrence of the reclassification of the ETF Shares; or  
(ii) (A) proposal for or (B) the occurrence of the acquisition of the ETF by, or the aggregation of the ETF into, another fund the mandate, risk-profile and/or benchmarks of which the Calculation Agent determines to be different from the mandate, risk-profile and/or benchmarks of the ETF as compared to the Trade Date of the ETF Linked Warrants (or any proposal for the foregoing occurs); or
  - (xxiv) (i) any cancellation, suspension or revocation of the registration or approval of the ETF or the ETF Shares by any governmental, legal or regulatory entity with authority over the ETF or the ETF Shares;  
(ii) any change in the legal, tax, accounting or regulatory treatments of the ETF, any ETF Service Provider or the ETF Shares that the Calculation Agent determines has or is reasonably likely to have an adverse impact on the investors in the ETF or the holders of the ETF Shares or on the value of the ETF Shares, or  
(iii) the ETF or any ETF Service Provider becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving any activities relating to or resulting from the operation of the ETF.
- (c) Consequences of an Extraordinary ETF Event

If an Extraordinary ETF Event occurs, including any Additional Extraordinary ETF Event specified in the Issue Terms, the Issuer in its sole and absolute discretion may take any of the actions (each an “**Extraordinary ETF Event Action**”) described in subparagraphs (i) to (iii) inclusive below.

(i) Adjustment

If the Issuer determines that the action taken in respect of the Extraordinary ETF Event is to be “**Adjustment**” then it may:

- (A) require the Calculation Agent to determine, in its sole and absolute discretion, the appropriate adjustment(s), if any, to be made to any one or more of any Relevant Asset and/ or the Entitlement (in the case where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these ETF Linked Conditions and/or the applicable Issue Terms to account for the relevant the Extraordinary ETF Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETF Shares or to the Warrants. The Calculation Agent may (but

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need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary ETF Event made by any options exchange to options on the ETF Shares traded on that options exchange; or

- (B) following such adjustment to the settlement terms of options on the ETF Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the “**Options Exchange**”), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or the Weighting and/or any of the other terms of the General Conditions, these ETF Linked Conditions and/or the Issue Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETF Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these ETF Linked Conditions and/or the Issue Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary ETF Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

(ii) Substitution

If the Issuer determines that the action to be taken in respect of the Extraordinary ETF Event is to be “Substitution”, the Calculation shall on or after the occurrence of any Extraordinary ETF Event, substitute each ETF Share (each an “**Affected ETF Share**”) of each ETF (each, an “**Affected ETF**”) which is affected by such Extraordinary ETF Event with an ETF Share selected by it in accordance with the criteria for ETF Share selection set out below (each a “**Substitute ETF Share**”) and the Substitute ETF Share will be deemed to be an “ETF Share” and the relevant issuer of such Substitute ETF Share, an “ETF” for the purposes of the Warrants, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Warrants are Physical Delivery Warrants) and/or the Exercise Price and/or the Weighting and/or any of the other terms of the General Conditions, these ETF Linked Conditions and/or the Issue Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Warrants was to be determined by reference to an initial price (the “**Initial Price**”) of the Affected ETF Share, the relevant Initial Price of each Substitute ETF Share will be determined by the Calculation Agent in accordance with the following formula:

Initial Price = A x (B/C) where:

“A” is the official closing price of the relevant Substitute ETF Share on the relevant Exchange on the Substitution Date;

“B” is the Initial Price of the relevant Affected ETF Share; and

“C” is the fair market value of the relevant Affected ETF Share on the Substitution Date (which may, where available, be determined by reference to the official closing price of the Affected Share on the relevant Exchange and/or such other source(s) as the Calculation Agent determines appropriate).

Such substitution and the relevant adjustment to the ETF Basket will be deemed to be effective as of the date selected by the Calculation Agent (the “**Substitution Date**”) in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant Extraordinary ETF Event Effective Date.

The Weighting of each Substitute ETF Share will be equal to the Weighting of the relevant Affected ETF Share.

In order to be selected as a Substitute ETF Share, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent in its sole and absolute discretion:

- (A) where the relevant Extraordinary ETF Event is a Merger Event or a Tender Offer (a) in the case of ETF Shares related to a single ETF, and (b) in the case of ETF Shares related to an ETF Basket, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that (i) the relevant share/unit/interest is not already included in the ETF Basket and (ii) it is or as of the relevant



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Extraordinary ETF Event Effective Date is promptly scheduled to be (x) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (y) not subject to any currency exchange controls, trading restrictions or other trading limitations; or

- (B) (a) where the relevant Extraordinary ETF Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in paragraph (A) above, but such share/unit/interest is (in the case of an ETF Share related to an ETF Basket), already included in the ETF Basket, or (b) where the Extraordinary ETF Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETF, including but not limited to, a comparable listing, investment objectives, investment restrictions and investment processes underlying asset pools and whose related parties are acceptable to the Calculation Agent;
  - (C) if no alternative traded instrument can be determined pursuant to the preceding sub- paragraph (B) above, use reasonable endeavours to substitute the relevant ETF with an index (or a fund tracking an index) selected by the Calculation Agent in its sole and absolute discretion; and
  - (D) following any such substitution (a “**Substitution**”), in its sole and absolute discretion amend such of the General Conditions, these ETF Linked Conditions and/or the Issue Terms as it determines to be appropriate to take account of such Substitution, including to ensure the weighted average price referred to in (i) above (and any consequent rise or fall in value of the affected ETF Share since the Issue Date) is reflected in the terms of the Substitution.
- (iii) Cancellation
- If the Issuer determines that the action to be taken in respect of the Extraordinary ETF Event is to be “Cancellation”, upon the occurrence of any of the Extraordinary Fund Events set out in ETF Linked Condition 2 or any Additional Extraordinary Fund Event specified in the Issue Terms occurs (a “**Cancellation Event**”) the Issuer (i) shall cancel all but not some only of the Warrants on the Cancellation Date by payment to each Warrantholder of the Cancellation Amount. For avoidance of any doubt, the Cancellation Amount shall not accrue any interest from the date of its calculation to the Cancellation Date.
- (iv) Upon the occurrence of an Extraordinary ETF Event, if the Issuer determines that an adjustment in accordance with the above provisions is necessary it shall give notice as soon as practicable (an “**Extraordinary Event Notice**”) to the Warrantholders in accordance with General Condition 10 stating the occurrence of such Extraordinary ETF Event (the date on which an Extraordinary Event Notice is given, an “**Extraordinary ETF Event Notification Date**”), giving details thereof and the action to be taken in relation thereto, including, in the case of a Substitution, the identity of the Substitute ETF Shares and the Substitution Date and, in the case of a Cancellation, details of any Cancellation Date and Cancellation Amount (where applicable), provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Extraordinary ETF Event or the proposed action.

### 3. Correction of ETF Price

If the relevant price of the relevant ETF Share published on a given day and used or to be used by the Calculation Agent to make any determination under the Warrants is subsequently corrected and the correction is published by the relevant Exchange within the number of days equal to the ETF Share Correction Period of the original publication, the price to be used shall be the price of the relevant ETF Share as so corrected, except that any corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Warrants calculated by reference to the price of an ETF Share will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

### 4. Knock-in Event and Knock-out Event

- (a) This ETF Linked Condition 4 is applicable only if:
- (i) Knock-in Event is specified as applicable in the Issue Terms, in which case any payment under the Warrants which is expressed to be subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event; or
  - (ii) Knock-out Event is specified as applicable in the Issue Terms, in which case any payment under the Warrants which is expressed to be subject to a Knock-out Event shall be conditional upon the occurrence

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of such Knock-out Event.

### 5. Automatic Early Expiration

If “**Automatic Early Expiration**” is specified as applicable in the Issue Terms, then if an Automatic Early Expiration Event occurs, then Warrants shall, subject as provided in ETF Linked Condition 2(c), cancel in whole but not in part, on the Automatic Early Expiration Settlement Date immediately following such Automatic Early Expiration Valuation Date or Automatic Early Expiration Valuation Period and the Issuer shall settle the Warrants at an amount equal to the relevant Automatic Early Expiration Amount.

### 6. Definitions

“**Additional Extraordinary ETF Event**” means (i) (unless specified otherwise in the Issue Terms) Change in Law, (ii) Failure to Deliver (in the case of Warrants to be settled by physical delivery), or (iii) any of Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing, Stop-Loss Event and/or Loss of Stock Borrow, in each case if specified in the Issue Terms.

“**Affiliate**” means in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes, control means ownership of a majority of the voting power of an entity.

“**AEE Value**” has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1 (*General Definitions*).

“**Automatic Early Expiration Amount**” means, in respect of each Calculation Amount, the amount set out in the Issue Terms.

“**Automatic Early Expiration Settlement Date**” means each date specified as such in the Issue Terms, or if such date is not a Business Day, the immediately succeeding Business Day, provided that no additional amount shall be payable to Holders as a result of such delay.

“**Automatic Early Expiration Event**” means the AER Value is (A):

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Automatic Early Expiration Trigger,

(i), (ii), (iii) or (iv) applying or (B) within or outside the Automatic Early Expiration Range, as specified in the Issue Terms,

“**Automatic Early Expiration Trigger**” means the price, amount, percentage or number specified as such in the Issue Terms, subject to adjustment as provided in ETF Linked Condition 2(c)(i) above.

“**Automatic Early Expiration Range**” means the range of prices, amounts, percentages or numbers specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these ETF Linked Conditions.

“**Automatic Early Expiration Valuation Date**” means each date as specified as such in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

“**Automatic Early Expiration Valuation Period**” means each period specified as such in the Issue Terms.

“**Automatic Early Expiration Valuation Time**” means the time specified as such in the applicable Issue Terms.

“**Averaging Date**” means each date specified as an Averaging Date in the Issue Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day.

If any such day is a Disrupted Day pursuant to the above, then:

- (a) If “**Omission**” is specified as applying in the Issue Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level, price or amount, as applicable, provided that if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of Valuation

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Date will apply for purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date; or

- (b) if “**Postponement**” is specified as applying in the Issue Terms, the provisions of the definition of Valuation Date will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date, or
- (c) if “**Modified Postponement**” is specified as applying in the Issue Terms then: :
  - (i) where the Warrants are ETF Linked Warrants relating to a single ETF, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether such Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a) of the definition of Valuation Date below
  - (ii) where the Warrants are ETF Linked Warrants relating to an ETF Basket.:
    - (1) if Scheduled Trading Day (All ETF Shares Basis) applies the Averaging Date for each ETF Share not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the “**Scheduled Averaging Date**”) and the Averaging Date for each ETF Share affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such ETF Share. If the first succeeding Valid Date in relation to such ETF Share has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) that Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such ETF Share, and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of Valuation Date below; and
    - (2) if Scheduled Trading Day (Per ETF Share Basis) applies the Averaging Date for each ETF Share not affected by the occurrence of a Disrupted Day shall be the originally scheduled Averaging Date, and the Averaging Date for each ETF Share affected by the occurrence of a Disrupted Day (each an “**Affected Item**”) shall be the first succeeding Valid Date relating to the Affected Item unless a Valid Date in respect of the Affected Item has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date for the Affected Item, notwithstanding the fact that such day is already an Averaging Date with respect to the Affected Item, and (ii) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of Valuation Date below; and
  - (iii) for the purposes of these ETF Linked Conditions, “**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

“**Cancellation Amount**” means amount equal to the fair market value of a Warrant taking into account the relevant Extraordinary ETF Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion as soon as practicable following the occurrence of the relevant Extraordinary ETF Event.

“**Cancellation Date**” means (i) the date determined by the Issuer (which, for the avoidance of doubt shall be any date determined by the Issuer in its sole and absolute discretion) and specified in the notice given to the Warrantholders in accordance with these ETF Linked Conditions.

“**Change in Law**” means that, on or after the Trade Date (as specified in the Issue Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with

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competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant ETF Share and/or (B) it will incur a materially increased cost in performing its obligations in relation to the ETF Linked Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

**“Clearance System”** means the principal domestic clearance system customarily used for settling trades in the relevant securities.

**“Clearance System Business Days”** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions.

**“Coupon Valuation Time”** means the time specified as such in the applicable Issue Terms. **“Disrupted Day”** means any Scheduled Trading Day on which:

- (a) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session;
- (b) a Market Disruption Event has occurred; or
- (c) where Exchange Business Day (Cross Asset Basis) and Scheduled Trading Day (Cross Asset Basis) are specified as applicable in the Issue Terms for (i) ETF Linked Warrants, (ii) Index Linked Warrants and/ or (iii) Equity Linked Warrants, a Disrupted Day occurs under and as defined in these ETF Linked Conditions and/or in the Index Linked Conditions and/or Equity Linked Conditions.

**“Early Closure”** means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**“ETF”** means any fund specified as being an Exchange Traded Fund in the Issue Terms, or if not so specified, any fund which the Calculation Agent determines to be an exchange traded fund.

**“ETF Basket”** means a Basket comprising the ETF Shares in one or more ETFs specified in the Issue Terms.

**“ETF Documents”** means, with respect to any ETF Share, the offering documents in effect on the Trade Date specifying among other things the terms and conditions relating to such ETF and for the avoidance of any doubt any other documents and agreements in respect of the ETF, as may be further described in any offering documents.

**“ETF Service Provider”** means, in respect of any ETF, any person who is appointed to provide services, directly or indirectly, for such ETF, whether or not specified in the ETF Documents, including any investment advisor or manager, fund adviser, fund administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent and any other person as determined by the Calculation Agent.

**“ETF Share(s)”** means, in respect of an ETF, a share or unit in such ETF.

**“ETF Share Correction Period”** means the period specified in the Issue Terms or if none is so specified, one Settlement Cycle.

**“Exchange”** means, in relation to a ETF Share, each exchange or quotation system specified as such for such ETF Share in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETF Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETF Share on such temporary substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means either (i) in the case of a single ETF Share, Exchange Business Day (Single ETF Share Basis) or (ii) in the case of a basket of ETFs or other assets, (a) Exchange Business Day (All ETF Shares Basis) or (b) Exchange Business Day (Per ETF Share Basis) or (c) Exchange Business Day (Cross Asset Basis), in each case as specified in the Issue Terms, provided that, if no such specification is made in the Issue Terms, Exchange Business Day (All ETF Shares Basis) shall apply.

**“Exchange Business Day (All ETF Shares Basis)”** means any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to its (their) Scheduled Closing Time.

**“Exchange Business Day (Cross Asset Basis)”** means, in respect of an ETF Basket, any Scheduled Trading Day on

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which each Exchange and each Related Exchange in respect of all ETFs comprised in the ETF Basket are open for trading during its regular trading session(s) (notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time) which is also an Exchange Business Day under and as defined in the Index Linked Conditions and/or Equity Linked Conditions, as applicable.

**“Exchange Business Day (Per ETF Share Basis)”** means, in respect of an ETF Share, any Scheduled Trading Day on which the Exchange and the Related Exchange, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its (their) Scheduled Closing Time.

**“Exchange Business Day (Single ETF Share Basis)”** means, in respect of an ETF Share, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange are open for trading during their respective regular trading session, notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its (their) Scheduled Closing Time.

**“Exchange Disruption”** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the ETF Share on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the ETF Share on any relevant Related Exchange.

**“Extraordinary ETF Event Effective Date”** means, in respect of an Extraordinary ETF Event, the date on which such Extraordinary ETF Event occurs, or has occurred, as determined by the Calculation Agent in its sole and absolute discretion.

**“Failure to Deliver”** means failure of the Issuer and/or any of its Affiliates to deliver, when due, the Relevant Assets comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for such Relevant Assets.

**“Hedge Provider”** means the party (being, *inter alia*, the Issuer, the Guarantor (if applicable), the Calculation Agent, an Affiliate or any third party) from time to time who hedges the Issuer’s obligations in respect of the Warrants or where no such party actually hedges such obligations, a hypothetical investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of ETF Shares, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of ETF Shares as it (or in the case of a hypothetical investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Warrants.

**“Hedging Disruption”** means that the Issuer and/or the Guarantor or any of its Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the fund price risk or any other relevant price risk including but not limited to the currency risk of the Issuer or the Guarantor (if applicable), issuing and performing its obligations with respect to the Warrants, or (ii) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s).

**“Hedging Shares”** means the number of ETF Shares that the Issuer or any of its Affiliates deems necessary to hedge the price risk of entering into and performing its obligations with respect to the Warrants.

**“Increased Cost of Hedging”** means that the Issuer and/or the Guarantor or any of their respective Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, fund price risk, foreign exchange risk and interest rate risk) of the Issuer or the Guarantor (if applicable), issuing and performing its obligations with respect to the Warrants, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer, the Guarantor and/ or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**“Increased Cost of Stock Borrow”** means that the Issuer or any of its Affiliates would incur a rate to borrow any ETF Share that is greater than the Initial Stock Loan Rate.

**“Initial Stock Loan Rate”** means, in respect of an ETF Share, the initial stock loan rate specified in relation to such ETF Share in the Issue Terms.

**“Insolvency Filing”** means that an ETF institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar

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official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the ETF shall not be deemed an Insolvency Filing.

**“Knock-in Barrier”** means the price, amount, percentage or number specified as such in the Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these ETF Linked Conditions.

**“Knock-in Determination Day”** each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**“Knock-in Determination Period”** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**“Knock-in Event”** means the Knock-in Value is (A):

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Knock-in Barrier or (B) within or outside the Knock-in Range (x) on a Knock-in Determination Day or (y) in respect of any Knock-in Determination Period, as specified in the Issue Terms.

**“Knock-in Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Range”** means the range of prices, amounts, percentages or numbers specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these ETF Linked Conditions.

**“Knock-in Valuation Time”** means the time specified as such in the Issue Terms.

**“Knock-in Value”** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1.

**“Knock-out Barrier”** means the price, amount, percentage or number specified as such in the applicable Issue Terms, subject to adjustment from time to time in accordance with the ETF Linked Conditions.

**“Knock-out Determination Day”** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**“Knock-out Determination Period”** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**“Knock-out Event”** means the Knock-out Value is (A):

- (i) greater than,
- (ii) greater than or equal to,
- (iii) less than or
- (iv) less than or equal to

the Knock-out Barrier or (B) within or outside the Knock-out Range (x) on a Knock-out Determination Day or (y) in respect of any Knock-out Determination Period, as specified in the Issue Terms.

**“Knock-out Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Range”** means the range of prices, amounts, percentages or numbers specified as such or otherwise

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determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these ETF Linked Conditions.

**“Knock-out Valuation Time”** means the time specified as such in the Issue Terms.

**“Knock-out Value”** has the meaning given to it in the Issue Terms, being a term defined in the Payout Condition 5.1.

**“Loss of Stock Borrow”** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any ETF Share in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

**“Market Disruption Event”** means, in respect of an ETF Share, the occurrence or existence of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

**“Maximum Stock Loan Rate”** means, in respect of an ETF Share, the Maximum Stock Loan Rate specified in the Issue Terms.

**“Number of NAV Publication Days”** means (i) the number of calendar days specified in the Issue Terms, or (ii) if not specified in the Issue Terms, the maximum number of days after the due date for publication or reporting of the net asset value per ETF Share after which the ETF Service Provider or any entity fulfilling such role, howsoever described in the ETF Documents, or any other party acting on behalf of the ETF, may remedy any failure to publish or report the net asset value per ETF Share in accordance with the relevant ETF Documents and before the Calculation Agent may determine that an Extraordinary ETF Event has occurred.

**“Observation Date”** means each date specified as an Observation Date in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

**“Observation Period”** means the period specified as the Observation Period in the Issue Terms.

**“Related Exchange”** means, in relation to an ETF Share, each exchange or quotation system specified as such for such ETF Share in the Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such ETF Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such ETF Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where All Exchanges is specified as the Related Exchange in the Issue Terms, Related Exchange shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such ETF Share.

**“Scheduled Closing Time”** means, in respect of an Exchange on which an ETF Share is traded and/or listed, the scheduled weekday closing time of such Exchange.

**“Scheduled Trading Day”** means either (i) in the case of a single ETF and in relation to an ETF Share, Scheduled Trading Day (Single ETF Share Basis) or (ii) in the case of an ETF Basket, (a) Scheduled Trading Day (All ETF Shares Basis) or (b) Scheduled Trading Day (Per ETF Share Basis) or (c) Scheduled Trading Day (Cross Asset Basis), in each case as specified in the Issue Terms, provided that, if no such specification is made in the Issue Terms, Exchange Business Day (All ETF Shares Basis) shall apply.

**“Scheduled Trading Day (All ETF Shares Basis)”** means any day on which each Exchange and each Related Exchange are scheduled to be open for trading during their respective regular trading session(s).

**“Scheduled Trading Day (Cross Asset Basis)”** means, in respect of a basket of assets, any day on which each Exchange and each Related Exchange are scheduled to be open for trading during their regular trading session(s) which is also a Scheduled Trading Day for the purpose of the Index Linked Conditions and/or the Equity Linked Conditions, as applicable.

**“Scheduled Trading Day (Per ETF Share Basis)”** means, in respect of an ETF Share, any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s).

**“Scheduled Trading Day (Single ETF Share Basis)”** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s).

**“Scheduled Valuation Date”** means any day which but for the occurrence of a Disrupted Day would have been a Valuation Date.

**“Screen Page”** means the page specified in the Issue Terms, or any successor page or service thereto.

**“Settlement Cycle”** means, in respect of an ETF Share, the period of Clearance System Business Days following a

## ADDITIONAL TERMS AND CONDITIONS FOR ETF LINKED WARRANTS

trade in the ETF Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

**"Settlement Price"** means, subject as referred to in relation to any Settlement Price Date, in the case of an ETF Share,

- (i) an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date as may be specified in the Issue Terms) quoted on the relevant Exchange for such ETF Share on the relevant Settlement Price Date, as determined by the Calculation Agent or,
- (ii) if so specified in the Issue Terms, the price of the ETF Share determined by the Calculation Agent as set out in the Issue Terms at the Valuation Time on the relevant Settlement Price Date

**"Settlement Price Date"** means an Averaging Date or Valuation Date, as the case may be.

**"Specified Maximum Days of Disruption"** means eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the Issue Terms.

**"Stop-Loss Event"** means, in respect of an ETF Share, the price of any ETF Share as quoted on the relevant Exchange for such ETF Share at any time or the Scheduled Closing Time, as specified in the Issue Terms, on any Scheduled Trading Day that is not a Disrupted Day in respect of such ETF Share on or after the Trade Date or, if later the Strike Date, is less than 5 per cent., or such percentage specified in the Issue Terms, of its Settlement Price or, if no Settlement Price is stipulated in the Issue Terms, the price given as the benchmark price for such ETF Share in the Issue Terms, all as determined by the Calculation Agent.

**"Strike Date"** means the Strike Date specified in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below, provided that:

in the case of ETF Linked Warrants relating to a ETF Basket, if the Strike Date for any ETF Share forming part of the ETF Basket is specified to be the Trade Date (subject, for the avoidance of doubt, to any adjustments relating to the Strike Date that are set out in the Issue Terms) then:

- (i) if the Strike Date for any ETF Share forming part of the ETF Basket is not a Scheduled Trading Day, the Strike Date for such ETF Share shall be the first succeeding Scheduled Trading Day; unless (ii) in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then the Strike Date for such ETF Share, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of such ETF Share forming part of the ETF Basket unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date is a Disrupted Day in respect of such ETF Share.

In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the relevant ETF Share, notwithstanding the fact that such day is a Disrupted Day with respect to such ETF Share, and (ii) the Calculation Agent shall determine the price of the ETF Share as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the price of that ETF Share last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each ETF Share comprised in that ETF Basket (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant ETF Share on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant ETF Share as of the Valuation Time on the last such consecutive Scheduled Trading Day) and otherwise in accordance with the above provisions.

**"Strike Day"** means each date specified as such in the applicable Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below...

**"Strike Period"** means the period specified as the Strike Period in the Issue Terms.

**"Trading Disruption"** means, in relation to an ETF Share, any suspension of or imitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (i) relating to the ETF Share on the Exchange; or (ii) in futures or options contracts relating to the ETF Share on any relevant Related Exchange.

**"Valuation Date"** means the Strike Date, Strike Day, Expiration Date, Actual Exercise Date, Potential Exercise Date(s), Automatic Early Expiration Valuation Date, Knock-in Detremination Day, Knock-out Determination Day, Obvservation Date and Specified Exercise Date, as the case may be, specified in the Issue Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (a) in the case of ETF Linked Warrants relating to a single ETF Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the



## ADDITIONAL TERMS AND CONDITIONS FOR ETF LINKED WARRANTS

Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on that the last such consecutive Scheduled Trading Day; or

(b) in the case of ETF Linked Warrantss relating to a Basket of ETF Shares:

- (1) if Scheduled Trading Day (All ETF Share Basis) or Scheduled Trading Day (Cross Asset Basis) applies, the Valuation Date for each ETF Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of any ETF Shares forming part of the Basket of ETF Shares unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to .any ETF Share forming part of Basket of ETF Shares. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for each ETF Share forming part of the Basket of ETF Shares, notwithstanding the fact that such day is a Disrupted Day with respect to any ETF Share (each an "Affected Item"), and (ii) the Calculation Agent shall determine the (a) Settlement Price of each Affected Item using its good faith estimate of the value of each Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day and otherwise in accordance with the above provisions and (b) the Settlement Price of each ETF Share that is not an Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the Issue Terms; or
- (2) if Scheduled Trading Day (Per ETF Share Basis) applies, the Valuation Date for each ETF Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each ETF Share affected by the occurrence of a Disrupted Day (each an "Affected Item") shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price of the Affected Item using its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day and otherwise in accordance with the above provisions.

**"Valuation Time"** means:

- (i) the Automatic Early Expiration Valuation Time, the Knock-in Valuation Time, the Knock-Out Valuation Time or the Valuation Time, as the case may be, specified in the Issue Terms or,
- (ii) if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date, as the case may be, in relation to each ETF Share to be valued provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Automatic Early Expiration Valuation Time, Coupon Valuation Time, Knock-in Valuation Time, Knock-Out Valuation Time or the Valuation Time, as the case may be, shall be such actual closing time.

**"Weighting"**, in relation to an ETF Share, the weighting to be applied to it as specified in the Issue Terms or if no weighting is so specified then no such weighting shall apply.

## ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED WARRANTS

### ANNEX 5

#### ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED WARRANTS

*If specified as applicable in the Issue Terms, the terms and conditions applicable to Fund Linked Warrants shall comprise the General Conditions and the additional terms and conditions for Fund Linked Warrants set out below (the “Fund Linked Conditions”), together with the terms and conditions as set out in each other Annex which is specified as applicable in the Issue Terms and subject to completion in the Issue Terms. In the event of any inconsistency between the General Conditions and the Fund Linked Conditions, the Fund Linked Conditions shall prevail. In the event of any inconsistency between the Fund Linked Conditions and the Payout Conditions, the Payout Conditions shall prevail.*

#### 1. Extraordinary Fund Events

“**Extraordinary Fund Event**” means, in the determination of the Calculation Agent, the occurrence at any time on or after the Issue Date of any of the following events and any applicable Additional Extraordinary Fund Event:

- (a) all the Fund Shares or all or substantially all the assets of a Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
- (b) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (i) all the Fund Shares of that Fund are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Fund Shares of that Fund become legally prohibited from transferring or redeeming them;
- (c) the Fund or any Fund Service Provider (i) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger), (ii) makes a general assignment or arrangement with or for the benefit of its creditors; (iii) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iii)(1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (iv) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (v) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vi) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (v) above;
- (d) the commencement of any investigative, judicial, administrative or other civil or criminal proceedings against the Fund, any Fund Service Provider or any key personnel of such entities, if such proceedings could (in the opinion of the Calculation Agent) have an adverse impact on a Hedge Provider’s rights or obligations in relation to hedging activities in respect of the Warrants;
- (e) any Fund Service Provider or other agent or entity fulfilling such role, howsoever described in the Fund Documents as at the Issue Date, ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent;
- (f) (i) any of the investment objectives, investment restrictions or investment process (howsoever described) of the Fund are modified from that set out in the Fund Documents except where such change is of a formal, minor or technical nature or (ii) a material modification of the type of assets in which the Fund invests (including but not limited to a material deviation from the investment objectives, investment restrictions or investment process (howsoever described) set out in the Fund Documents);

## ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED WARRANTS

- (g) a material modification of the Fund (including but not limited to a modification of the Fund Documents) or a material modification of the method of calculating the net asset value per Fund Share, or any change in the period or timing of the calculation or the publication of the net asset value per Fund Share or the occurrence of any event which in the determination of the Calculation Agent has or may have an adverse impact on the Fund or investors in the Fund (including, without limitation, the suspension of the net asset value per Fund Share), in each case other than a modification or event which does not affect the Fund Shares or the Fund or any portfolio of assets to which the Fund Share relate (either alone or in common with other Fund Shares issued by the Fund);
- (h) any Fund Service Provider fails to provide the Calculation Agent, within a reasonable time, with any information that the Calculation Agent has reasonably requested regarding the investment portfolio of the Fund;
- (i) (i) the occurrence of any event affecting a Fund Share that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of the relevant Fund Share; (ii) any failure of the Fund, or its authorised representative, to deliver, or cause to be delivered, (1) information that the Fund has agreed to deliver, or cause to be delivered to the Calculation Agent or Hedge Provider, or (2) information that has been previously delivered to any Hedge Provider or the Calculation Agent, as applicable, in accordance with the Fund's, or its authorised representative's, normal practice and that any Hedge Provider deems necessary for it or the Calculation Agent, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the relevant Fund Share;
- (j) any of the Fund, the Fund Service Providers, howsoever described in the Fund Documents, or any other party acting on behalf of the Fund fails for any reason to calculate and publish the NAV per Fund Share within the Number of NAV Publication Days following any date scheduled for the determination of the valuation of the Fund Shares unless the cause of such failure to publish is of a technical nature and outside the control of the entity responsible for such publication;
- (k) (i) any relevant activities of or in relation to the Fund or the Fund Service Providers are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, (ii) a relevant authorisation or licence is revoked or is under review by a competent authority in respect of the Fund Service Providers, (iii) the Fund is required by a competent authority to redeem any Fund Shares and/or (iv) the Issuer, the Guarantor and/or any Hedge Provider is required by a competent authority, the Fund or any other relevant entity to dispose of or compulsorily redeem any Fund Shares held in connection with any hedging arrangements relating to the Warrants;
- (l) (i) the non-execution or partial-execution by the Fund for any reason of a subscription or expiration order in respect of any Fund Shares (including, for the avoidance of any doubt, any non-execution by the Fund pending completion of its fiscal audit), if such non-execution or partial execution could in the sole determination of any Hedge Provider have an adverse impact on any Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Warrants, (ii) the Fund otherwise suspends or refuses transfers of any of its Fund Shares as described in the Fund Documents, (iii) if applicable, the Fund ceases to be an undertaking for collective investments under the relevant jurisdiction's legislation, (iv) the Fund otherwise suspends or refuses expirations of any of its Fund Shares (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse expiration or transfer of Fund Shares) as described in the Fund Documents, (iv) the Fund imposes in whole or in part any restriction (including, without limitation, any expiration in specie), charge or fee in respect of a expiration or subscription of its Fund Shares by the Issuer or any Hedge Provider or exercises its right to claw back the proceeds already paid on redeemed Fund Shares, if in any case it could in the sole determination of any Hedge Provider have an adverse impact on any Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Warrants, (vi) a mandatory expiration, in whole or in part, of the Fund Shares is imposed by the Fund on any one or more holders of Fund Shares at any time for any reason or (vii) the Issuer, any Hedge Provider, or any Affiliate thereof, is required by the Fund or Fund Service Provider to redeem any Fund Shares for any reason;
- (m) the aggregate net asset value of the Fund falls below the level of the NAV Barrier;
- (n) a NAV Trigger Event occurs;
- (o) any proposal to wind up the Fund or the Fund ceases to exist or there exists any litigation against the Fund or a Fund Service Provider which in the determination of the Calculation Agent could materially affect the value of the Fund Shares;
- (p) the currency or denomination of the Fund Share is amended from that set out in the Fund Documents so that the net asset value per Fund Share is no longer calculated in the same currency as at the Trade Date;

## ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED WARRANTS

- (q) one or more of the key individuals involved with, or having supervision over, the Fund ceases to act in such capacity, and the Fund or relevant Fund Service Provider fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act;
- (r) following the issue by a Fund of a new class or series (howsoever described in the Fund Documents) of shares, the Calculation Agent, determines that such new class or series of shares has or may have an adverse effect on the hedging activities of the Hedge Provider in relation to the Warrants;
- (s) where the Warrants are linked to a Fund Basket, a Basket Trigger Event;
- (t) there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Warrants, (a “**Tax Event**”) and, subject as provided below, the Issuer or the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to any of its Affiliates, provided that the Issuer or the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date the Calculation Agent determines that there is no reasonable means of mitigating the Tax Event as provided above;
- (u) in connection with any hedging activities in relation to the Warrants, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Issue Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a “**Relevant Event**”)
  - (i) it would become unlawful or impractical for the Issuer or the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider or the Issuer to adversely modify any reserve, special deposit, or similar requirement or that would adversely affect the amount of regulatory capital that would have to be maintained in respect of any holding of Fund Shares or that would subject a holder of the Fund Shares or the Issuer to any loss), purchase or sell any Fund Shares of the Fund or for the Issuer or the Hedge Provider to maintain such hedging arrangements, (ii) the cost to the Issuer or the Hedge Provider of such hedging activities would be materially increased for any reason or (iii) the Issuer and/or the Hedge Provider would be subject to a material loss and, subject as provided below, the Issuer or the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to any of its Affiliates, provided that the Issuer or the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date the Calculation Agent determines that that there is no means of mitigating the Relevant Event as provided above; or
- (v) in connection with the hedging activities in relation to the Warrants, if the cost to the Issuer or the Hedge Provider in relation to the Warrants would be materially increased or the Issuer and/or the Hedge Provider would be subject to a material loss.

### 2. Consequences of an Extraordinary Fund Event

If the Calculation Agent determines that an Extraordinary Fund Event has occurred, including any Additional Extraordinary Fund Event specified in the Issue Terms, the Calculation Agent shall notify the Issuer and the Issuer shall give notice (an “**Extraordinary Event Notice**”) to the Warrantholders in accordance with General Condition 10 of the occurrence of such Extraordinary Fund Event (the date on which an Extraordinary Fund Event is given, an “**Extraordinary Fund Event Notification Date**”), giving details of the Extraordinary Fund Event and the action to be taken in respect thereof, including details of any Cancellation Date and Cancellation Amount (where applicable).

If an Extraordinary Fund Event occurs, including any Additional Extraordinary Fund Event specified in the Issue Terms, the Issuer in its sole and absolute discretion may take any of the actions (each an “**Extraordinary Fund Event Action**”) described in subparagraphs (a) to (c) inclusive below

#### (a) Adjustment

If the Issuer, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary Fund Event is to be “Adjustment”, then the Calculation Agent may determine, in its sole and absolute discretion, the appropriate adjustment(s), if any, to be made to any one or more Fund, Fund Share and/ or the Weighting and/ or any of the other terms of these Terms and Conditions and/ or the applicable Issue Terms to take account of the Extraordinary Fund Event and determine the effective date of such adjustment.

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### *(b) Substitution*

A “**Substitution Event**” may be deemed to have occurred if the Calculation Agent determines that any of the Extraordinary Fund Events set out in Fund Linked Condition 1 or any Additional Extraordinary Fund Event specified in the Issue Terms occurs. Following the occurrence of a Substitution Event in respect of any Fund Share, the Calculation Agent shall:

- (i) determine the weighted average price at which an investor can redeem the affected Fund Shares in the relevant Fund in such number as determined by the Calculation Agent in its sole and absolute discretion as soon as it is reasonably practicable after its determination of the Substitution Event;
- (ii) for a period of no longer than 14 calendar days after the date of its determination of the Substitution Event, use reasonable efforts to substitute the relevant Fund Shares with shares, units or other similar interests in an alternative fund which, in the determination of the Calculation Agent, has similar characteristics to the relevant Fund, including but not limited to, comparable investment objectives, investment restrictions and investment processes and has service providers acceptable to the Calculation Agent;
- (iii) if no alternative fund can be determined pursuant to the preceding sub-paragraph (ii) above, use reasonable efforts to substitute the relevant Fund with an index (or a fund tracking an index) selected by the Calculation Agent in its sole and absolute discretion; and
- (iv) following any substitution in accordance with sub-paragraph (ii) or (iii) above (a “**Substitution**”), in its sole and absolute discretion amend such of the General Conditions, these Fund Linked Conditions and/or the Issue Terms as it determines to be appropriate to take account of such Substitution, including to ensure the weighted average price referred to in (i) above (and any consequent rise or fall in value of the affected Fund Shares since the Issue Date) is reflected in the terms of the Substitution.

### *(c) Cancellation*

A “**Cancellation Event**” may be deemed to have occurred in respect to any Fund or Fund Share, if the Calculation Agent determines that any of the Extraordinary Fund Events set out in Fund Linked Condition 1 or any Additional Extraordinary Fund Event specified in the Issue Terms occurs on the occurrence of a Cancellation Event the Issuer (i) shall cancel all but not some only of the Warrants on the Cancellation Date by payment to each Warrantholder of the Cancellation Amount.

## 3. Cancellation Date Extension

In the case of Cash Settled Warrants, if on the Scheduled Settlement Date, Automatic Early Expiration Valuation Date or Cancellation Date, as the case may be, the Hedge Provider has not, (or is deemed to have not), after having placed one or more expiration orders in respect of its holding of Fund Shares in accordance with the terms of the relevant Fund Documents, received expiration proceeds in full in respect of all Fund Shares (the “**Expiration Proceeds**”), the Calculation Agent may notify the Issuer and the Issuer shall notify the Holders as soon as practicable in accordance with General Condition 10 that the Settlement Date, Automatic Early Expiration Valuation Date or the Cancellation Date, as the case may be, has been postponed. As soon as practicable following receipt (or deemed receipt) by the Hedge Provider of the Expiration Proceeds the Calculation Agent shall give notice to the Issuer and the Issuer shall give notice to the Holders in accordance with General Condition 10 (such notice the “**Delayed Payment Notice**”) and cancel the Warrants on the date falling not more than five Business Days following the receipt of the Delayed Payment Notice (such date, the “**Postponed Expiration Date**”) by payment to each Warrantholder of the Settlement Amount, the Automatic Early Expiration Amount or the Cancellation Amount, as the case may be, provided that, if the Hedge Provider does not receive the Expiration Proceeds within the period ending on the date (the “**Delayed Payment Cut-off Date**”) specified in the Issue Terms or, if not so specified, the second anniversary of the scheduled Settlement Date, the Automatic Early Expiration Settlement Date or the Cancellation Date, as the case may be, the Postponed Settlement Date shall be the Delayed Cut-off Date and the Settlement Amount, the Automatic Early Expiration Amount or the Cancellation Amount will be calculated by reference to the expiration proceeds actually received by the Hedge Provider which may be zero.

## 4. Knock-in Event and Knock-out Event

(a) This Fund Linked Condition 4 is applicable only if:

- (i) Knock-in Event is specified as applicable in the Issue Terms, in which case any payment under the Warrants which is expressed to be subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event; or

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- (ii) If Knock-out Event is specified as applicable in the Issue Terms, in which case any payment under the Warrants which is expressed to be subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

### 5. Automatic Early Expiration

If “**Automatic Early Expiration**” is specified as applicable in the Issue Terms, then unless previously exercised or purchased and cancelled, if an Automatic Early Expiration Event occurs, then the Warrants will, subject as provided in Fund Linked Condition 3, be automatically cancelled in whole, but not in part, on the Automatic Early Expiration Settlement Date immediately following such Automatic Early Expiration Valuation Date or Automatic Early Expiration Valuation Period and the Issuer shall settle the Warrants at an amount equal to the relevant Automatic Early Expiration Amount.

### 6. Definitions

“**Additional Extraordinary Fund Event**” means (i) Change in Law and Hedging Disruption (unless specified otherwise in the Issue Terms), (ii) Failure to Deliver (in the case of Physical Delivery Warrants), and (iii) Increased Cost of Hedging, if specified in the Issue Terms.

“**Affiliate**” means in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes, control means ownership of a majority of the voting power of an entity.

“**AEE Value**” has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1 (*General Definitions*).

“**Automatic Early Expiration Amount**” means, in respect of each Calculation Amount, an amount calculated as set out in the Issue Terms.

“**Automatic Early Expiration Settlement Date**” means each date specified as such in the Issue Terms, or if such date is not a Business Day, the next following Business Day, and no Warrantholder shall be entitled to any further payment in respect of such delay.

“**Automatic Early Expiration Event**” means the AEE Value is (A),

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Automatic Early Expiration Trigger,

(i), (ii), (iii) applying or (iv) or (B) within or outside the Automatic Early Expiration Range, as specified in the Issue Terms,

“**Automatic Early Expiration Trigger**” means the price, amount, percentage or number specified as such in the Issue Terms, subject to adjustment as provided in Fund Linked Condition 2(a) above.

“**Automatic Early Expiration Range**” means the range of prices, amounts, percentages, or numbers specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these Fund Linked;

“**Automatic Early Expiration Valuation Date**” means each date specified as such in the Issue Terms and if such a date is not a Fund Business Day, the immediately following Fund Business Day.

“**Automatic Early Expiration Valuation Period**” means each period specified as such in the Issue Terms.

“**Automatic Early Expiration Valuation Time**” has the meaning given to it in the Issue Terms

“**Averaging Date**” means each date specified as an Averaging Date in the Issue Terms or if any such date is not a Fund Valuation Date, the immediately following Fund Valuation Date, unless such immediately following day is, due to the occurrence of an Extraordinary Fund Event not a Fund Valuation Date.

If any such day is not a Fund Valuation Date (a “**Fund Non-Valuation Date**”), then:

- (a) If “**Omission**” is specified as applying in the Issue Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant NAV per Fund Share provided that if through the operation of

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this provision no Averaging Date would occur, then the Calculation Agent may, in its sole and absolute direction, take any of the Extraordinary Fund Event Actions; or

- (b) if “**Postponement**” is specified as applying in the Issue Terms then:
- (i) In the case of Fund Linked Warrants relating to a single Fund, the Averaging Date shall be the first succeeding Valid Date that is not a Fund Non-Valuation Date (irrespective of whether such date is an Averaging Date), unless each of the number of consecutive Valid Dates equal to the Number of NAV Publication Days immediately following the original date that, but for the occurrence of such day being a Fund Non-Valuation Date, would have been the relevant Averaging Date. In that case, (i) the last such consecutive Valid Date shall be deemed to be the Averaging Date notwithstanding the fact that such day is also an Averaging Date and (ii) the Calculation Agent in its sole and absolute discretion may take any Extraordinary Fund Event Actions.
  - (ii) in the case of Fund Linked Warrants relating to a Fund Basket, the Averaging Date for each Fund Share not affected by the occurrence of a Fund Non-Valuation Date shall be the original Averaging Date (the “Scheduled Averaging Date”), and the Averaging Date for each Fund Share affected (each an “Affected Item”) by the occurrence of a Fund Non-Valuation Date shall be the first succeeding Valid Date that is not a Fund Non-Valuation Date relating to the Affected Item (regardless of whether such Valid Date is an Averaging Date) unless each of the number of consecutive Valid Dates equal to the Number of NAV Publication Days immediately following the Scheduled Averaging Date is a Fund Non-Publication Date relating to the Affected Item. In that case, (i) the last such consecutive date shall be deemed to be the Averaging Date for the Affected Item, notwithstanding the fact that such day is an Averaging Date, and (ii) the Calculation Agent shall in its sole and absolute discretion may take any Extraordinary Fund Event Actions.
- (c) if “**Modified Postponement**” is specified as applying in the Issue Terms then:
- (i) where the Warrants are Fund Linked Warrants relating to a single Fund, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Fund Business Days equal to the Number of NAV Publication Days immediately following the original date that, but for the occurrence of such date being a Fund Non-Valuation Date or another Averaging Date, would have been the relevant Averaging Date, then, that last such consecutive Fund Business Day shall be deemed to be the Averaging Date (irrespective of whether such Fund Business Day is already an Averaging Date), and (B) the Calculation Agent in its sole and absolute direction, take any of the Extraordinary Fund Event Actions;
  - (ii) where the Warrants are Fund Linked Warrants relating to a Fund Basket, the Averaging Date for each Fund Share not affected by the occurrence of a Fund Non-Valuation Date shall be the originally designated Averaging Date (the “**Scheduled Averaging Date**”) and the Averaging Date for each Fund Share affected by the occurrence of a Fund Non-Valuation Date shall be the first succeeding Valid Date (as defined below) in relation to such Fund Share. If the first succeeding Valid Date has not occurred for a number of consecutive Fund Business Days equal to the Number of NAV Publication Days immediately following the Scheduled Averaging Date that, but for the occurrence of such date being a Fund Non-Valuation Date or another Averaging Date, would have been the relevant Averaging Date, then (A) that last such consecutive Fund Business Day shall be deemed to be the Averaging Date (irrespective of whether such Fund Business Day is already an Averaging Date), and (B) the Calculation Agent in its sole and absolute direction, take any of the Extraordinary Fund Event Actions; and
  - (iii) for the purposes of these Fund Linked Conditions, “**Valid Date**” means a Fund Valuation Date which is not a Fund Non-Valuation Date and on which another Averaging Date does not or is not deemed to occur.

“**Basket Trigger Event**” means that a Substitution Event occurs in respect of one or more Funds comprising the Fund Basket which has or, in the event that a Substitution Event has occurred in respect of more than one Fund, together have, a Weighting in the Fund Basket equal to or greater than the Basket Trigger Level.

“**Basket Trigger Level**” has the meaning given to it in the Issue Terms or if not so specified, 50 per cent.

“**Calculation Date**” means each day(s) specified in the Issue Terms, or if not so specified, each day which is a Fund Business Day.

“**Cancellation Amount**” means an amount equal to the fair market value of a Warrant taking into account the relevant Extraordinary Fund Event (the “**Calculated Extraordinary Fund Event Amount**”), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the “**Modified Calculated Extraordinary**”).

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**Fund Event Amount**”), all as determined by the Calculation Agent in its sole and absolute discretion as soon as practicable following the occurrence of the relevant Extraordinary Fund Event.

**“Cancellation Date”** means the date determined by the Issuer (which, for the avoidance of doubt shall be any date determined by the Issuer in its sole and absolute discretion) and specified in the notice given to the Warrantholders in accordance with these Fund Linked Conditions.

**“Change in Law”** means that, on or after the Trade Date (as specified in the Issue Terms) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (A) it has become illegal to hold, acquire or dispose of any relevant Fund Share and/or (B) it will incur a materially increased cost in performing its obligations in relation to the Fund Linked Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

**“Failure to Deliver”** means failure of the Issuer and/or any of its Affiliates to deliver, when due, the Relevant Assets comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for such Fund Shares.

**“Final Calculation Date”** means the date specified as such in the Issue Terms or, if such day is not a Fund Business Day, the immediately succeeding Fund Business Day.

**“Fund”** means Fund(s), or sub-Fund(s) specified in the Issue Terms.

**“Fund Basket”** means a Basket comprising the Fund Shares specified in the Issue Terms.

**“Fund Business Day”** has the meaning specified in the Issue Terms, or, if not so specified, (i) in respect of a single Fund (Single Fund Share Basis), a date (a) that is a Fund Valuation Date and (b) on which the Hedging Provider has, or could have a subscription or expiration order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally published or reports that value) in respect of such Fund Valuation Date; and (ii) in respect of a Fund Basket, either Fund Business Day (All Fund Shares Basis) or Fund Business Day (Per Fund Share Basis) as specified in the Issue Terms, provided that, if no such specification is made in the Issue Terms, Fund Business Day (Per Fund Share Basis) shall apply.

**“Fund Business Day (All Fund Shares Basis)”** means with respect to a Fund Basket, a date (i) that is a Fund Valuation Date for all Fund Shares comprising the Fund Basket and (ii) on which the Hedging Provider has, or could have a subscription or expiration order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally published or reports that value) in respect of such Fund Valuation Date.

**“Fund Business Day (Per Fund Share Basis)”** means with respect to a Fund Share, a date (i) that is a Fund Valuation Date in respect of such Fund Share and (ii) on which the Hedging Provider has, or could have a subscription or expiration order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally published or reports that value) in respect of such Fund Valuation Date.

**“Fund Business Day (Single Fund Shares Basis)”** means a date (i) that is a Fund Valuation Date and (ii) on which the Hedging Provider has, or could have a subscription or expiration order for the Fund Shares executed at the NAV per Fund Share published by the Fund (or the Fund Service Provider that generally published or reports that value) in respect of such Fund Valuation Date.

**“Fund Documents”** means, with respect to any Fund Share, the constitutive and governing documents, subscription agreements and other agreements of the Fund specifying the terms and conditions relating to such Fund Shares or as at the Issue Date, as amended from time to time.

**“Fund Service Provider”** means, in respect of any Fund, any person who is appointed to provide services, directly or indirectly, for such Fund, whether or not specified in the Fund Documents, including any investment advisor or manager, fund adviser, fund administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent and any other person specified as such in the Fund Documents.

**“Fund Share(s)”** means an ownership interest issued to or held by an investor in a fund, pooled investment vehicle or any other interest specified as such in the Issue Terms.

**“Fund Valuation Date”** means any date as of which, in accordance with the Fund Documents, the Fund (or the Fund Service Provider that generally determines such value) is but for the occurrence of an Extraordinary Fund Event would have been scheduled to determine the NAV per Fund Share.

**“Hedge Provider”** means the party (being, *inter alia*, the Issuer, the Guarantor (if applicable), the Calculation Agent,



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an Affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Warrants or where no such party actually hedges such obligations, a hypothetical investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of Fund Shares, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of Fund Shares as it (or in the case of a hypothetical investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Warrants.

**"Hedging Disruption"** means that the Issuer and/or the Guarantor or any of its Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the fund price risk or any other relevant price risk including but not limited to the currency risk of the Issuer or the Guarantor (if applicable), issuing and performing its obligations with respect to the Warrants, or (ii) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s).

**"Increased Cost of Hedging"** means that the Issuer and/or the Guarantor or any of their respective Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, fund price risk, foreign exchange risk and interest rate risk) of the Issuer or the Guarantor (if applicable), issuing and performing its obligations with respect to the Warrants, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer, the Guarantor and/ or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**"Initial Calculation Date"** means the date specified as such in the Issue Terms, or if such day is not a Fund Business Day, the immediately succeeding Fund Business Day.

**"Initial Calculation Day"** means such day specified as such in the Issue Terms, or if such day is not a Fund Business Day, the immediately succeeding Fund Business Day.

**"Initial Calculation Period"** means such period specified as such in the Issue Terms.

**"Knock-in Barrier"** means the price, amount, percentage or number specified as such in the Issue Terms, subject to adjustment from time to time in accordance with these Fund Linked Conditions.

**"Knock-in Determination Day"** means the date(s) specified as such in the Issue Terms, or otherwise each Fund Business Day during the Knock-in Determination Period.

**"Knock-in Determination Period"** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**"Knock-in Event"** means the Knock-in Value is (A):

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Knock-in Barrier or (B) within or outside the Knock-in Range (x) on a Knock-in Determination Day or (y) in respect of any Knock-in Determination Period, as specified in the Issue Terms,

**"Knock-in Period Beginning Date"** means the date specified as such in the Issue Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Fund Business Day, the next following Fund Business Day.

**"Knock-in Period Ending Date"** means the date specified as such in the Issue Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Fund Business Day, the next following Fund Business Day.

**"Knock-in Range"** means the range of prices, amounts, percentages or numbers specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these Fund Linked Conditions.

**"Knock-in Value"** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1.

**"Knock-out Barrier"** means the price, amount, percentage or number specified as such in the applicable Issue

## ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED WARRANTS

Terms, subject to adjustment from time to time in accordance with these Fund Linked Conditions.

**“Knock-out Determination Day”** means the date(s) specified as such in the Issue Terms, or otherwise each Fund Business Day during the Knock-out Determination Period.

**“Knock-out Determination Period”** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**“Knock-out Event”** means the Knock-out Value is (A):

- (i) greater than,
- (ii) greater than or equal to,
- (iii) less than or
- (iv) less than or equal to

the Knock-out Barrier or (B) within or outside the Knock-out Range (x) on a Knock-out Determination Day or (y) in respect of any Knock-out Determination Period, as specified in the Issue Terms.

**“Knock-out Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Fund Business Day, the next following Fund Business Day.

**“Knock-out Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Fund Business Day, the next following Fund Business Day.

**“Knock-out Range”** means the range of prices, amounts, percentages or numbers specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in these Fund Linked Conditions.

**“Knock-out Value”** has the meaning given to it in the Issue Terms, being a term defined in the Payout Condition 5.1.

**“NAV Barrier”** has the meaning given to it in the Issue Terms.

**“NAV Trigger Event”** means, in respect of any Fund Shares, that (i) the NAV per Fund Share has decreased by an amount equal to, or greater than, the NAV Trigger Percentage(s) at any time during the related NAV Trigger Period; or (ii) the Fund has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the Fund Documents or any other contractual restriction binding on or affecting the Fund or any of its assets.

**“NAV Trigger Percentage”** means the percentage specified in the Issue Terms or, if not so specified, 50 per cent.

**“NAV Trigger Period”** means the period specified in the Issue Terms, or if not so specified the period from and including the Initial Calculation Date to and including the Final Calculation Date.

**“NAV per Fund Share”** means with respect to the relevant Fund Share and a Fund Valuation Date:

- (A) in respect of a single Fund, (A) the net asset value per Fund Share of such Fund Shares as of the relevant Fund Valuation Date, or (B), if the Fund Service Provider of the Fund publishes or reports only the aggregate net asset value of the Fund Shares, the net asset value per Fund Share relating to such number of Fund Shares as of the relevant Calculation Date as calculated by the Calculation Agent on the basis of such aggregate net asset value of the Fund Shares divided by the relevant number of Fund Shares issued and outstanding on the related Fund Valuation Date, each of (A) or (B) as reported by the Fund Service Provider that generally publishes or reports such value on behalf of the Fund to its investors or a publishing service; and
- (B) in respect of a Fund Basket, (A) the net asset value per Fund Share for each Fund Share in the Fund Basket as of the relevant Fund Valuation Date, or (B), if the Fund Service Provider of the Fund in relation to a Fund in the Fund Basket publishes or reports only the aggregate net asset value of the Fund Shares, the net asset value per Fund Share relating to such number of Fund Shares as of the relevant Calculation Date for such Fund as calculated by the Calculation Agent on the basis of such aggregate net asset value of the Fund Shares for such Fund divided by the relevant number of Fund Shares issued by such Fund and outstanding on the related Fund Valuation Date,.

**“Number of NAV Publication Days”** means (i) the number of calendar days specified in the Issue Terms, or (ii) if not specified in the Issue Terms, the maximum number of days after the due date for publication or reporting of the NAV

## **ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED WARRANTS**

per Fund Share after which the Fund Service Provider or any entity fulfilling such role, howsoever described in the Fund Documents, or any other party acting on behalf of the Fund, may remedy any failure to publish or report the NAV per Fund Share in accordance with the relevant Fund Documents and before the Calculation Agent may determine that an Extraordinary Fund Event has occurred.

**“Observation Date”** means each date specified as an Observation Date in the Issue Terms, or if any such date is not a Fund Business Day, the immediately following Fund Business Day.

**“Observation Period”** means the period specified as the Observation Period in the Issue Terms.

**“Weighting”** in relation to a Fund Share, the weighting to be applied to it as specified in the Issue Terms or if no weighting is so specified then no such weighting shall apply.

## ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED WARRANTS

### ANNEX 6

#### ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED WARRANTS

*If specified as applicable in the Issue Terms, the terms and conditions applicable to Inflation Linked Warrants shall comprise the General Conditions and the additional terms and conditions for Inflation Linked Warrants set out below (the “**Inflation Linked Conditions**”), together with the terms and conditions as set out in each other Annex which is specified as applicable in the Issue Terms and subject to completion in the Issue Terms. In the event of any inconsistency between the General Conditions and the Inflation Linked Conditions, the Inflation Linked Conditions shall prevail. In the event of any inconsistency between the Inflation Linked Conditions and the Payout Conditions, the Payout Conditions shall prevail.*

##### 1. Delay in Publication

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Index has occurred, then the Relevant Level with respect to any Reference Month which is to be utilised in any calculation of any payment or delivery under the Warrants and/or any other determination to be made in respect of the Warrants (the “**Substitute Inflation Index Level**”) shall be determined by the Calculation Agent (subject to Inflation Linked Condition 1(b) below), as follows:

- (a) if Related Bond is specified as applicable in the Issue Terms, the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the corresponding index level determined under the terms and conditions of the relevant Related Bond; or
- (b) if (a) Related Bond is not specified as applicable in the relevant Issue Terms, or (b) the Calculation Agent is not able to determine a Substitute Inflation Index Level under (i) above for any reason, then the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the following formula:

Substitute: Inflation Index Level = Base Level x (Latest Level/Reference Level)

Where:

“**Base Level**” means the level of the Index (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Inflation Index Level is being determined.

“**Latest Level**” means the latest level of the Index (excluding any “flash” estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Inflation Index Level is being determined.

“**Reference Level**” means the level of the Index (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in “Latest Level” above.

The Issuer shall promptly give notice to Warrantheolders in accordance with General Condition 10 of any Substitute Inflation Index Level calculated pursuant to this Inflation Linked Condition.

If the Relevant Level is published or announced at any time on or after the relevant Cut-Off Date specified in the Issue Terms, then, subject as provided in Inflation Linked Condition 3 such Relevant Level will not be used in any calculations. The Substitute Inflation Index Level so determined pursuant to this Inflation Linked Condition will be the definitive level for that Reference Month.

##### 2. Successor Index

If the Calculation Agent determines that the level of an Index has not been published by the Index Sponsor for two consecutive months and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and/or the Index Sponsor cancels the Index then the Calculation Agent shall determine a successor index (a “**Successor Index**”) (in lieu of any previously applicable Index) for the purposes of the Warrants as follows:

- (a) if Related Bond is specified as applicable in the Issue Terms, the Calculation Agent shall determine a “Successor Index” by reference to the corresponding successor index determined under the terms and conditions of the Related Bond;

## **ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED WARRANTS**

- (b) if (x) Related Bond is not specified as applicable in the Issue Terms or (y) a Related Bond Expiration Event is specified as applying in the Issue Terms and has occurred and Fallback Bond is not specified as applicable in the Issue Terms, the Index Sponsor announces that it will no longer publish or announce the Index but that it will be superseded by a replacement index specified by the Index Sponsor, and the Calculation Agent determines that such replacement Index is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be deemed the Successor Index for the purposes of the Warrants from the date that such replacement Index comes into effect;
- (c) if no Successor Index has been determined under paragraphs (a) or (b) above the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Index should be. If at least four responses are received, and of those responses, three or more leading independent dealers state the same index, such index will be deemed the Successor Index. If three responses are received, and two or more leading independent dealers state the same index, such index will be deemed the Successor Index. If fewer than three responses are received by the Cut-Off Date or no Successor Index is determined pursuant to this provision, the Calculation Agent will apply the provisions of paragraph (d) below;
- (d) if no Successor Index has been determined pursuant to paragraphs (a), (b) or (c) above, by the next occurring Cut-Off Date, subject as provided below, the Calculation Agent will determine an appropriate alternative index as of such Cut-Off Date for such affected Determination Date, and such index will be deemed a Successor Index for the purposes of the Warrants; or
- (e) if the Calculation Agent cannot determine an appropriate alternative index pursuant to sub-paragraphs (a) to (d) above, there will be deemed to be no Successor Index and an Index Cancellation will be deemed to have occurred.

For the avoidance of doubt, the Calculation Agent shall determine the date on which the Successor Index shall be deemed to replace the Index for the purposes of the Warrants. Notice of the determination of a Successor Index, the effective date of the Successor Index or the occurrence of an Index Cancellation will be given to Warrantholders by the Issuer in accordance with General Condition 10.

### **3. Adjustments**

#### **(a) Successor Index**

If a Successor Index is determined in accordance with Inflation Linked Condition 2, the Calculation Agent may make any adjustment or adjustments (without limitation) to any amount payable under the Warrants and/or any other relevant term of the Warrants as the Calculation Agent deems necessary to account for this. The Issuer shall give notice to the Warrantholders of any such adjustment in accordance with General Condition 10.

#### **(b) Substitute Inflation Index Level**

If the Calculation Agent determines a Substitute Inflation Index Level in accordance with Inflation Linked Condition 1, the Issuer may make any adjustment or adjustments (without limitation) to (x) the Substitute Inflation Index Level determined in accordance with Index Linked Condition 1 and/or (y) any amount payable under the Warrants and/or any other relevant term of the Warrants, in each case, as the Calculation Agent deems necessary. The Issuer shall give notice to the Warrantholders of any such adjustment in accordance with General Condition 10.

#### **(c) Index Level Adjustment Correction**

- (i) The first publication or announcement of the Relevant Level (excluding any “flash” or other estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Inflation Linked Condition 3(c)(ii) and (iii) below, later revisions to the level for such Reference Month will not be used in any calculations, save that in respect of the EUR-All Items-Revised Consumer Price Index, the ESP National-Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Relevant Level which are published or announced up to and including the day that is two Business Days prior to any relevant Determination Date will be valid and the revised Relevant Level for the relevant Reference Month will be deemed to be the final and conclusive Relevant Level for such Reference Month. The Issuer shall give notice to the Warrantholders of any valid revision in accordance with General Condition 10.
- (ii) If, within 30 days of publication or at any time prior to a Determination Date in respect of which a Relevant Level will be used in any calculation or determination in respect of such Determination Date, the Calculation Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Calculation Agent may make any adjustment to any amount payable under the Warrants and/or any other relevant term of the Warrants as the Calculation Agent deems appropriate as a result of such correction and/or

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determine the amount (if any) that is payable as a result of that correction. The Issuer shall give notice to the Warrantholders of any such adjustment and/or amount in accordance with General Condition 10.

- (iii) If a Relevant Level is published or announced at any time after the Cut-Off Date in respect of a Determination Date in respect of which a Substitute Inflation Index Level was determined, the Calculation Agent may either (A) determine that such Relevant Level shall not be used in any calculation or determination under the Warrants and that the Substitute Inflation Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (B) request the Issuer to make any adjustment to any amount payable under the Warrants and/or any other relevant term of the Warrants as it deems appropriate as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the Warrantholders of any determination in respect of (A) or (B), together with any adjustment or amount in respect thereof, in accordance with General Condition 10.

### (d) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to any amount payable under the Warrants (including the Cash Settlement Amount and the Exercise Price), and/or any other relevant term of the Warrants (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to such amount (including the Cash Settlement Amount and the Exercise Price) and/or any other relevant term of the Warrants as the Calculation Agent deems necessary. The Calculation Agent shall give notice to the Warrantholders of any such adjustment in accordance with General Condition 10.

### (e) Rebasing

If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the “**Rebased Index**”) will be used for purposes of determining the Relevant Level from the date of such rebasing; provided, however, that the Calculation Agent may make (A) if Related Bond is specified as applicable in the Issue Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as before the rebasing, and/or (B) if Related Bond is not specified as applicable in the Issue Terms or a Related Bond Expiration Event has occurred, the Calculation Agent may make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased and in each case the Issuer may make any adjustment(s) to any amount payable under the Warrants and/or any other term of the Warrants as the Calculation Agent may deem necessary. If the Calculation Agent determines that neither (A) nor (B) above would produce a commercially reasonable result, the Calculation Agent may cancel each Warrant on a date notified by the Issuer to Warrantholders in accordance with General Condition 10 at its fair market value as determined by the Calculation Agent as at the date of cancellation taking into account the rebasing, less the cost to the Issuer and/or its Affiliates of unwinding or amending any related underlying hedging arrangements. Notice of any adjustment, cancellation of the Warrants or determination pursuant to this paragraph shall be given to Warrantholders in accordance with General Condition 10.

### (f) Index Modification

- (i) If on or prior to the Cut-Off Date in respect of any Determination Date, the Calculation Agent determines that an Index Modification has occurred the Calculation Agent may (A) if Related Bond is specified as applicable in the Issue Terms, make any adjustments to any Relevant Level and/or any other relevant term of the Warrants (including, without limitation, any amount payable under the Warrants), consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary, or (B) if Related Bond is not specified as applicable in the Issue Terms or a Related Bond Expiration Event has occurred make only those adjustments to the Index, any Relevant Level and/or any other term of the Warrants (including, without limitation, any amount payable under the Warrants), as the Calculation Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.
- (ii) If the Calculation Agent determines that an Index Modification has occurred at any time after the Cut-Off Date in respect of any Determination Date, the Calculation Agent may determine either to ignore such Index Modification for the purposes of any calculation or determination made by the Calculation Agent with respect to such Determination Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Determination Date such that the provisions of sub-paragraph (i) above will apply, or, notwithstanding that the Index Modification has occurred following the Cut-Off Date, to make any adjustments as the Calculation Agent deems fit in accordance with sub-paragraph (i) above.

### (g) Consequences of an Additional Disruption Event

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If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may make any adjustments to any Relevant Level and/or any other relevant term of the Warrants (including, without limitation, any amount payable under the Warrants to account therefor, or may cancel each Warrant on the date notified by the Issuer to Warrantholders in accordance with General Condition 10 at its fair market value (as determined by the Calculation Agent) as at the date of cancellation taking into account the relevant Additional Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding or amending any related underlying hedging arrangements. Notice of any cancellation of the Warrants shall be given to Warrantholders in accordance with General Condition 10.

### (h) Index Cancellation

If the Calculation Agent determines that an Index Cancellation has occurred, the Issuer may make any adjustments to any Relevant Level and/or any other relevant term of the Warrants (including, without limitation, any amount payable under the Warrants to account therefor or may cancel each Warrant on the date notified by the Issuer to Warrantholders in accordance with General Condition 10 at its fair market value (as determined by the Calculation Agent) as at the date of cancellation taking into account the Index Cancellation, less the cost to the Issuer and/or its Affiliates of unwinding or amending any related underlying hedging arrangements plus, if applicable and already paid, the Exercise Price. Notice of any cancellation of the Warrants pursuant to this paragraph shall be given to Warrantholders in accordance with General Condition 10.

## 4. Definitions

“**Additional Disruption Event**” means (i) (unless specified otherwise in the Issue Terms) Change in Law, and (ii) any of Hedging Disruption or Increased Cost of Hedging if specified in the Issue Terms.

“**Affiliate**” means in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes, control means ownership of a majority of the voting power of an entity.

“**Change in Law**” means that, on or after the Trade Date (as specified in the Issue Terms) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (A) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its sole and absolute discretion that it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire or dispose of any relevant hedge positions in respect of the Index for purposes of the Warrants.

“**Cut-Off Date**” means, in respect of a Determination Date, five Business Days prior to such Determination Date, unless otherwise stated in the Issue Terms.

“**Delayed Index Level Event**” means, in respect of any Determination Date, that the Index Sponsor fails to publish or announce the level of the Index (the “**Relevant Level**”) in respect of any Reference Month which is relevant to the calculation of any payment under the Warrants and/or any other determination in respect of the Warrants, in each case by the related Cut-Off Date.

“**Determination Date**” means in respect of an Index and/or Index Level(s) or values(s as the case may be, each date specified as such in the applicable Issue Terms.

“**Fallback Bond**” means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or expiration amount which is calculated by reference to the Index, with a maturity date which falls on (a) the same day as the Settlement Date, (b) the next longest maturity after the Settlement Date if there is no such bond maturing on the Settlement Date, or (c) the next shortest maturity before the Settlement Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or settlement amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds in its discretion. If the Fallback Bond redeems the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“**Hedging Disruption**” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable

## ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED WARRANTS

efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk of the Issuer issuing and performing its obligations with respect to the Warrants, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s).

**“Increased Cost of Hedging”** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Warrants, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**“Index”** means the index or indices specified in the Issue Terms or any Successor Index as determined by the Calculation Agent pursuant to Inflation Linked Condition 2 and related expressions shall be construed accordingly.

**“Index Cancellation”** means a level for the Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and no Successor Index exists.

**“Index Modification”** means the Index Sponsor announces that it will make (in the opinion of the Calculation Agent) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index.

**“Index Sponsor”** means the entity that publishes or announces (directly or through an agent) the level of the relevant Index which as of the Issue Date of the Warrants is the Index Sponsor specified in the Issue Terms in relation to the relevant Index.

**“Rebased Index”** has the meaning given to it under Inflation Linked Condition 3 above.

**“Reference Month”** means the calendar month for which the level of the Index was reported, regardless of when this information is published or announced. If the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Relevant Level was reported.

**“Related Bond”** means the bond (if any) specified as such in the Issue Terms. If the Related Bond specified in the Issue Terms is “Fallback Bond”, then for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the Issue Terms as the Related Bond and “Fallback Bond: Not applicable” is specified in the Issue Terms there will be no Related Bond. If a bond is selected as the Related Bond in the Issue Terms and that bond redeems or matures before the relevant Determination Date, unless “Fallback Bond: Not applicable” is specified in the Issue Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination.

**“Related Bond Expiration Event”** means, if specified as applicable in the Issue Terms, at any time prior to the Settlement Date, (a) the Related Bond is redeemed, repurchased or cancelled, (b) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason, or (c) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity.

**“Relevant Level”** has the meaning given to it in the definition of Delayed Index Level Event.

**“Strike Date”** means each date specified as a Strike Date in the Issue Terms, subject to adjustment in accordance with these Inflation Linked Conditions.

**“Strike Day”** means each date specified as such in the applicable Issue Terms.

**“Strike Period”** means the period specified as the Strike Period in the Issue Terms. **“Successor Index”** has the meaning given to it in under Inflation Linked Condition 2.

**“Substitute Inflation Index Level”** has the meaning given in Inflation Linked Condition 1



## ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS

### ANNEX 7

#### ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) RATE LINKED WARRANTS

*If specified as applicable in the Issue Terms, the terms and conditions applicable to Foreign Exchange (FX) Rate Linked Warrants shall comprise the General Conditions and the additional terms and conditions for Foreign Exchange (FX) Rate Linked Warrants set out below (the “**Foreign Exchange (FX) Rate Linked Warrant Conditions**”), together with the terms and conditions as set out in each other Annex which is specified as applicable in the Issue Terms and subject to completion in the Issue Terms. In the event of any inconsistency between the General Conditions and the Foreign Exchange (FX) Rate Linked Conditions, the Foreign Exchange (FX) Rate Linked Conditions shall prevail. In the event of any inconsistency between the Foreign Exchange (FX) Rate Linked Conditions and the Payout Conditions, the Payout Conditions shall prevail.*

#### 1. Non-EM Valuation and Disruption Provisions

The provisions of this Foreign Exchange (FX) Rate Linked Condition 1 apply, unless EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of a Subject Currency in the Issue Terms.

##### (a) Disruption Events

If so specified in the Issue Terms, the occurrence of any of the following events, in respect of any Base Currency, Subject Currency and/or Subject Currencies, shall be a “**Disruption Event**”:

- (i) Price Source Disruption;
- (ii) Illiquidity Disruption;
- (iii) Dual Exchange Rate;
- (iv) General Inconvertibility;
- (v) General Non-Transferability;
- (vi) Material Change in Circumstance;
- (vii) Nationalisation or;

any other event that, in the opinion of the Calculation Agent, is analogous to any of (i) to-(vii) above (inclusive).

##### (b) Consequences of a Disruption Event

Upon a Disruption Event occurring or continuing on any Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the relevant Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply the applicable Disruption Fallback in determining the consequences of the Disruption Event.

“**Disruption Fallback**” means a source or method that may give rise to an alternative basis for determining the Settlement Price when a Disruption Event occurs or exists on a Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the Price Source). The Calculation Agent shall take the relevant actions specified in either (i) or (ii) below.

- (i) if a Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant Settlement Price Date, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Settlement Price Date is a Disrupted Day in which case the Calculation Agent may determine that the last such consecutive Scheduled Trading Day shall be deemed to be the Settlement Price Date (irrespective of whether that last consecutive Scheduled Trading Day is already a Settlement Price Date) and may determine the Settlement Price by using commercially reasonable efforts to determine a Settlement Price as of the Valuation Time on the last such consecutive Scheduled Trading Day taking into consideration all available information that in good faith it deems relevant; or
- (ii) if a Settlement Price Date is a Disrupted Day but is not the Valuation Date on giving notice to Warrantholders in accordance with General Condition 10, the Issuer shall cancel all but not some only of the Warrants, each Warrant being cancelled by payment of an amount equal to the fair market value of such Warrant, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payment shall be made in such manner as shall be notified to the Warrantholders in accordance with General Condition 10.

## **ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS**

### **2. EM Currency Valuation and Disruption Provisions**

The provisions of this Foreign Exchange (FX) Rate Linked Condition (b) apply where EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of a Subject Currency in the Issue Terms.

#### **(a) EM Disruption Events**

If so specified in the Issue Terms, the occurrence of any of the following events, in respect of any Base Currency, Subject Currency and/or Subject Currencies, shall be an “EM Disruption Event”:

- (i) Price Source Disruption;
- (ii) Illiquidity Disruption;
- (iii) Dual Exchange Rate;
- (iv) General Inconvertibility;
- (v) General Non-Transferability;
- (vi) Material Change in Circumstance;
- (vii) Nationalisation;
- (viii) Price Materiality; and/or

any other event that, in the opinion of the Calculation Agent, is analogous to any of (i) to (viii) above (inclusive).

The Calculation Agent shall give notice as soon as practicable to the Issuer and the Issuer shall give notice as soon as practicable to the Guarantor, the Principal Warrant Agent and the Warrantholders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Settlement Price Date. .

#### **(b) Consequences of an EM Disruption Event**

Upon an EM Disruption Event occurring or continuing on any Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the relevant EM FX Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply in determining the consequences of the EM Disruption Event: (a) EM Calculation Agent Determination where the applicable EM Disruption Event is other than Price Source Disruption or Price Materiality; and (b) the applicable EM Disruption Fallback where the applicable EM Disruption Event is a Price Source Disruption or Price Materiality.

#### **(c) Unscheduled Holiday**

If the Calculation Agent determines that a date that would otherwise have been a Settlement Price Date is an Unscheduled Holiday in respect of a Subject Currency, then such date shall be the immediately succeeding Scheduled Trading Day after the occurrence of the Unscheduled Holiday, subject as provided above, and provided that if such Settlement Price Date has not occurred on or before the EM Maximum Days of Postponement then the next Scheduled Trading Day after such period that would have been a Scheduled Trading Day but for the Unscheduled Holiday shall be deemed to be the relevant date for valuation and the Settlement Price shall be determined by the Calculation Agent on such day in its sole discretion acting in good faith having taken into account relevant market practice and by reference to such additional source(s) as it deems appropriate.

#### **(d) Cumulative Events**

If “Cumulative Events” is specified as applicable in the Issue Terms in respect of a Settlement Currency then, in no event shall the total number of consecutive calendar days during which a Settlement Price Date is deferred due to either (i) an Unscheduled Holiday or (ii) an EM Valuation Postponement (or a combination of both (i) and (ii)) exceed the EM Maximum Cumulative Days of Postponement in the aggregate. If a Settlement Price Date is postponed by the number of calendar days equal to the EM Maximum Cumulative Days of Postponement and at the end of such period (i) an Unscheduled Holiday shall have occurred or be continuing on the day immediately following such period (the “Final Day”), then such Final Day shall be deemed to be the Settlement Price Date and (ii) if a Price Source Disruption shall have occurred or be continuing on the Final Day, then Valuation Postponement shall not apply and the Settlement Price shall be determined in accordance with the next applicable EM Disruption Fallback.

#### **(e) Postponement of payment or settlement days**

Where any Settlement Price Date is postponed as a consequence of the provisions of this Foreign Exchange (FX)

## ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS

Rate Linked Condition 2, then the corresponding date for payment shall fall on the later of (a) the date for such payment otherwise determined in accordance with the Issue Terms and (b) the day falling the EM Number of Postponement Settlement Days specified in the Issue Terms (or, if none are so specified, two Business Days) after the last occurring Settlement Price Date.

### 3. Knock-in Event and Knock-out Event

(a) This Foreign Exchange (FX) Rate Linked Condition 3 is applicable only:

- (i) If “Knock-in Event” is specified as applicable in the Issue Terms, in which case any payment under the Warrant which is expressed in the Conditions to be subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event; or
- (ii) If “Knock-out Event” is specified as applicable in the Issue Terms, in which case any payment under the Warrant which is expressed in the Conditions to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.

### 4. Automatic Early Expiration

If “Automatic Early Expiration” is specified as applicable in the Issue Terms, then unless previously exercised or purchased and cancelled, if an Automatic Early Expiration Event occurs, the Warrants shall be cancelled in whole, but not in part, on the Automatic Early Expiration Settlement Date immediately following such Automatic Early Expiration Valuation Date or Automatic Early Expiration Valuation Period, as applicable, and the Issuer shall settle the Warrants at an amount equal to the relevant Automatic Early Expiration Amount.

### 5. Consequences of an Additional Disruption Event

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may cancel the Warrants by giving notice to the Warrantholders in accordance with General Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant held by him which amount shall be the fair market value of a Warrant taking into account the Additional Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with General Condition 10.

### 6. Definitions

“Additional Disruption Event” means (i) (unless specified otherwise in the Issue Terms) Change in Law, or (ii) Hedging Disruption or Increased Cost of Hedging, if specified in the Issue Terms.

“AEE Value” has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1 (*General Definitions*).

“Automatic Early Expiration Amount” means an amount calculated as set out in the Issue Terms.

“Automatic Early Expiration Settlement Date” means each date specified as such in the Issue Terms or if such date is not a Business Day, the next following Business Day, and no Warrantholder shall be entitled to any further payment in respect of such delay.

“Automatic Early Expiration Event” means the AEE Value is (A),

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Automatic Early Expiration Trigger, (i), (ii), (iii) or (iv) applying or (B) within or outside the Automatic Early Expiration Range as specified in the Issue Terms.

“Automatic Early Expiration Range” means the range of values, percentages, levels, prices or similar specified as such in the Issue Terms.

“Automatic Early Expiration Trigger” means the price level, amount, percentage or value specified as such in the Issue Terms, subject to adjustment in accordance with the provisions set forth in Foreign Exchange (FX) Rate Linked

## ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS

Warrant Condition 1 and Foreign Exchange (FX) Rate Linked Condition 2.

**“Automatic Early Expiration Valuation Date”** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

**“Automatic Early Expiration Valuation Period”** means each period specified as such in the Issue Terms; **“Automatic Early Expiration Valuation Time”** has the meaning given to it in the Issue Terms.

**“Averaging Date”** means each date specified as an Averaging Date in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below

**“Base Currency”** means the currency specified as such in the Issue Terms.

**“Change in Law”** means that, on or after the Trade Date (as specified in the Issue Terms) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that it is unable to perform its obligations in respect of the Warrants or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Warrants.

**“Dual Exchange Rate”** means that any of the Base Currency, Subject Currency and/or Subject Currencies, splits into dual or multiple currency exchange rates.

**“Disrupted Day”** means any Scheduled Trading Day on which the Calculation Agent determines that a Disruption Event or EM Disruption Event has occurred.

**“EM”** means emerging markets.

**“EM Disruption Fallback”** means a source or method that may give rise to an alternative basis for determining the Settlement Price when an EM Disruption Event occurs or exists on a day that is a Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the EM FX Price Source) being, in respect of a Subject Currency, any of EM Calculation Agent Determination, EM First Fallback Reference Price, EM Second Fallback Reference Price and EM Valuation Postponement, as so specified in the Issue Terms for such Subject Currency. Where more than one EM Disruption Fallback is so specified then such EM Disruption Fallbacks shall apply in the order in which they are specified in the Issue Terms until the Settlement Price can be determined for such exchange rate relating to that Specified Currency for such Settlement Price Date.

Where:

**“EM Calculation Agent Determination”** means that the Calculation Agent shall determine the Settlement Price taking into consideration all information that it deems relevant.

**“EM First Fallback Reference Price”** means that the Calculation Agent shall determine the Settlement Price by reference to the applicable First Fallback Reference Price and, for which purpose, references in the definition of Settlement Price to “EM FX Price Source”, “EM Valuation Time” and “EM Number of Settlement Days” shall be construed, respectively, to be to “First Fallback EM FX Price Source”, “First Fallback Valuation Time” and “First Fallback EM Number of Settlement Days” (in each case, where such terms shall have the meanings given to them in the Issue Terms).

**“EM Second Fallback Reference Price”** means that the Calculation Agent shall determine the Settlement Price by reference to the applicable Second Fallback Reference Price and, for which purpose, references in the definition of Settlement Price to “EM FX Price Source”, “EM Valuation Time” and “EM Number of Settlement Days” shall be construed, respectively, to be to “Second Fallback EM FX Price Source”, “Second Fallback Valuation Time” and “Second Fallback EM Number of Settlement Days” (in each case, where such terms shall have the meanings given to them in the Issue Terms).

**“EM Valuation Postponement”** means that the Settlement Price shall be determined on the immediately succeeding Scheduled Trading Day which is not a Disrupted Day unless the Calculation Agent determines that no such Scheduled Trading Day which is not a Disrupted Day has occurred on or before the day falling the EM Maximum Days of Postponement following the originally designated Averaging Date, Valuation Date, Knock-In Determination Day or Knock-Out Determination Day, as the case may be. In such event, the Settlement Price shall be determined on the next Scheduled Trading Day after the EM Maximum Days of Postponement (notwithstanding the fact that day may be a Disrupted Day) in accordance with the next applicable EM Disruption Fallback.

**“EM FX Price Source”** means, in respect of a Subject Currency, the price source(s) specified as such in the Issue Terms (or any successor to such price source(s) as determined by the Calculation Agent).

**“EM Maximum Cumulative Days of Postponement”** means the number of days specified as such in the Issue Terms

## ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS

or, if no such number is specified, 30 calendar days.

**“EM Maximum Days of Postponement”** means the number of days specified as such in the Issue Terms or, if no such number is specified, 30 calendar days.

**“EM Number of Settlement Days”** means, in respect of a Subject Currency, the number of days on which commercial banks are open (or, but for the occurrence of an EM Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the or each Settlement Day Centre specified as such in the Issue Terms (each, an **“EM Settlement Day”**). Where no such number or zero is so specified, then such rate shall be for settlement on the same day.

**“EM Price Materiality Percentage”** means the percentage specified as such in the Issue Terms or, if no such percentage is specified, 3 per cent.

**“EM Primary Rate”** means, in respect of a Subject Currency, the rate specified as such for such Subject Currency in the Issue Terms.

**“EM Secondary Rate”** means, in respect of a Subject Currency, the rate specified as such for such Subject Currency in the Issue Terms.

**“EM Valuation Time”** means, unless otherwise specified in the Issue Terms, the time at which the EM FX Price Source publishes the relevant rate or rates from which the Settlement Price is calculated.

**“EMTA Template Terms”** means the EMTA Template Terms for Non-Deliverable Currency Option Transactions for the relevant FX rate, as published by the Trade Association for the Emerging Markets (EMTA) and as amended and updated as at the Issue Date.

**“Exchange Rate Divergence”** means:

- (i) if the FX rate specified in the Issue Terms is USD/ARS, that, in the reasonable opinion of not less than 5 unaffiliated EMTA Members notified to EMTA (or its successor) by no later than 4 p.m., Buenos Aires time on the Valuation Date, the Price Source has failed, for a period of not less than three consecutive Scheduled Trading Days (for any reason, including due to a split in the currency exchange rate or other event) to reflect the current prevailing Argentine Peso bid and offer rates for a standard size Argentine Peso/U.S. Dollar financial transaction for same-day settlement in the Buenos Aires marketplace on the Valuation Date; and
- (ii) if the FX rate specified in the Issue Terms is USD/BRL, that, in the reasonable and independent judgement, as notified to EMTA in accordance with the EMTA BRL Exchange Rate Divergence Procedures, of not less than 7 unaffiliated EMTA members that are recognised market makers active in the BRL/U.S. Dollar foreign exchange market (no less than 4 of which shall be active participants in the onshore BRL/USD spot market), the Price Source (following a split of the exchange rates in Brazil or otherwise) no longer reflects the then-prevailing Brazilian Reais / U.S. Dollar spot rate for standard-size wholesale financial transactions involving the exchange of Brazilian Reais for U.S. Dollars delivered outside of Brazil, and

if the FX rate specified in the Issue Terms is a rate other than USD/ARS or USD/BRL but, it is specified in the relevant EMTA Template Terms, as determined by the Calculation Agent as of the Issue Date and in respect of such FX rate, that Price Source Disruption shall include Exchange Rate Divergence, then Exchange Rate Divergence shall have the meaning given in the relevant EMTA Template Terms with respect to such FX rate.

**“General Inconvertibility”** means the occurrence of any event that generally makes it impossible to convert a Subject Currency into the Base Currency in a Subject Currency Jurisdiction through customary legal channels.

**“General Non-Transferability”** means the occurrence of any event that generally makes it impossible to deliver (A) the Base Currency from accounts inside a Subject Currency Jurisdiction to accounts outside a Subject Currency Jurisdiction or (B) the Subject Currency between accounts inside a Subject Currency Jurisdiction or to a party that is a non-resident of a Subject Currency Jurisdiction.

**“Governmental Authority”** means (i) any de facto or de jure government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or (ii) any other entity (private or public) charged with the regulation of the financial markets (including the central bank), in each case in any relevant jurisdiction.

**“Hedging Disruption”** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk of the Issuer issuing and performing its obligations with respect to the Warrants, or (B) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s).

## ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS

**“Illiquidity Disruption”** means the occurrence of any event in respect of any of the Base Currency, Subject Currency and/or Subject Currencies whereby it becomes impossible for the Calculation Agent to obtain a firm quote for such currency in an amount deemed necessary by the Calculation Agent to hedge its obligations under the Warrants (in one or more transaction(s)) on the relevant Settlement Price Date (or, if different, the day on which rates would, in the ordinary course, be published or announced by the relevant Price Source or EM FX Price Source ).

**“Increased Cost of Hedging”** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Warrants, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**“Knock-in Barrier”** means the FX Knock-in Barrier or the price, level, amount, percentage or value specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment in accordance with the provisions set forth in Foreign Exchange (FX) Rate Linked Condition 1 or Foreign Exchange (FX) Rate Linked Condition 2 as the case may be.

**“Knock-in Determination Day”** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**“Knock-in Determination Period”** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**“Knock-in Event”** means the Knock-in Value is (A):

- (i) greater than;
- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Knock-in Barrier or (B) within or outside the Knock-in Range (x) on a Knock-in Determination Day or (y) in respect of any Knock-in Determination Period as specified in the Issue Terms.

**“Knock-in Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-in Range”** means the range of levels, prices, amounts, percentages or values specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in Foreign Exchange (FX) Linked Condition 1 (Non-EM Valuation and Disruption Provisions) or, as the case may be, Foreign Exchange (FX) Linked Condition 2 (EM Currency Valuation and Disruption Provisions).

**“Knock-in Valuation Time”** means the time specified as such in the Issue Terms.

**“Knock-in Value”** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1.

**“Knock-out Barrier”** means the price, level, amount, percentage or value specified as such or otherwise determined in the Issue Terms, subject to adjustment in accordance with Foreign Exchange (FX) Linked Rate Linked Condition 1 and Foreign Exchange (FX) Rate Linked Condition 2.

**“Knock-out Determination Day”** means each date specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**“Knock-out Determination Period”** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**“Knock-out Event”** means the Knock-out Value is (A):

- (i) greater than;

## ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS

- (ii) greater than or equal to;
- (iii) less than; or
- (iv) less than or equal to,

the Knock-out Barrier or (B) within or outside the Knock-out Range, (x) on a Knock-out Determination Day or (y) in respect of any Knock-out Determination Period as specified in the Issue Terms.

**“Knock-out Period Beginning Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Period Ending Date”** means the date specified as such in the Issue Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the Issue Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**“Knock-out Range”** means the range of levels, prices, amounts, percentages or values specified as such or otherwise determined in the applicable Issue Terms, subject to adjustment from time to time in accordance with the provisions set forth in Foreign Exchange (FX) Linked Condition 1 (Non-EM Valuation and Disruption Provisions) or, as the case may be, Foreign Exchange (FX) Linked Condition 2 (EM Currency Valuation and Disruption Provisions)

**“Knock-out Valuation Time”** means the time specified as such in the Issue Terms.

**“Knock-out Value”** has the meaning given to it in the Issue Terms, being a term defined in Payout Condition 5.1.

**“Material Change in Circumstance”** means the occurrence of any event (other than those events specified as Disruption Events or, as the case may be, EM Disruption Events) in the Subject Currency Jurisdiction beyond the control of the parties to a hedging arrangement in respect of the Warrants which makes it impossible (A) for a party to fulfil its obligations under the hedging arrangement or (B) generally to fulfil obligations similar to such party's obligations under that hedging arrangement.

**“Nationalisation”** means any expropriation, confiscation, requisition, nationalisation or other action by any Governmental Authority which deprives a party to a hedging arrangement in respect of the Warrants of all or substantially all of its assets in the Subject Currency Jurisdiction.

**“Observation Date”** means the dates specified as such in the Issue Terms, as may be adjusted in accordance with the definition of "Valuation Date" below.

**“Price Materiality”** means that, in the determination of the Calculation Agent, the EM Primary Rate differs from any EM Secondary Rate by at least the EM Price Materiality Percentage or if there are insufficient responses on the relevant Settlement Price Date to any survey used to calculate any such rate, then the EM Price Materiality Percentage will be deemed to be met.

**“Price Source”** means the published source, information vendor or provider containing or reporting the rate or rates from which the Settlement Price is calculated as specified in the Issue Terms.

**“Price Source Disruption”** means, that it becomes impossible to obtain the rate or rates from which the FX rate is calculated and, where the FX rate is specified in the Issue Terms as:

- (i) USD/ARS;
- (ii) USD/BRL; or
- (iii) any other FX rate in respect of which the Calculation Agent determines that as of the Issue Date, the relevant EMTA Template Terms for such rate (if any) specifies that Price Source Disruption includes Exchange Rate Divergence, then Price Source Disruption shall include Exchange Rate Divergence.

**“Relevant Screen Page”** means the relevant page specified as such in the Issue Terms or any successor to such page or service acceptable to the Calculation Agent.

**“Scheduled Trading Day”** means:

- (a) where EM Foreign Exchange (FX) Rate Provisions are specified as Not applicable in respect of a Subject Currency, a day on which commercial banks are open (or, but for the occurrence of a Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the principal financial centre of each of the Base Currency and the Subject Currency or Subject Currencies. In the case of euro, for these purposes, the principal financial centre shall be deemed to mean each of Frankfurt and Brussels; and

## ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS

- (b) where EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of a Subject Currency, a day on which commercial banks are open (or, but for the occurrence of an EM Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the principal financial centre of the Base Currency and each EM Scheduled Trading Day Jurisdiction specified in the Issue Terms Provided That where the Subject Currency is BRL, then notwithstanding the foregoing, if the Settlement Price Date falls on a date that, as the Trade Date, is not a scheduled day on which commercial banks are open (or, but for the occurrence of an EM Disruption Event would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in New York City (an “**NYC Business Day**”), then no adjustment to such date shall be made on account of the fact that such date is not an NYC Business Day.

“**Settlement Price**” means, subject as referred to in Foreign Exchange (FX) Rate Linked Warrant Condition 1 or 2 or Foreign Exchange (FX) Rate Linked Warrant Condition 1(b) or 2(b) above, as the case may be:

- (a) in the case of Foreign Exchange (FX) Rate Linked Warrant relating to a basket of Subject Currencies and in respect of a each Subject Currency:
- a) unless EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of such Subject Currency in the Issue Terms, the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time, on (the relevant Settlement Price Date for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), multiplied by the relevant Weighting (if applicable); or
- b) where EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of such Subject Currency in the Issue Terms, the rate of exchange appearing on the EM FX Price Source at the EM Valuation Time, on the relevant Settlement Price Date, for the exchange of such Subject currency per one unit of the Base Currency for settlement on the EM Number of Settlement Days, multiplied by the relevant Weighting (if applicable); and
- (b) in the case of Foreign Exchange (FX) Rate Linked Warrant relating to a single Subject Currency:
- (i) unless EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of such Subject Currency in the Issue Terms, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page at the Valuation Time on the relevant Settlement Price Date, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent); or
- (ii) where EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of such Subject Currency in the Issue Terms, the rate of exchange appearing on the EM FX Price Source at the EM Valuation Time on the relevant Settlement Price Date for the exchange of such Subject Currency per one unit of the Base Currency for settlement on the EM Number of Settlement Days.

“**Settlement Price Date**” means a Valuation Date.

“**Specified Maximum Days of Disruption**” means the number of days specified in the Issue Terms, or if not so specified, five Scheduled Trading Days.

“**Strike Date**” means the Strike Date specified in the Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

“**Strike Day**” means each date specified as such in the applicable Issue Terms, as may be adjusted in accordance with the definition of “Valuation Date” below.

“**Strike Period**” means the period specified as the Strike Period in the Issue Terms.

“**Subject Currency**” means the currency (ies) specified as such in the Issue Terms (together, “**Subject Currencies**”).

“**Subject Currency Jurisdiction**” means each country for which the relevant Subject Currency is the lawful currency.



## **ADDITIONAL TERMS AND CONDITIONS FOR FOREIGN EXCHANGE (FX) LINKED WARRANTS**

**“Unscheduled Holiday”** means a day that is not a Scheduled Trading Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the principal financial centre of the Subject Currency two Scheduled Trading Days prior to the relevant scheduled Settlement Price Date, Averaging Date, Knock-In Determination Day or Knock-Out Determination Day.

**“Valuation Date”** means any Strike Date, Strike Day, Expiration Date, Actual Exercise Date, Potential Exercise Date(s), Automatic Early Expiration Valuation Date, Knock-in Determination Day, Knock-out Determination Day, Observation Date, Averaging Date and Specified Exercise Date or such other date, as the case may be, specified in the Issue Terms or, if such day is not a Scheduled Trading Day for a Subject Currency, (a) unless EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of such Subject Currency in the Issue Terms, the immediately succeeding Scheduled Trading Day for such Subject Currency unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Foreign Exchange (FX) Rate Linked Warrant Condition 1(b) shall apply; or (b) where EM Foreign Exchange (FX) Rate Provisions are specified as applicable in respect of the relevant Subject Currency in the Issue Terms, the immediately preceding Scheduled Trading Day for such Subject Currency and, in the event of an Unscheduled Holiday, subject to adjustment as set out in Foreign Exchange (FX) Rate Linked Warrant Condition 2(c) above, unless, in the opinion of the Calculation Agent, the resultant day determined in accordance with this sub-paragraph (b) day is a Disrupted Day, in which case the provisions of Foreign Exchange (FX) Rate Linked Warrant Condition 2(b) shall apply.

**“Valuation Time”** means:

- (i) the Automatic Early Expiration Time, the Knock-in Valuation Time, the Knock-Out Valuation Time, the EM Valuation Time or the Valuation Time, as the case may be, specified in the Issue Terms; or
- (ii) If not specified in the Issue Terms, the time at which the Price Source publishes the relevant rate or rates from which the Settlement Price is calculated.,

**“Weighting”**, means in relation to a Subject Currency, the weighting to be applied to it as specified in the Issue Terms or if no such weighting is so specified then no such weighting shall apply.

## FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS

### FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS

*Set out below is the form of Final Terms for Non-Exempt Warrants which will be completed for each Tranche of Warrants issued under the Programme.<sup>1</sup>*

[Date]

#### **BBVA GLOBAL MARKETS, B.V.**

*(a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under Dutch law with its seat in Amsterdam, the Netherlands but its tax residency in Spain)*

(as "**Issuer**")

Legal Entity Identifier ("**LEI**"): 213800L2COK1WB5Q3Z55

Issue of [Aggregate Number of Tranche][Title of Warrants] (the "**Warrants**")

under the €1,000,000,000

Programme for the Issue of Warrants  
guaranteed by

#### **BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**

*(incorporated with limited liability in Spain)*

(as "**Guarantor**")

[The Warrants are not intended to be offered, distributed or otherwise made available to any investor classified as retail investor in the jurisdiction where the Warrants are to be offered or otherwise made available]

### EUROPEAN ECONOMIC AREA AND UNITED KINGDOM

[The Warrants are not intended to be offered, distributed or sold to any investor in [the European Economic Area] [{"**EEA**"}] [or] [the United Kingdom][{"**UK**"}] and no person may offer, sell or otherwise make available any Warrants which are the subject of the offering contemplated by the Base Prospectus as completed by these Final Terms to any investor in the [European Economic Area] [or] the United Kingdom.]<sup>2</sup>

[These Final Terms have been prepared on the basis that any offer of Warrants in [(a)] any Member State of the European Economic Area ("**EEA**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") from the requirement to publish a prospectus for offers of Warrants] [and] [(b)] the United Kingdom ("**UK**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**" and the Financial Services and Markets Act 2000, as amended, the "**FSMA**") from the requirement to publish a prospectus for offers of Warrants]. Accordingly any person making or intending to make an offer of Warrants in [(a)] any Member State of the European Economic Area which are the subject of the offering contemplated in these Final Terms may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer] [and] [(b)] the United Kingdom which are the subject of the offering contemplated in these Final Terms may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or section 85 of the [Financial Services and Markets Act 2000, as amended, the "**FSMA**")] [FSMA] or to supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer].

[Any person making or intending to make an offer of the Warrants may only do so:

<sup>1</sup> Delete when completing the Final Terms.

<sup>2</sup> Insert where the Warrants are going to be sold only outside the EEA and the UK.

## FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS

(a) in those Non-exempt Offer Jurisdictions mentioned in Paragraph 6.3 of Part B below, provided such person is a Dealer or an or an Authorised Offeror (as such term is defined in the Base Prospectus) and that the offer is made during the Offer Period specified in that paragraph and that any conditions relevant to the use of the Base Prospectus are complied with<sup>3</sup>; or

(b) otherwise, in circumstances in which no obligation arises for the Issuer or the Dealer to:

[(i)] publish a prospectus pursuant to Article 3 of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation in each case in relation to such offer.][

[(ii)] publish a prospectus pursuant to Article 3 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK Prospectus Regulation**” or section 85 of the [Financial Services and Markets Act 2000, as amended, the “**FSMA**”]) [FSMA] or to supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer].

Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Warrants in any other circumstances.<sup>4</sup>

**[PROHIBITION OF SALES TO [EEA RETAIL INVESTORS][AND][UK RETAIL INVESTORS]** – [Consistent with the foregoing paragraph,]<sup>5</sup> the Warrants are not intended to be offered, sold or otherwise made available to,]<sup>6</sup> any [EEA retail investor in] [the European Economic Area (“the **EEA**”)] [the EEA] [ or ] [any] [UK retail investor in] [the United Kingdom (the “**UK**”)] [the UK]. [Consequently,] [no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Warrants or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Warrants or otherwise making them available to any EEA retail investor may be unlawful under the PRIIPs Regulation] [In addition,] [no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018 (the “**EUWA**”)] [EUWA] (as amended, the “**UK PRIIPs Regulation**”) for offering or selling the Warrants or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Warrants or otherwise making them available to any UK retail investor may be unlawful under the UK PRIIPs Regulation]. [For the purposes of this provision,] [an EEA retail investor means a person who is one (or more) of: (i) a “**retail client**” as defined in point (11) of Article 4(1) of [MiFID II] [Directive 2014/65/EU (as amended, “**MiFID II**”)]<sup>7</sup>; (ii) a customer within the meaning of [Directive 2016/97/EU (as amended or superseded, the “**Insurance Distribution Directive**”); or (iii) not a qualified investor as defined in [Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”)] [the Prospectus Regulation] [In addition,] [a UK retail investor means a person who is one (or more) of: (i) a “retail client” as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the [FSMA] [Financial Services and Markets Act 2000 (as amended, the “**FSMA**”)] and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA].]

[The Warrants are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to [any EEA retail investor other than in accordance with Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) and in each case in accordance with the additional requirements (if any) of the national competent authority in the Member State of EEA (the “**Relevant State**”).] [Pursuant to the PRIIPs Regulation, any Relevant State may require the ex-ante notification of the key information document (the “**KID**”) to the competent authority for PRIIPs marketed in that Relevant State (a “**Notification State**”).] [In the EEA, the Warrants should not be offered, sold or otherwise made available to any EEA retail investor in any Notification State unless all relevant requirements in such Notification State have been first complied with.][In the EEA, where the Notification State requires

<sup>3</sup> Insert where public offer (in accordance with the Prospectus Regulation) is intended in EEA.

<sup>4</sup> Insert where no public offer (in accordance with the Prospectus Regulation) is intended in EEA and the UK

<sup>5</sup> Insert where the Warrants are going to be sold only outside the EEA and the UK.

<sup>6</sup> Include wording in brackets if Issuer wishes to prohibit offers to any investors in the EEA and the UK i.e. where the Warrants are going to be sold only outside the EEA and the UK

<sup>7</sup> To be included if TM legends switched off, as MiFID not then defined anywhere.

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a KID to be provided in a particular language, to the extent that BBVA has not already prepared a KID in such language, the Warrants should not be offered, sold or otherwise made available to any EEA retail investor in any such Notification State until a KID has been prepared by Banco Bilbao Vizcaya Argentaria, S.A. in the relevant language.] [In the EEA, responsibility for compliance with any ex-ante notification and any ongoing regulatory obligation in respect of such KID in such Notification State shall lie solely with the person offering, selling or otherwise making the Warrants available in the Notification State.] [For these purposes,] [an "EEA **retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended.]<sup>8</sup>

**[MIFID II PRODUCT GOVERNANCE] [AND][UK MIFIR PRODUCT GOVERNANCE] TARGET MARKET** – Solely for the purposes of [the][each] manufacturer's product approval process, the target market assessment in respect of the Warrants has led to the conclusion that: (i) [(A)] the MIFID II target market for the Warrants is [eligible counterparties][,][and][professional clients][and retail clients,][each] as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MIFID II] [ and ][(B)] the UK MiFIR target market for the Warrants is [eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**")][,][ and] [professional clients as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of [the European Union (Withdrawal) Act 2018 (the "**EUWA**")][EUWA] [ and retail clients as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA]] ; [and] [(ii)] in the EEA, all channels for distribution of the Warrants are appropriate]/ [(ii)] in the EEA, the following channels for distribution of the Warrants are appropriate: [investment advice][,]/ and] [portfolio management][,]/ and] [non advised sales ][and pure execution services] [(ii) in the EEA, (A) all channels for distribution to eligible counterparties and professional clients are appropriate; and (B) the following channels for distribution of the Warrants to retail clients are appropriate [investment advice][,]/ and] [portfolio management][,]/ and] [non advised sales ][and pure execution services] [, subject to the distributor's suitability and appropriateness obligations under MiFID II as applicable]] ; and] [(iii)] in the UK, all channels for distribution of the Warrants are appropriate]/ [(iii)] in the UK, the following channels for distribution of the Warrants are appropriate: [investment advice][,]/ and] [portfolio management][,]/ and] [non advised sales ][and pure execution services] [(iii) in the UK, (A) all channels for distribution to eligible counterparties and professional clients are appropriate; and (B) the following channels for distribution of the Warrants to retail clients are appropriate – [investment advice][,]/ and] [portfolio management][,]/ and] [non advised sales ][and pure execution services] [, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Warrants (for the purposes of this paragraph, a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however,[(a)] a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Warrants (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable] [and] [(b)] a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Warrants (by either adopting or refining the manufacturer ['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable.]]<sup>9</sup>.

### PART A- CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions of the Warrants (and, together with the applicable Annex(es), the "**Conditions**") set forth in the Base Prospectus dated 6 July 2023 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus [for the purposes of the Prospectus Regulation] (the "**Base Prospectus**"). This document constitutes the Final Terms of the Warrants described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Base Prospectus. [A summary of the Warrants is annexed to these Final Terms]<sup>10</sup>. The Base Prospectus [has][together with these Final Terms have] been published on the website of Euronext Dublin (<https://www.euronext.com/en/markets/dublin>).]

<sup>8</sup> Insert as necessary, where the product is a PRIIP for sale in the EEA and/or UK for which a KID will be prepared.

<sup>9</sup> Include as necessary, where the product is a PRIIP for sale in the EEA and/or UK for which a KID will be prepared.

<sup>10</sup> Delete in case of an issuer of Warrants with a minimum issue price per Warrant equal to or greater than EUR 100,0000 (or its equivalent in any other currency)

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[Investors should note that if a supplement to or an updated version of the Base Prospectus is published at any time during the Offer Period (as defined below), such supplement or updated Base Prospectus as the case may be, will be published and made available in accordance with the arrangements applied to the original publication of these Final Terms. Any investors who have indicated acceptances of the Offer (as defined below) prior to the date of approval of such supplement or updated version of the Base Prospectus, as the case may be (the "**Approval Date**"), have the right within three working days of the Approval Date to withdraw their acceptances.]<sup>11</sup>

[The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or under any state securities laws, and the Warrants may not be offered, sold, transferred, pledged, delivered, exercised, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. person. Furthermore, the Warrants do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the U.S. Commodity Exchange Act, as amended (the "**CEA**"), and trading in the Warrants has not been approved by the U.S. Commodity Futures Trading Commission (the "**CFTC**") pursuant to the CEA, and no U.S. person may at any time trade or maintain a position in the Warrants. For a description of the restrictions on offers and sales of the Warrants, see "*Subscription and Sale*" in the Base Prospectus

As used herein, "**U.S. person**" includes any "**U.S. person**" defined in Regulation S [and any person that is not a "**non-United States person**" as defined in regulations adopted under the CEA.]<sup>12</sup>

[The Warrants documented in these Final Terms may be considered structured products in Switzerland pursuant to Article 70 the Swiss Financial Services Act of June 15, 2018 ("**FinSA**"); they are not collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes of June 23, 2006 ("**CISA**"). Accordingly, they are not subject to the supervision of the Swiss Financial Market Supervisory Authority, FINMA and investors do not benefit from the specific investor protection provided under the CISA. Investors bear the credit risk of the Issuer and the Guarantor. [The Warrants documented in these Final Terms are not being offered, sold or advertised, directly or indirectly, in, into or from Switzerland to retail clients (Privatkundinnen und -kunden) ("**Retail Clients**") pursuant to Article 4 para. 2 FinSA. Neither these Final Terms nor any offering materials relating to the Warrants may be available to Retail Clients in or from Switzerland. The offering of the Warrants directly or indirectly, in, into or from Switzerland is only made by way of private placement by addressing the Warrants solely at investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) ("**Professional or Institutional Clients**") as defined in the FinSA. .]<sup>13</sup> [[The Programme has been registered with a Swiss reviewing body (*Priifstelle*) within the meaning of Article 52 FinSA (a "**Swiss Reviewing Body**") and the Warrants documented in these Final Terms may be offered, sold or advertised, directly or indirectly, in, into or from Switzerland to retail clients (*Privatkundinnen und -kunden*) ("**Retail Clients**") pursuant to Article 4 para. 2 FinSA in a way that triggers a prospectus requirement under the FinSA. Such offer of the Warrants to Retail Clients may only be made after the registration of the Programme with a Swiss Reviewing Body according to the rules of the FinSA. The Programme and these Final Terms are available on [*specify website*] or may be requested as hard copies on request of the investor at [*specify address*]]<sup>14</sup>]<sup>15</sup>]<sup>16</sup>

*Include whichever of the following apply or specify as "Not applicable". Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or subparagraphs (in which case the subparagraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms. Where the context so permits, Terms in these Final Terms may be attributed a numerical or letter suffix value when included hereon. Without limitation, the suffix can be denoted as "j", "k", "m", "q", "n", "t" or "i" and the term may be completed on the basis of the number or numbers represented by j, k, m, q, n, t or i, as chosen at the time of an issue of Warrants. When applicable and in order to improve the reading and intelligibility of the formula(e) in the*

<sup>11</sup> Include in respect of issues of Warrants for which the offer period spans a supplement to the Base Prospectus or an update to the Base Prospectus.

<sup>12</sup> Include for Warrants that have been determined to be permanently prohibited from being offered, sold, resold, transferred, pledged or delivered in the United States or to a U.S. person.

<sup>13</sup> Include where no offer intended to Retail Clients in or from Switzerland. Please note that it would also be possible to benefit from such a private placement exemption if (a) the offer is made to less than 500 Retail Clients, (b) if the issue price per Warrant is at least CHF 100'000, (c) if the Warrants may only be purchased by investors investing at least CHF 100'000 or (d) if the offer does not exceed the cap of CHF 8'000'000 (over a 12 months period). In the event that the issuer would benefit from such other exemption, please adjust the wording accordingly.

<sup>14</sup> Upon request, the Programme and the Final Terms should be made available as hard copies.

<sup>15</sup> Include where offer is not exempted from the Swiss prospectus requirements under the FinSA.

<sup>16</sup> Delete where no offer into Switzerland is intended.

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*Final Terms, the applicable suffixes may be included, completed and explained and may be presented as a table, if necessary, in the Final Terms. Where the Final Terms specify that a table may be inserted, such table will set out amounts, entities, dates, items, rates, value levels, triggers, figures and other information which completes the definitions that appear in the relevant subparagraphs of the Final Terms, the Terms and Conditions of the Warrants and the applicable Annex(es) to the Terms and Conditions of the Warrants.<sup>17</sup>*

- |    |   |  |
|----|---|--|
| 1. | (i) Issuer:   | BBVA Global Markets B.V. (NIF: N0035575J)  |
|    | (ii) Guarantor:   | Banco Bilbao Vizcaya Argentaria, S.A.<br>(NIF: A48265169)  |
|    | (iii) Principal Warrant Agent:  | [Deutsche Bank AG, London Branch][Banco Bilbao Vizcaya Argentaria, S.A.][ <i>specify</i> ][Not applicable]   |
|    | (iv) Registrar:   | [Deutsche Bank Luxembourg, S.A.][Banco Bilbao Vizcaya Argentaria, S.A.][ <i>specify</i> ][Not applicable]  |
|    | (v) Transfer Agent:   | [Deutsche Bank Luxembourg, S.A.][Banco Bilbao Vizcaya Argentaria, S.A.][ <i>specify</i> ][Not applicable]  |
|    | (vi) Calculation Agent:   | [Banco Bilbao Vizcaya Argentaria, S.A.][Dealer][other]   |
| 2. | (i) Series Number:  | [ <i>specify</i> ]   |
|    | (ii) Tranche Number:  | [ <i>specify</i> ]   |
|    | (iii) Aggregate Number of Warrants of the Series:                             | [ <i>specify</i> ]   |
|    | (iv) Aggregate Number of Warrants of the Tranche                              | [ <i>specify</i> ]   |
|    | (v) Date on which the Warrants will be consolidated and form a single Series: | The Warrants will be consolidated and form a single Series with [ <i>identify earlier Tranches</i> ] on [the Issue Date][exchange of the Temporary Global Warrant for interests in the Permanent Global Warrant, as referred to in paragraph 35 below, which is expected to occur on or about [ <i>date</i> ]][Not applicable]<br>[ <i>specify</i> ] |
|    | (vi) Notional Amount per Warrant:   | [ <i>specify</i> ]   |
|    | (vii) Aggregate Notional Amount of the Series:                                | [ <i>specify</i> ]   |
|    | (viii) Aggregate Notional Amount of the Tranche                               | [ <i>specify</i> ]   |
| 3. | Applicable Annex(es):   | [Annex 1: Payout Conditions]<br><br>[Annex 2: Index Linked Conditions]<br><br>[Annex 3: Equity Linked Conditions]<br><br>[Annex 4: ETF Linked Conditions]<br><br>[Annex 5: Fund Linked Conditions]<br><br>[Annex 6: Inflation Linked Conditions]<br>[Annex 7: Foreign Exchange (FX) Rate Linked Conditions]  |

<sup>17</sup> Remove guidance notes in italics when preparing Final Terms.

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*(More than one Annex may apply)*

4. Specified Currency or Currencies: *[specify]* [(the “**SER Subject Currency**”)] for the purpose of the Issue Price and calculations] [and payments][other than those to which the Settlement Exchange Rate Provisions are specified to apply] shall be made in *[specify]* [(the “**Settlement Currency**”)]
- [In respect of which payments to which the Settlement Exchange Rate Provisions and the SER Intermediate Currency Requirements are specified to apply, the “**SER Intermediate Currency**” is *[specify]*
5. Issue Date: *[specify]*
6. Trade Date: *[specify]*
7. Issue Price: *[[specify] per Warrant]* [being *[specify]* per cent. of the Notional Amount per Warrants]
- [converted into the Settlement Currency at the Initial SER being *[specify amount]* in respect of the Aggregate Number of Warrants where “**Initial SER**” means*[specify]*]
8. Minimum Transfer Number: *[[specify] Warrants]*[Not applicable]
9. Calculation Amount *[[specify] per Warrant]* [Not applicable]
10. [Cash][Physical Delivery] Settlement Date: *[specify]*[the date falling *[specify]* [Business Days][days] after [the Exercise Date] *[specify]* or if that is not a Business Day the immediately [succeeding][preceding]Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day][the later of the Cash Settlement Date and the Physical Delivery Settlement Date, as the case may be][and subject to Automatic Early Expiration] [or, if applicable, such later date for payment determined under the Settlement Exchange Rate Provisions set out in Payout Condition 6]
11. Type of Warrants: (a) The Warrants are [Index Linked Warrants][Equity Linked Warrants][ETF Linked Warrants][Fund Linked Warrants][Inflation Linked Warrants][FX Linked Warrants][Combination Warrants]
- (b) The Warrants are [American][European][Bermudan] Style Warrants.
12. Reference Item(s): *[specify]**[insert table]**[See paragraph [specify] [Index][Basket of Indices][Share][Basket of Shares][Indice][Fund][Fund Basket][Subject Currency][Subject Currencies]]*  
*(Repeat if necessary)*
13. Settlement Exchange Rate Provisions: [Not applicable][Applicable][in respect of][all payments][only those payments to which these Settlement Exchange Rate Provisions are specified to apply]
- [(See paragraph[s] [specify] below)]*

*If not applicable, delete the remaining subparagraphs of*

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- this paragraph)*
- (i) SER Intermediate Currency Requirements: [Not applicable][Applicable[in respect of][all payments][payments of [interest][principal]only][only those payments to which these Settlement Exchange Rate Provisions and these SER Intermediate Currency Requirements are specified to apply]]
- (ii) Settlement Exchange Rate: Second Settlement Exchange Rate means [*specify*]  
SER Intermediate Currency means [*specify*]
- (iii) SER Valuation Date(s): [*specify*] [SER Scheduled Trading Days prior to the [scheduled] [*specify each date*]]
- (where different SER Valuation Dates apply to different payment dates, specify in respect of each applicable payment date)*
- (iv) Provisions applicable to determining the Settlement Exchange Rate: For the purpose of the definition of Settlement Exchange Rate in Payout Condition 6:
- SER Price Source: [in respect of the Settlement Exchange Rate:] [*specify*] [as per Payout Condition 6.3]
- SER Valuation Time: [in respect of the Settlement Exchange Rate:] [*specify*] [as per Payout Condition 6.3]
- SER Scheduled Trading Day Centre(s):[in respect of the Settlement Exchange Rate:] [*specify*] [as per Payout Condition 6.3]
- (v) SER Disruption Events: [Price Source Disruption]
- [Price Materiality, where:
- SER Price Materiality Percentage: [*specify*]/[3] per cent.
- SER Primary Rate: [*specify*]/[The rate determined as set out in the definition of Settlement Exchange Rate]
- SER Secondary Rate: [*specify*]/[SER First Fallback Reference Price [and]][SER Second Fallback Reference Price]]
- [Illiquidity Disruption] [Dual Exchange Rate] [General Inconvertibility][General Non-Transferability] [Material Change in Circumstance] [Nationalisation]
- [as per Payout Condition 6.1 and 6.2]
- [Not applicable]
- (vi) SER Scheduled Trading Day City/Cities: [*specify*] [as per Payout Condition 6.3]
- (vii) SER Disruption Fallbacks (for Price Source Disruption and Price Materiality only): [The following Disruption Fallbacks apply in the following order:
- [Valuation Postponement]
- SER Number of Postponements Settlement Days: [[Two] [*specify*] [Business Days]][SER Settlement Days]
- SER Maximum Days of Postponement: [*specify*]
- [First Fallback Reference Price, where:
- SER First Fallback Price Source: [*specify*]



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	<p>SER First Fallback Valuation Time: <i>[specify]</i></p> <p>SER First Fallback Number of Settlement Days: <i>[specify]</i></p> <p>[Second Fallback Reference Price, where:</p> <p>SER Second Fallback Price Source: <i>[specify]</i> SER Second Fallback Valuation Time: <i>[specify]</i></p> <p>SER Second Fallback Number of Settlement Days: <i>[specify]</i> ]</p> <p>[Calculation Agent Determination]</p> <p><i>(specify fallbacks required and arrange order in which to be applied)</i></p> <p>[as per Payout Condition 6.3]</p>
(viii) SER Cumulative Events	<p>[Not applicable][Applicable and Maximum Cumulative Days of Postponement means <i>[specify]</i> [as per Payout Condition 6.1]</p>
(ix) SER Number of Settlement Days:	<p>[Two][Zero]<i>[specify other]</i> [where SER Settlement Day Centre(s) means [in respect of the Settlement Exchange Rate:] <i>[specify]</i> [and in respect of the Intermediate Exchange Rate <i>[specify]</i></p> <p>[as per Payout Condition 6.3]</p>
(x) SER Additional Disruption Event:	<p>[As per Payout Condition 6.3] [Not applicable] [The following SER Additional Disruption Events apply to the Warrants:]</p> <p><i>(Specify each of the following which applies)</i></p> <p>[Hedging Disruption] [Increased Cost of Hedging]</p> <p>[Trade Date means <i>[specify]</i>]</p> <p>[Change in Law: Not applicable]</p> <p><i>(insert where Change in Law does not apply)</i></p>
14. Knock-in Event:	<p>[Not applicable][Applicable: Knock-in Value [for [every[any] Reference Item in the Basket]is [(i)][greater than][greater than or equal to][less than][less than or equal to] [the Knock-in [Barrier] [within][outside] the Knock-in Range]</p> <p><i>If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p>
(i) Knock-in Value:	<p><i>[insert definition from Payout Condition 5.1]</i></p>
(ii) Knock-in Barrier	<p><i>[specify value or, percentage]</i></p>
(iii) Knock-in Range:	<p>From and [including][excluding] <i>[specify range of values, percentages, level, or prices]</i> to and [including][excluding] <i>[specify range of values, percentages, level, or prices]</i> [Not applicable]</p>
(iv) Knock-in Determination Day(s):	<p><i>[specify]</i>[Each Scheduled Trading Day in the Knock-in Determination Period][Not applicable]</p>
(v) Knock-in Determination Period:	<p><i>[specify]</i>[Not applicable]</p>
(vi) Knock-in Period Beginning Date	<p><i>[specify]</i>[Not applicable]</p>
(vii) Knock-in Period Beginning Date Scheduled Trading Day Convention:	<p><i>[specify]</i> [Not applicable]</p>
(viii) Knock-in Period Ending Date:	<p><i>[specify]</i> [Not applicable]</p>
(ix) Knock-in Period Ending Date Scheduled	<p><i>[specify]</i> [Not applicable]</p>

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Trading Day Convention:

(x) Knock-in Valuation Time: [specify] [Scheduled Closing Time][Any time on a Knock-in Determination Day]

15. Knock-out Event:

[Not applicable][Applicable: The Knock-out Value is [for [every][any] Reference Item in the Basket] [(i)] [greater than][greater than or equal to][less than][less than or equal to] the Knock-out [Barrier] [within[outside] the Knock-outRange]

*(. If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Knock-out Value:Knock-out Value [insert definition from Payout Condition 5.1]

(ii) Knock-out Barrier:Knock-out Barrier [specify value or percentage]

(iii) Knock-out Range: From and [including][excluding] [specify range of values, percentages, level, or prices etc.] to and [including][excluding] [specify range of values, percentages, level, or prices etc.] [Not applicable]

(iv) Knock-out Determination Day(s): [specify][Each Scheduled Trading Day in the Knock-out Determination Period][Not applicable]

(v) Knock-out Determination Period: [specify] [Not applicable]

(vi) Knock-out Period Beginning Date: [specify] [Not applicable]

(vii) Knock-out Period Ending Date: [specify] [Not applicable]

(viii) Knock-out Period Beginning Date Scheduled Trading Day Convention: [specify] [Not applicable]

(ix) Knock-out Period Ending Date Scheduled Trading Day Convention: [specify] [Not applicable]

(x) Knock-out Valuation Time: [specify] [Scheduled Closing Time][Any time on a Knock out Determination Day]

## PROVISIONS RELATING TO EXERCISE

16. Automatic Exercise:

[Applicable][Not applicable]

*(N.B. Automatic Exercise may only apply to Cash Settled Warrants and does not apply for warrants in definitive form)*

*(N.B. Automatic Exercise will only take place if there would be a positive cash settlement amount payable to the holder on exercise)*

17. Potential Exercise Dates:

[The potential exercise dates of the Warrants [is][are] set out below.][Not applicable] [See table in paragraph 25 below]

*(N.B. Only applicable in relation to Bermudan Style Warrants).*

18. Specified Exercise Date:

[specify] [Not applicable]

*(N.B. Only applicable in relation to European Style Warrants)*

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- |     |                          |   |
|-----|--------------------------|---|
| 19. | Exercise Period:         | <p>[The exercise period in respect of the Warrants [is set out below, [inclusive of the dates specified]][the period from and [including][excluding] <i>[specify]</i>, up to and [including][excluding] <i>[specify]</i>][each an “<b>Exercise Date</b>”)] [Not applicable]</p> <p><i>(N.B. Only applicable in relation to certain American Style Warrants and Bermudan Style Warrants)</i></p> |
| 20. | Minimum Exercise Number: | <p>[The minimum number of Warrants that may be exercised (including automatic exercise) on any day by any Warrantholder is <i>[specify]</i>] [and Warrants may only be exercised (including automatic exercise) in integral multiples of <i>[specify]</i> Warrants in excess thereof][Not applicable]</p>   |
| 21. | Maximum Exercise Number: | <p>[The maximum number of Warrants that may be exercised on any day by any Warrantholder or group of Warrantholders (whether or not acting in concert) is <i>[specify]</i> ][Not applicable].</p> <p><i>(N.B. not applicable for European Style Warrants)</i></p>   |

## PROVISIONS RELATING TO SETTLEMENT

- |     |  |   |
|-----|--|---|
| 22. | Settlement:                              | [The Warrants are Cash Settled Warrants and provisions of General Condition 3(d) apply][and/or] [The Warrants are Physical Delivery Warrants and the provisions of General Condition 3(e) apply][as the circumstances may require]  |
| 23. | [Cash] Settlement Amount:                | [Calculation Amount* Final Payout] [ <i>specify percentage</i> ] [per Calculation Amount]   |
| 24. | Final Payout:                            | <i>(In respect of the following, extract, insert and complete a Final Payout formula and relevant definitions from the relevant Payout Condition as necessary)</i>  |
|     |  | [Option                      FX:                      applicable]<br><i>(specify applicable for each formula where FX applies)</i>  |
| 25. | Automatic Early Expiration:              | [Applicable][Not applicable]  |
|     | (i) Automatic Early Expiration Event:    | [In respect of [any][all] Automatic Early Expiration Valuation Date[s] [from (i)= <i>specify</i> ] to (i)= <i>specify</i> ]/[for [each][the] [relevant][any][all] Automatic Early Expiration Valuation Period[s] [from (i)]= <i>specify</i> ] to (i)= <i>specify</i> ] [,the] AEE Value [for [every][any] Reference Item in the Basket] is: [greater than][greater than or equal to][less than][less than or equal to] the Automatic Early Expiration [Trigger][within][outside] the Automatic Early Expiration Range<br><br><i>(Repeat as necessary)</i> |
|     | (ii) AEE Value:                          | <i>([insert relevant value definition and where applicable relevant definitions from Payout Condition 5.1 and 5.2])</i>   |
|     | (iii) Automatic Early Expiration Amount: | The Automatic Early Expiration Amount shall be determined in accordance with the following formula:<br><br><i>(If applicable specify one of the following)</i><br>[Automatic Early Expiration Amount (i)]   |

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	[Automatic Early Expiration Amount (ii)] [Automatic Early Expiration Amount (iii)]  [Option FX: applicable] (specify applicable for each formula where FX applies)
(iv) Automatic Early Expiration Trigger:	[specify][per cent.]] [See table [above][below]] <i>[Insert table]</i>
(v) Automatic Early Expiration Range	From and [including][excluding] <i>[specify range of values, percentages, levels, or prices]</i> to and [including][excluding] <i>[specify range of values, percentages, levels, or prices]</i> [Not applicable] [See table [above][below]]
(vi) AEE Percentage:	[[specify] [per cent.]] [Not applicable] [See table [above][below]]
(vii) Automatic Early Expiration Settlement Date:	<i>[specify]</i> [or such later date for payment determined as provided in the Settlement Exchange Rate Provisions set out in Condition 6 of the Payout conditions]] [See table [above][below]] <i>[Insert table]</i> [The date falling <i>[specify]</i> Business Days following the Automatic Early Expiration Date in respect of which an Automatic Early Expiration Event has occurred]
(viii) Automatic Early Expiration Valuation Date(s):	<i>[specify]</i> Each <i>[specify]</i> [Scheduled Trading Day] falling within the [relevant] Automatic Early Expiration Valuation Period] [See table [above][below]] [Each Scheduled Trading Day from and including <i>[specify]</i> to and including the <i>[specify]</i>
(ix) Automatic Early Expiration Valuation Period(s):	[[from (i)= <i>[specify]</i> to <i>[specify]</i> [Each][The] period from [and including][but excluding] <i>[specify]</i> , to [and including][but excluding] <i>[specify]</i> [See table [above][below]]
(x) Automatic Early Expiration Valuation Time:	<i>[specify]</i> [Scheduled Closing][Any time [on the relevant Automatic Early Expiration Valuation Date][during the Automatic Early Expiration Valuation Period].
(xi) Averaging:	[Not applicable][Averaging [applies] to the Warrants.] [The Averaging Dates are <i>[specify]</i> .] [See paragraph <i>[specify]</i> above] [See table [above][below]]  [In the event that an Averaging Date is a Disrupted Day[Omission][Postponement][Modified Postponement] will apply]
26. Provisions applicable to Physical Delivery	[Applicable][Not applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Entitlement Amount	[The Entitlement Amount per Calculation Amount][as specified below]  <i>(Insert formula, relevant value(s) and other related definitions from Payout Conditions)</i>

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- [Entitlement Amount (i)] [Entitlement Amount (ii)]
- (ii) Relevant Asset(s): *[specify]*
- (iii) Cut-Off Date: *[specify]*
- (iv) Settlement Business Day(s): *[specify]*
- (v) Delivery Agent: [Banco Bilbao Vizcaya Argentaria, S.A.][Dealer] *[specify]* of *[specify address]*
- (vi) Assessed Value Payment Amount: [Applicable][Not applicable]
- (vii) Failure to Deliver due to Illiquidity: [Applicable][Not applicable]
- (viii) Exercise Price: [The Exercise Price(s) per Warrant (which may be subject to adjustment in accordance with the relevant Annex is] *[specify]* [Not applicable]
- (N.B. This should take into account any relevant Weighting and, in the case of an Index Linked Warrants, must be expressed as a monetary value)*
- (ix) Exercise Price Payment Date(s): *[specify]* [and *[specify]*][Not applicable]

## PRODUCT SPECIFIC PROVISIONS

27. Index Linked Warrants: [Applicable][Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) [Index][Basket of Indices]: The following Reference Item(s)[(k) [(from [k] = 1 to [[k]]*[specify]*)] will apply:] [See table below] *[Insert table]*
- [For [k]=1][specify][insert description and, if relevant, details of where investors can obtain information about the Index]](Repeat as necessary)*
- [The (*specify Index*) is [not] a [Single-Exchange] [or] [Multi-Exchange Index] (*repeat as necessary*)
- [Weighting: [Not applicable]]*[specify]* [Each such Weighting shall be subject to adjustment in accordance with the Index Linked Conditions]]
- (ii) [Exchange] [Pricing Source] and Index Sponsor:: (a) the relevant Exchange[s] [Pricing Source[s]] [is][are] *[specify]* [There are no relevant [Exchange] [Pricing Sources] *[specify]*; and
- (b) the relevant Index Sponsor is *[specify]*
- [See table [above][below]]
- (include Pricing Source if non Multi-Exchange/Single Exchange is selected above).*
- (iii) [Related Exchange] [Related Pricing Source]: *[specify]* [All Exchanges] [All Related Pricing Sources]—*[include Related Pricing Source if the Index is a non Single-Exchange or Multi-Exchange Index).*
- (iv) Screen Page: *[specify]* [Not applicable] [See table [above][below]]

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- (v) [Strike Date] [Strike Period and Strike Days]: [specify] [Not applicable] [specify applicable Strike Days in the period if applicable] [See table [above][below]] [Insert table]
- (vi) Averaging: [Not applicable][Averaging [applies] to the Warrants] [The Averaging Dates are [specify] [See paragraph [specify] above] [See table [above][below]]
- [In the event that an Averaging Date is a Disrupted Day[Omission][Postponement][Modified Postponement] will apply]
- (vii) [Valuation Date][Valuation Period]: [specify] [Not applicable] [See table [above] [below]]
- (viii) Valuation Time: [specify] [Scheduled Closing Time] [Any time [on the relevant Valuation Date] [during the Valuation Period.]] [[specify],[as per the Index Linked Conditions]
- (ix) [Observation Date(s)][Observation Period]: [specify][Not applicable][See table [above] [below]
- (x) [Exchange Business Day] [Index Business Day]: [(All Indices Basis)] [(Per Index Basis)] [(Single Index Basis)][(Cross Asset Basis)] (*include Index Business Day if non Multi-Exchange/Single Exchange is selected above*).
- (xi) Scheduled Trading Day: [(All Indices Basis)][(Per Index Basis)] [(Single Index Basis)][(Cross Asset Basis)]
- (*must match election made for Exchange Business Day/Index Business Day*)
- (xii) Index Correction Period: [As set out in the Index Linked Conditions][specify]
- (xiii) Specified Maximum Days of Disruption [specify] [eight] [Scheduled Trading Days][Not applicable]
- (*If no Specific Maximum Days of Disruption are stated to apply, Specified Maximum Days of Disruption will be equal to eight*)
- (xiv) Additional Disruption Events: [Not applicable][As per the Index Linked Conditions][The following Additional Disruption Events apply to the Warrants:
- (*Specify each of the following which applies*)
- [Hedging Disruption]
- [Increased Cost of Hedging] [Increased Cost of Component Borrow] [Loss of Component Borrow][Hedging Disruption: No applicable]
- [Changes in Law: Not applicable]
- [The Maximum Component Loan Rate in respect of [specify] is [specify] (*only applicable if Loss of Component Borrow is applicable*)]

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- [The Initial Component Loan Rate in respect of *[specify]* is *[specify]* (only applicable if (Increased Cost of Component Borrow is applicable))][Not applicable]]
28. Equity Linked Warrants: [Applicable][Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) [Share(s)][Basket of Shares]: The following Reference Item(s) (k) [(from [k] = 1 to [[k]/specify])] will apply:] [Not applicable] [See table [above] [below]] *[Insert table]*
- [For [k]=1]/specify/[insert description]]  
*(Repeat as necessary)*
- [Weighting: [Not applicable]/specify] [Each such Weighting shall be subject to adjustment in accordance with the Equity Linked Conditions]]
- (ii) Share Currency: *[specify]* [See table [above]][below]]
- (iii) ISIN of Share(s): *[specify]* [See table [above]][below]]
- (iv) Screen Page: *[specify]* [See table [above]][below]]
- (v) Exchange: *[specify]* [See table [above]][below]]
- (vi) Related Exchange: *[specify]* [See table [above]][below]]
- (vii) Depositary Receipt provisions: [Applicable][Not applicable] [For Reference Item K=*[specify]*][and k=*[specify]*] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- a) Details of Share: *[specify name and ISIN code of the share to which the relevant Depositary Receipts relate]*
- b) Share Exchange: *[specify]*
- (viii) [Strike Date] [Strike Period and Strike Days]: *[specify]*[Not applicable] [specify applicable Strike Days in the period if applicable][See table [above]][below] *[Insert table]*
- (ix) Averaging: [Not applicable][Averaging [applies] to the Warrants] [The Averaging Dates are *[specify]*] [See paragraph *[specify]* above][See table [above]][below]
- [In the event that an Averaging Date is a Disrupted Day Omission][Postponement][Modified Postponement] will apply]
- (x) [Valuation Date] [Valuation Period]: *[specify]*[Not applicable][See table [above]][below]]
- (xi) Valuation Time: *[specify]*[Scheduled Closing Time][Any time [on the relevant Valuation Date][during the Valuation Period.] [As per the Equity Linked Conditions]
- (xii) [Observation Date(s)] [Observation Period]: *[specify]*[Not applicable][See table [above]][below]]
- (xiii) Exchange Business Day: [(AllSharesBasis)][(Per ShareBasis)][(Single Share

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	Basis)][(Cross Asset Basis)]
(xiv) Scheduled Trading Day:	[(AllSharesBasis)][(PerShareBasis)] [(SingleShareBasis)][(Cross Asset Basis)]
(xv) Share Correction Period:	[As set out in Equity Linked Condition 8]/[specify]
(xvi) Specified Maximum Days of Disruption:	[specify] [eight] [scheduled Trading Days][Not applicable]
(xvii) Extraordinary Events:	[Not applicable] [As per the Equity Linked Conditions] [Inaddition to De-Listing, Insolvency, Merger Event, Tender Offer unless Tender Offer (specified below as not applicable) and Nationalisation, the following Extraordinary Events apply to the [Warrants]: (Specify each of the following which applies) [Listing Change] [Listing Suspension] [Illiquidity] [Tender Offer: Not applicable]
(xviii) Additional Disruption Events:	[Not applicable][As per the Equity Linked Conditions][The following Additional Disruption Events apply to the Warrants:] (Specify each of the following which applies) [Hedging Disruption] [Insolvency Filing] [Increased Cost of Hedging] [Increased Cost of Stock Borrow] [Loss of Stock Borrow] [Stop-Loss Event] [Stop Loss Event Percentage: [specify] per cent.] [Change in Law: Not applicable] [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant Share] is [specify].(Only applicable if Loss of Stock Borrow is applicable)] [The Initial Stock Loan rate in respect of [specify in relation to each relevant Share] is [specify].(Only applicable if Increased Cost of Stock Borrow is applicable)]
29. ETF Linked Warrants:	[Applicable][Not applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
(i) [ETF(s)][ETF Basket]:	The following Reference Item(s)[(k)] [(from [k] = 1 to [[k]/specify])] will apply:] [Not applicable] [See table [above][below]] [Insert table] [For [k]=1]/[specify]/[insert description]/[(see paragraph [specify])](Repeat as necessary) [Weighting: [Not applicable] [/specify] [Each such Weighting shall be subject to adjustment in accordance with the ETF Linked Conditions]]



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- (ii) ETF Share Currency: *[specify]* [See table [above]][below]]
- (iii) ISIN of ETF Share(s): *[specify]* [See table [above]][below]]
- (iv) Screen Page: *[specify]* [See table [above]][below]]
- (v) Exchange(s): *[specify]*[Not applicable] [See table [above]][below]]
- (vi) Related Exchange(s): *[specify]*[All Exchanges][Not applicable]
- (vii) [Strike Date] [Strike Period and Strike Days]: *[specify]*[Not applicable] *[specify applicable Strike Days in the period if applicable]*[See table [above]][below]]
- (viii) Averaging: [Not applicable][Averaging [applies] to the Warrants].  
[The Averaging Dates are *[specify]*.] [See paragraph *[specify]* above][See table [above]][below]]  
  
[In the event that an Averaging Date is a [Disrupted Day], [Omission][Postponement][Modified Postponement] will apply]
- (ix) [Vauation Date][Valuation Period]: *[specify]* [Not applicable] [See table [above]][below]]
- (x) Valuation Time: [Scheduled Closing Time][Any time [on the relevant Valuation Date][during the Valuation Period]] *[specify]*,  
[As per the ETF Linked Conditions](*If no time is specified, the Coupon Valuation Time will be the close of trading on the Exchange*)
- (xi) [Observation Date(s)][Observation Period(s)]: *[specify]*[Not applicable][See table [above]][below]]
- (xii) Exchange Business Day: [[(All ETF Shares Basis)][[(Per ETF Shares Basis)]][(SingleETF Share Basis)]][(Cross Asset Basis)]]
- (xiii) Scheduled Trading Day: [[(All ETF Share Basis)]][(Per ETF Share Basis)]][(Single ETF Share Basis)]][(Cross Asset Basis)]]
- (xiv) ETF Share Correction Period [As set out in ETF Linked Condition 3][*specify*]
- (xv) Specified Maximum Days of Disruption: *[specify]*[eight] [Scheduled Trading Days][Not applicable]
- (xvi) Extraordinary ETF Events: [As set out in ETF Linked Condition 2(b)] *[specify]*
- (xvii) Additional Extraordinary ETF Events: [As per the ETF Linked Conditions][The following Additional Extraordinary ETF Events apply to the Warrants:  
*(Specify each of the following which applies)*  
[Hedging Disruption][Increased Cost of Hedging][Change in Law: Not applicable] [Increased Cost of Stock Borrow] [Insolvency Filing] [Stop-Loss Event]  
[Stop-Loss Event Percentage: *[specify]* per cent.]  
[The Maximum Stock Loan Rate in respect of *[specify]* in relation to each relevant ETF Share] is *[specify]*] (*Only applicable if Loss of Stock Borrow is applicable*)  
[[The Initial Stock Loan rate in respect of *[specify]* in relation to each relevant ETF Share] is *[specify]*] (*Only applicable if Increased Cost of Stock Borrow is applicable*)]

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- [Tender Offer: Not applicable]
30. Fund Linked Warrants: [Applicable][Not applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Fund(s)/[Fund Basket(s):
- The following Reference Item(s)[(k)] [(from [k] = 1 to [(k)/specify])] will apply:] [Not applicable] [See table [above][below]] *[Insert table]*
- [For [k]=1][specify][insert description][(see paragraph [specify])](Repeat as necessary)
- [The NAV per Fund Share will be published on [specify]]
- [Weighting: [[Not applicable]] [specify] [Each such Weighting shall be subject to adjustment in accordance with the [Fund Linked Conditions]]
- (ii) Fund Shares: [specify][a unit of the relevant Fund] [See table [above][below]]
- (iii) Averaging:
- [Not applicable][Averaging [applies] to the Warrants]. [The Averaging Dates are [specify].] [See paragraph [specify] above][See table [above][below]]
- [In the event that an Averaging Date is a Fund Non-Valuation Date, [Omission][Postponement][Modified Postponement] will apply]
- (iv) ObservationDate(s)/Observation Period(s): [specify][Not applicable][See table [above][below]]
- (v) Valuation Date(s)/Valuation Period
- [specify][Not applicable] [see table [above][below]] [or such later date as is provided in the Settlement Exchange Rate Provisions set out in condition 6 of the Payout Conditions]
- (vi) Fund Business Day:
- [specify][(All Fund Share Basis)][(Per Fund Share Basis)][(Single Fund Share Basis)] [As per the Fund Linked Conditions]
- (vii) Initial Calculation Dates:
- [specify] [Not applicable]
- a) Initial Calculation Day: [specify] [Not applicable]
- b) Initial Calculation Date: [specify] [Not applicable]
- c) Initial Calculation Period: [specify] [Not applicable]
- (viii) Final Calculation Date: [specify] [Not applicable]
- (ix) Calculation Date(s): [specify] [Not applicable]
- (x) Extraordinary Fund Events:
- [As set out in Fund Linked Condition 1] [specify]
- a) NAV Barrier: [specify][Not applicable]
- b) NAV Trigger Percentage: [specify][As set out in Fund Linked Condition 6] [Not applicable]
- c) NAV Trigger Period:
- d) Number of NAV Publication Days: [specify][As set out in Fund Linked Condition 6] [Not applicable]
- e) Basket Trigger Level: [specify][As set out in Fund Linked Condition 6] [Not applicable]
- (xi) Additional Extraordinary Fund Events: [Not applicable][As per the Fund Linked Conditions][The

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- following Additional Extraordinary Fund Events apply to the Warrants:  
(Specify each of the following which applies)
- [Increased Cost of Hedging] [Change in Law: Not applicable] [Hedging Disruption: Not applicable]
- (xii) Delayed Payment Cut-Off Date: [As set out in Fund Linked Condition 3]/[specify]
31. Inflation Linked Warrants: From and [including][excluding] [specify range of values, percentages, level, or prices etc] to and [including][excluding] [specify range of values, percentages, level, or prices etc] [Not applicable]
- (i) Index/Indices: [specify] [Reference Item[s]][(k)]
- (ii) Screen page/Exchange/ CODE: [specify]
- (iii) Index Sponsor: [specify]
- (iv) Cut-Off Date: [As per the Inflation Linked Conditions]/[specify]
- (v) Related Bond: [specify][Fallback Bond][Not applicable]
- (vi) Fallback Bond: [Applicable][Not applicable]
- (vii) Related Bond Expiration Event: [As set out in Inflation Linked Condition [specify]]
- (viii) Reference Month [specify][Not applicable]
- (ix) [Strike Date] [Strike Period and Strike Days]: [specify][Not applicable] [specify applicable Strike Days in the period if applicable]
- (x) Determination Date(s): [specify]
- (xi) Additional Disruption Event: [Not applicable][As per the Inflation Linked Conditions][The following Additional Disruption Events apply to the Warrants: (Specify each of the following which applies)
- [Hedging Disruption] [Increased Cost of Hedging]
- [Change in Law: Not applicable]
32. Foreign Exchange (FX) Rate Linked Warrants: [Applicable][Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Base Currency: [specify][Not applicable][For Reference Item[(k)]: [insert]]
- (ii) Subject Currency/Currencies: [specify][Not applicable][For Reference Item[(k)]: [insert]] [and
- EM Foreign Exchange Rate Provisions apply to such Subject Currency]
- (iii) [Strike Date] [Strike Period and Strike Days]: [specify][Not applicable] [specify applicable Strike Days in the period if applicable][See table [above][below]/[Insert table]
- (iv) Averaging: [Not applicable][Averaging [applies] to the Warrants] [The Averaging Dates are [specify]] [See paragraph [specify] above]
- (v) [Valuation Date] [Valuation Period]: [specify][Not applicable] [or such later date as is provided in the Settlement Exchange Rate Provisions set out in

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- condition 6 of the Payout Conditions]
- (vi) [Observation Date(s)] [Observation Period(s)]: *[specify]*[Not applicable][See table above]
- (vii) Provisions applicable where EM Foreign Exchange (FX) Rate Provisions do not apply to a Specified Currency: [Applicable [in respect of*[specify Subject Currencies to which these provisions apply where there is a Basket]*][Not applicable]
- (Where applicable for more than one Subject Currency, complete as relevant for each such Subject Currency)*
- a) Relevant Screen Page *[specify]*[Not applicable]
- b) Price Source: *[specify]*
- c) Valuation Time: *[specify]*[As per Foreign Exchange (FX) Rate Linked Warrant Condition 6]
- d) Disruption Events: [Price Source Disruption]
- [Illiquidity Disruption]
- [Dual Exchange Rate]
- [General Inconvertibility]
- [General Non-Transferability]
- [Material Change in Circumstances]
- [Nationalisation]
- [Not applicable]
- (Specify in respect of each Subject Currency where Non-EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different Disruption Events (or components thereof) also apply thereto).*
- e) Specified Maximum Days of Disruption: *[specify]* [Scheduled Trading Days] [Not applicable]
- (If no Specified Maximum Days of Disruption are stated to apply, Specified Maximum Days of Disruption will be equal to five)*
- (viii) Provisions applicable where EM Foreign Exchange (FX) Rate Provisions apply: [Applicable [in respect of*[specify Subject Currencies to which these provisions apply where there is a Basket]*][Not applicable]
- (Where applicable for more than one Subject Currency, complete as relevant for each such Subject Currency)*
- a) Provisions applicable to determining the Settlement Price: For the purpose of the definition of Settlement Price in Foreign Exchange (FX) Rate Linked Warrant Condition 6 [and *[specify the relevant Subject Currency where more than one Subject Currency]*]:
- EM FX Price Source: *[specify]*
- EM Valuation Time: *[specify]*
- EM Scheduled Trading Day Jurisdiction: *[specify]*
- b) EM Disruption Events: [Price Source Disruption]
- [Illiquidity Disruption] [Dual Exchange Rate] [General Inconvertibility][General Non-Transferability] [Material Change in Circumstance] [Nationalisation]
- [Price Materiality, where:
- EM Price Materiality Percentage: *[specify]*[3] per cent.

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- EM Primary Rate: *[specify]* [The rate determined asset out in the definition of Settlement Price]
- EM Secondary Rate: *[specify]* [[EM First Fallback Reference Price [and]] [EM Second Fallback Reference Price]]
- (Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Events (or components thereof) also apply thereto)*
- c) EM Disruption Fallbacks: [EM Calculation Agent Determination]
- [EM First Fallback Reference Price, where:
- First Fallback EM FX Price Source: *[specify]*
- First Fallback EM Valuation Time: *[specify]*
- First Fallback EM Number of Settlement Days: *[specify]*
- [EM Second Fallback Reference Price, where:
- Second Fallback EM FX Price Source: *[specify]*
- Second Fallback EM Valuation Time: *[specify]*
- Second Fallback EM Number of Settlement Days: *[specify]*
- [EM Valuation Postponement] *(Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Fallbacks (or components thereof) also apply thereto)*
- d) EM Maximum Days of Postponement: *[specify]* *(Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Fallbacks (or components thereof) also apply thereto)*
- e) EM Cumulative Events: [Not applicable] [Applicable and EM Maximum Cumulative Days of Postponement means *[specify]*]
- (Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Fallbacks (or components thereof) also apply thereto)*
- f) EM Number of Settlement Days: [Two] [Zero] *[specify other]* [where Settlement Day Centre(s) means *[specify]*]
- g) EM Number of Postponement Settlement Days: [[Two] *[specify]*] [Business Days] [EM Settlement Days] *[specify]*
- (ix) Additional Disruption Events [Not applicable] [As per the Foreign Exchange (FX) Rate Linked
- Conditions] [The following Additional Disruption Events apply to the Warrants:]
- (Specify each of the following which applies)*
- [Hedging Disruption] [Increased Cost of Hedging] [Trade Date means *[specify]*]

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- [Change in Law: Not applicable]  
*(insert where Change in Law applies)*
33. Combination Warrants: [Applicable][Not applicable]  
*(Applicable in relation to Warrants linked to a combination of types of Reference Items)*  
*(If applicable, complete relevant prompts from Paragraphs [TBD] to [TBD] above)*
34. Payment Disruption Event: [Applicable][Not applicable]

## GENERAL PROVISIONS APPLICABLE TO THE WARRANTS

35. Forms of Warrants: [Bearer Warrants][specify]:  
[Temporary Global Warrant exchangeable for a Permanent Global Warrant which is exchangeable for Definitive Warrants on [specify] days' notice/at any time/in the limited circumstances specified in the Permanent Global Warrant.]  
[Temporary Global Warrant exchangeable for Definitive Warrants on [specify] days' notice.]  
[Permanent Global Warrant exchangeable for Definitive Warrants on [specify] days' notice/at any time/in the limited circumstances specified in the Permanent Global Warrant.]  
[Registered Warrants:  
Global Warrant Certificate exchangeable for Individual Warrant Certificates on [specify] days' notice/at any time/in the limited circumstances described in the Global Warrant Certificate.]
36. Spanish Tax Treatment [The Warrant is considered to be an "option" for Spanish tax purposes and Condition 7(b) applies][The Warrant is considered to be a "financial asset" for Spanish tax purposes and Condition 7(c) applies]
37. (i) Additional Financial Centre(s): [Not applicable] *[give details](Note that this paragraph relates to the place of payment. All relevant Financial Centre(s) (including the location at the relevant agent(s)) should be included other than Target).*
- (ii) Additional Business Centre(s): [Not applicable] *[specify]*
38. Prohibition of Sales to EEA Retail Investors: [Applicable][Not applicable]  
[(If the Warrants clearly do not constitute "packaged" products, "Not applicable" should be specified. If the Warrants may constitute "packaged" products and no KID will be prepared, "Applicable" should be specified)]
39. Prohibition of Sales to UK Retail Investors [Applicable][Not applicable]  
*(If the Warrants clearly do not constitute "packaged" products or the Warrants do constitute "packaged" products and a key information document will be*

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*prepared in the UK, “Not applicable” should be specified. If the Warrants may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*

40. Sales outside EEA & UK only:

[Applicable] [Not applicable]

### RESPONSIBILITY

[The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms and declare that the information contained in these Final Terms is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import. [Insert relevant third party information] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced inaccurate or misleading.]

By: \_\_\_\_\_

Duly authorised

By: \_\_\_\_\_

Duly authorised

## FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS

### PART B - OTHER INFORMATION

#### 1. Listing and Admission to trading

[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Warrants to be listed on [the official list of] [[Euronext Dublin][Nasdaq First North][Sweden][Finland] [and] [admitted to trading on][the regulated market of] [Euronext Dublin] [Nasdaq First North] [Sweden][Finland] with effect from [the Issue Date] [specify]] [Not applicable]

*(insert specific language required by Stock Exchange/Listing Authority)*

*(Where documenting a fungible issue need to indicate that original Warrants are already admitted to trading)*

#### 2. [Interests of Natural and Legal Persons Involved in the [Issue][Offer]

*(Description of any interest, including conflicting interest that is material to the issue/offer, detailing the persons involved and the nature of the interest. This may be satisfied by the inclusion of the following statement:)*

- (i) Save for any fee paid to the Dealer (if applicable, such fee shall be as set out in paragraph 3 below) and/or any fee or other inducement paid to the distributor (if any), so far as the Issuer is aware no person involved in the offer of the Warrants has an interest material to the offer. For specific and detailed information on the nature and quantity of the fee or inducement paid to the distributor (if any) the investor should contact the distributor.

*(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation)*

- (ii) Dealer commission: [specify][No]

#### 3. Estimated Net Proceeds [and Total Expenses]

- (i) Estimated net proceeds: [specify]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

- (ii) Estimated total expenses: [specify]

*(Include breakdown of expenses into each principal intended “use”, presented in order of priority of such “uses”)*

#### 4. [Performance of Index<sup>18</sup>/Share/ETF/Fund/ Formula, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying

*(Include details of where past and future performance and volatility of the shares, index/formula/ commodity/rates/exchange traded fund/fund/foreign exchange rate/other variable can be obtained by electronic means and whether or not it can be obtained free of charge and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.*

*[Where the underlying is an index need to include details of where the information about the index can be obtained]]*

*(Where the underlying is a security need to include the name of the issuer of the security and the ISIN or equivalent identification number.*

*[Where the underlying is a basket of underlying, need to include the relevant weightings of each underlying in the basket.]*

<sup>18</sup> The indices will only be indices where the administrator of the Index is included in the ESMA register.



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[For a description of any market disruption or settlement disruption events that affect the underlying and any adjustment rules in relation to events concerning the underlying (if applicable) please see Annex *[specify]* in the Issuer's Base Prospectus].

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information]

### 5. Operational Information

- (i) ISIN Code: *[specify]*
- (ii) Common Code: *[specify]*
- (iii) CUSIP: *[specify]* [Not applicable]
- (iv) Valoren Code *[specify]* [Not applicable]
- (v) Other Code(s): *[specify]* [Not applicable]
  - a) [Valoren Code: *[specify]* [Not applicable]
  - b) [CFI:<sup>19</sup> *[specify]* [Not applicable]
  - c) [FISN<sup>18</sup> *[specify]* [Not applicable]
- (vi) Any clearing system(s) other than Euroclear Bank S.A./N.V, Clearstream Banking, société anonyme approved by the Issuer and the Principal Warrant Agent and the relevant identification number(s): [Not applicable][give name(s) and number(s)]
- (vii) Delivery: Delivery [against][free of] payment
- (viii) Additional Warrant Agent(s) (if any): [Not applicable][give name]

### 6. Distribution

- 6.1 Method of distribution: [Syndicated][Non-syndicated]  
*(if non-syndicated delete paragraph 6.2 and 6.3)]*
- 6.2 (i) If syndicated, names [and addresses] of Managers [and underwriting commitments: ] [Not applicable][give names [and addresses] of each entity acting as underwriter [and its respective underwriting commitments]]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)*
  - (ii) Date of Subscription Agreement: [Not applicable][specify]
  - (iii) If non-syndicated, name [and address] of relevant Dealer: [Not applicable][give name [and address]]
  - (iv) U.S. Selling Restrictions: [The Warrants are only for offer and sale outside the United States in offshore transactions to non-U.S. persons in reliance on Regulation S under the Securities Act and may not be offered, sold, transferred, pledged, delivered,

<sup>19</sup> Only to be included if required by the relevant stock exchange for reference data reporting purposes.

## FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS

exercised, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. person. Each initial purchaser of the Warrants and each subsequent purchaser or transferee of the Warrants shall be deemed to have agreed with the issuer or the seller of such Warrants that (i) it will not at any time offer, sell, resell or deliver, directly or indirectly, such Warrants so purchased in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any

U.S. person and (ii) it is not purchasing any Warrants for the account or benefit of any U.S. person.]

Reg. S Compliance Category [2]; [TEFRA D][TEFRA C][TEFRA not applicable]

6.3 Non-exempt Offer:

[Applicable] [Not applicable] *(if not applicable, delete the remaining placeholders of this paragraph 7.6 and also paragraph 8 below).*

Non-Exempt Offer Jurisdiction

[specify relevant Member State(s) where the Issuer intends to make Non-exempt Offers (where the Base Prospectus lists the Non-exempt Offer Jurisdictions, select from that list), which must therefore be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]

6.4 Offer Period:

[specify date] until [specify date or a formula such as “the Issue Date” or “the date which falls [specify] Business Days thereafter”]

6.5 Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it:

*[Insert names and addresses of financial intermediaries receiving consent (specific consent)]*

*(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the Base Prospectus (and any supplement) has been notified / passported.)*

[The Issuer reserves the right to appoint other distributors during the Offer Period, which will be communicated to investors by means of a notice published as specified in paragraph [specify].] [No underwriting commitment is undertaken by the Distributor.]

## 7. Terms and Conditions of the offer of Warrants to the Public<sup>20</sup>

[Applicable][Not applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)* [The Warrants will be offered to the public in [each][the] Public Offer Jurisdiction(s) in accordance with the arrangements listed below.]

7.1 Offer Price:

[Not applicable][See 7.11 below][give details]

7.2 [Conditions to which the offer is subject:]

[Not applicable][give details]

[Offers of the Warrants are conditional on their issue and are subject to such conditions as are set out in the [Distribution Agreement], As between Dealers and their

<sup>20</sup> Delete in respect of Warrants with an issue price per Warrant of at least €100,000 (or equivalent in another currency).

## FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS

customers (including Authorised Offerors) or between Authorised Offerors and their customers offers of the Warrants are further subject to such conditions as may be agreed between them and/or as is specified in any arrangements in place between them]

- |      |  |  |
|------|--|--|
| 7.3  | [Description of the application process]:  | [Not applicable][give details]   |
| 7.4  | [Details of the minimum and/or maximum amount of application]:   | [Not applicable][give details]   |
| 7.5  | [Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants]:  | [Not applicable][give details]   |
| 7.6  | [Details of the method and time limits for paying up and delivering the Warrants]:   | <p>[Not applicable][give details]</p> <p><i>(NB: Under normal circumstances, on the Issue Date, allocated Warrants will be made available to the Dealer(s)/Authorised Offerors in such account as may be held by them directly or indirectly at Euroclear or Clearstream. Luxembourg.)</i></p>   |
| 7.7  | [Manner in and date on which results of the offer are to be made public:]  | <p>[Not applicable][give details] <i>(If applicable (i) specify date on which the final size of the issue will be made public and (ii) insert specific details in respect of the method of publication (including, where relevant, details of any advertisements to be published).)</i></p>  |
| 7.8  | [Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercise:]  | [Not applicable][give details]   |
| 7.9  | Whether tranche(s) have been reserved for certain countries  | [Not applicable][give details]   |
| 7.10 | [Indication of the expected price at which the Warrants will be offered or the method of determining the price and the process for disclosure and if the Warrants are being offered to various categories of investors:] | <p>[Not applicable][specify] [The Issuer had offered and will sell the Warrants to the Dealer(s) (and no one else) at the Issue Price of [specify] [less a total commission of [specify]. The Dealer(s) and Authorised Offerors will offer and sell the Warrants to their customers in accordance with the arrangements in place between each such Dealer and its customers (including the Authorised Offers) or each such Authorised Offeror and its customers by reference to the Issue Price and the market conditions prevailing at the time]</p> <p>[The Warrants may be offered to [any category of investors][Eligible Counterparties] [Professional Clients] [Retail clients] [only] [specify]</p> |
| 7.11 | [Process for notification to applications of the amount allotted and the indication whether dealing may begin before notification is made:]  | <p>[Not applicable][give details]</p> <p>[Investors will be notified by the relevant Dealer(s) and Authorised Offeror in accordance with the arrangements in place between such Dealer(s) or Authorised Offeror and its customers. Any dealing in the Warrants, which take place will be at the risk of the prospective Warrant holders]</p>   |
| 7.12 | [Amount of any expenses and taxes specifically charged to the subscriber or purchaser:]  | [Not applicable][give details]   |

## FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS

- 7.13 [Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.] [The Authorised Offerors are identified in 6.5 above and identifiable from the Base Prospectus/[None]/[give details]]
- 7.14 Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment: [Specify][Not applicable]

### 8. [Benchmark Regulation

[[Include if applicable: Amounts payable under the Warrants may be calculated by reference to [Specify benchmark]. [Specify benchmark], which is provided by [administrator legal name] [repeat as necessary]. [As at the date of these Final Terms, [administrator legal name] [does/do] not appear (each a "**Non-registered Administrator**") and [administrator legal name] [does/do][repeat as necessary] in the register of administrators and benchmarks established and maintained by European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of the Benchmark Regulation.] [specify] does not fall within the scope of the EU Benchmark Regulation by virtue of Article 2 o the Benchmark Regulation.].]]<sup>21</sup>

### 9. [Index/Other Disclaimer<sup>22</sup>

[The Warrants are not sponsored, recommended, endorsed, sold or promoted by the Index or the Index Sponsor. The Index Sponsor does not make any representations, whether express or implied, regarding the results to be obtained from using their Index or the level at which an Index may stand at any particular time or any particular date or otherwise, nor its suitability. Further, the Index Sponsor will not have any liability (whether in negligence or otherwise) for any inaccuracy in the data on which the Index is based, for any mistakes, errors, or omissions in the calculation and/or dissemination of the Index, or for the manner in which it is applied in the Warrants or the offering thereof. The Issuer shall not have any liability for any act of failure to act by the Index Sponsor in connection with the calculation adjustment or maintenance of the Index. None of the Issuer or its affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Calculation Agent will obtain information concerning the Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, its affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.]

*(Insert unless the relevant Index has a bespoke disclaimer, in which case, substitute for such bespoke disclaimer)*

[[The Issuer is only offering to and selling to the Dealer(s) pursuant to and in accordance with the terms of the [Programme Agreement]. All sales to persons other than the Dealer(s) will be made by the Dealer(s) or persons to whom they sell, and/or otherwise make arrangements with, including the Financial Intermediaries. The Issuer shall not be liable for any offers, sales or purchase of Warrants by the Dealer(s) or Financial Intermediaries in accordance with the arrangements in place between any such Dealer or any such Financial Intermediary and its customers.]

[[Each [of] the Dealer(s) has acknowledged and agreed, and any Financial Intermediary will be required by the Dealer(s) to acknowledge and agree, that for the purpose of offer(s) of the Warrants, the Issuer has passported the Base Prospectus in each of the Non-exempt Offer Jurisdictions and will not passport the Base Prospectus into any other European Economic Area Member State; accordingly, the Warrants may only be publicly offered in Non-exempt Offer Jurisdictions or offered to Qualified Investors (as defined in the Prospectus Regulation) in any other European Economic Area Member States and that all offers of Warrants by it will be made only in accordance with the selling restrictions set forth in the Prospectus and the provisions of these Final Terms and in compliance with all applicable laws and regulations.]<sup>23</sup>].

[Financial intermediaries seeking to rely on the Base Prospectus and any Final Terms to resell or place Warrants as permitted by article 3.2 of the 2010 PD Amending Directive must obtain prior written consent from the Issuer

<sup>21</sup> If Benchmark Regulation is not applicable, delete this section

<sup>22</sup> Delete this section 9 if not required

<sup>23</sup> Delete unless for a public offer

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and the Guarantor; nothing herein is to be understood as a waiver of such requirement for prior written consent.]<sup>24</sup>

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<sup>24</sup> Delete in respect of Warrants with an issue price per Warrant of at least €100,000 (or equivalent in another currency)

## **FORM OF FINAL TERMS FOR NON-EXEMPT WARRANTS**

### **[SUMMARY OF WARRANTS]**

*[Insert completed summary for the Warrants, unless the issue price per warrant is equal to or greater than €100,000 (or its equivalent in any other currency)]*

## FORM OF PRICING SUPPLEMENT FOR EXEMPT WARRANTS

### FORM OF PRICING SUPPLEMENT FOR EXEMPT WARRANTS

Set out below is the form of Pricing Supplement for Exempt Warrants which will be completed for each Tranche of Warrants issued under the Programme.<sup>1</sup>

### NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 FOR THE ISSUE OF THE WARRANTS DESCRIBED BELOW

[Date]

#### **BBVA GLOBAL MARKETS, B.V.**

*(a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under Dutch law with its seat in Amsterdam, the Netherlands but its tax residency in Spain)*  
(as "**Issuer**")

Legal Entity Identifier ("**LEI**"): 213800L2COK1WB5Q3Z55

Issue of [Aggregate Number of Tranche][Title of Warrants] (the "**Warrants**") under the €1,000,000,000 Programme for the Issue of Warrants

guaranteed by  
**BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**  
*(incorporated with limited liability in Spain)*  
(as "**Guarantor**")

[The Warrants are not intended to be offered, distributed or otherwise made available to any investor classified as retail investor in the jurisdiction where the Warrants are to be offered or otherwise made available.]

### EUROPEAN ECONOMIC AREA AND UNITED KINGDOM

[The Warrants are not intended to be offered, distributed or sold to any investor in the European Economic Area ("**EEA**") [or] [the United Kingdom (the "**UK**")], and no person may offer, sell or otherwise make available any Warrants which are the subject of the offering contemplated by the Base Listing Particulars as completed by these Pricing Supplement to any investor in [the EEA] [or] [the UK.]]<sup>2</sup>

[This Pricing Supplement has been prepared on the basis that any offer of Warrants in [(a)] any Member State of the European Economic Area ("**EEA**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") from the requirement to publish a prospectus for offers of Warrants] [and] [(b)] the United Kingdom ("**UK**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**" and the Financial Services and Markets Act 2000, as amended, the "**FSMA**") from the requirement to publish a prospectus for offers of Warrants]. Accordingly any person making or intending to make an offer of Warrants in [(a)] any Member State of the European Economic Area which are the subject of the offering contemplated in this Pricing Supplement may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer] [and] [(b)] the United Kingdom which are the subject of the offering contemplated in this Pricing Supplement may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or section 85 of the [Financial Services and Markets Act 2000, as amended, the "**FSMA**")] [FSMA] or to supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer].

Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Warrants in any other circumstances.<sup>3</sup>

<sup>1</sup> Delete when completing the Pricing Supplement.

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**[PROHIBITION OF SALES TO [EEA RETAIL INVESTORS] [AND] [UK RETAIL INVESTORS]** – [Consistent with the foregoing paragraph,]<sup>4</sup> the Warrants are not intended to be offered, sold or otherwise made available to any EEA retail investor in [the European Economic Area (“the **EEA**”)] [the EEA] [ or ] [any UK retail investor in the United Kingdom (the “**UK**”)] [the UK]. [Consequently,] [no key information document required by [Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Warrants or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Warrants or otherwise making them available to any EEA retail investor may be unlawful under the PRIIPs Regulation.] [In addition,] [no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) ] [EUWA] (as amended, the “**UK PRIIPs Regulation**”) for offering or selling the Warrants or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Warrants or otherwise making them available to any UK retail investor may be unlawful under the UK PRIIPs Regulation. [For the purposes of this provision,] [an EEA retail investor means a person who is one (or more) of: (i) a “**retail client**” as defined in point (11) of Article 4(1) of [MiFID II] [Directive 2014/65/EU (as amended, “**MiFID II**”)]<sup>5</sup> (ii) a customer within the meaning of [Directive 2016/97/EU (as amended or superseded, the “**Insurance Distribution Directive**”); or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”).] [the Prospectus Regulation] [In addition,] [a UK retail investor means a person who is one (or more) of: (i) a “retail client” as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the [FSMA] [Financial Services and Markets Act 2000 (as amended, the “**FSMA**”) ] and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA].]

[The Warrants are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to [(a)] any EEA retail investor other than in accordance with Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) and in each case in accordance with the additional requirements (if any) of the national competent authority in the Member State of EEA (the “**Relevant State**”).] [Pursuant to the PRIIPs Regulation, any Relevant State may require the ex-ante notification of the key information document (the “**KID**”) to the competent authority for PRIIPs marketed in that Relevant State (a “**Notification State**”).] [In the EEA, the Warrants should not be offered, sold or otherwise made available to any EEA retail investor in any Notification State unless all relevant requirements in such Notification State have been first complied with.] [In the EEA, where the Notification State requires a KID to be provided in a particular language, to the extent that BBVA has not already prepared a KID in such language, the Warrants should not be offered, sold or otherwise made available to any retail investor in any such Notification State until a KID has been prepared by Banco Bilbao Vizcaya Argentaria, S.A. in the relevant language.] [In the UK, to the extent that BBVA has not already prepared a KID in the English language, the Warrants should not be offered, sold or otherwise made available to any UK retail investor until a KID has been prepared by Banco Bilbao Vizcaya Argentaria, S.A. in the English language.] [In the EEA, responsibility for compliance with any ex-ante notification and any ongoing regulatory obligation in respect of such KID in such Notification State shall lie solely with the person offering, selling or otherwise making the Warrants available in the Notification State.] [For these purposes,] [an “EEA retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended.]]<sup>6</sup>

**[[MIFID II PRODUCT GOVERNANCE] [AND] [UK MIFIR PRODUCT GOVERNANCE] TARGET MARKET** – Solely for the purposes of [the] [each] manufacturer’s product approval process, the target market assessment in respect of the Warrants has led to the conclusion that: (i) [(A)] the MIFID II target market for the Warrants is [eligible counterparties] [,] [and] [professional clients] [and retail clients,] [each] as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MIFID II] [ ; and ] [(B)] the UK MiFIR target market for the Warrants is [eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”)] [,] [and] [professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”)] [EUWA] [ ; and retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA]; ; [and] [(ii)] in the EEA, all channels for distribution of the Warrants are appropriate]/ [(ii)] the following channels for distribution of the Warrants are appropriate: [investment advice] [,/ and] [portfolio management] [,/ and] [non advised sales] [and pure execution services] [(ii)] in the EEA, (A) all channels for

<sup>4</sup> Insert where the Warrants are going to be sold only outside the EEA and outside the UK.

<sup>5</sup> To be included if TM legends switched off, as MiFID not then defined anywhere.

<sup>6</sup> Insert as necessary, where the product is a PRIIP for sale in the EEA and/or UK for which a KID will be prepared.



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distribution to eligible counterparties and professional clients are appropriate; and (B) the following channels for distribution of the Warrants to retail clients are appropriate – [investment advice][, / and] [portfolio management][, / and][ non advised sales ][and pure execution services] [, subject to the distributor's suitability and appropriateness obligations under MiFID II as applicable]]]; and] [(iii)] in the UK, all channels for distribution of the Warrants are appropriate]]/[ (iii)] in the UK, the following channels for distribution of the Warrants are appropriate: [investment advice][, / and] [portfolio management][, / and][ non advised sales ][and pure execution services] [(iii) in the UK, (A) all channels for distribution to eligible counterparties and professional clients are appropriate; and (B) the following channels for distribution of the Warrants to retail clients are appropriate – [investment advice][, / and] [portfolio management][, / and][ non advised sales ][and pure execution services] [, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Warrants (for the purposes of this paragraph, a "**distributor**") should take into consideration the manufacturer[s/s'] target market assessment; however, [(a)] a distributor subject to [MiFID II is responsible for undertaking its own target market assessment in respect of the Warrants (by either adopting or refining the manufacturer[s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable] [and] [(b)] a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Warrants (by either adopting or refining the manufacturer [s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable.]]<sup>7</sup>.

### SWITZERLAND

[Neither this Pricing supplement nor any offering materials relating to the Warrants constitute a Prospectus and/or key investor document (Basisinformationsblatt) within the meaning of FinSA]

### PART A- CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions of the Warrants (and, together with the applicable Annex(es), the "Conditions") set forth in the Base Listing Particulars dated 6 July 2022 [and the supplement[s] to it dated [date] and [date]] [which [together] constitute a Base Listing Particulars ](the "**Base Listing Particulars** ").][This document constitutes the Pricing Supplement for the Warrants and must be read in conjunction with the Base Listing Particulars [and the supplements to it dated [specify][, which together constitute [together] constitute[s] a Base Listing Particulars]](the "**Base Listing Particulars**").]. Full information on the Issuer, the Guarantor and the offer of the Warrants is only available on the basis of the combination of this Pricing Supplement and the Base Listing Particulars. Copies of the Base Listing Particulars [as so supplemented] have been published on the website of the Guarantor [[www.bbva.com](http://www.bbva.com)][specify hyperlink] and the exchange where the Warrants are admitted to listing and trading.]

[The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or under any state securities laws, and the Warrants may not be offered, sold, transferred, pledged, delivered, exercised, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. person. Furthermore, the Warrants do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the U.S. Commodity Exchange Act, as amended (the "**CEA**"), and trading in the Warrants has not been approved by the U.S. Commodity Futures Trading Commission (the "**CFTC**") pursuant to the CEA, and no U.S. person may at any time trade or maintain a position in the Warrants. For a description of the restrictions on offers and sales of the Warrants, see "*Subscription and Sale*" in the Base Listing Particulars]

As used herein, "**U.S. person**" includes any "**U.S. person**" defined in Regulation S [and any person that is not a "**non-United States person**" as defined in regulations adopted under the CEA.]<sup>8</sup>

[The Warrants issued pursuant to this Pricing Supplement may be considered structured products in Switzerland pursuant to Article 70 the Swiss Financial Services Act of 15 June 2018 ("**FinSA**"); they are not collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("**CISA**"). Accordingly, they are not subject to the supervision of the Swiss Financial Market Supervisory Authority, FINMA and Investors do not

<sup>7</sup> Include as necessary, where the product is a PRIIP for sale in the EEA and/or UK for which a KID will be prepared.

<sup>8</sup> Include for Warrants that have been determined to be permanently prohibited from being offered, sold, resold, transferred, pledged or delivered in the United States or to a U.S. person.

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benefit from the specific investor protection provided under the CISA. Investors bear the credit risk of the Issuer and the Guarantor. [The Warrants documented in this Pricing Supplement are not being and will not be offered, sold or advertised, directly or indirectly, in, into or from Switzerland to retail clients (Privatkundinnen und -kunden) ("**Retail Clients**") pursuant to Article 4 para. 2 FinSA. Neither this Pricing Supplement nor any offering materials relating to the Warrants may be available to Retail Clients in or from Switzerland. The offering of the Warrants directly or indirectly, in, into or from Switzerland is only made by way of private placement by addressing the Warrants solely at investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) within the meaning of Fin SA ("**Professional or Institutional Clients**").]<sup>9</sup>

*Include whichever of the following apply. If a paragraph is not applicable, (i) delete this paragraph in its entirety and change the numbering accordingly or (ii) specify "Not applicable" and delete the remaining subparagraphs of such paragraph. Italics denote directions for completing the Pricing Supplement. Where the context so permits, Terms in this Pricing Supplement may be attributed a numerical or letter suffix value when included hereon. Without limitation, the suffix can be denoted as "j", "k", "m", "q", "n", "t" or "i" and the term may be completed on the basis of the number or numbers represented by j, k, m, q, n, t or i, as chosen at the time of an issue of Warrants. When applicable and in order to improve the reading and intelligibility of the formula(e) in the Pricing Supplement, the applicable suffixes may be included, completed and explained and may be presented as a table, if necessary, in the Pricing Supplement. Where the Pricing Supplement specify that a table may be inserted, such table will set out amounts, entities, dates, items, rates, value levels, triggers, figures and other information which completes the definitions that appear in the relevant subparagraphs of the Pricing Supplement, the Terms and Conditions of the Warrants and the applicable Annex(es) to the Terms and Conditions of the Warrants. Any units expressed in percentage can be shorted by the symbol "%". Any units expressed in percentage can be shorted by the symbol "%". Where the Pricing Supplement specifies that a formula from the Payout Conditions and the relevant definitions from the Payout Conditions shall be inserted, each such formula and the related definitions may be shortened, condensed and simplified to make the formula more concise and clear and to avoid repeating definitions. Any paragraph can be replaced or removed if the definition included in such paragraph has been defined in any previous paragraph. The paragraphs set forth below can be formatted into a gridded table. Type and size of letter can be discretionally changed.<sup>11</sup>*

- |    |       |                          |   |
|----|-------|--------------------------|---|
| 1. | (i)   | Issuer:                  | BBVA Global Markets B.V. (NIF: N0035575J)   |
|    | (ii)  | Guarantor:               | Banco Bilbao Vizcaya Argentaria, S.A. (NIF: A48265169)  |
|    | (iii) | Principal Warrant Agent: | [Deutsche Bank AG, London Branch] [Banco Bilbao Vizcaya Argentaria, S.A.] <i>[specify]</i> [Not applicable] |
|    | (iv)  | Registrar:               | [Deutsche Bank Luxembourg, S.A.] [Banco Bilbao Vizcaya Argentaria, S.A.] <i>[specify]</i> [Not applicable]  |
|    | (v)   | Transfer Agent:          | [Deutsche Bank Luxembourg, S.A.] [Banco Bilbao Vizcaya Argentaria, S.A.] <i>[specify]</i> [Not applicable]  |
|    | (vi)  | Calculation Agent:       | [Banco Bilbao Vizcaya Argentaria, S.A.] [Dealer] [other] [Address]  |
| 2. | (i)   | Series Number:           | <i>[specify]</i>  |
|    | (ii)  | Tranche Number:          | <i>[specify]</i> (delete if Tranche 1)  |

<sup>9</sup> Include where no offer intended to Retail Clients in or from Switzerland. Please note that it would also be possible to benefit from such a private placement exemption if (a) the offer is made to less than 500 Retail Clients, (b) if the issue price per Warrants is at least CHF 100'000, (c) if the Warrants may only be purchased by investors investing at least CHF 100'000 or (d) if the offer does not exceed the cap of CHF 8,000,000 (over a 12 months period). In the event that the issuer would benefit from such other exemption, please adjust the wording accordingly. For Exempt Warrants, it would not be possible to recognise the Programme under the rules of the FinSA and, therefore, such Warrants could not be offered in Switzerland in a way that triggers a prospectus requirement under the FinSA.

<sup>10</sup> Delete where no offer into Switzerland is intended.

<sup>11</sup> Remove guidance notes in italics when preparing Pricing Supplement.

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- |        |   |  |
|--------|---|--|
| (iii)  | Aggregate Number of Warrants of the Series:                               | <i>[specify]</i>   |
| (iv)   | Aggregate Number of Warrants of the Tranche:                              | <i>[specify]</i> <i>(delete if Tranche 1)</i>  |
| (v)    | Date on which the Warrants will be consolidated and form a single Series: | The Warrants will be consolidated and form a single Series with <i>[identify earlier Tranches]</i> on <i>[the Issue Date]</i> <i>[exchange of the Temporary Global Warrant for interests in the Permanent Global Warrant, as referred to in paragraph [35] below, which is expected to occur on or about [date]]</i> <i>[Not applicable]</i> |
| (vi)   | [Notional Amount per Warrant:   | <i>[specify]</i>   |
| (vii)  | Aggregate Notional Amount of the Series:                                  | <i>[specify]</i>   |
| (viii) | Aggregate Notional Amount of the Tranche:                                 | <i>[specify]</i> <i>(delete if Tranche 1)</i>  |
3. Applicable Annex(es):
- Annex 1: Payout Conditions]  
 [Annex 2: Index Linked Conditions]  
 [Annex 3: Equity Linked Conditions]  
 [Annex 4: ETF Linked Conditions]  
 [Annex 5: Fund Linked Conditions]  
 [Annex 6: Inflation Linked Conditions]  
 [Annex 7: Foreign Exchange (FX) Rate Linked Conditions]  
*(More than one Annex may apply)*
4. Specified Currency or Currencies:
- [specify]* *[(the “**SER Subject Currency**”)]* for the purpose of the Issue Price and calculations] *[and payments]**[other than those to which the Settlement Exchange Rate Provisions are specified to apply]* shall be made in *[specify]* *[(the “**Settlement Currency**”)]*
- [In respect of which payments to which the Settlement Exchange Rate Provisions and the SER Intermediate Currency Requirements are specified to apply, the “**SER Intermediate Currency**” is *[specify]*]
5. Issue Date:
- [specify]*
6. Trade Date:
- [specify]*
7. Issue Price:
- [[specify] per Warrant]* *[being [specify] per cent. of the Notional Amount per Warrants]*
- [converted into the Settlement Currency at the Initial SER being [specify amount] in respect of the Aggregate Number of Warrants where “**Initial SER**” means [specify]*
8. Minimum Transfer Number:
- [specify] Warrants]**[Not applicable]*

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9. Calculation Amount [[*specify*] per Warrant] [Not applicable]
10. [Cash][Physical Delivery] Settlement Date: [*specify*] [the date falling [*specify*] [Business Days][days] after [the Exercise Date] [*specify*] or if that is not a Business Day the immediately [succeeding][preceding]Business Day [unless it would thereby fall into the next calendar month, in which event it will be brought forward to the immediately preceding Business Day][the later of the Cash Settlement Date and the Physical Delivery Settlement Date, as the case may be][and subject to Automatic Early Expiration] [or, if applicable, such later date for payment determined under the Settlement Exchange Rate Provisions set out in Payout Condition 6]
- (Repeat as necessary where Cash Settlement and Physical Settlement both apply)*
11. Type of Warrants: (a) The Warrants are [Index Linked Warrants][Equity Linked Warrants][ETF Linked Warrants][Fund Linked Warrants][Inflation Linked Warrants][FX Linked Warrants][Combination Warrants]
- (b) The Warrants are American][European][Bermudan] Style Warrants.
12. Reference Item(s): [specify] [*insert table*]See paragraph [specify] [Index][Basket of Indices][Share][Basket of Shares][Index][Fund][Fund Basket][Subject Currency][Subject Currencies] (*Repeat if necessary*)
13. Settlement Exchange Rate Provisions: [Not applicable][Applicable][in respect of][all payments][only those payments to which these Settlement Exchange Rate Provisions are specified to apply]]
- [(See paragraph[s] [specify] below)]
- (If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) SER Intermediate Currency Requirements: [Not applicable][Applicable[in respect of][all payments][only those payments to which these Settlement Exchange Rate Provisions and these SER Intermediate Currency Requirements are specified to apply]]
- [Second Settlement Exchange Rate means [*specify*]] [SER Intermediate Currency means [*specify*]]
- (ii) Settlement Exchange Rate: [specify rate]
- (*if a rate is specified then delete the remaining subparagraphs of this paragraph*).
- (iii) SER Valuation Date(s): [specify] [SER Scheduled Trading Days prior to the [scheduled] [*specify each date*]]
- (*where different SER Valuation Dates apply to different payment dates, specify in respect of each applicable payment date*)
- (iv) Provisions applicable to determining the Settlement Exchange Rate: For the purpose of the definition of Settlement Exchange Rate in Payout Condition 6:
- SER Price Source: [in respect of the Settlement Exchange Rate:]/[specify] [as per Payout Condition 6.3]
- SER Valuation Time: [in respect of the Settlement Exchange Rate:] [*specify*] [as per Payout Condition 6.3]SER Scheduled Trading Day Centre(s) : [in respect of

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- the Settlement Exchange Rate:] *[specify]* [as per Payout Condition 6.3]
- (v) SER Disruption Events: [Price Source Disruption]  
[Price Materiality, where:  
SER Price Materiality Percentage: *[specify]* [3] per cent.  
SER Primary Rate: *[specify]* [The rate determined as set out in the definition of Settlement Exchange Rate]  
SER Secondary Rate: *[specify]* [SER First Fallback Reference Price [and]][SER Second Fallback Reference Price]]  
[Illiquidity Disruption] [Dual Exchange Rate][General Inconvertibility][General Non-Transferability] [Material Change in Circumstance] [Nationalisation]  
[as per Payout Condition 6.1]  
[Not applicable]
- (vi) SER Scheduled Trading Day City/Cities: *[specify]* [as per Payout Condition 6.3]
- (vii) SER Disruption Fallbacks (for Price Source Disruption and Price Materiality only): The following Disruption Fallbacks apply in the following order:  
[Valuation Postponement]  
SER Number of Postponements Settlement Days: [[Two] *[specify]* ][Business Days][SER Settlement Days] *[specify]*  
[SER Maximum Days of Postponement: *[specify]*  
[First Fallback Reference Price, where:  
SER First Fallback Price Source: *[specify]*  
SER First Fallback Valuation Time: *[specify]*  
SER First Fallback Number of Settlement Days: *[specify]* ]  
[Second Fallback Reference Price, where:  
SER Second Fallback Price Source: *[specify]*  
SER Second Fallback Valuation Time: *[specify]*  
SER Second Fallback Number of Settlement Days: *[specify]*]  
[Calculation Agent Determination]  
(*specify fallbacks required and arrange order in which to be applied*)  
[as per Payout Condition 6.3]
- (viii) SER Cumulative Events: [Not applicable][Applicable and Maximum Cumulative Days of  
Postponement means *[specify]*] [as per Payout Condition 6.1]
- (ix) SER Number of Settlement Days: [Two][Zero][specify other] [where SER Settlement Day Centre(s) means [in respect of the Settlement Exchange Rate:] *[specify]* [and in respect of the Intermediate Exchange Rate *[specify]*]]  
[as per Payout Condition 6.3]
- (x) SER Additional Disruption Event: [As per Payout Condition 6.3] [Not applicable] [The following SER Additional Disruption Events apply to the Warrants:]

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*(Specify each of the following which applies)*

[Hedging Disruption] [Increased Cost of Hedging] [Trade Date means *[specify]*]

[Change in Law: Not applicable]

*(insert where Change in Law does not apply)*

### 14. Knock-in Event:

[Not applicable][Applicable: Knock-in Value [for [every][any] Reference Item in the Basket] is [(i)][greater than][greater than or equal to][less than][less than or equal to] [the Knock-in [Barrier] [within][outside] the Knock-in Range]

(i) Knock-in Value:

*[insert definition from Payout Condition 5.1]*

(ii) Knock-in Barrier

*[specify value or, percentage]*

(iii) Knock-in Range:

From and [including][excluding] [specify range of values, percentages, level, or prices] to and [including][excluding] *[specify range of values, percentages, level, or prices]* [Not applicable]

(iv) Knock-in Determination Day(s):

*[specify]* [Each Scheduled Trading Day in the Knock-in Determination Period] [Not applicable]

(v) Knock-in Determination Period:

*[specify]* [Not applicable]

(vi) Knock-in Period Beginning Date:

*[specify]* [Not applicable]

(vii) Knock-in Period Beginning Date Scheduled Trading Day Convention:

*[specify]* [Not applicable]

(viii) Knock-in Period Ending Date:

*[specify]* [Not applicable]

(ix) Knock-in Period Ending Date Scheduled Trading Day Convention:

*[specify]* [Not applicable]

(x) Knock-in Valuation Time:

*[specify]* [Scheduled Closing Time] [Any time on a Knock-in Determination Day] [Not applicable]

### 15. Knock-out Event:

[Not applicable][Applicable: The Knock-out Value [for [every][any] Reference Item in the Basket] is [(i)] [greater than][greater than or equal to][less than][less than or equal to] the Knock-out [Barrier] [within][outside] the Knock-out Range]

(i) Knock-out Value:

*[insert definition from Payout Condition 5.1]*

(ii) Knock-out Barrier:

*[specify value or percentage]*

(iii) Knock-out Range:

From and [including][excluding] [specify range of values, percentages, level, or prices etc.] to and [including][excluding] *[specify range of values, percentages, level, or prices etc.]* [Not applicable]

(iv) Knock-out Determination Day(s):

[[From and including][From and excluding][To and including][To but excluding]*[specify]*] [Each Scheduled Trading Day in the Knock-out Determination Period] [Not

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applicable]

- (v) Knock-out Determination Period: [specify] [Not applicable]
- (vi) Knock-out Period Beginning Date: [specify] [Not applicable]
- (vii) Knock-out Period Ending Date: [specify] [Not applicable]
- (viii) Knock-out Period Beginning Date  
Scheduled Trading Day Convention: [specify] [Not applicable]
- (ix) Knock-out Period Ending Date  
Scheduled Trading Day Convention: [specify] [Not applicable]
- (x) Knock-out Valuation Time: [specify][Scheduled Closing Time]  
[Any time on a Knock out Determination Day]

### PROVISIONS RELATING TO EXERCISE

- 16. Automatic Exercise: [Applicable][Not applicable]  
  
(N.B. Automatic Exercise may only apply to Cash Settled Warrants and does not apply for warrants in definitive form)  
  
*(N.B. Automatic Exercise will only take place if there would be a positive cash settlement amount payable to the holder on exercise)*
- 17. Potential Exercise Dates: [The potential exercise dates of the Warrants [is][are] set out below.][Not applicable] [See table in paragraph 25 below]  
  
*(N.B. Only applicable in relation to Bermudan Style Warrants).*
- 18. Specified Exercise Date: [specify] [Not applicable]  
  
*N.B. Only applicable in relation to European Style Warrants)*
- 19. Exercise Period: [The exercise period in respect of the Warrants [is set out below, [inclusive of the dates specified]][the period from and [including][excluding] [specify], up to and [including][excluding] [specify]][each an “**Exercise Date**”)] [Not applicable]  
  
*(N.B. Only applicable in relation to certain American Style Warrants and Bermudan Style Warrants)*
- 20. Minimum Exercise Number: [The minimum number of Warrants that may be exercised (including automatic exercise) on any day by any Warrantholder is [specify]] [and Warrants may only be exercised (including automatic exercise) in integral multiples of [specify] Warrants in excess thereof][Not applicable]
- 21. Maximum Exercise Number: [The maximum number of Warrants that may be exercised on any day by any Warrantholder or group of Warrantholders (whether or not acting in concert) is [specify]][Not applicable].  
  
*(N.B. not applicable for European Style Warrants)*

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### PROVISIONS RELATING TO SETTLEMENT

22. Settlement: [The Warrants are Cash Settled Warrants and provisions of General Condition 3(d) apply][and/or] [The Warrants are Physical Delivery Warrants and the provisions of General Condition 3(e) apply][as the circumstances may require]
23. [Cash] Settlement Amount: [Calculation Amount\* Final Payout] [*specify percentage*] [per Calculation Amount]
24. Final Payout: *(In respect of the following, extract, insert and complete a Final Payout and relevant definitions from the relevant Payout Condition as necessary)*  
[Option FX: applicable]  
*(specify applicable for each formula where FX applies)*
25. Automatic Early Expiration: [Applicable][Not applicable]
- (i) Automatic Early Expiration Event: [In respect of [any][all] Automatic Early Expiration Valuation Date[s] [from (i)=*specify*] to (i)=*specify*]] [for [each][the] [relevant][any][all] Automatic Early Expiration Valuation Period[s] [from (i)=*specify*] to (i)=*specify*]] [the] AEE Value [for [every][any] Reference Item in the Basket] is: [greater than][greater than or equal to][less than][less than or equal to] the Automatic Early Expiration [Trigger][within][outside] the Automatic Early Expiration Range]  
*(Repeat as necessary)*
- (ii) AEE Value: *(insert relevant value definition and where applicable relevant definitions from Payout Condition 5.1 and 5.2)*
- (iii) Automatic Early Expiration Amount: The Automatic Early Expiration Amount shall be determined in accordance with the following formula: Amount (i)) [Automatic Early Expiration Amount (ii)] [Automatic Early Expiration Amount (iii)]  
[Option FX: applicable] *(specify applicable for each formula where FX applies)*
- (iv) Automatic Early Expiration Trigger: [[*specify*][per cent.]] [Not applicable] [See table [above][below]] [Insert table]
- (v) Automatic Early Expiration Range From and [including][excluding] [*specify range of values, percentages, levels, or prices*] to and [including][excluding] [*specify range of values, percentages, levels, or prices*] [Not applicable] [See table [above][below]]
- (vi) AEE Percentage: [[*specify*] [per cent.]] [Not applicable] [See table [above][below]]
- (vii) Automatic Early Expiration Settlement Date: [*specify*] [or such later date for payment determined as provided in the Settlement Exchange Rate Provisions set out in Condition 6 of the Payout conditions]] [See table [above][below] *Insert table*][The date falling [*specify*] Business Days following the Automatic Early Expiration Date in respect of which an Automatic Early Expiration Event has occurred]



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(viii)	Automatic Early Expiration Valuation Date(s):	<i>[specify]</i> Each <i>[specify]</i> [Scheduled Trading Day] falling within the [relevant] Automatic Early Expiration Valuation Period] [See table [above][below][Each Scheduled Trading Day from and including <i>[specify]</i> to and including the <i>[specify]</i>
(ix)	Automatic Early Expiration Valuation Period(s):	[[from (i)= <i>[specify]</i> to <i>[specify]</i> [Each][The] period from [and including][but excluding] <i>[specify]</i> , to [and including][but excluding] <i>[specify]</i> [See table [above][below]]
(x)	Automatic Early Expiration Valuation Time:	<i>[specify]</i> [Scheduled Closing][Any time [on the relevant Automatic Early Expiration Valuation Date][during the Automatic Early Expiration Valuation Period].
(xi)	Averaging:	[Not applicable][Averaging [applies] to the Warrants.] [The Averaging Dates are <i>[specify]</i> .] [See paragraph <i>[specify]</i> above] [See table [above][below]]  [In the event that an Averaging Date is a Disrupted Day[Omission][Postponement][Modified Postponement] will apply]  <i>(If no Specific Maximum Days of Disruption are stated, Specific Maximum Days of Disruption will be equal to five)</i>
26.	Provisions applicable to Physical Delivery	[Applicable][Not applicable]
(i)	Entitlement Amount:	[The Entitlement Amount per Calculation Amount] as specified below.  <i>(Insert formula, relevant value(s) and other related definitions from Payout Conditions)</i> [Entitlement Amount (i)] [Entitlement Amount (ii)]
(ii)	Relevant Asset(s):	<i>[specify]</i>
(iii)	Cut-Off Date:	<i>[specify]</i>
(iv)	Settlement Business Day(s):	<i>[specify]</i>
(v)	Delivery Agent:	[Banco Bilbao Vizcaya Argentaria, S.A.][Dealer] <i>[specify]</i> of [specify address]
(vi)	Assessed Value Payment Amount:	[Applicable][Not applicable]
(vii)	Failure to Deliver due to Illiquidity:	[Applicable][Not applicable]
(viii)	Exercise Price:	[The Exercise Price(s) per Warrant (which may be subject to adjustment in accordance with the relevant Annex is] <i>[specify]</i> [Not applicable]  <i>(N.B. This should take into account any relevant Weighting and, in the case of an Index Linked Warrants, must be expressed as a monetary value)</i>
(ix)	Exercise Price Payment Date(s):	<i>[specify]</i> [and <i>[specify]</i> ][Not applicable]

## PRODUCT SPECIFIC PROVISIONS

27.	Index Linked Warrants:	[Applicable][Not applicable]
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- (i) [Index][Basket of Indices]: The following Reference Item(s)[(k) [(from [k] = 1 to [[k]]/*specify*)] will apply:] [Not applicable] [See table below] [Insert table]
- [For [k]=1]/*specify* [*insert description and, if relevant, details of where investors can obtain information about the Index*](Repeat as necessary)
- [The (*specify Index*) is [not] a [Single-Exchange] [or] [Multi-Exchange Index] (*repeat as necessary*)]
- [Weighting: [Not applicable]]/*specify* [Each such Weighting shall be subject to adjustment in accordance with the Index Linked Conditions]]
- (ii) [Exchange and Index Sponsor] [Pricing Source]: and Index Sponsor]: (a) [the relevant Exchange[s] [Pricing Source [s] [is][are] *specify*][There are no relevant [Exchanges] [Pricing Sources]] *specify*]; and
- (b) the relevant Index Sponsor is *specify*]
- [See table [above][below]] (*include Pricing Source if non Multi-Exchange/Single Exchange is selected above*).
- (iii) [Related Exchange] [Related Pricing Source]: *specify*[All Exchanges] [All Related Pricing Sources] (*include Related Pricing Source if the Index is a non Single-Exchange or Multi-Exchange/Index*).
- (iv) Screen Page: *specify* [See table [above][below]]
- (v) [Strike Date] [Strike Period and Strike Days]: *specify* [Not Applicable] *specify applicable Strike Days in the period if applicable* [See table [above][below]] [Insert table]
- (vi) Averaging: [Not applicable][Averaging [applies] to the Warrants] [The Averaging Dates are *specify*] [See paragraph *specify* above] [See table [above][below]]
- [In the event that an Averaging Date is a Disrupted Day[Omission][Postponement][Modified Postponement] will apply]
- (vii) [Valuation Date][Valuation Period]: *specify* [Not applicable] [See table [above] [below]]
- (viii) Valuation Time: *specify* [Scheduled Closing Time] [Any time [on the relevant Valuation Date] [during the Valuation Period.]] [*specify*][As per the Index Linked Conditions],
- (ix) [ObservationDate(s)] [ObservationPeriod]: *specify*[Not applicable][See table [above] [below]]
- (x) [Exchange Business Day] [Index Business Day]: [(All Indices Basis)][(Per Index Basis)] [(Single Index Basis)][(Cross Asset Basis)]
- (xi) Scheduled Trading Day: [(All Indices Basis)][(Per Index Basis)] [(Single Index Basis)][(Cross Asset Basis)] In
- (*must match election made for Exchange Business Day / Index Business Day*)

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- (xii) Index Correction Period: [As set out in the Index Linked Condition 7]  
[specify]
- (xiii) Specified Maximum Days of Disruption: [specify][eight] [Scheduled Trading Days][Not applicable]
- (xiv) Additional Disruption Events: [Not applicable][As per the Index Linked Conditions][The following Additional Disruption Events apply to the Warrants: (Specify each of the following which applies)]
- [Hedging Disruption] [Increased Cost of Hedging] [Increased Cost of Stock Borrow] [Increased Cost of Component Borrow] [Loss of Stock Borrow] [Loss of Component Borrow] [Changes in Law: Not applicable][Hedging Disruption: Not applicable]
- [[The Maximum Stock Loan Rate in respect of [specify in relation to each relevant Share] is [specify](only applicable if Loss of Stock Borrow is applicable)]
- [[The Initial Stock Loan Rate] [Initial Component Loan Rate] in respect of [specify in relation to each relevant Share] is [specify] (Only applicable if Increased Cost of Stock Borrow /Increased Cost of Component Borrow is applicable)][Not applicable]]
28. Equity Linked Warrants: [Applicable][Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) [Share(s)][Basket of Shares]: The following Reference Item(s) (k) [(from [k] = 1 to [[k]/specify])] will apply:] [Not applicable] [See table [above] [below]] [Insert table]]
- [For [k]=1][specify][insert description]](Repeat as necessary)]
- [Weighting: [Not applicable]/specify] [Each such Weighting shall be subject to adjustment in accordance with the Equity Linked Conditions]]
- (ii) Share Currency: [specify] [See table [above]][below]]
- (iii) ISIN of Share(s): [specify] [See table [above]][below]]
- (iv) Screen Page: [specify] [See table [above]][below]]
- (v) Exchange: [specify] [See table [above]][below]]
- (vi) Related Exchange: [specify] [All Exchanges][Not applicable]
- (vii) Depositary Receipt provisions: [Applicable][Not applicable] [For Reference Item K=[specify][and k=[specify]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- a) Details of share: [specify name and ISIN code of the share to which the relevant Depositary Receipts relate]
- b) Share Exchange: [specify]
- (viii) [Strike Date] [Strike Period and Strike Days]: [specify][Not applicable] [specify applicable Strike Days in the period if applicable][See table

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- [above][below] *[Insert table]*
- (ix) Averaging: [Not applicable][Averaging [applies] to the Warrants]  
[The Averaging Dates are *[specify]*] [See paragraph *[specify]* above][See table [above][below]]  
  
[In the event that an Averaging Date is a Disrupted Day Omission][Postponement][Modified Postponement] will apply]
- (x) [Valuation Date] [Valuation Period]: *[specify]*[See table [above][below]] [
- (xi) Valuation Time: *[specify]*[Scheduled Closing Time][Any time [on the relevant Valuation Date][during the Valuation Period.] [As per the Equity Linked Conditions].
- (xii) [Observation Date(s)] [Observation Period]: *[specify]*[Not applicable][See table [above][below]]
- (xiii) Exchange Business Day: [(All Shares Basis)][(Per Share Basis)][(Single Share Basis)][(Cross Asset Basis)]
- (xiv) Scheduled Trading Day: [(All Shares Basis)][(Per Share Basis)][(Single Share Basis)][(Cross Asset Basis)]
- (xv) Share Correction Period: [As set out in Equity Linked Condition 8]*[specify]*
- (xvi) Specified Maximum Days of Disruption: *[specify]*[eight] [Scheduled Trading Days][Not applicable]  
  
*(If no Specified Maximum Days of Disruption are stated to apply, Specified Maximum Days of Disruption will be equal to five)*
- (xvii) Extraordinary Events: [Not applicable][As per the Equity Linked Conditions][In addition to De-Listing, Insolvency, Merger Event, Tender Offer unless Tender Offer (specified below as not applicable) and Nationalisation, the following Extraordinary Events apply to the [Warrants]: (Specify each of the following which applies)  
  
[Listing Change] [Listing Suspension] [Illiquidity]  
  
[Tender Offer: Not applicable]
- (xviii) Additional Disruption Events: [Not applicable][As per the Equity Linked Conditions][The following Additional Disruption Events apply to the Warrants:] (Specify each of the following which applies)  
  
[Hedging Disruption] [Insolvency Filing] [Increased Cost of Hedging][Increased Cost of Stock Borrow]  
[Loss of Stock Borrow]  
  
[Stop-Loss Event]  
  
[Stop Loss Event Percentage: *[specify]* per cent.]  
[Change in Law: Not applicable]  
  
[The Maximum Stock Loan Rate in respect of *[specify]* in relation to each relevant Share] is

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		<i>[specify].(Only applicable if Loss of Stock Borrow is applicable)]</i>
		[The Initial Stock Loan rate in respect of [specify in relation to each relevant Share] is <i>[specify].(Only applicable if Increased Cost of Stock Borrow is applicable)</i>
29.	ETF Linked Warrants:	[Applicable][Not applicable](If not applicable, delete the remaining subparagraphs of this paragraph)
	(i) [ETF(s)][ETF Basket]:	The following Reference Item(s)[(k)] [(from [k] = 1 to [[k]/specify])] will apply: [Not applicable] [See table [above][below]] <i>[Insert table]</i> [For[k]=1]/specify/[insert description] [(see paragraph specify)](Repeat as necessary) [Weighting: [Not applicable] [specify] [Each such Weighting shall be subject to adjustment in accordance with the ETF Linked Conditions]]
	(ii) ETF Share Currency:	<i>[specify]</i> [See table [above][below]]
	(iii) ISIN of ETF Share(s):	<i>[specify]</i> [See table [above][below]]
	(iv) Screen Page	<i>[specify]</i> [See table [above][below]]
	(v) Exchange(s):	<i>[specify]</i> [See table [above][below]]
	(vi) Related Exchange(s):	<i>[specify]</i> [All Exchanges]
	(vii) [Strike Date] [Strike Period and Strike Days]:	<i>[specify]</i> [Not applicable] <i>[specify applicable Strike Days in the period if applicable]</i> [See table [above][below]]
	(viii) Averaging:	[Not applicable][Averaging [applies] to the Warrants]. [The Averaging Dates are <i>[specify]</i> .] [See paragraph <i>[specify]</i> above][See table [above][below]]  [In the event that an Averaging Date is a [Disrupted Day], [Omission][Postponement][Modified Postponement] will apply]
	(ix) [Valuation Date][Valuation Period]:	<i>[specify]</i> [Not applicable] [See table [above][below]]
	(x) Valuation Time:	[Scheduled Closing Time][Any time [on the relevant Valuation Date][during the Valuation Period]] <i>[specify]</i> [As per the ETF Linked Conditions], <i>[specify]</i> [Not applicable][See table [above][below]]
	(xi) [ObservationDate(s)][Observation Period(s)]:	
	(xii) Exchange Business Day:	[[All ETF Shares Basis]][[Per ETF Shares Basis]][[SingleETF Share Basis]][[Cross Asset Basis]]

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(xiii)	Scheduled Trading Day:	[[All ETF Share Basis]] [[Per ETF Share Basis]] [(Single ETF Share Basis)] [(Cross Asset Basis)]
(xiv)	ETF Share Correction Period:	<i>[specify]</i> [As set out in ETF Linked Condition 3]
(xv)	Specified Maximum Days of Disruption:	<i>[specify]</i> <i>[eight]</i> [Scheduled Trading Days] [Not applicable]
(xvi)	Extraordinary ETF Events:	[As set out in ETF Linked Condition 2(b)] <i>[specify]</i>
(xvii)	Additional Extraordinary ETF Events:	[Not applicable] [As per the ETF Linked Conditions] [The following Additional Extraordinary ETF Events apply to the Warrants:  <i>(Specify each of the following which applies)</i>  [Hedging Disruption]  [Increased Cost of Hedging] [Change in Law: Not applicable] [Increased Cost of Stock Borrow] [Insolvency Filing]  [Stop-Loss Event]  [Stop-Loss Event Percentage: <i>[specify]</i> per cent.]  [The Maximum Stock Loan Rate in respect of <i>[specify in relation to each relevant ETF Share]</i> is <i>[specify]</i> ] (Only applicable if Loss of Stock Borrow is applicable)  [[The Initial Stock Loan rate in respect of <i>[specify in relation to each relevant ETF Share]</i> is <i>[specify]</i> ]  <i>(Only applicable if Increased Cost of Stock Borrow is applicable)</i>  [Tender Offer: Not applicable]
30.	Fund Linked Warrants:	[Applicable] [Not applicable]
(i)	[Fund(s)]/[Fund Basket(s)]:	The following Reference Item(s) [(k)] [(from [k] = 1 to [[k]/ <i>[specify]</i> )] will apply:] [Not applicable] [See table [above]/[below]] [Insert table] [For [k]=1]/ <i>[specify]</i> [insert description] [(see paragraph <i>[specify]</i> )] ( <i>Repeat as necessary</i> ) [The NAV per Fund Share will be published on <i>[specify]</i> ]  [Weighting: [[Not applicable]] <i>[specify]</i> [Each such Weighting shall be subject to adjustment in accordance with the [Fund Linked Conditions]] <i>[specify]</i> ] [a unit of the relevant Fund] [See table [above]/[below]]
(ii)	Fund Shares:	
(iii)	Averaging:	[Not applicable] [Averaging [applies] to the Warrants]. [The Averaging Dates are <i>[specify]</i> ]. [See paragraph <i>[specify]</i> above] [See table

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		[above][below]]
		[In the event that an Averaging Date is a Fund NonValuationDate,Omission][Postponement][Modified Postponement] will apply]
(iv)	[Observation Date(s)][Observation Period(s)]:	[specify][Not applicable][See table [above][below]] will apply]
(v)	[Valuation Date][Valuation Period]	[specify][Not applicable][See table [above][below]]
(vi)	Fund Business Day:	[specify][(All Fund Share Basis)][(Per Fund Share Basis)][(SingleFund Share Basis)] [As per the Fund Linked Conditions]
(vii)	Initial Calculation Dates:	[specify] [Not applicable]
	a) Initial Calculation Day:	[specify] [Not applicable]
	b) Initial Calculation Date:	[specify] [Not applicable]
	c) Initial Calculation Period:	[specify] [Not applicable]
(viii)	Final Calculation Date:	[specify] [Not applicable]
(ix)	Calculation Date(s):	[specify] [Not applicable]
(x)	Extraordinary Fund Events:	[As set out in Fund Linked Condition 1] [specify]
	(a) NAV Barrier:	[specify][Not applicable]
	(b) NAV Trigger Percentage:	[specify][As set out in Fund Linked Condition 6] [Not applicable]
	(c) NAV Trigger Period:	[specify][As set out in Fund Linked Condition 6] [Not applicable]
	(d) Number of NAV Publication Days:	[specify][As set out in Fund Linked Condition 6] [Not applicable]
	(e) Basket Trigger Level:	[specify][As set out in Fund Linked Condition 6] [Not applicable]
(xi)	Additional Extraordinary Fund Events:	[Not applicable][As per the Fund Linked Conditions][The following Additional Extraordinary Fund Events apply to the Warrants:  [Increased Cost of Hedging] [Change in Law: Not applicable][Hedging Disruption: Not applicable]
(xii)	Delayed Payment Cut-Off Date:	[As set out in Fund Linked Condition 3][specify][Not applicable]
31.	Inflation Linked Warrants:	[Applicable][Not applicable]  (If not applicable, delete the remaining sub-

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*paragraphs of this paragraph)*

- (i) Index/Indices: *[specify]* [Reference Item[s]][(k)]
  - (ii) Screen page/Exchange/ CODE: *[specify]*
  - (iii) Index Sponsor: *[specify]*
  - (iv) Cut-Off Date: [As per the Inflation Linked Conditions]*[specify]*
  - (v) Related Bond: *[specify]*[Fallback Bond][Not applicable]
  - (vi) Fallback Bond: [Applicable][Not applicable]
  - (vii) Related Bond Expiration Event: [As set out in Inflation Linked Condition *[specify]*]
  - (viii) Reference Month *[specify]*[Not applicable]
  - (ix) [Strike Date] [Strike Period and Strike Days]: *[specify]*[Not applicable] *[specify applicable Strike Days in the period if applicable]*
  - (x) Determination Date(s): *[specify]*
  - (xi) Additional Disruption Event: [Not applicable][As per the Inflation Linked Conditions][The following Additional Disruption Events apply to the Warrants: (Specify each of the following which applies)  
[Hedging Disruption] [Increased Cost of Hedging]  
[Change in Law: Not applicable]
32. Foreign Exchange (FX) Rate Linked Warrants: [Applicable][Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Base Currency: *[specify]*[For Reference Item[(k)]: [insert]]
  - (ii) Subject Currency/Currencies: *[specify]*[For Reference Item[(k)]: [insert]] [and EM Foreign Exchange Rate Provisions apply to such Subject Currency]
  - (iii) [Strike Date] [Strike Period and Strike Days]: *[specify]*[Not applicable] *[specify applicable Strike Days in the period if applicable]*[See table above][below][*Insert table*]
  - (iv) Averaging: [Not applicable][Averaging [applies] to the Warrants] [The Averaging Dates are *[specify]*] [See paragraph *[specify]* above]



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- (v) [Valuation Date] [Valuation Period]: *[specify]*[Not applicable]
- (vi) [ObservationDate(s)][Observation Period(s)]: [Not applicable][See table above]
- (vii) Provisions applicable where EM Foreign Exchange (FX) Rate Provisions do not apply to a Specified Currency [Applicable [in respect of[specify Subject Currencies to which these provisions apply where there is a Basket]]][Not applicable]  
*(Where applicable for more than one Subject Currency, complete as relevant for each such Subject Currency)*
- (a) Relevant Screen Page *[specify]*[Not applicable]
- (b) Price Source: *[specify]*
- (c) Valuation Time: *[specify]*
- (d) Disruption Events  
[Price Source Disruption]  
[Illiquidity Disruption]  
[Dual Exchange Rate]  
[General Inconvertibility]  
[General Non-Transferability]  
[Material Change in Circumstances]  
[Nationalisation]  
[Not applicable]  
*(Specify in respect of each Subject Currency where Non-EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different Disruption Events (or components thereof) also apply thereto)*
- (e) Specified Maximum Days of Disruption: *[specify]* [Scheduled Trading Days] [Not applicable]  
*(If no Specified Maximum Days of Disruption are stated to apply, Specified Maximum Days of Disruption will be equal to five)*
- (viii) Provisions applicable where EM Foreign Exchange (FX) Rate Provisions apply: [Applicable [in respect of[specify Subject Currencies to which these provisions apply where there is a Basket]]][Not applicable] *(Where applicable for more than one Subject Currency, complete as relevant for each such Subject Currency)*
- (a) Provisions applicable to determining the Settlement Price:  
For the purpose of the definition of Settlement Price in Foreign Exchange (FX) Rate Linked Warrant Condition 6 [and *[specify the relevant Subject Currency where more than one Subject Currency]*]:  
EM FX Price Source: *[specify]*  
EM Valuation Time: *[specify]*  
EM Scheduled Trading Day Jurisdiction: *[specify]*

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- (b) EM Disruption Events: [Price Source Disruption]  
[Illiquidity Disruption] [Dual Exchange Rate] [General Inconvertibility]  
[General Non-Transferability] [Material Change in Circumstance] [Nationalisation]  
[Price Materiality, where: EM Price Materiality Percentage: *[specify]* [3] per cent. EM Primary Rate: *[specify]* [The rate determined as set out in the definition of Settlement Price]  
EM Secondary Rate: *[specify]* [[EM First Fallback Reference Price [and]] [EM Second Fallback Reference Price]]  
*(Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Events (or components thereof) also apply thereto)*
- (c) EM Disruption Fallbacks: [EM Calculation Agent Determination]  
[EM First Fallback Reference Price, where:  
First Fallback EM FX Price Source: *[specify]* First Fallback EM Valuation Time: *[specify]* First Fallback EM Number of Settlement Days: *[specify]*  
[EM Second Fallback Reference Price, where:  
Second Fallback EM FX Price Source: *[specify]* Second Fallback EM Valuation Time: *[specify]* Second Fallback EM Number of Settlement Days: *[specify]*  
[EM Valuation Postponement]  
*(Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Fallbacks (or components thereof) also apply thereto)*
- (d) EM Maximum Days of Postponement: *[specify]*  
*(Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Fallbacks (or components thereof) also apply thereto)*
- (e) Cumulative Events: [Not applicable] [Applicable and EM Maximum Cumulative Days of Postponement means *[specify]*]  
*(Specify in respect of each Subject Currency where EM Foreign Exchange (FX) Rate Provisions apply to more than one such Subject Currency and different EM Disruption Fallbacks (or components thereof) also apply thereto)*

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- (f) EM Number of Settlement Days: [Two][Zero][specify other][Business Days] [where Settlement Day Centre(s) means [specify]]
- (g) EM Number of Postponement Settlement Days: [[Two]/specify/] [Business Days][ Settlement Days] [specify]
- (ix) Additional Disruption Events: [Not applicable] [As per the Foreign Exchange (FX) Rate Linked Conditions] [The following Additional Disruption Events apply to the Warrants:]  
*(Specify each of the following which applies)*  
[Hedging Disruption] [Increased Cost of Hedging]  
[Trade Date means [specify]]  
[Change in Law: Not applicable]  
*(insert where Change in Law does not apply)*
33. Combination Warrants: [Applicable][Not applicable]  
*(Applicable in relation to Warrants linked to a combination of types of Reference Items)*  
*(If applicable, complete relevant prompts from Paragraphs [TBD] to [TBD] above)*
34. Payment Disruption Event: [Applicable][Not applicable]

## GENERAL PROVISIONS APPLICABLE TO THE WARRANTS

35. Forms of Warrants: [Bearer Warrants][specify]:  
[Temporary Global Warrant exchangeable for a Permanent Global Warrant which is exchangeable for Definitive Warrants on [specify] days' notice/at any time/in the limited circumstances specified in the Permanent Global Warrant.]  
[Temporary Global Warrant exchangeable for Definitive Warrants on [specify] days' notice.]  
[Permanent Global Warrant exchangeable for Definitive Warrants on [specify] days' notice/at any time/in the limited circumstances specified in the Permanent Global Warrant.]  
[Registered Warrants:  
Global Warrant Certificate exchangeable for Individual Warrant Certificates on [specify] days' notice/at any time/in the limited circumstances described in the Global Warrant Certificate.]
36. Spanish Tax Treatment [The Warrant is considered to be an "option" for Spanish taxpurposes and Condition 7(b) applies][[The Warrant is considered to be a "financial asset" for Spanish tax purposes and Condition 7(c) applies]
37. (i) Additional Financial Centre(s): [Not applicable] [give details] *(Note that this paragraph relates to the place of payment. All relevant Financial Centre(s) (including the location at the relevant agent(s)) should be included other that*
- (ii) Additional Business Centre(s):

## FORM OF PRICING SUPPLEMENT FOR EXEMPT WARRANTS

Target).

[Not applicable]/[specify]

38. Prohibition of Sales to EEA Retail Investors:

[Applicable][Not applicable]

*[(If the Warrants clearly do not constitute “packaged” products, “Not applicable” should be specified. If the Warrants may constitute “packaged” products and no KID will be prepared, “Applicable” should be specified)]*

39. Prohibition of Sales to UK Retail Investors

[Applicable][Not applicable]

*(If the Warrants clearly do not constitute “packaged” products or the Warrants do constitute “packaged” products and a key information document will be prepared in the UK, “Not applicable” should be specified. If the Warrants may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*

40. Sales outside EEA & UK only:

[Applicable] [Not applicable]

41. [Additional Selling Restrictions]<sup>12</sup>

[The Warrants are not intended to be offered, distributed or otherwise made available to any investor classified as retail investor in the jurisdiction where the Warrants are intended to be offered or otherwise made available][give details]

Signed on behalf of the Issuer:

Signed on behalf of the Guarantor:

By:

By:

\_\_\_\_\_

\_\_\_\_\_

Duly authorised

Duly authorised

<sup>12</sup> Delete if there are no Additional Selling Restrictions

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### PART B—OTHER INFORMATION

#### 1. Listing and Admission to trading

Listing and admission to trading:

[Not applicable]

[Application has been made for the Warrants to be admitted to trading on the [Vienna MTF of the Vienna Stock Exchange][Specify other] [and][admitted to trading on] [specify other]] [Not applicable] [specify other] [with effect from [specify]]

*(insert specific language required by Stock Exchange/Listing Authority)*

*(Where documenting a fungible issue need to indicate that original Warrants are already admitted to trading)*

#### 2. [Interests of Natural and Legal Persons Involved in the Issue

*(Description of any interest, including conflicting interest that is material to the issue/offer, detailing the persons involved and the nature of the interest. This may be satisfied by the inclusion of the following statement:)*

(i) Save for any fee paid to the Dealer (if applicable, such fee shall as be set out in below) [and/or any fee or other inducement paid to the distributor (if any), so far as the Issuer is aware no person involved in the offer of the Warrants has an interest material to the offer. For specific and detailed information on the nature and quantity of the fee or inducement paid to the distributor (if any) the investor should contact the distributor.]

(ii) Dealer commission [specify][No]

#### 3. [Estimated Net Proceeds

[Estimated net proceeds:

[specify]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

#### 4. Operational Information

(i) ISIN Code: [specify]

(ii) Common Code: [specify]

(iii) CUSIP: [specify] [Not applicable]

(iv) Valoren Code [specify] [Not applicable]

(v) Other Code(s): [specify] [Not applicable]

(c) [Valoren Code: [specify] [Not applicable]

(d) [CFI:<sup>13</sup> [specify][Not applicable]

(e) [FISN:<sup>14</sup> [specify][Not applicable]

<sup>13</sup> Only to be included if required by the relevant stock exchange for reference data reporting purposes.

<sup>14</sup> Only to be included if required by the relevant stock exchange for reference data reporting purposes.

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- (vi) Any clearing system(s) other than Euroclear Bank S.A./N.V, Clearstream Banking, société anonyme approved by the Issuer and the Principal Warrant Agent and the relevant identification number(s): [Not applicable][give name(s) and number(s)]
- (vii) Delivery: Delivery [against][free of] payment
- (viii) Additional Warrant Agent(s) (if any): [Not applicable][give name]

### 5. Distribution

- 5.1 Method of distribution: [Syndicated][Non-syndicated]
- 5.2 If syndicated, names [and addresses] of Managers [and underwriting commitments: ] [Not applicable][give names [and addresses] of each entity acting as underwriter [and its respective underwriting commitments]]
- (if non-syndicated delete paragraph 5.2 and 5.3)*
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
- 5.3 Date of Subscription Agreement: [Not applicable][specify]
- 5.4 If non-syndicated, name [and address] of relevant Dealer: [Not applicable][give name [and address]U.S. Selling Restrictions: [The Warrants are only for offer and sale outside the United States in offshore transactions to non-U.S. persons in reliance on Regulation S under the Securities Act and may not be offered, sold, transferred, pledged, delivered, exercised, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. person.
- Each initial purchaser of the Warrants and each subsequent purchaser or transferee of the Warrants shall be deemed to have agreed with the issuer or the seller of such Warrants that (i) it will not at any time offer, sell, resell or deliver, directly or indirectly, such Warrants so purchased in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person and (ii) it is not purchasing any Warrants for the account or benefit of any U.S. person.]*
- [Reg. S Compliance Category [2]; [TEFRA D][TEFRA C][TEFRA not applicable]

### 6. [Index/Other Disclaimer]<sup>15</sup>

[The Warrants are not sponsored, recommended, endorsed, sold or promoted by the Index or the Index Sponsor. The Index Sponsor does not make any representations, whether express or implied, regarding the results to be

<sup>15</sup> Delete this section 9 if not required

## FORM OF PRICING SUPPLEMENT FOR EXEMPT WARRANTS

obtained from using their Index or the level at which an Index may stand at any particular time or any particular date or otherwise, nor its suitability. Further, the Index Sponsor will not have any liability (whether in negligence or otherwise) for any inaccuracy in the data on which the Index is based, for any mistakes, errors, or omissions in the calculation and/or dissemination of the Index, or for the manner in which it is applied in the Warrants or the offering thereof. The Issuer shall not have any liability for any act of failure to act by the Index Sponsor in connection with the calculation adjustment or maintenance of the Index. None of the Issuer or its affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Calculation Agent will obtain information concerning the Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, its affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.]

*(Insert unless the relevant Index has a bespoke disclaimer, in which case, substitute for such bespoke disclaimer)*

[[The Issuer is only offering to and selling to the Dealer(s) pursuant to and in accordance with the terms of the [Programme Agreement]. All sales to persons other than the Dealer(s) will be made by the Dealer(s) or persons to whom they sell, and/or otherwise make arrangements with, including the Financial Intermediaries. The Issuer shall not be liable for any offers, sales or purchase of Warrants by the Dealer(s) or Financial Intermediaries in accordance with the arrangements in place between any such Dealer or any such Financial Intermediary and its customers.]

## **USE OF PROCEEDS**

### **USE OF PROCEEDS**

The net proceeds from each issue will constitute profits of the Issuer and will be used for hedging purposes and/or investments extended to, or made in, other companies and entities belonging to the group (for this purposes, as defined in Section 3:2 of the Dutch Financial Market Supervision Act (*Wet op het financieel toezicht*) (“**FMSA**”).



## FORM OF PRICING SUPPLEMENT FOR EXEMPT WARRANTS

### FORM OF WARRANTS

Warrants will be issued in bearer form (“**Bearer Warrants**”) and in registered form (“**Registered Warrants**”). Bearer Warrants may be in either definitive form or global form. Warrants in definitive bearer form will be serially numbered. Registered Warrants may be either in individual certificate form or in global form.

#### **Bearer Warrants**

Unless otherwise specified in the Conditions or the Issue Terms, each issue of Bearer Warrants will initially be in the form of a temporary global warrant in bearer form (a “**Temporary Global Warrant**”) or of a permanent global warrant in bearer form (a “**Permanent Global Warrant**” and, together with a Temporary Global Warrant, the “**Global Warrants**”). Each Temporary Global Warrant will be deposited on or around the issue date of such Warrants (or any Tranche thereof) with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Upon deposit of each Temporary Global Warrant, Euroclear or Clearstream, Luxembourg or, as applicable, any other relevant clearing system, will credit each subscriber with a number of Warrants equal to the number for which it has subscribed and paid.

The interests of the beneficial owner or owners in a Temporary Global Warrant will be exchangeable, in whole or in part, for interests in the Permanent Global Warrant, to be held by such depository or common depository from the date (the “**Exchange Date**”) that is 40 days after the date on which the Issuer receives the proceeds of the sale of the relevant Warrants (or the relevant Tranche thereof) (the “**Closing Date**”) only upon certification as to non-U.S. beneficial ownership. However, that exchange will be made only upon receipt of Ownership Certificates (as defined below).

Whenever any interest in the Temporary Global Warrant is to be exchanged for an interest in a Permanent Global Warrant, the Issuer shall procure (in the case of the first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Warrant, duly authenticated, to the bearer of the Temporary Global Warrant or (in the case of any subsequent exchange) an increase in the aggregate number of Warrants represented by the Permanent Global Warrant the Permanent Global Warrant in accordance with its terms against:

- (a) presentation and (in the case of final exchange) surrender of the Temporary Global Warrant at the specified office of the Principal Warrant Agent; and
- (b) receipt by the Principal Warrant Agent of a certificate or certificates of non-U.S. beneficial ownership, within seven days of the bearer requesting such exchange.

The aggregate number of Warrants represented by the Permanent Global Warrant shall be equal to the aggregate number of Warrants specified in the certificates of non-U.S. beneficial ownership; provided, however, that in no circumstances shall the aggregate number of Warrants represented by the Permanent Global Warrant exceed the aggregate number of Warrants represented by the Temporary Global Warrant.

The Permanent Global Warrant will be exchangeable in whole, but not in part, for warrants in definitive bearer form (each, a “**Definitive Warrant**”), which will be serially numbered, if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business.

Whenever the Permanent Global Warrant is to be exchanged for Definitive Warrants, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Warrants, duly authenticated, in an aggregate number of Warrants equal to the aggregate number of Warrants represented by the Permanent Global Warrant to the bearer of the Permanent Global Warrant against the surrender of the Permanent Global at the specified office of the Principal Warrant Agent within 30 days of the bearer requesting such exchange. The depository or common depository for Euroclear and Clearstream, Luxembourg or, as applicable, any other relevant clearing system will instruct the Principal Warrant Agent regarding the aggregate number of Definitive Warrants that must be authenticated and delivered to each of Euroclear and Clearstream, Luxembourg or, as applicable, any other relevant clearing system. Definitive Warrants may not be delivered in the United States.

## FORM OF WARRANTS

### Legend Concerning United States Persons

Unless otherwise specified in the Issue Terms, Global Warrants and Definitive Warrants will bear a legend, in English, to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to in such legend provide that a United States person who holds a Warrant will generally not be allowed to deduct any loss realised on the sale, exchange or exercise of such Warrant and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or exercise will be treated as ordinary income.

### Limitations on Issue of, Payments on, and Delivery of Bearer Warrants

Unless otherwise specified in the Issue Terms, Bearer Warrants will not be offered, sold or delivered, directly or indirectly, in the United States or its possessions or to United States persons, as defined below, except as otherwise permitted by United States Treasury Regulations Section 1.163-5(c)(2)(i)(D) (or any successor rules). Any Dealer participating in the offerings of Bearer Warrants, directly or indirectly, must agree that (i) it will not, in connection with the original issue of any Bearer Warrants or during the restricted period with respect to such Bearer Warrants (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)) (the “**Restricted Period**”), offer, sell or deliver, directly or indirectly, any Bearer Warrants in the United States or its possessions or to United States persons, other than as permitted by the applicable Treasury Regulations described above; and (ii) it will not at any time offer, sell or deliver, directly or indirectly, any Bearer Warrants in the United States or its possessions or to United States persons, other than as permitted by the applicable Treasury Regulations above. For these purposes, it is presumed that United States Treasury Regulations Section 1.163-5(c)(2)(i)(D) will apply to the Bearer Warrants.

In addition, any Dealer must have procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Warrants is aware of the above restrictions on the offering, sale or delivery of Bearer Warrants.

Unless otherwise specified in the Issue Terms, Bearer Warrants, other than Bearer Warrants that satisfy the requirements of United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(3)(iii), will not be delivered in definitive form, and no payment will be made thereon, unless the Issuer has received a signed certificate in writing, or an electronic certificate described in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(3)(ii), (an “**Ownership Certificate**”) stating that on the date of the Ownership Certificate that Bearer Warrant:

- (1) is owned by a person that is not a United States person;
- (2) is owned by a United States person that is described in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(6); or
- (3) is owned by a United States or foreign financial institution for the purposes of resale during the Restricted Period, and, in addition, if the owner of the Bearer Warrant is a United States or foreign financial institution described in clause (3) above, whether or not also described in clause (1) or clause (2) above, the financial institution certifies that it has not acquired the Bearer Warrant for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

The Issuer will make payments on Bearer Warrants only outside the United States and its possessions.

As used herein, “**United States person**” means, for United States federal income tax purposes, (i) a citizen or resident of the United States; (ii) a corporation, partnership or other entity created or organised in or under the laws of the United States or any political subdivision thereof; (iii) an estate the income of which is subject to United States federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more United States persons have the authority to control all substantial decisions of the trust.

## FORM OF WARRANTS

### Terms and Conditions applicable to the Bearer Warrants

The terms and conditions of any Definitive Warrant will be endorsed on that Definitive Warrant and will consist of the terms and conditions set out under “Terms and Conditions of the Warrants”, as set out above and the provisions of the Issue Terms, which complete those terms and conditions.

The terms and conditions applicable to any Bearer Warrant in global form will differ from those terms and conditions which would apply to the Warrant were it in definitive form to the extent described under “*Summary of Provisions Relating to the Warrants While in Global Form*” below.

### Registered Warrants

Registered Warrants will be in the form of either individual warrant certificates in registered form (“**Individual Warrant Certificates**”) or a global warrant certificate in registered form (a “**Global Warrant Certificate**”), in each case as specified in the Issue Terms. Each Global Warrant Certificate will be registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Warrant Certificate will be deposited on or about the Closing Date with the depository or common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, and will be exchangeable in accordance with its terms.

If the Issue Terms specify the form of Warrants or Certificates as being “Individual Warrant Certificates”, then the Warrants will at all times be in the form of Individual Warrant Certificates issued to each Warrantholder in respect of their respective holdings.

If the Issue Terms specify the form of Warrants or Certificates as being “Global Warrant Certificate exchangeable for Individual Warrant Certificates”, then the Warrants will initially be in the form of a Global Warrant Certificate which will be exchangeable in whole, but not in part, for Individual Warrant Certificates if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business.

Whenever the Global Warrant Certificate is to be exchanged for Individual Warrant Certificates, the Issuer shall procure that Individual Warrant Certificates will be issued in an aggregate number of Warrants equal to the number of Warrants represented by the Global Warrant Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Warrant Certificate to the Registrar of such information as is required to complete and deliver such Individual Warrant Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Warrant Certificates are to be registered and the quantity of each such person’s holding) against the surrender of the Global Warrant Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Warrant Agreement and the regulations concerning the transfer and registration of Warrants scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

### Terms and Conditions applicable to the Registered Warrants

The terms and conditions applicable to any Individual Warrant Certificate will be endorsed on that Individual Warrant Certificate and will consist of the terms and conditions set out under “*Terms and Conditions of the Warrants*” above and the provisions of the Issue Terms which complete those terms and conditions.

The terms and conditions applicable to any Global Warrant Certificate will differ from those terms and conditions which would apply to the Warrants were they in individual form to the extent described under “*Summary of Provisions Relating to the Warrants while in Global Form*” below.

### Legends Concerning Regulation S and ERISA

Unless otherwise specified in the Issue Terms, Bearer Warrants will bear a legend, in English, substantially to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the United States Internal Revenue Code of 1986, as amended (the “**Internal Revenue Code**”).

This warrant and the securities to be delivered upon exercise hereof have not been and will not be registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or any securities laws of any State in the United States.

## FORM OF WARRANTS

This warrant may not be offered, sold, pledged, delivered or otherwise transferred at any time, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person (as defined in either Regulation S under the Securities Act (“**Regulation S**”) or the Internal Revenue Code). This warrant may not be exercised by or on behalf of any U.S. person.

By its acquisition hereof, the holder (1) represents that it is purchasing the instrument evidenced hereby for its own account or an account over which it exercises sole investment discretion and that it and any such account is a non-U.S. person acquiring this instrument in an offshore transaction (as defined in Regulation S) in accordance with Regulation S; (2) agrees that it will not resell or otherwise transfer the instrument evidenced hereby except in accordance with rule 903 or 904 of Regulation S; and (3) agrees that it will deliver to each person to whom the instrument evidenced hereby is transferred a notice substantially to the effect of this legend.

The investor shall be deemed to represent by its acquisition and holding of an interest herein that it is not acquiring the warrants with the assets of any employee benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), any individual retirement account or plan subject to Section 4975 of the Internal Revenue Code or any entity whose underlying assets include, or are deemed to include, “plan assets” within the meaning of ERISA and 29 U.S.C.F.R. §2510.3-101 (as modified by Section 3(42) of ERISA) by reason of any such plan’s or account’s investment herein.”

Unless otherwise specified in the Issue Terms, certificates in respect of Registered Warrants will bear a legend, in English, substantially to the following effect:

“This warrant and the securities to be delivered upon exercise hereof have not been and will not be registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or any securities laws of any State in the United States. This warrant may not be offered, sold, pledged, delivered or otherwise transferred at any time, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person (as defined in either Regulation S under the Securities Act (“**Regulation S**”) or the Internal Revenue Code). This warrant may not be exercised by or on behalf of any U.S. person.

By its acquisition hereof, the holder (1) represents that it is purchasing the instrument evidenced hereby for its own account or an account over which it exercises sole investment discretion and that it and any such account is a non-U.S. person acquiring this instrument in an offshore transaction (as defined in Regulation S) in accordance with Regulation S; (2) agrees that it will not resell or otherwise transfer the instrument evidenced hereby except in accordance with rule 903 or 904 of Regulation S; and (3) agrees that it will deliver to each person to whom the instrument evidenced hereby is transferred a notice substantially to the effect of this legend.

The investor shall be deemed to represent by its acquisition and holding of an interest herein that it is not acquiring the warrants with the assets of any employee benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), any individual retirement account or plan subject to Section 4975 of the Internal Revenue Code or any entity whose underlying assets include, or are deemed to include, “plan assets” within the meaning of ERISA and 29 U.S.C.F.R. §2510.3-101 (as modified by Section 3(42) of ERISA) by reason of any such plan’s or account’s investment herein.”

## SUMMARY OF PROVISIONS RELATING TO THE WARRANTS WHILE IN GLOBAL FORM

### SUMMARY OF PROVISION RELATING TO THE WARRANTS WHILE IN GLOBAL FORM

#### Clearing System Accountholders

In relation to any Bearer Warrants (or any Tranche thereof) represented by a Global Warrant, references in the “Terms and Conditions of the Warrants” to “**Warrantholder**” are references to the bearer of the relevant Global Warrant which, for so long as the Global Warrant is held by a depositary or common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be such depositary or common depositary. In relation to any Registered Warrants (or any Tranche thereof) represented by a Global Warrant Certificate, references in the “Terms and Conditions of the Warrants” to “**Warrantholder**” are references to the person in whose name such Global Warrant Certificate is for the time being registered which, for so long as the Global Warrant Certificate is held by or on behalf of a depositary or common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be such depositary or common depositary.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Warrant or a Global Warrant Certificate (each an “**Accountholder**”) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder’s share of each payment made by the Issuer to the holder of such Global Warrant or Global Warrant Certificate and in relation to all other rights arising under such Global Warrant or Global Warrant Certificate, including any right to exchange any exchangeable Warrants or any right to require the Issuer to repurchase such Warrants. The respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time will determine the extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Warrant or Global Warrant Certificate and the timing requirements for meeting any deadlines for the exercise of those rights. For so long as the relevant Warrants are represented by the Global Warrant or Global Warrant Certificate, Accountholders shall have no claim directly against the Issuer in respect of its obligations under the Warrants and such obligations of the Issuer will be discharged by payment or delivery to the holder of the Global Warrant or Global Warrant Certificate, as the case may be, of each amount to be so paid or of each relevant Reference Item to be so delivered.

So long as Euroclear, Clearstream, Luxembourg or its nominee is the registered holder of a Global Warrant or Global Warrant Certificate, Euroclear, Clearstream, Luxembourg or such nominee, as the case may be, will be considered the sole owner of the Warrants represented by such Global Warrant or Global Warrant Certificate for all purposes under the Warrant Agreement and such Warrants, except to the extent that in accordance with Euroclear or Clearstream, Luxembourg’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

#### Exchange of Temporary Global Warrant

If:

- (a) a Permanent Global Warrant has not been delivered or the number of Warrants represented thereby increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Warrant has requested exchange of an interest in the Temporary Global Warrant for an interest in a Permanent Global Warrant; or
- (b) a Temporary Global Warrant (or any part thereof) has become due and payable in accordance with the terms and conditions of such Temporary Global Warrant as set out in “Terms and Conditions of the Warrants” or the date for final exercise of a Temporary Global Warrant has occurred and, in either case, payment or delivery (as applicable) in full has not been made to the bearer of the Temporary Global Warrant in accordance with the terms of the Temporary Global Warrant on the due date for payment or delivery (as applicable),

then the Temporary Global Warrant (including the obligation to deliver a Permanent Global Warrant or increase the number of Warrants represented thereby, as the case may be) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Warrant will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Warrant or others may have in respect of the Warrants under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Warrant will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before such Temporary Global Warrant became void, they had been the holders of Warrants in definitive form in an aggregate number of Warrants equal to the number of the Warrants they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

#### Exchange of Permanent Global Warrant

## SUMMARY OF PROVISIONS RELATING TO THE WARRANTS WHILE IN GLOBAL FORM

Whenever a Permanent Global Warrant is to be exchanged for Warrants in definitive form, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such definitive Warrants, duly authenticated, in an aggregate number of Warrants equal to the number of Warrants represented by the Permanent Global Warrant to the bearer of the Permanent Global Warrant against the surrender of the Permanent Global Warrant at the Specified Office of the Principal Warrant Agent within 30 calendar days of the bearer requesting such exchange.

If:

- (a) a Permanent Global Warrant was originally issued in exchange for part only of a Temporary Global Warrant representing the Warrants and such Temporary Global Warrant becomes void in accordance with its terms; or
- (b) a Permanent Global Warrant (or any part of it) has become due and payable in accordance with the terms and conditions of such Permanent Global Warrant as set out in “Terms and Conditions of the Warrants” or the Warrants have been exercised and, in either case, payment or delivery (as applicable) in full has not been made to the bearer of the Permanent Global Warrant in accordance with the terms of the Permanent Global Warrant on the due date for payment or delivery (as applicable),

then the Permanent Global Warrant (including the obligation to deliver Warrants in definitive form) will become void at 5.00 p.m. (London time) on the date on which such Temporary Global Warrant becomes void (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Warrant will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Warrant or others may have in respect of the Warrants under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system in force as being entitled to an interest in a Permanent Global Warrant in respect of the Warrants will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before such Permanent Global Warrant became void, they had been the holders of Warrants in definitive form in an aggregate number of Warrants equal to the number of the Warrants they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

### Exchange of Global Warrant Certificates

Whenever a Global Warrant Certificate is to be exchanged for Individual Warrant Certificates, the Issuer shall procure that the relevant quantity of Individual Warrant Certificates will be issued within five business days of the delivery, by or on behalf of the holder of the Global Warrant Certificate to the Registrar of such information as is required to complete and deliver such Individual Warrant Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Warrant Certificates are to be registered and the quantity of each such person’s holding) against the surrender of the Global Warrant Certificate at the specified office of the Registrar. Such exchange will be effected in accordance with the provisions of the Warrant Agreement and the regulations concerning the transfer and registration of Registered Warrants scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

- (a) Individual Warrant Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Warrant Certificate; or
- (b) any of the Warrants represented by a Global Warrant Certificate (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Warrants, payment or delivery (as applicable) in full has not been made to the holder of the Global Warrant Certificate in accordance with the terms of the Global Warrant Certificate on the due date for payment or delivery (as applicable),

then 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above), each person shown in the records of Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) as being entitled to interest in the Warrants (each an “**Accountholder**”), shall acquire rights under the Deed of Covenant to enforce against the Issuer, the Issuer’s obligations to the Warrantholder in respect of the Warrants represented by the Global Warrant Certificate, including the obligation of the Issuer to make all payments and deliveries when due at any time in respect of such Warrants as if such Warrants had been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions. Each Accountholder shall acquire such right without prejudice to any other rights which the Warrantholder may have under the Global Warrant Certificate and the Deed of Covenant. Notwithstanding the rights that each Accountholder may acquire under the Deed of Covenant, payment or delivery to the Warrantholder in respect of any Warrants represented by the Global Warrant Certificate shall constitute a discharge of the Issuer’s obligations to the extent of any such payment or delivery and nothing in the Deed of Covenant shall oblige the Issuer to make any payment or delivery under

## SUMMARY OF PROVISIONS RELATING TO THE WARRANTS WHILE IN GLOBAL FORM

the Warrants to or to the order of any person other than the Warrantholder.

### Conditions Applicable to Global Warrants and Global Warrant Certificates

Each Global Warrant and Global Warrant Certificate will contain provisions which modify the terms and conditions set out in “*Terms and Conditions of the Warrants*” as they apply to the Global Warrant and the Global Warrant Certificate. The following is a summary of certain of those provisions:

*Transfers of interests in the Warrants:* Any transfers of the interest of an Accountholder in any Warrants that are represented by a Global Warrant or a Global Warrant Certificate must be effected through the relevant Accountholder’s account with Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system (each a “**Clearing System**”) and in accordance with the rules of the relevant Clearing System.

*Exercise procedures:* Subject to prior termination of the Warrants as provided in the Conditions and except if the Warrants are Cash Settled Warrants and General Condition 4(a) (*Automatic Exercise in respect of Global Warrants or Global Warrant Certificates*) has been specified as applicable in the Issue Terms, Warrants may be exercised by an Accountholder (at its own expense) at such time and on such day(s) as provided in Conditions 3(a) (*American Style Warrants*), 3(b) (*European Style Warrants*) or 3(c) (*Bermudan Style Warrants*) of the “*Terms and Conditions of the Warrants*” by delivery of a duly completed and signed Exercise Notice to:

- (i) the Clearing Systems (if so permitted by the rules and procedures of the Clearing Systems, such Exercise Notice may be in the form of an authenticated instruction via SWIFT delivered to the Clearing Systems by the relevant Warrantholder or, if such Warrantholder is not a participant or customer of the Clearing Systems, then on such Warrantholder’s behalf by such participant or customer, or such Exercise Notice may be sent to the Clearing Systems by any other communications channel authorised by the rules and operating procedures of the relevant Clearing System); and
- (ii) the relevant Warrant Agent or Registrar, with a copy to the Calculation Agent.

Any such exercise shall be subject to the rules and procedures of the relevant Clearing System and any Exercise Notice will be irrevocable and may not be withdrawn by the Accountholder. The holder of the Global Warrant (or Global Warrant Certificate upon the exercise of the Warrant in full) must, within the period specified therein for the deposit of the relevant Warrant, deposit such Global Warrant or Global Warrant Certificate (as the case may be) with the Principal Warrant Agent (in the case of a Global Warrant) or the Registrar (in the case of a Global Warrant Certificate).

Any Exercise Notice delivered (a) after the Expiration Date, in the case of American Style Warrants, shall be void, (b) after 10.00 a.m. (London time) on the Specified Exercise Date, in the case of European Style Warrants, shall be void, and (c) after the Latest Exercise Time on the Final Potential Exercise Date in the case of Bermudan Style Warrants, shall be void.

*Exercise dates and times:* Exercise of Warrants represented by a Global Warrant or a Global Warrant Certificate may only be effected on a day on which the relevant Clearing System is open for business in addition to any other relevant day as provided in the Conditions. Such Warrants must be exercised as provided in the “*Terms and Condition of the Warrants*” (as modified as set out below) by 10.00 a.m. in the place where Euroclear and/ or Clearstream, Luxembourg and/or any other relevant clearing system through which the relevant Warrants are exercised (unless otherwise specified in the Issue Terms).

*Form of Exercise Notice:* Each Exercise Notice shall be in the form (for the time being current) available from each Warrant Agent or the Registrar and must:

- (i) specify the name, address, telephone and facsimile details of the Accountholder in respect of the Warrants being exercised;
- (ii) specify the number of Warrants of the relevant Series being exercised by the Accountholder (which must not be less than the Minimum Exercise Number);
- (iii) specify the number of the Accountholder’s account at the relevant Clearing System to be debited with the Warrants being exercised and irrevocably instruct, or, as the case may be, confirm that the Accountholder has irrevocably instructed, the relevant Clearing System to debit the Accountholder’s account with the Warrants being exercised and credit the same to the account of the Principal Warrant Agent (for the account of the Issuer);
- (iv) where applicable, specify the number of the Accountholder’s account at the relevant Clearing System to be credited with the Cash Settlement Amount or the relevant Entitlement (as applicable) for the Warrants being exercised;
- (v) include an irrevocable undertaking to pay any applicable Taxes due and Expenses payable by reason of exercise

## SUMMARY OF PROVISIONS RELATING TO THE WARRANTS WHILE IN GLOBAL FORM

of and an authority to the Issuer and the relevant Clearing System to deduct an amount in respect thereof from any Cash Settlement Amount due to such Accountholder or otherwise (on, or at any time after, the Cash Settlement Date) and to debit a specified account of the Accountholder at the relevant Clearing System with an amount or amounts in respect thereof;

- (vi) in the case of Physical Delivery Warrants, include an irrevocable instruction to the relevant Clearing System to debit the specified account of the Accountholder with an amount equal to the aggregate Exercise Price on the Exercise Price Payment Date in respect of the Warrants being exercised on the Physical Delivery Settlement Date and to credit such amount to the account of the Principal Warrant Agent (for the account of the Issuer);
- (vii) give a certification as to the non-U.S. beneficial ownership of the Warrants being exercised therewith; and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings.

*Verification of Accountholder:* To exercise any Warrants, the relevant Accountholder must duly complete an Exercise Notice. The relevant Clearing System shall, in accordance with its normal operating procedures, verify that each person exercising Warrants is the Accountholder thereof according to the records of such Clearing System and that such Accountholder has an account at the relevant Clearing System which contains Warrants in an amount being exercised and funds equal to any applicable Taxes in respect of the Warrants being exercised.

If, in the determination of the relevant Clearing System, the relevant Warrant Agent or the Registrar:

- (i) the Exercise Notice is not complete or not in proper form;
- (ii) the Accountholder submitting an Exercise Notice is not validly entitled to exercise the relevant Warrants or not validly entitled to deliver such Exercise Notice; or
- (iii) the relevant Accountholder does not provide evidence on behalf of the Warrantholder, at the reasonable request of the relevant Warrant Agent or the Registrar, that sufficient funds equal to any applicable Taxes, Expenses and the aggregate Exercise Price (if any) will be available on the Exercise Date,

that Exercise Notice will be treated as void and a new duly completed Exercise Notice must be submitted if exercise of the Accountholder's Warrants is still desired. The Issuer shall procure that the Principal Warrant Agent, upon being informed of the defective Exercise Notice by the relevant Clearing System, Warrant Agent or the Registrar, as the case may be, informs the Accountholder submitting such defective Exercise Notice of the defect(s) and of the requirement to submit a new duly completed Exercise Notice if such Accountholder intends to exercise the relevant Warrants on the relevant Exercise Date.

Any determination by the relevant Clearing System, the relevant Warrant Agent or the Registrar as to any of the matters set out above shall, in the absence of manifest error, be conclusive and binding upon the Issuer, the Accountholder and the beneficial owner of the Warrants exercised.

*Notification to the relevant Warrant Agent or the Registrar:* Subject to the verification set out above, the relevant Clearing System will:

- (i) confirm to the relevant Warrant Agent, in the case of Bearer Warrants, or to the Registrar, in the case of Registered Warrants (copied to the Issuer and the Calculation Agent) the number of Warrants being exercised and the number of the account to be credited with the Cash Settlement Amount; and
- (ii) promptly notify the common depositary of receipt of the Exercise Notice and the number of the Warrants to be exercised.

Upon exercise of less than all of the Warrants represented by the Global Warrant or Global Warrant Certificate, the common depositary will note such exercise on the Schedule to the Global Warrant or the Registrar will note such exercise in the Register relating to such Global Warrant Certificate and the aggregate number of Warrants so exercised as represented by the Global Warrant or Global Warrant Certificate shall be cancelled pro tanto.

*Debit of Accountholder's Account:* The relevant Clearing System will on or before the Settlement Date debit the relevant account of the Accountholder and credit the relevant account of the Principal Warrant Agent (in favour of the Issuer) with: (i) the Warrants being exercised, (ii) any applicable Taxes (if any) in respect of the Warrants being exercised and (iii) any other amounts as may be specified in the Issue Terms.

If any of the items set out in the paragraph above are not so credited to the relevant account of the Principal Warrant Agent (in favour of the Issuer), then the Issuer shall be under no obligation to make any payment of any nature to the relevant Accountholder in respect of the Warrants being exercised, and the Exercise Notice delivered in respect of such Warrants shall thereafter be void for all purposes.

*Effect of Exercise Notice:* Delivery of an Exercise Notice shall constitute an irrevocable election and undertaking by



## SUMMARY OF PROVISIONS RELATING TO THE WARRANTS WHILE IN GLOBAL FORM

the Accountholder to exercise the Warrants specified therein, provided that the person exercising and delivering such Exercise Notice is the person then appearing in the records of the relevant Clearing System as the holder of the relevant Warrants. If the person exercising and delivering the Exercise Notice is not the person so appearing, such Exercise Notice shall for all purposes become void and shall be deemed not to have been so delivered.

After the delivery of an Exercise Notice (other than an Exercise Notice which shall become void) by an Accountholder, such Accountholder shall not be permitted to transfer either legal or beneficial ownership of the Warrants exercised thereby. Notwithstanding this, if any Accountholder does so transfer or attempt to transfer such Warrants, the Accountholder will be liable to the Issuer for any losses, costs and expenses suffered or incurred by the Issuer including those suffered or incurred as a consequence of it having terminated any related hedging operations in reliance on the relevant Exercise Notice and subsequently: (i) entering into replacement hedging operations in respect of such Warrants; or (ii) paying any amount on the subsequent exercise of such Warrants without having entered into any replacement hedging operations.

*Payments:* All payments in respect of a Global Warrant which, in accordance with the “*Terms and Conditions of the Warrants*”, require presentation and/or surrender of a definitive Warrant or definitive Certificate will be made against presentation and (in the case of payment in full) and/or surrender of the Global Warrant at the specified office of the Principal Warrant Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Warrants. On each occasion on which a payment is made in respect of the Global Warrant, the Issuer shall procure that the same is noted in a schedule thereto and entered *pro rata* in the records of Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system. Any payments shall be made in accordance with the rules and procedures of the relevant Clearing System and the Issuer. The Warrant Agents, the Registrar and the Transfer Agent, shall not be liable, under any circumstance, for any acts or defaults of any Clearing System in the performance of the Clearing System’s duties in relation to the Warrants.

*Payment Record Date:* Each payment or delivery in respect of a Global Warrant Certificate will be made to the person shown as the holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the “**Record Date**”) where “**Clearing System Business Day**” means a day on which each relevant Clearing System for which the Global Warrant Certificate is being held is open for business. Any payment in full will be made against surrender of the Global Warrant Certificate at the specified office of the Registrar and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Warrants.

*Notices:* Notwithstanding General Condition 10 of the “*Terms and Conditions of the Warrants*”, while all the Warrants are represented by a Global Warrant or Global Warrant Certificate and the Global Warrant or Global Warrant Certificate is deposited with a Clearing System, notices to Warrantholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Warrantholders in accordance with General Condition 10 of the “*Terms and Conditions of the Warrants*”, as applicable, on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

## DESCRIPTION OF BBVA GLOBAL MARKETS B.V.

### DESCRIPTION OF BBVA GLOBAL MARKETS B.V.

#### Responsibility

The Issuer assumes responsibility for the information contained in this Base Prospectus under the heading "Description of BBVA Global Markets B.V.". To the best of the knowledge of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### Introduction

BBVA Global Markets, B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), was incorporated under the laws of the Netherlands on October 29, 2009 for an unlimited duration and with the purpose of issuing warrants under the Programme in accordance with the objects clause contained in Article 3 of the Deed of Incorporation of the Issuer dated October 29 2009 which reads as follows:

"The objects for which the Company is established are to raise finance through the issuance of bonds, notes, warrants, certificates and other debt instruments, and invest the funds raised in any kind of financial assets. For these purposes, the Company may enter into (i) derivative transactions or other hedging agreements, and (ii) other agreements with third parties in connection with the above object."

The Issuer has its seat (zetel) in Amsterdam, the Netherlands and its principal place of business at Calle Saucedo, 28, Edificio Asia, 28050 Madrid, Spain (tel: +34 913745123). The Issuer is registered in the trade register of the Netherlands Chamber of Commerce under number 34363108. The Issuer has its place of effective management and centre of principal interests in Spain. The Legal Entity Identifier ("LEI") of the Issuer is 213800L2COK1WB5Q3Z55.

#### Business

The principal business of the Issuer is to raise funds on the capital and money markets to finance the business activities of, and enter into other financial agreements with, the Guarantor and its subsidiaries.

The Issuer serves as a financing company for the purposes of the Group and is regularly engaged in different financing transactions within the limits set forth in its deed of incorporation (the "**Deed of Incorporation**"). The Issuer's objective is, among others, to arrange medium and long term financing for the Group. Because of its aforementioned purpose, the Issuer does not have any markets in which it competes and, therefore, the Issuer cannot make a statement regarding its competitive position in any markets.

The Issuer is a financing company that is exempt from the licence requirements to operate as a bank pursuant to the exemption contained in section 3:2 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) (the "**FMSA**"), as long as:

- (i) there is an unconditional guarantee from the Guarantor for the due and punctual payment of all amounts payable to the Holders that form part of the "public" (as defined in the FSMA), and the Guarantor's consolidated equity capital remains positive throughout the term of the guarantee; and
- (ii) at least 95 per cent. of its borrowings consist of loans and/or investments extended to, or made in, other companies and entities belonging to the Group (as defined in section 3:2 of the FMSA).

#### History

The Issuer has not previously carried on any business or carried on any activities other than (i) those incidental to its registration, the authorisation and issues of Warrants contemplated in this Base Prospectus and the other matters described or contemplated in this Base Prospectus, (ii) the obtaining of all approvals and the effecting of all registrations and filings necessary or desirable for its business activities, and (iii) other securities issues including warrants and other structured notes.

## DESCRIPTION OF BBVA GLOBAL MARKETS B.V.

### Ownership and Capital Structure

The authorised share capital of the Issuer is EUR 90,000 divided into 900 ordinary shares of EUR 100 par value each, fully paid. The Issuer is a direct wholly-owned subsidiary of BBVA and does not have any subsidiaries of its own.

### Financial Statements

The Issuer has published audited financial statements as at and for the financial years ended December 31, 2022 and December 31, 2021 (the "**Issuer's Financial Statements**"). The Issuer's Financial Statements were prepared in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code and are incorporated by reference into this Base Prospectus. Other than as described herein there has been no material change in the capitalisation of the Issuer. No dividends have been paid out by the Issuer since its incorporation.

### Income Statement

The table below sets out summary information extracted from profit or loss and other comprehensive income of the Issuer's audited financial statements for the financial year ended December 31, 2022:

Thousands of euros	31.12.2022	31.12.2021*
—Exchange rate differences	2	(16)
—Other operating income	383	405
—Other operating expenses	(383)	(347)
—Gains on financial assets designated at fair value through profit or loss. ....	1,069,995	92,181
—Losses on financial liabilities designated at fair value through profit or loss	(1,069,995)	(92,181)
<b>Result of the year before tax</b>	<b>2</b>	<b>42</b>
—Income tax	(1)	(13)
<b>Result of the year from continued operations</b>	<b>1</b>	<b>29</b>
<b>Comprehensive result of the year</b>	<b>—</b>	<b>—</b>
<b>Total comprehensive result of the year</b>	<b>1</b>	<b>29</b>

(\*) In the audited financial statements for the financial year ended December 31, 2022 of the Issuer certain reclassifications have been made in the statement of profit or loss or other comprehensive income for the year 2021. For more details we refer to note 2(m) of the financial statements.

### Statement of Financial Position

The table below sets out summary information extracted from the statement of financial position from the Issuer's audited financial statements for the financial year ended December 31, 2022:

Thousands of euros	31.12.2022	31.12.2021
<b>ASSETS:</b>		
<i>Non-current assets</i>	3,612,231	4,085,446
<i>Current assets</i>	1,203,589	482,272
<b>Total assets</b>	<b>4,816,142</b>	<b>4,568,040</b>
<b>LIABILITIES:</b>		
<i>Non-current liabilities</i>	3,612,231	4,085,446
<i>Current liabilities</i>	1,203,664	482,348
<b>Total liabilities</b>	<b>4,815,895</b>	<b>4,567,794</b>
<b>SHAREHOLDER'S EQUITY:</b>		
—Issued share capital	90	90
—Share premium	250	250
—Other reserves	(94)	(123)

## DESCRIPTION OF BBVA GLOBAL MARKETS B.V.

—Result of the year	1	29
<b>Total shareholder's equity</b>	<b>247</b>	<b>246</b>
<b>Total liabilities and shareholder's equity</b>	<b><u>4,816,142</u></b>	<b><u>4,568,040</u></b>

As of the date of this Base Prospectus, the Issuer has no listed warrants of the same class as the Warrants to be issued under the Programme.

The auditors of the Issuer for the financial year ended December 31, 2022 are Ernst & Young Accountants LLP, whose principal place of business is at Boompjes 258, 3011 XZ Rotterdam, The Netherlands. The registered accountants of Ernst & Young Accountants LLP are members of NBA (Koninklijke Nederlandse Beroepsorganisatie van Accountants). The auditors of BBVA Global Markets B.V. for the financial year ended December 31, 2021 were KPMG Accountants N.V. Laan van Langerhuize 1, 1186 DS Amstelveen, The Netherlands, who are Chartered Accountants and members of the Royal Netherlands Institute of Chartered Accountants (Koninklijke Nederlandse Beroepsorganisatie van Accountants).

### Management

The Board of Directors of the Issuer consists of the following Managing Directors:

Name	Position at the Issuer	Present Principal Occupation Outside of the Issuer
Marian Coscarón Tomé	Managing Director	Head of Global Securities of BBVA
Christian Højbjerg Mortensen	Managing Director	Global Structured Securities Manager of BBVA

The Managing Directors are employees of BBVA. There are no potential conflicts of interest between any duties of the directors of BBVA Global Markets B.V. and their private interests.

The business address of the Managing Directors is Calle Saucedá, 28, Edificio Asia, 28050 Madrid, Spain

The Issuer, as a financial company for the purposes of the Group with no employees, relies on the human resources, systems as well as the policies, processes and procedures of BBVA (including, without limitation, compliance, market abuse, risk, accounting, and audit committee).

### Tax Status of the Issuer

The Issuer has its place of effective management in Spain and is therefore solely tax resident in Spain on the basis of Article 4(4) of the Convention between the Netherlands and Spain for the Avoidance of Double Taxation with respect to Taxes on Income and on Net Wealth in effect on the date of this Base Prospectus.

### Legal Proceedings

There are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

## **DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A**

### **DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**

#### **Responsability**

The Guarantor assumes responsibility for the information featured under the heading "Description of Banco Bilbao Vizcaya Argentaria, S.A." in this Base Prospectus. To the best of the knowledge of the Guarantor, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### **History and Development of BBVA**

BBVA's predecessor bank, BBV (Banco Bilbao Vizcaya), was incorporated as a public limited company (a sociedad anónima or S.A.) under the Spanish Corporations Law on October 1, 1988. BBVA was formed following the merger of Argentaria into BBV (Banco Bilbao Vizcaya), which was approved by the shareholders of each entity on December 18, 1999 and registered on January 28, 2000. It conducts its business under the commercial name "BBVA". BBVA is registered with the Commercial Registry of Vizcaya (Spain) (volume 2,083, Folium 1, Page BI-17.A, first inscription). It has its registered office at Plaza de San Nicolás 4, Bilbao, Spain, 48005, and has its main place of business at Calle Azul, 4, 28050, Madrid, Spain (telephone number: +34 91 374 6201). BBVA is incorporated for an unlimited term. The Legal Entity Identifier (LEI) of BBVA is K8MS7FD7N5Z2WQ51AZ71. The website of the Bank is <https://www.bbva.com/en/>. The information contained in such web page shall not be deemed to constitute a part of the Base Prospectus.

BBVA's corporate purpose contained in Article 3 of its bylaws is to engage in all kinds of activities, operations, acts, contracts and services within the banking business or directly or indirectly related to it, that are permitted or not prohibited by prevailing provisions and ancillary activities. Its corporate purpose also includes the acquisition, holding, utilisation and divestment of securities, public offerings to buy and sell securities, and any kind of holdings in any company or enterprise.

#### **Capital Expenditures**

The Group's principal investments are financial investments in its subsidiaries and affiliates. The main capital expenditures from 2020 to 2022 and up to the date of filing of this Base Prospectus were the following:

##### ***2023 to date***

In 2023 to date, there were no significant capital expenditures.

##### ***2022***

#### **Announcement of the agreement with Neon Payments Limited**

On February 14, 2022, BBVA announced the agreement with the company "Neon Payments Limited" ("Neon") for the subscription of 492,692 preference shares, representing approximately 21.7 per cent. of its share capital, through a share capital increase and in consideration of approximately USD 300 million (equal to approximately €263 million at an exchange rate of 1.14 US dollar por Euro as of February 11, 2022).

Neon Payments is the owner of 100 per cent. of the shares of the Brazilian company Neon Pagamentos S.A.

As of February 14, 2022, BBVA was already the indirect owner of approximately 10.2 per cent. of the share capital of Neon Payments through companies in which BBVA owns more than 99 per cent. of the share capital. As of December 31, 2022, BBVA held, directly and indirectly, approximately 29.2 per cent. of the share capital of Neon Payments. Despite owning more than 20% of the share capital, BBVA's ability to influence Neon Payments financial and operating decisions policies is very limited, so the investment is recognised under the heading "Non-trading financial assets mandatorily at fair value through profit or loss".

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

### *Voluntary takeover bid for the entire share capital of Türkiye Garanti Bankası A.Ş.*

On November 15, 2021, BBVA announced a VTO addressed to the holders of the 2,106,300,000 shares<sup>1</sup> of Garanti BBVA not controlled by BBVA, representing 50.15 per cent. of Garanti BBVA's total share capital. BBVA submitted for authorisation an application for the VTO to the supervisor of the securities markets in Turkey, the Capital Markets Board (the "CMB") on November 18, 2021.

On March 31, 2022, the CMB approved the offer information document and on the same day BBVA announced the commencement of the VTO acceptance period on April 4, 2022.

On April 25, 2022, BBVA informed of an increase of the cash offer price per Garanti BBVA share, from the initially announced price (12.20 Turkish Lira) to 15.00 Turkish Lira. On May 18, 2022, BBVA announced the finalisation of the offer acceptance period, with the acquisition of 36.12 per cent. of Garanti BBVA's share capital in the VTO. The total amount paid by BBVA was approximately 22,758 million Turkish Lira (equivalent to approximately €1,390 million, using the effective exchange rate of 16.14 Turkish Lira per euro, including the expenses associated with the transaction and net of the collection of the dividends corresponding to the stake acquired).

The transaction has given rise to a capital gain of approximately €924 million (including the impacts after the application of IAS 29). An amount of €3,609 million has been recorded under the heading "Other reserves". Additionally, the "Accumulated other comprehensive income (loss)" corresponding to the 36.12 per cent. acquired from minority interests has been reclassified to the "Accumulated other comprehensive income (loss)" amounting to a loss of €2,685 million. The total derecognition associated with the transaction of the heading "Minority interests" considering "Other items" and "Accumulated other comprehensive income (loss)" amounted to a loss of €2,541 million.

The percentage of the total share capital of Garanti BBVA owned by BBVA (after the completion of the VTO on May 18, 2022) is 85.97 per cent.

### **Capital Divestitures**

BBVA's principal divestitures are financial divestitures in its subsidiaries and affiliates. The main capital divestitures from 2022 to the date of this Base Prospectus were the following:

#### ***2022 and 2023 to date***

In 2023 to date, there were no significant capital divestitures.

In 2022, up to the date of filing, there were no significant capital divestitures.

### **Business Overview**

The BBVA Group is a customer-centric global financial services group founded in 1857. Internationally diversified and with strengths in the traditional banking businesses of retail banking, asset management and wholesale banking, the Group is committed to offering a compelling digital proposition focused on customer experience.

For this purpose, the Group is focused on increasingly offering products online and through mobile channels, improving the functionality of its digital offerings and refining the customer experience, contributing to the delivery of our strategy in a sustainable and inclusive way. BBVA incorporates sustainability considerations as part of its daily activities and in everything it does, encompassing not only relations with customers but also internal processes. In 2022, the number of digital and mobile customers and the volume of digital sales continued to increase.

### **Operating Segments**

As of March 31, 2023, the structure of the operating segments used by the Group for management purposes remained the same as in 2022.

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<sup>1</sup> All references to "shares" or "share" in the case of Garanti BBVA shall be deemed to be made in respect of lots of 100 shares, which is the trading unit at Borsa Istanbul.

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

Set forth below are the Group's current five operating segments:

- Spain;
- Mexico;
- Turkey;
- South America; and
- Rest of Business.

In addition to the operating segments referred to above, the Group has a Corporate Center which includes those items that have not been allocated to an operating segment. It includes the Group's general management functions, including costs from central units that have a strictly corporate function; management of structural exchange rate positions carried out by the Financial Planning unit; certain proprietary portfolios; certain tax assets and liabilities; certain provisions related to commitments with employees; and goodwill and other intangibles, as well as the financing of such asset portfolios. It also includes the results of the Group's stake in the venture capital fund Propel Venture Partners.

For certain relevant information concerning the preparation and presentation of the financial information included in this Base Prospectus, see "Presentation of Financial Information".

The breakdown of the Group's total assets by each of BBVA's operating segments and the Corporate Center as of March 31, 2023 and December 31, 2022 was as follows:

	As of March 31, 2023	As of December 31, 2022
	(in millions of euros)	
Spain	441,720	427,116
Mexico	151,955	142,557
Turkey	71,222	66,036
South America	63,063	61,951
Rest of Business	50,407	49,952
<b>Subtotal Assets by Operating Segment</b>	<b>778,367</b>	<b>747,613</b>
Corporate Center and adjustments <sup>(1)</sup>	(38,802)	(35,521)
<b>Total Assets Group</b>	<b>739,564</b>	<b>712,092</b>

(1) Includes balance sheet intra-group adjustments between the Corporate Center and the operating segments.

The following table sets forth information relating to the profit (loss) attributable to parent company for each operating segment and the Corporate Center for the three months ended March 31, 2023 and 2022. Such information is presented under management criteria; however, there are no differences between the Group income statement and the income statement calculated in accordance with management operating segment reporting criteria.

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

	Profit / (Loss) Attributable to Parent Company		Per cent. of Profit / (Loss) Attributable to Parent Company	
	Three months ended March 31,			
	2023	2022	2023	2022
	(In Millions of Euros)		(In Percentage)	
Spain	541	598	22.7	38.8
Mexico	1,285	777	54.0	50.4
Turkey	277	(76)	11.7	(4.9)
South America	184	160	7.7	10.4
Rest of Business	92	81	3.9	5.3
Subtotal operating segments	2,378	1,540	100.0	100.0
Corporate Center	(531)	(215)		
Profit attributable to parent company	1,846	1,325		

The following table sets forth certain summarised information relating to the income of each operating segment and the Corporate Center for the three months ended March 31, 2023 and 2022. Such information is presented under management criteria. However, there are no differences between the Group income statement and the income statement calculated in accordance with management operating segment reporting criteria.

	Operating Segments						
	Spain	Mexico	Turkey	South America	Rest of Business	Corporate Center and adjustments	Total
	(in millions of euros)						
<b>March 2023</b>							
Net interest income / (expense)	1,183	2,589	626	1,190	113	(60)	5,642
Gross income	1,726	3,306	802	1,175	260	(311)	6,958
Operating profit / (loss) before tax	851	1,768	327	405	111	(519)	2,944
<b>Profit / (loss) attributable to</b>	<b>541</b>	<b>1,285</b>	<b>277</b>	<b>184</b>	<b>92</b>	<b>(531)</b>	<b>1,846</b>
<b>March 2022</b>							
Net interest income / (expense)	856	1,748	492	809	75	(37)	3,943
Gross income	1,655	2,232	500	885	202	(79)	5,395
Operating profit (loss) before tax	837	1,067	155	315	105	(255)	2,225
<b>Profit / (loss) attributable to</b>	<b>598</b>	<b>777</b>	<b>(76)</b>	<b>160</b>	<b>81</b>	<b>(215)</b>	<b>1,325</b>

The following tables set forth summarised information relating to the balance sheet of the operating segments and the Corporate Center and adjustments as of March 31, 2023 and December 31, 2022.



# DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

As of March 31, 2023							
	Spain	Mexico	Turkey	South America	Rest of Business	Total Operating Segments	Corporate Center and Adjustments (1)
(In Millions of Euros)							
<b>Total Assets</b>	<b>441,720</b>	<b>151,955</b>	<b>71,222</b>	<b>63,063</b>	<b>50,407</b>	<b>778,367</b>	<b>(38,802)</b>
Cash, cash balances at central	50,952	12,726	8,479	7,646	4,135	83,938	(671)
Financial assets at fair value (2)	137,432	48,366	5,109	10,559	6,652	208,118	(13,740)
Financial assets at amortised cost	207,349	84,617	54,240	41,734	39,167	427,106	153
Loans and advances to customers	172,085	77,277	38,995	39,185	35,946	363,488	(1,170)
<b>Total Liabilities</b>	<b>427,383</b>	<b>142,611</b>	<b>64,061</b>	<b>57,174</b>	<b>46,225</b>	<b>737,454</b>	<b>(49,361)</b>
Financial liabilities held for trading	96,927	28,035	2,079	2,390	5,942	135,374	(16,880)
Financial liabilities at amortised cost - Customer deposits	214,476	80,172	51,234	40,782	10,070	396,733	(853)
<b>Total Equity</b>	<b>14,337</b>	<b>9,344</b>	<b>7,161</b>	<b>5,889</b>	<b>4,182</b>	<b>40,913</b>	<b>10,559</b>
<b>Assets under management</b>	<b>90,577</b>	<b>44,408</b>	<b>7,491</b>	<b>17,971</b>	<b>510</b>	<b>160,958</b>	
Mutual funds	67,198	40,991	4,271	6,180	—	118,640	
Pension funds	23,380	—	3,221	11,791	510	38,901	
Other placements	—	3,418	—	—	—	3,418	

(1) Includes balance sheet intra-group adjustments between the Corporate Center and the operating segments.

(2) Financial assets at fair value includes: “Financial assets held for trading”, “Non-trading financial assets mandatorily at fair value through profit or loss”, “Financial assets designated at fair value through profit or loss” and “Financial assets at fair value through other comprehensive income”.

As of December 31, 2022							
	Spain	Mexico	Turkey	South America	Rest of Business	Total Operating Segments	Corporate Center and Adjustments (1)
(In Millions of Euros)							
<b>Total Assets</b>	<b>427,116</b>	<b>142,557</b>	<b>66,036</b>	<b>61,951</b>	<b>49,952</b>	<b>747,613</b>	<b>(35,521)</b>
Cash, cash balances at central banks and other demand deposits	49,185	13,228	6,061	7,695	4,015	80,184	(428)
Financial assets at fair value (2)	126,413	46,575	5,203	10,739	5,090	194,020	(10,174)
Financial assets at amortised cost	204,528	77,191	51,621	40,448	40,425	414,215	207
Loans and advances to customers	173,971	71,231	37,443	38,437	37,375	358,456	(1,105)
<b>Total Liabilities</b>	<b>413,993</b>	<b>132,726</b>	<b>59,326</b>	<b>56,077</b>	<b>45,604</b>	<b>707,726</b>	<b>(46,150)</b>
Financial liabilities held for trading and designated at fair value through profit or loss	84,619	25,840	2,138	2,813	4,397	119,808	(13,617)
Financial liabilities at amortised cost - Customer deposits	221,019	77,750	46,339	40,042	9,827	394,978	(574)
<b>Total Equity</b>	<b>13,124</b>	<b>9,831</b>	<b>6,711</b>	<b>5,874</b>	<b>4,348</b>	<b>39,887</b>	<b>10,630</b>
<b>Assets under management</b>	<b>86,759</b>	<b>38,196</b>	<b>6,936</b>	<b>17,760</b>	<b>520</b>	<b>150,170</b>	
Mutual funds	63,786	35,614	3,731	5,804	—	108,935	
Pension funds	22,973	—	3,205	11,956	520	38,653	
Other placements	—	2,582	—	—	—	2,582	

(1) Includes balance sheet intra-group adjustments between the Corporate Center and the operating segments.

(2) Financial assets at fair value includes: “Financial assets held for trading”, “Non-trading financial assets mandatorily at fair value through profit or loss”, “Financial assets designated at fair value through profit or loss” and “Financial assets at fair value through other comprehensive income”.

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

### *Standards and interpretations that became effective in 2023 to date*

#### Entry into force of IFRS 17 – Insurance contracts

IFRS 17 supersedes IFRS 4 for the recognition, measurement, presentation and disclosure of insurance contracts. The initial application date of IFRS 17 is 1st January, 2023 and the transition date was 1st January, 2022, which is the date on which the differences arising from the valuation between both standards were recorded in the Group's equity.

IFRS 17 introduces substantial changes in the accounting of insurance contracts with the aim of achieving greater homogeneity and increasing comparability among entities. For this reason, the Group has been working in recent years to harmonise criteria within the Group, adapting information and calculation systems, accounting processes and internal controls. See Note 2.1 to the 1Q23 Consolidated Interim Financial Statements).

#### **Amendments to IAS 1 “Presentation of financial statements” and IAS 8 “Accounting policies, changes in accounting estimates and errors”**

In February 2021 the IASB issued amendments to this IAS with the aim of improving the quality of the disclosures in relation to the accounting policies applied by the entities with the ultimate aim of providing useful and material information in the financial statements. The amendments to IAS 1 require entities to disclose accounting policies that are material rather than significant accounting policies and provide guidance to help apply the concept of materiality in financial statement disclosures. The amendments to IAS 8 introduce clarifications to distinguish between the concept of accounting estimate and that of accounting policy. The amendments have entered into force on January 1, 2023, with no significant impact on the consolidated financial statements of the Group.

#### **Amendment IAS 12 – Income taxes**

The IASB issued an amendment to IAS 12 to clarify that entities should recognize deferred tax arising on transactions such as leases or decommissioning obligations. The amendment requires entities to recognize a deferred tax asset and liability separately when the temporary differences arising in the recognition of an asset and a liability are the same, not being possible to apply the initial recognition exception provided for in the standard. The purpose of the amendments has been to reduce the diversity in the presentation of information on deferred taxes in said transactions. The modification has entered into force on January 1, 2023, although its early application was allowed, with no significant impact on the consolidated financial statements of the Group.

### *Spain*

This operating segment includes all of BBVA's banking and non-banking businesses in Spain, other than those included in the Corporate Center. The primary business units included in this operating segment are:

- **Spanish Retail Network:** including individual customers, private banking, small companies and businesses in the domestic market;
- **Corporate and Business Banking:** which manages small and medium-sized enterprises (SMEs), companies and corporations, and public institutions;
- **Corporate and Investment Banking:** responsible for business with large corporations and multinational groups and the trading floor and distribution business in Spain; and
- **Other units:** which includes the insurance business unit in Spain (BBVA Seguros) as well as the Group's shareholding in Compañía de Seguros y Reaseguros, S.A., the Asset Management unit (which manages Spanish mutual funds and pension funds), lending to real estate developers and foreclosed real estate assets in Spain, as well as certain proprietary portfolios and certain funding and structural interest-rate positions of the euro balance sheet which are not included in the Corporate Center.

Cash, cash balances at central banks and other demand deposits amounted to €50,952 million as of March 31, 2023, a 3.6 per cent. increase compared with the €49,185 million recorded as of December 31, 2022.

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

Financial assets at fair value of this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income") amounted to €137,432 million as of March 31, 2023, an 8.7 per cent. increase from the €126,413 million recorded as of December 31, 2022, mainly as a result of the increase in loans to credit institutions (through reverse repurchase agreements) and the increase in the fair value of trading derivatives due to the positive impact of changes in exchange rates on foreign currency positions recorded under the "Financial assets held for trading" portfolio.

Financial assets at amortised cost of this operating segment as of March 31, 2023 amounted to €207,349 million, a 1.4 per cent. increase compared with the €204,528 million recorded as of December 31, 2022. Within this heading, loans and advances to customers amounted to €172,085 million As of March 31, 2023, a 1.1 per cent. per cent. decrease from the €173,971 million recorded as of December 31, 2022, mainly due to the decrease in wholesale lending and the early repayment of loans, which was higher than expected..

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of March 31, 2023 amounted to €96,927 million, a 14.5 per cent. increase compared with the €84,619 million recorded as of December 31, 2022, mainly due to an increase in deposits from credit institutions (through repurchase agreements) and, to a lesser extent an increase, in the value of exchange rate derivatives recorded under the "Financial liabilities held for trading" portfolio.

Customer deposits at amortised cost of this operating segment as of March 31, 2023 amounted to €214,476 million, a 3.0 per cent. decrease compared with the €221,019 million recorded as of December 31, 2022, mainly due to the decrease in demand deposits within the retail portfolio. The decrease in demand deposits was due in part to the shift from demand deposits towards higher profitability investments (including mutual funds), in a context where remuneration on deposits continues to be low, the positive effect of year-end compensation (including bonuses) paid by companies at the end of 2022 (which led to an increase in deposits) and the decreased savings capacity of customers as a result of inflation, which was partially offset by an increase in time deposits (as of December 31, 2022, customer deposits at amortised cost included the extraordinary payroll). Off-balance sheet funds of this operating segment (which includes "Mutual funds" (including customer portfolios) and "Pension funds") as of March 31, 2023 amounted to €90,577 million, a 4.4 per cent. increase compared with the €86,759 million as of December 31, 2022, mainly due to the shift from demand deposits towards higher profitability investments, which increased private banking and mutual funds.

Off-balance sheet funds of this operating segment (which includes "Mutual funds" (including customer portfolios) and "Pension funds") as of March 31, 2023 amounted to €90,577 million, a 4.4 per cent. increase compared with the €86,759 million as of December 31, 2022, mainly due to the shift from demand deposits towards higher profitability investments, which resulted in an increase in private banking and mutual funds.

This operating segment's non-performing loan ratio (defined as non-performing loans divided by total credit risk and calculated as the sum of impaired loans and advances to customers, impaired guarantees to customers and other impaired commitments divided by the sum of loans and advances to customers, guarantees to customers and other commitments) was 3.9 per cent. as of March 31, 2023 and as of December 31, 2022. This operating segment's non-performing loan coverage ratio (defined as allowance for credit losses divided by non-performing loans and calculated as loss allowances on loans and advances divided by the sum of impaired loans and advances to customers, impaired guarantees to customers and other impaired commitments) was 59 per cent. as of March 31, 2023 and 61 per cent. as of December 31, 2022.

### **Mexico**

The Mexico operating segment includes the banking, insurance and asset management business conducted in Mexico by BBVA Mexico. It also includes BBVA Mexico's agency in Houston.

The Mexican peso appreciated 6.2 per cent. against the euro as of March 31, 2023 compared with December 31, 2022, positively affecting the business activity of the Mexico operating segment as of March 31, 2023 expressed in euros.

Cash, cash balances at central banks and other demand deposits amounted to €12,726 million as of March 31, 2023, a 3.8 per cent. decrease compared with the €13,228 million recorded as of December 31, 2022, which decrease was in cash, in particular, cash, and was partially offset by the appreciation of the Mexican peso.

Financial assets at fair value of this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

value through profit or loss" and "Financial assets at fair value through other comprehensive income") as of March 31, 2023 amounted to €48,366 million, a 3.8 per cent. increase from the €46,575 million recorded as of December 31, 2022, mainly due to the appreciation of the Mexican peso against the euro, which was partially offset by decreases in the value of certain exchange rate derivatives, in particular in the trading portfolio.

Financial assets at amortised cost of this operating segment as of March 31, 2023 amounted to €84,617 million, a 9.6 per cent. increase compared with the €77,191 million recorded as of December 31, 2022. Within this heading, loans and advances to customers of this operating segment as of March 31, 2023 amounted to €77,277 million, an 8.5 per cent. increase compared with the €71,231 million recorded as of December 31, 2022, mainly attributable to the appreciation of the Mexican peso against the euro and the positive performance of the retail portfolio (SMEs loans and consumer loans) and, to a lesser extent, the wholesale portfolio (corporate loans).

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of March 31, 2023 amounted to €28,035 million, an 8.5 per cent. increase compared with the €25,840 million recorded as of December 31, 2022, mainly as a result of the appreciation of the Mexican peso against the euro.

Customer deposits at amortised cost of this operating segment as of March 31, 2023 amounted to €80,172 million, a 3.1 per cent. increase compared with the €77,750 million recorded as of December 31, 2022, primarily due to the appreciation of the Mexican peso against the euro, partially offset by the positive effect of extraordinary payroll payments at the end of 2022.

Off-balance sheet funds of this operating segment (which includes "Mutual funds" (including customer portfolios) and "Other placements") as of March 31, 2023 amounted to €44,408 million, a 16.3 per cent. increase compared with the €38,196 million as of December 31, 2022, mainly as a result of the continuing search by customers for higher profitability investments, which continues to boost mutual funds, supported by an improved product offer that includes funds linked to Environmental, Social and Governance (ESG) factors, and the appreciation of the Mexican peso against the euro.

This operating segment's non-performing loan ratio (as defined herein) decreased to 2.3 per cent. as of March 31, 2023 from 2.5 per cent. as of December 31, 2022, due to an increase in lending activity, in particular, SMEs loans and consumer loans, certain write-offs (which led to a decrease in impaired loans) and limited entries. As a result thereof, this operating segment's non-performing loan coverage ratio (as defined herein) increased to 137 per cent. As of March 31, 2023 from 129 per cent. as of December 31, 2022.

### ***Turkey***

This operating segment comprises the activities carried out by Garanti BBVA as an integrated financial services group operating the banking, insurance and asset management business in Turkey, including corporate, commercial, SME, payment systems, retail, private and investment banking, together with its subsidiaries in pension and life insurance, leasing, factoring, brokerage and asset management, as well as its international subsidiaries in Romania and the Netherlands.

On May 18, 2022, BBVA closed its voluntary takeover bid for the entire share capital of Garanti BBVA, which resulted in BBVA increasing its stake in Garanti BBVA from 49.85 per cent. to 85.97 per cent.

The Turkish lira depreciated 4.3 per cent. against the euro as of March 31, 2023 compared to December 31, 2022, adversely affecting the business activity of the Turkey operating segment as of March 31, 2023 expressed in euros.

Since the second quarter of 2022, the Turkish economy has been considered to be hyperinflationary as defined by IAS 29.

Cash, cash balances at central banks and other demand deposits amounted to €8,479 million as of March 31, 2023, a 39.9 per cent. increase compared with the €6,061 million recorded as of December 31, 2022, mainly due to the increase in cash held at the Central Bank of the Republic of Turkey, with a view, in part, to reinforcing the Group's cash position.

Financial assets at fair value of this operating segment (which includes the following portfolios: "Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss", "Financial assets designated at fair value through profit or loss" and "Financial assets at fair value through other comprehensive income") as of March 31, 2023 amounted to €5,109 million, a 1.8 per cent. decrease from the €5,203 million recorded as of December 31, 2022, mainly due to the depreciation of the Turkish lira against the euro, which was partially offset by increases in the value of exchange rate derivatives in foreign currency positions.

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Financial assets at amortised cost of this operating segment as of March 31, 2023 amounted to €54,240 million a 5.1 per cent. increase compared with the €51,621 million recorded as of December 31, 2022. Within this heading, loans and advances to customers of this operating segment as of March 31, 2023 amounted to €38,995 million, a 4.1 per cent. increase compared with the €37,443 million recorded as of December 31, 2022, mainly due to the increase (in local currency) in Turkish lira-denominated credit card loans, consumer loans and mortgage loans due in part to the measures announced by the Turkish authorities, seeking to stabilize the Turkish lira through the increase of the reserve requirement ratio for Turkish lira-denominated commercial cash loans (see “*Item 4. Information on the Company—Business Overview—Supervision and Regulation—Principal Markets—Turkey*” and “*Item 4. Information on the Company—Competition—Turkey*” in the Form 20-F), partially offset by the depreciation of the Turkish lira against the euro.

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of March 31, 2023 amounted to €2,079 million, a 2.7 per cent. decrease compared with the €2,138 million recorded as of December 31, 2022, mainly due to the depreciation of the Turkish lira against the euro.

Customer deposits at amortised cost of this operating segment as of March 31, 2023 amounted to €51,234 million, a 10.6 per cent. increase compared with the €46,339 million recorded as of December 31, 2022, mainly due to the increase in time deposits and, to a lesser extent, demand deposits, both denominated in Turkish lira, as a result in part of the measures announced by the Turkish authorities to protect deposits denominated in Turkish lira from the exchange rate volatility, in order to boost confidence in the local currency, promote the conversion of foreign currency deposits into local currency deposits and prevent further dollarization of deposits (see “*Item 4. Information on the Company—Business Overview—Supervision and Regulation—Principal Markets—Turkey*” and “*Item 4. Information on the Company—Competition—Turkey*” in the Form 20-F), partially offset by the depreciation of the Turkish lira against the euro.

Off-balance sheet funds of this operating segment (which includes “Mutual funds” and “Pension funds”) as of March 31, 2023 amounted to €7,491 million, an 8.0 per cent. increase compared with the €6,936 million as of December 31, 2022, mainly due to increases in mutual funds as a result of the shift towards higher profitability investments, partially offset by the depreciation of the Turkish lira against the euro.

The non-performing loan ratio (as defined herein) of this operating segment decreased to 4.3 per cent. as of March 31, 2023 from 5.1 per cent. as of December 31, 2022, mainly as a result of higher recoveries from the wholesale portfolio, the change in the staging of a large customer from Stage 3 to Stage 2 in the wholesale loan portfolio and increased loan activity, partially offset by the change in the staging of certain loans from Stage 1 to Stage 2, due to the impact of the earthquakes in February 2023 (see Note 6.1 to the 1Q Condensed Interim Consolidated Financial Statements). As a result thereof, this operating segment's non-performing loan coverage ratio (as defined herein) increased to 99 per cent. As of March 31, 2023 from 90 per cent. as of December 31, 2022.

### **South America**

The South America operating segment includes the Group's banking, finance, insurance and asset management business mainly in Argentina, Chile, Colombia, Peru, Uruguay and Venezuela. It also includes representative offices in Sao Paulo (Brazil) and in Santiago (Chile).

The main business units included in the South America operating segment are:

- **Retail and Corporate Banking:** includes banks in Argentina, Colombia, Peru, Uruguay and Venezuela.
- **Insurance:** includes insurance businesses in Argentina, Colombia and Venezuela.

As of March 31, 2023, the Colombian peso appreciated against the euro by 2.0 per cent. compared to December 31, 2022. On the other hand, the Argentine peso and the Peruvian sol depreciated against the euro by 16.9 per cent. and 0.8 per cent., respectively. overall, changes in exchange rates have adversely affected the business activity of the South America operating segment as of March 31, 2023, expressed in euros.

As of March 31, 2023 and December 31, 2022, the Argentine and Venezuelan economies were considered to be hyperinflationary as defined by IAS 29. See Note 2.2.19 to the 2022 Consolidated Financial Statements for information on the application of IAS 29 to hyperinflationary economies. Cash, cash balances at central banks and other demand deposits as of March 31, 2023 amounted to €7,646 million, a 0.6 per cent. decrease compared with the €7,695 million recorded as of December 31, 2022, mainly due to the depreciation of the Argentine peso.

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Financial assets at fair value for this operating segment (which includes the following portfolios: “Financial assets held for trading”, “Non-trading financial assets mandatorily at fair value through profit or loss”, “Financial assets designated at fair value through profit or loss” and “Financial assets at fair value through other comprehensive income”) as of March 31, 2023 amounted to €10,559 million, a 1.7 per cent. decrease compared with the €10,739 million recorded as of December 31, 2022, mainly due to the depreciation of the Argentine peso, which was partially offset by the increase in sovereign debt securities recorded under “Financial assets at fair value through other comprehensive income”.

Financial assets at amortised cost of this operating segment as of March 31, 2023 amounted to €41,734 million, a 3.2 per cent. increase compared with the €40,448 million recorded as of December 31, 2022. Within this heading, loans and advances to customers of this operating segment as of March 31, 2023 amounted to €39,185 million, a 1.9 per cent. increase compared with the €38,437 million recorded as of December 31, 2022, mainly as a result of the increase in the retail portfolio (including credit cards) and, to a lesser extent, in loans to enterprises in local currency, partially offset by the depreciation of the Argentine peso and early repayments in Peru.

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of March 31, 2023 amounted to €2,390 million, a 15.1 per cent. decrease compared with the €2,813 million recorded as of December 31, 2022, mainly due to the decrease in deposits from credit institutions (through repurchase agreements) recorded under the “Financial assets held for trading” portfolio, as a result of the negative impact of changes in the valuation of exchange rate derivatives on certain foreign currency positions.

Customer deposits at amortised cost of this operating segment as of March 31, 2023 amounted to €40,782 million, a 1.8 per cent. increase compared with the €40,042 million recorded as of December 31, 2022, mainly as a result of the increase in time deposits in Peru in the retail portfolio and Colombia, partially offset by the depreciation of the Argentine peso

Off-balance sheet funds of this operating segment (which includes “Mutual funds” (including customer portfolios in Colombia and Peru) and “Pension funds”) as of March 31, 2023 amounted to €17,971 million, a 1.2 per cent. increase compared with the €17,760 million as of December 31, 2022, mainly due to increases in Argentina and Colombia, partially offset by the depreciation of the Argentine peso.

The non-performing loan ratio (as defined herein) of this operating segment increased to 4.3 per cent. As of March 31, 2023 from 4.1 per cent. as of December 31, 2022, mainly as a result of the Stage 3 new entries in the retail portfolio, and the update in the definition of credit impaired asset implemented in Chile in 2022. This operating segment's non-performing loan coverage ratio (as defined herein) decreased to 99 per cent. As of March 31, 2023, from 101 per cent. as of December 31, 2022.

### ***Rest of Business***

This operating segment mainly includes the wholesale activity carried out by the Group in Europe (excluding Spain), the United States and (through BBVA branches located therein) Asia.

The U.S. dollar depreciated 1.9 per cent. against the euro as of March 31, 2023 compared to December 31, 2022, adversely affecting the business activity of the Rest of Business operating segment as of March 31, 2023 expressed in euros.

Cash, cash balances at central banks and other demand deposits as of March 31, 2023 amounted to €4,135 million, a 3.0 per cent. increase compared with the €4,015 million recorded as of December 31, 2022.

Financial assets at fair value for this operating segment (which includes the following portfolios: “Financial assets held for trading”, “Non-trading financial assets mandatorily at fair value through profit or loss”, “Financial assets designated at fair value through profit or loss” and “Financial assets at fair value through other comprehensive income”) as of March 31, 2023 amounted to €6,652 million, a 30.7 per cent. increase compared with the €5,090 million recorded as of December 31, 2022, mainly due to the increased activity of BBVA Securities Inc., the Group's broker-dealer in the United States, which led to an increase in loans and advances recorded under “Financial assets held for trading”.

Financial assets at amortised cost of this operating segment as of March 31, 2023 amounted to €39,167 million, a 3.1 per cent. decrease compared with the €40,425 million recorded as of December 31, 2022. Within this heading, loans and advances to customers of this operating segment as of March 31, 2023 amounted to €35,946 million, a 3.8 per cent. decrease compared with the €37,375 million recorded as of December 31, 2022, mainly due to decreased activity in the branches located in Europe and Asia, partially offset by increased activity in the New York branch.

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

Financial liabilities held for trading and designated at fair value through profit or loss of this operating segment as of March 31, 2023 amounted to €5,942 million, a 35.1 per cent. increase compared with the €4,397 million recorded as of December 31, 2022, mainly due to an increase in the activity of the broker-dealer BBVA Securities Inc.

Customer deposits at amortised cost of this operating segment as of March 31, 2023 amounted to €10,070 million, a 2.5 per cent. increase compared with the €9,827 million recorded as of December 31, 2022, mainly as a result of the increase in time deposits from wholesale customers at the New York branch and in Asia.

Off-balance sheet funds of this operating segment as of March 31, 2023 amounted to €510 million, a 1.9 per cent. decrease compared with the €520 million recorded as of December 31, 2022.

The non-performing loan ratio (as defined herein) of this operating segment was 0.5 per cent. as of March 31, 2023 and 0.4 per cent. as of December 31, 2022. This operating segment's non-performing loan coverage ratio (as defined herein) decreased to 101 per cent. As of March 31, 2023, from 131 per cent. as of December 31, 2022.

### Organisational Structure

For information on the composition of the Group as of December 31, 2022, see Note 1.1 to the 2022 Consolidated Financial Statements.

The companies comprising the Group are principally domiciled in the following countries: Argentina, Belgium, Chile, Colombia, France, Germany, Italy, Mexico, Netherlands, Peru, Portugal, Romania, Spain, Switzerland, Turkey, the United Kingdom, the United States of America and Uruguay. In addition, BBVA has an active presence in Asia.

Below is a simplified organisational chart of BBVA's most significant subsidiaries as of December 31, 2022.

Subsidiary	Country of Incorporation	Activity	BBVA Voting Power (in percentages)	BBVA Ownership	Total Assets (1) (in millions of euros)
BBVA MEXICO	MEXICO	Bank	100.00	100.00	125,080
GARANTI BBVA (2)	TURKEY	Bank	85.97	85.97	55,725
BBVA PERU	PERU	Bank	92.24(3)	46.12	23,866
BBVA COLOMBIA S.A.	COLOMBIA	Bank	95.47	95.47	17,548
BBVA SEGUROS S.A. DE SEGUROS Y REASEGUROS	SPAIN	Insurance	99.96	99.96	14,663
BANCO BBVA ARGENTINA S.A.	ARGENTINA	Bank	66.55	66.55	10,095
BBVA SEGUROS MÉXICO, S.A. DE C.V., GRUPO FINANCIERO BBVA MEXICO	MEXICO	Insurance	100.00	100.00	8,253
BBVA PENSIONES MEXICO, S.A. DE C.V., GRUPO FINANCIERO BBVA MEXICO	MEXICO	Insurance	100.00	100.00	7,192
GARANTIBANK BBVA INTERNATIONAL N.V. (2) (4)	THE NETHERLANDS	Bank	85.97	100.00	5,078
BANCO BILBAO VIZCAYA ARGENTARIA URUGUAY S.A.	URUGUAY	Bank	100.00	100.00	3,800

(1) Information for non-EU subsidiaries has been calculated using the prevailing exchange rates on 31st December, 2022.

(2) On May 18, 2022, BBVA closed its voluntary takeover bid for the entire share capital of Garanti BBVA, which resulted in BBVA increasing its stake in Garanti BBVA from 49.85% to 85.97%. See "Capital Expenditures – 2022 – Voluntary takeover bid for the entire share capital of Türkiye Garanti Bankası A.Ş. (Garanti BBVA)".

(3) Subject to certain exceptions

(4) BBVA owns 85.97 per cent. of Garanti BBVA, which in turn owns 100 per cent. of GarantiBank International N.V.

### Selected Consolidated Financial Data

The historical financial information set forth below has been selected from, and should be read together with, the Consolidated Financial Statements, which are incorporated by reference herein.

### Consolidated statement of income data

**For the three months  
ended 31st March,**

**For the year ended 31st  
December,**

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	2023	2022	2021	2020
	(in millions of euros)			
Net interest income .....	5,642	19,124	14,686	14,592
Profit (loss).....	1,994	6,763	5,618	2,060
Profit (loss) attributable to owners of the parent .....	1,846	6,358	4,653	1,305

### Consolidated balance sheet data

	As of 31st March, 2023	As at 31st December, 202220212020		
	(in millions of euros)			
Total assets.....	739,564	712,092	662,885	733,797
Financial assets at amortised cost .....	427,259	414,421	372,676	367,668
Customers' deposits at amortised cost.....	395,880	394,404	349,761	342,661
Debt certificates .....	57,853	58,717	59,159	66,311
Non-controlling interests .....	3,680	3,623	4,853	5,471
Total equity .....	51,471	50,517	48,760	50,020

### Directors and Senior Management

BBVA is managed by a Board of Directors which, in accordance with its current by-laws (*Estatutos*), must consist of no less than 5 and no more than 15 members. All members of the Board of Directors are elected to serve three-year terms. BBVA's Board of Directors Regulations state that the Board of Directors must try to ensure that there is an ample majority of non-executive directors over the number of executive directors on the Board of Directors.

BBVA's corporate governance system is based on the distribution of functions between the Board of Directors and the following specialised Board Committees: the Executive Committee (Comisión Delegada Permanente); the Audit Committee; the Appointments and Corporate Governance Committee; the Remuneration Committee; the Risk and Compliance Committee; and the Technology and Cybersecurity Committee. BBVA's Board of Directors is assisted in fulfilling its responsibilities by the Executive Committee. The Executive Committee will deal with those matters of the Board of Directors that the Board agrees to delegate to it, in accordance with the law, the Bylaws, the Board of Directors' Regulations or its own Regulations approved by the Board of Directors.

### Board of Directors

The Board of Directors of BBVA currently comprises 15 members. The business address of the directors of BBVA is Calle Azul, 4, 28050 Madrid.

BBVA may, from time to time, enter into transactions in the ordinary course of its business, and on an arm's-length basis, with the directors.

BBVA's Board of Directors Regulations include rules which are designed to prevent situations where a potential conflict of interest may arise. These Regulations provide, among other matters, that directors must refrain from participating in deliberations and votes on resolutions or decisions in which they or a related party may have a direct or indirect conflict of interest, unless these are decisions relating to the appointment or removal of positions of the management body. Accordingly, there are no potential conflicts of interest between the private interests or other duties of the directors and their duties to BBVA. The following table sets forth the names of the members of the Board of Directors as of the date of this Base Prospectus, their date of appointment and re-election, if applicable, their current positions and their present principal outside occupation and employment history.

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business and Employment History <sup>(*)</sup>
Carlos Torres Vila <sup>(1) (6)</sup>	1966	Chair	May 4, 2015	March 18, 2022	Chair of the Board of Directors of BBVA since December 2018. Chair of the Executive Committee and of the Technology and Cybersecurity



## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

Name	Birth Year	Current Position		Date Nominated	Date Re-elected		Principal Business Activities and Employment History <sup>(*)</sup>
							Committee of the Board of Directors of BBVA. Director at the following BBVA Group companies: Grupo Financiero BBVA México, S.A. de C.V. and BBVA México S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México. Chief Executive Officer of BBVA from May 2015 to December 2018. He started at BBVA in September 2008 holding senior management posts such as Head of Digital Banking from March 2014 to May 2015 and Head of Strategy & Corporate Development from January 2009 to March 2014. He previously held positions of responsibility in other companies, such as Chief Financial Officer and Corporate Director of Strategy and member of the Executive Committee of Endesa, as well as elected partner at McKinsey & Company.
Onur Genç <sup>(1)</sup>	1974	Chief Executive Officer		December 20, 2018	March 2022	18,	Chief Executive Officer of BBVA since December 2018. Director at the following BBVA Group companies: Grupo Financiero BBVA México, S.A. de C.V. and BBVA México S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México. President and CEO of BBVA USA and BBVA's Country Manager in the United States from January 2017 to December 2018, Deputy CEO at Garanti BBVA between 2015 and 2017 and Executive Vice President for retail and private banking at Garanti BBVA between 2012 and 2015. He has also held positions of responsibility in different McKinsey & Company offices, having been a Senior Partner and Manager of its Turkish office.
José Miguel Andrés Torrecillas <sup>(1)(2)(3)(8)</sup>	1955	Deputy Chair (Independent Director)		March 2015	13, April 2021	20,	Deputy Chair of the Board of Directors of BBVA since April 2019. Chair of the Audit Committee and of the Appointments and Corporate

## DESCRIPTION OF BANCO BILBAO VIZCAYA ARGENTARIA, S.A

Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History <sup>(*)</sup>
					Governance Committee of the Board of Directors of BBVA. Chair of Ernst & Young Spain from 2004 to 2014, where he was a partner since 1987 and also held a series of senior offices, including Managing Partner of the Banking Group from 1989 to 2004, General Managing Partner for Audit and Advisory Services at Ernst & Young Spain from 2001 to 2004, and Managing Director of the Audit and Advisory practices at Ernst & Young Italy and Portugal from 2008 to 2013. He has been director of Zardoya Otis, S.A. from 2015 to 2022. He has been a member of various organizations such as the ROAC (Official Registry of Auditors), the REA (Registry of Economic Auditors), the Governing Board of the Spanish Institute of Financial Analysts, Empresa y Sociedad Foundation, Spanish Institute of Chartered Accountants, Advisory Board of the Institute of Internal Auditors; and of the Institute of Chartered Accountants in England & Wales (the ICAEW).
Jaime Félix Caruana Lacorte <sup>(1) (2) (5)</sup>	1952	Independent Director	March 2018	16, April 2021	20, Member of the Group of Thirty (G-30), member of the board of trustees of the Spanish Aspen Institute Foundation, President of the International Center for Monetary and Banking Studies' (ICMB) Foundation Board and Member of the China Banking and Insurance Regulatory Commission's (CBIRC) International Advisory Committee. General Manager of the Bank of International Settlements (BIS) between 2009 and 2017, Head of the Monetary and Capital Markets Department and Financial Counselor of the General Manager at the International Monetary Fund (IMF) between 2006 and 2009, Chair of the Basel Committee on Banking Supervision between 2003 and 2006, and Governor of

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Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History <sup>(*)</sup>
					the Bank of Spain and member of the Governing Council of the European Central Bank between 2000 and 2006.
Sonia Lilia Dulá <sup>(2) (5) (*)</sup>	1961	Independent Director	March 2023	17, Not applicable	Independent director at Huntsman Corporation, Acciona and Acciona Energía, as well as a life member of the Council on Foreign Relations. She has held positions of responsibility in international financial institutions, being responsible for the capital markets area for Latin America at Goldman Sachs (1992-1995) and for the Wealth Banking division for Latin America (2010-2013) and for the Corporate Banking and Investment area also for Latin America (2013-2018) in Bank of America Merrill Lynch. She also has extensive experience in the telecommunications sector, in which she founded and directed various companies in the sector (1996-2006), such as Telemundo Studios Mexico, Internet Group of Brazil, Obsidiana and Grupo Latino de Radio. Likewise, she has been a member of the board of directors of different entities, such as Bestinver, Grupo Prisa, Millicom or Hemisphere Media.
Raúl Catarino Galamba de Oliveira <sup>(3) (5) (6)(7)</sup>	1964	Independent Director	13th March, 2020	17th March, 2023	Lead Director of BBVA since April 2022. Chair of the Risk and Compliance Committee of the Board of Directors of BBVA. Independent Chair of the Board of Directors of CTT- Correios de Portugal, S.A. and non-executive director of José de Mello Saúde and José de Mello Capital. His career path has been mainly linked to McKinsey & Company, where he was appointed partner in 1995, director of the global practice of financial services in 2000, Managing Partner for Spain and Portugal between 2005 and 2011, Managing Partner of Global Risk practice between 2013 and 2016, member of the

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Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History <sup>(*)</sup>
					Global Shareholders' Council from 2005 to 2011, member of the Global Partner Election and Evaluation Committees between 2001 and 2017, member of the Remuneration Committee from 2005 to 2013 and Chair of the Global Learning Board from 2006 to 2011.
Belén Garijo López <sup>(1) (3) (4)</sup>	1960	Independent Director	March 2012	16, April 2021	20, Chair of the Remuneration Committee of the Board of Directors of BBVA. Chair of the Executive Board and CEO of Merck Group, member of the Board of Directors of L'Oréal and, since 2011, Chair of the International Senior Executive Committee (ISEC) of PhRMA (Pharmaceutical Research and Manufacturers of America). Previously, she has held various positions of responsibility at Abbott Laboratories (1989–1996), Rhône-Poulenc (1996–1999), Aventis Pharma (1999–2004), Sanofi Aventis (2004–2011) and Merck (since 2011).
Connie Hedegaard Koksang <sup>(2)</sup>	1960	Independent Director	March 2022	18, Not applicable	Independent director at Danfoss A/S and non-executive director at Cadeler A/S. She participates on an ongoing basis in international forums and organizations and in foundations such as member of the Supervisory Board at the European Climate Foundation, Chair of the OECD's Round Table on Sustainable Development, member of the Climate and Environment Advisory Council of the European Investment Bank (EIB), Chair of the Board of Trustees at the KR Foundation, Chair of CONCITO, Chair of the European Commission's Mission Adaptation to Climate Change, including Social Change, Chair of the Board at Aarhus University, and member of the Sustainability Council at Volkswagen and advisor to the Board of Gazelle Wind Power. She has been non-executive director of Nordex SE from 2016 to 2022. She has held various positions in the public

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Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History <sup>(*)</sup>
					sector in Denmark and the European Union, such as EU Commissioner for Climate Action, Danish Minister for Climate and Energy, Minister for Environment, and Minister for Nordic Cooperation.
Lourdes Máiz Carro <sup>(2) (4)</sup>	1959	Independent Director	March 14, 2014	March 17, 2023	Independent Director at ACS. Secretary of the Board of Directors and Head of Legal Services at Iberia, Líneas Aéreas de España from 2001 until 2016; as well as Director of several companies, including Renfe, GIF (Gerencia de Infraestructuras Ferroviarias – Railway Infrastructure Administrator, now ADIF), the ICO (Instituto de Crédito Oficial – Official Credit Institution), Aldeasa and Banco Hipotecario. Joined the Spanish State Counsel Corps ( <i>Cuerpo de Abogados del Estado</i> ) in 1992 and held various senior positions in the Public Administration, including Director of the Cabinet of the Assistant Secretary of Public Administration, Director of the Cabinet of the Assistant Secretary of Education; General Director of Administrative Organization, Personnel and IT, General Director of the Sociedad Estatal de Participaciones Patrimoniales (SEPPA) within the Ministry of Economy and Finance and Technical General Secretary of the Ministry of Agriculture, Fisheries and Food.
José Maldonado Ramos <sup>(1) (3)</sup>	1952	External Director	January 28, 2000	April 20, 2021	Appointed Director and General Secretary of BBVA in January 2000. Took early retirement as Bank executive in December 2009. Previously, he was Board Secretary and Director of Legal Services for Empresa Nacional para el Desarrollo de la Industria Alimentaria, S.A. (Endiasa); Astilleros Españoles, S.A.; and Iberia, Líneas Aéreas de España, S.A.

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Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History <sup>(*)</sup>
Ana Cristina Peralta Moreno (2) (4)	1961	Independent Director	March 16, 2018	April 20, 2021	Independent director of Grenergy Renovables, S.A. and of Inmobiliaria Colonial, SOCIMI, S.A. She was an independent member of the Board of Directors at Deutsche Bank SAE from 2014 to 2018 and of Banco Etcheverría, S.A. from 2013 to 2014, as well as independent director of Grupo Lar Holding Residencial, S.A.U. and Senior Advisor at Oliver Wyman Financial Services. General Director of Risks and member of the Management Committee of Banco Pastor, S.A. between 2008 and 2011. Before that, she held several positions at Bankinter, including Chief Risk Officer and member of the Management Committee between 2004 and 2008.
Juan Pi Llorens (3) (5) (6)	1950	Independent Director	July 27, 2011	April 20, 2021	Non-executive chair of the Board of Directors of Ecolumbar S.A., and non-executive director of the following Oesía Group companies: Oesía Networks, S.L., Tecnobit, S.L.U., UAV Navigation, S.L and Inster Tecnología y Comunicaciones, S.A.U. He had a professional career at IBM holding various senior posts at a national and international level including Vice President for Sales at IBM EMEA from 2005 to 2008, Vice President of Technology & Systems Group at IBM EMEA from 2008 to 2010 and Vice President of the Finance Services Sector at GMU (Growth Markets Units) in China from 2009 to 2011. He was executive Chair of IBM Spain between 1998 and 2001.
Ana Leonor Revenga Shanklin (4) (5)(6)	1963	Independent Director	March 2020	March 13, 2023	Senior Fellow at the Brookings Institution and Chair of the ISEAK Foundation Board of Trustees since 2018 and Associate Professor at the Walsh School of Foreign Service at Georgetown University from 2019 to 2021. Member of the

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Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History <sup>(*)</sup>
					Board of Trustees of the BBVA Microfinance Foundation and of the Advisory Council of ESADE EcPol - Center for Economic Policy and Political Economy since 2019. She has held several positions of responsibility at the World Bank, including Senior Director Global of the Poverty and Equity practice between 2014 and 2016 and Deputy Chief Economist between 2016 and 2017.
Carlos Vicente Salazar Lomelín <sup>(4)</sup>	1951	External Director	March 2020	13, March 2023	17, Independent director of Sukarne, S.A. de C.V. since 2017, of Alsea, S.A.B. de C.V. since 2019, and of CYDSA Corporativo, S.A. de C.V. since 2022. Director of the following BBVA Group companies: Grupo Financiero BBVA México, S.A. de C.V., BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México, BBVA Seguros México, S.A. de C.V. Grupo Financiero BBVA México, BBVA Pensiones México, S.A. de C.V. Grupo Financiero BBVA México and BBVA Seguros Salud México, S.A. de C.V. Grupo Financiero BBVA México. Chair of the Consejo Coordinador Empresarial de México (the Mexican Business Coordinating Council) from 2019 to 2022. His career path has been linked to the Grupo Fomento Económico Mexicano S.A.B. de C.V. (Femsa) until 2019, having held roles such as General Manager of Cervecería Cuauhtémoc-Moctezuma, Manager of Coca-Cola Femsa and General Manager of Femsa.
Jan Paul Marie Francis Verplancke <sup>(4)</sup> <sup>(6)</sup>	1963	Independent Director	March 2018	16, April 2021	20, Advisor to the internal advisory board at Abdul Latif Jameel and CEO of Vestraco, S.à.R.L. In his professional career, he served as Chief Information Officer and Group Head of Technology and

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Name	Birth Year	Current Position	Date Nominated	Date Re-elected	Principal Business Activities and Employment History <sup>(*)</sup>
					Banking Operations of Standard Chartered Bank between 2004 and 2015, Vice President of Technology and Chief Information Officer, in the EMEA region of Dell (1999-2004) as well as Vice President and Chief of Architecture and Vice President of Information of the Youth Category at Levi Strauss (1994 -1999).

(\*) At the date of this Base Prospectus, the authorisation by the European Central Bank of Sonia Lilia Dulá's suitability to carry out the role of director of the Bank is pending.

- (1) Member of the Executive Committee.
- (2) Member of the Audit Committee.
- (3) Member of the Appointments and Corporate Governance Committee.
- (4) Member of the Remuneration Committee.
- (5) Member of the Risk and Compliance Committee.
- (6) Member of the Technology and Cybersecurity Committee.
- (7) Lead Director.
- (8) Deputy Chair.

### Major Shareholders and Share Capital

On June 21, 2023 Norges Bank reported to the CNMV that it had a direct holding of BBVA common stock totalling 3,030 per cent. (voting rights attached to shares).

On April 18, 2019 Blackrock, Inc. reported to the CNMV that it had an indirect holding of BBVA common stock totalling 5.917 per cent., of which 5.480 per cent. are voting rights attributed to shares and 0.437 per cent. are voting rights held through financial instruments.

As of May 23, 2023, no other person, corporation or government beneficially owned, directly or indirectly, three per cent. or more of BBVA's shares. BBVA's major shareholders do not have voting rights which are different from those held by the rest of its shareholders. To the extent known to BBVA, BBVA is not controlled, directly or indirectly, by any other corporation, government or any other natural or legal person.

As of May 23, 2023, there were 783,363 registered holders of BBVA's shares, with an aggregate of 6,030,116,564 shares, of which 719 shareholders with registered addresses in the United States held a total of 1,488,277,506 shares (including shares represented by American Depositary Shares evidenced by American Depositary Receipts ("ADRs")). Since certain of such shares and ADRs are held by nominees, the foregoing figures are not representative of the number of beneficial holders.

### Legal Proceedings

Spanish judicial authorities are investigating the activities of Cenyt. Such investigation includes the provision of services by Cenyt to BBVA. On July 29, 2019, BBVA was named as an investigated party (*investigado*) in a criminal judicial investigation (Preliminary Proceeding No. 96/2017 – Piece No. 9, Central Investigating Court No. 6 of the National High Court) for alleged facts which could constitute bribery, revelation of secrets and corruption. On February 3, 2020, BBVA was notified by the Central Investigating Court No. 6 of the National High Court of the order lifting the secrecy of the proceedings. Certain current and former officers and employees of the Group, as well as former directors, have also been named as investigated parties in connection with this investigation. BBVA has been and continues to be proactively collaborating with the Spanish judicial authorities, including sharing with the courts the relevant information obtained in the internal investigation hired by the entity in 2019 to contribute to the clarification of the facts. As of the date of this Base Prospectus, no formal accusation against BBVA has been made.



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This criminal judicial proceeding is in the pre-trial phase. Therefore, it is not possible at this time to predict the scope or duration of such proceeding or any related proceeding or its or their possible outcomes or implications for the Group, including any fines, damages or harm to the Group's reputation caused thereby.

The Group operates in legal and regulatory environments that expose it to potentially significant legal and regulatory actions and proceedings, including legal claims and proceedings, civil and criminal regulatory proceedings, governmental and judicial investigations and proceedings, tax proceedings and other proceedings in jurisdictions around the world. Legal and regulatory actions and proceedings are subject to many uncertainties, and their outcomes, including the timing thereof, the amount of fines or settlements or the form of any settlements arising therefrom, or changes in business practices the Group may need to introduce as a result thereof, any of which may be material and are often difficult to predict, particularly in the early stages of a particular legal or regulatory matter.

As of the date of this Base Prospectus, and in addition to as described above, the Guarantor and its subsidiaries are involved in a number of legal and regulatory actions and proceedings in various jurisdictions around the world (including, among others, Spain, Mexico and the United States), the adverse resolution of which may also adversely impact the Group. See *“Risk Factors—Legal, Regulatory, Tax and Compliance Risks— Legal Risks—The Group is party to a number of legal and regulatory actions and proceedings”*.

The Group can provide no assurance that the legal and regulatory actions and proceedings to which it is subject, or to which it may become subject in the future or otherwise affected by, will not, if resolved adversely, result in a material adverse effect on the Group's business financial position or results of operations.

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**Tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of tax residence, may have an impact on the income that an investor receives from the Warrants (if any).**

#### General

Transactions involving Warrants including the purchase, ownership, disposition and exercise of Warrants may have tax consequences for potential purchasers which may depend, amongst other things, upon the conditions applicable to the particular issue of Warrants, the status and circumstances of the potential purchaser and the applicable law and practice of taxation authorities in relevant jurisdictions.

**POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THE TAX POSITION IN RESPECT OF ANY ASPECT OF TRANSACTIONS INVOLVING WARRANTS OR THE OWNERSHIP OF WARRANTS SHOULD CONSULT THEIR OWN TAX ADVISERS**

Potential purchasers of Warrants should note that they may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase or other relevant jurisdictions, depending upon the circumstances, in addition to the issue price of each Warrant.

Each potential purchaser of Warrants should carefully consider General Condition 7 (Taxation)

The following comments are of a general nature. They do not constitute legal or tax advice; they are not exhaustive and should be treated with appropriate caution.

#### Preliminary consideration: Tax residence of the Issuer

The Issuer is incorporated as a private company with limited liability under the laws of the Netherlands. On the basis of section 2 subsection 4 Dutch Corporate Income Tax Act 1969, a company which is incorporated under Dutch law, is considered to be resident of the Netherlands for Dutch domestic tax purposes. This notwithstanding, the effective management of the company is currently carried out from Spain, since the key management and commercial decisions that are necessary to conduct the entity's business are taken from Spain. On the basis of such circumstance, the Issuer is also regarded as resident in Spain for tax purposes, as provided by Law 27/2014, of November 27, 2014 of the Corporate Income Tax (*Impuesto sobre Sociedades*).

Under this scenario in which the Issuer is resident for tax purposes both in Spain and in the Netherlands, the provisions contained in the Convention between The Netherlands and Spain for the Avoidance of Double Taxation with respect to Taxes on Income and on Net Wealth (the "**Convention**") apply. The Convention was ratified by Instrument made in Madrid on June 16, 1971 and was published on the Spanish National Gazette on October 16, 1972.

Pursuant to section 4 of the Convention (which deals with the general criteria followed by the Convention to consider a person as a resident of a Contracting State), an entity which is a resident of both Spain and the Netherlands is considered to be a resident of the State in which the place of its effective management is located (i.e., Spain).

#### Responsibility for Withholding

Payments in respect of Warrants will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Spain or any political subdivision thereof or any authority or agency therein or thereof having power to tax. However, if the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law in case B as defined in "Spanish Taxation" of Section "Taxation", the Issuer or, as the case may be, the Guarantor will (subject to certain exceptions described in General Conditions 6) pay such additional amounts as will result in the holders of Warrants receiving such amounts as they would have received in respect of such Warrants had no such withholding or deduction been required.

#### Spanish Taxation

*The following summary refers solely to certain Spanish tax consequences of the acquisition, ownership and disposition of the Warrants. The tax consequences described in this section are based on the general assumption that the Warrants are initially registered for clearance and settlement in Euroclear and Clearstream, Luxembourg. It does not purport to be a complete analysis of all tax consequences relating to the Warrants and does not purport to deal with the tax consequences applicable to all categories of investors, some of which might be subject to special rules. Prospective investors should consult their own tax advisors as to the consequences under the tax laws of the country of which they are resident for tax*

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*purposes and the tax laws of Spain of acquiring, holding and disposing of Warrants and receiving any payments under the Warrants. This summary is based upon the Spanish State law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date. Regional tax laws may alter the consequences outlined in this summary in certain circumstances. References in this section to Warrantholders include the beneficial owners of the Warrants.*

The provisions of sub-section (A) below shall apply to a Series of Warrants if Condition 7(b) is specified as being applicable in the Issue Terms in respect of such Series:

(A) The acquisition of the Warrants is exempt from Transfer and Stamp Tax (*Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*) and Value Added Tax (*Impuesto sobre el Valor Añadido*).

### 1. Spanish resident individuals

#### (a) Personal Income Tax

In the case of holders who are personal income tax (“**Personal Income Tax**”) taxpayers, the tax regime applicable to income deriving from the Warrants is regulated in Law 35/2006, of November 28 on Personal Income Tax (“**Law 35/2006**”) as amended by Law 26/2014 of November 28, 2014 and in Royal Decree 439/2007, of March 30, as amended by Royal Decree 1003/2014 of December 5, 2014 approving the Personal Income Tax regulations.

In relation to the income deriving from the Warrants, the Issuer is of the opinion that an issue of Warrants will not represent the obtaining and use of third party capital and, therefore will not be a source of income obtained from the transfer of own capital to third parties as defined in Article 25.2 of Law 35/2006 as amended by Law 26/2014 of November 28, 2014.

The price paid for the subscription of a Warrant or its acquisition in a secondary market will be treated as its acquisition value.

Income deriving from the transfer of the Warrant will qualify as a capital gain or loss. The amount will be determined as the difference between the acquisition value (including related taxes and expenses) of the relevant Warrant and the transfer price (net from any taxes and expenses related to the transfer provided that they have been paid by the transferor) of such Warrant.

If the Warrant is exercised, the income obtained, calculated as the difference between the amount received and the acquisition value of the Warrant, will be treated as a capital gain and should be included, in the savings income (*base del ahorro*), and taxable, at the rate of 19 per cent. on any income up to EUR 6,000, 21 per cent. from EUR 6,000.01 to 49,999 ; and 23 per cent. from EUR 49,999.01 to 199,999, 27 per cent from 199,999.01 to 299,999 and 28 per cent. over EUR 300,000.

If the Warrant is not exercised at maturity, the investor will obtain a capital loss calculated as the acquisition value of the Warrant.

Capital loss obtained may be offset against any capital gain obtained during the tax period included in the Saving Income Base. The excess, if any, may be offset against the other incomes included in such Base with a limit of 25 per cent. The excess, if any, may be offset in the same order within the following four years.

Any capital loss obtained from the Warrants would not be offsettable if the investor acquires homogeneous securities within the two months period after or before the transfer of the Warrant.

Income deriving from the Warrants will not be subject to any withholding or deduction for or on account of Spanish taxes.

#### (b) Wealth Tax

Individuals with tax residency in Spain are subject to Wealth Tax on tax year 2023 to the extent that their net worth exceeds €700,000. Therefore, they should take into account the value of the Warrants which they hold as at December 31, 2023.

Individuals resident in a country with which Spain has entered into a double tax treaty in relation to Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights located in Spain, or that can be exercised within the Spanish territory, exceed €700,000 would be subject to Wealth Tax at the applicable rates, ranging between 0.2 per cent. and 2.5 per cent., without prejudice of any exemption that should be applicable and the laws and regulations in force in each Autonomous Region.

As a consequence of the European Court of Justice Judgment (Case C-127/12), the Wealth Tax Law has been amended by Law 26/2014. As a result, non-Spanish tax resident individuals who are residents in the EU or in the European Economic Area or in a country that is not a member of the European Union as well as a country or territory whose citizens do not enjoy the European Union right to free movement can apply the legislation of the region in which the highest value of the

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assets and rights of the individuals are located.

### (c) *Legal entities are not subject to Wealth Tax. Inheritance and Gift Tax*

The transfer of the Warrants to individuals by inheritance, legacy or donation shall be subject to the general rules of Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones) in accordance with the applicable Spanish and State rules even if title passes outside Spain and neither the heir nor the beneficiary, as the case may be, is resident in Spain for tax purposes, without prejudice to the provisions of any DTT signed by Spain.

The effective tax rates, after applying all relevant factors, range between 0 per cent. and 81.6 per cent.

However, the Judgment from the European Court of Justice dated September 3, 2014 has declared that Spanish Inheritance and Gift Tax Law is against the principle of free movement of capital within the EU as the Spanish residents are granted tax benefits that, in practice, allow them to pay much lower taxes than non residents. According to Law 26/2014, it will be possible to apply tax benefits approved in some Spanish regions to EU residents following specific rules.

In the event that the beneficiary is an entity other than a natural person, the income obtained shall be subject to Corporate Income Tax or Non-Resident Income Tax, as the case may be, and without prejudice, in the latter event, to the provisions of any DTT that may apply.

## 2. **Spanish resident legal entities**

### (a) *Corporate Income Tax*

In the case of Warrantholders subject to corporate income tax ("**Corporate Income Tax**"), the applicable tax regime is governed by the Law 27/2014 of November 28, 2014 approving the consolidated text of the Corporate Income Tax Law and in Royal Decree 634/2015, of July 10 approving the Corporate Income Tax regulations.

The price paid for the acquisition of a Warrant will not have the condition of a tax-deductible expense and will be treated as the acquisition value of the relevant Warrant. Likewise, the price paid for a Warrant in the secondary market will be treated as its acquisition value.

If the Warrant is transferred, the accounting result deriving from such transfer, computed as the difference between the acquisition value (net of any provision) and the transfer price will be treated as income subject to Corporate Income Tax in accordance with the general rules.

If the Warrant is exercised, the income obtained, calculated as the difference between the amount received and the acquisition value of the Warrant, will be treated as taxable income and taxed at the general applicable tax rate (25 per cent.). If the exercise of a Warrant results in the delivery of shares, no taxation would result for the investor.

If the Warrant is not exercised at maturity, the investor will obtain a negative income calculated as the acquisition value of the Warrant.

Income deriving from the Warrants will not be subject to any withholding or deduction for or on account of Spanish taxes.

### (b) *Wealth Tax*

Legal entities are not subject to Wealth Tax.

### (c) *Inheritance and Gift Tax*

Legal entities with tax residence in Spain which acquire ownership or other rights over the Warrants by inheritance, gift or legacy are not subject to Inheritance and Gift Tax and must include the market value of the Warrants in their taxable income for Corporate Income Tax purposes.

## 3. **Non Spanish resident investors**

### (a) *Non-Residents Income Tax*

In case of Warrantholders subject to non residents income tax ("**Non Residents Income Tax**"), the applicable tax regime is governed by Royal Legislative Decree 5/2004, of March 5 as amended by Law 26/2014 of November 28, 2014 approving the consolidated text of the Non Residents Income Tax Law and in Royal Decree 1776/2004, of July 30 approving the Non Residents Income Tax regulations as amended by Royal Decree 1003/2014 of December 5, 2014.

(i) *Investors not operating through a permanent establishment in Spain:* The price paid for the subscription of the Warrant or its acquisition in a secondary market will be considered as its acquisition value.

Income deriving from the transfer of the Warrant will qualify as a capital gain or loss. The amount will be determined as

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the difference between the acquisition value (including related taxes and expenses) of the relevant Warrant and the transfer price (net from any taxes and expenses related to the transfer provided that they have been paid by the transferor) of such Warrant.

If the Warrant is exercised, the income obtained, calculated as the difference between the amount received and the acquisition value of the Warrant, will be treated as a capital gain. If the exercise of a Warrant results in the delivery of shares, no taxation would result for the investor.

As a general rule, any capital gain will be taxable at the general rate of 19 per cent. However, if the investor is resident in a country with which Spain has signed a double tax treaty containing an exchange of information clause, income deriving from the transfer or exercise of the Warrant carried out in any of the Spanish official secondary stock markets will be exempt from taxation in Spain subject to the relevant formalities.

Moreover, if an investor is resident in a Member State of the European Union not qualified as a tax haven for Spanish tax purposes (as defined in Royal Decree 1080/1991, of July 5) and does not obtain the income through a permanent establishment located in Spain, the capital gain obtained from the transfer or exercise of the Warrant will be exempt from taxation in Spain.

(ii) *Investors operating through a permanent establishment in Spain:* In the case of a non-resident investor operating through a permanent establishment in Spain, the income will be subject to Non Residents Income Tax in accordance with Corporate Income Tax rules.

In both cases 3(a)(i) and 3(a)(ii) above, income deriving from the Warrants will not be subject to any withholding or deduction for or on account of Spanish taxes.

### (b) *Wealth Tax*

Individuals resident in a country with which Spain has entered into a double tax treaty in relation to Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights located in Spain, or that can be exercised within the Spanish territory exceed €700,000 would be subject to Wealth Tax, the applicable rates ranging between 0.2 per cent. and 2.5 per cent. Non-Spanish resident legal entities are not subject to Wealth Tax.

### (c) *Inheritance and Gift Tax*

Individuals who do not have tax residence in Spain and who acquire ownership or other rights over the Warrants by inheritance, gift or legacy will be subject to Inheritance and Gift Tax in accordance with the applicable regional or State rules to the extent that the Warrants are located in Spain or the rights deriving from them can be exercised in Spanish territory.

Individuals who are resident in a country with which Spain has entered into a double tax treaty in relation to Inheritance and Gift Tax will generally not be subject to inheritance and gift tax.

Non resident legal entities which acquire ownership or other rights over the Warrants by inheritance, gift or legacy are not subject to Inheritance and Gift Tax but to Non Residents Income Tax.

## 4. *Payments made by the Guarantor*

The payment of any Cash Settlement Amount and/or the delivery of any Entitlement by the Guarantor under the Guarantee may be made or delivered free and clear of withholding or deduction on account of Spanish taxes either (i) if such distribution is characterised as an indemnity under Spanish law or (ii) if the Spanish Tax Authorities take the view that the Guarantor has effectively assumed the obligations of the Issuer under the Warrants (whether contractually or by any other means) since distributions by the Guarantor would then be subject to the same tax rules as described above in relation to distributions by the Issuer.

**THE ABOVEMENTIONED TAXATION CONSIDERATIONS SHALL BE APPLICABLE UNLESS, ACCORDING TO CERTAIN CRITERIA ISSUED BY THE SPANISH TAX AUTHORITIES, A PARTICULAR WARRANT CAN NOT BE CONSIDERED AS AN OPTION FOR SPANISH TAX PURPOSES BUT AS A FINANCIAL ASSET. SHOULD THIS BE THE CASE, ANY GAIN OR LOSS DERIVING FROM THE WARRANT WILL QUALIFY AS INCOME OBTAINED FROM THE USE OF THIRD PARTY CAPITAL RATHER THAN A CAPITAL GAIN OR LOSS. DUE TO THE RESTRICTIONS OF SUBSCRIPTION AND SALE OF THE WARRANTS (as defined under “Subscription and Sale—Spain”), THIS KIND OF WARRANTS COULD BE VALID ONLY FOR NON RESIDENT WARRANTHOLDERS. IN THIS CASE, THE SPANISH TAXATION APPLICABLE SHALL BE PARAGRAPH (B) BELOW AND THIS WILL BE SPECIFIED IN THE ISSUE TERMS.**

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### **(B) *Alternative Spanish Tax Treatment***

The provisions of this sub-section (B) shall apply to a Series of Warrants if Condition 7(c) is specified as being applicable in the Issue Terms in respect of such Series:

#### ***Acquisition of the Warrants***

The issue of, subscription for, transfer and acquisition of the Warrants is exempt from Transfer and Stamp Tax (*Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*) and Value Added Tax (*Impuesto sobre el Valor Añadido*).

#### ***Taxation on the income and transfer of the Warrants***

The tax treatment of the acquisition, holding and subsequent transfer of the Warrants is summarised below and is based on the tax regime applicable to the Warrants pursuant to Royal Legislative Decree 5/2004 of 5 March 2004 as amended by Law 26/2014 of November 28, 2014 approving the consolidated text of the Non-Resident Income Tax Law (*Impuesto sobre la Renta de los no Residentes*). Consideration has also been given to the rules for the implementation of such regulation (basically Royal Decree 1776/2004 of July 30, 2004 as amended by Royal Decree 1003/2014 of December 5, 2014 approving the Non-Resident Income Tax Regulations).

Consideration has also been given to Spanish legislation on the issuance of preferred securities and debt securities issued by Spanish financial and non-financial listed entities, either directly or through a subsidiary (Additional Provision one of Law 10/2014 of June 26, 2014 on investment ratios, own funds and information obligations of financial intermediaries, and Royal Decree 1065/2007 of July 27, 2007 (as amended by RD 1145/2011) approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes.

#### ***Income obtained by Warrantholders who are Non-Resident Income Tax payers in Spain in respect of the Warrants***

Income obtained by Warrantholders who are Non-Resident Income Tax payers, both on interest and in connection with the transfer, repayment or settlement of the Warrants, whether or not through a permanent establishment, shall be considered Spanish source income and therefore subject to taxation in Spain under Legislative Royal Decree 5/2004 of March 5, 2004 as amended by Law 26/2014 of November 28, 2014 approving the Consolidated Non-Resident Income Tax Law, without prejudice to the provisions contained in any applicable tax treaty for the avoidance of double taxation (“**DTT**”).

#### ***Income obtained through a permanent establishment in Spain in respect of the Warrants***

The holding of Warrants by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

Income obtained by Non Spanish resident holders acting through a permanent establishment in Spain in respect of the Warrants will be taxed under the rules provided by Chapter III of the Non-Resident Income Tax Law. These Warrantholders will be subject to taxation substantially in the same manner as Spanish Corporate Income Tax taxpayers and, therefore, it shall be computed as taxable income in accordance with the general rules set out in the Corporate Income Tax Law and will therefore be taxed at the current general tax rate of 25 per cent. The aforesaid income shall not be subject to withholding tax.

#### ***Income not obtained through a permanent establishment in Spain in respect of the Warrants***

Income obtained by Warrantholders who are not tax resident in Spain acting for these purposes without a permanent establishment within Spain is exempt from such Non-Resident Income Tax according to Additional Provision Two of Law 10/2014 of June 26, 2014.

#### ***Tax rules for payments made by the Guarantor***

Payments which may be made by the Guarantor to Warrantholders, if the Guarantee is enforced, will be subject to the same tax rules previously set out for payments made by the Issuer.

#### ***Tax Reporting Obligations of the Issuer and the Guarantor***

Royal Decree 1145/2011 modified, among others, article 44 of Royal Decree 1065/2007 of July 27, which sets out the reporting obligations applicable to preference shares and debt instruments issued under Additional Provision One of Law 10/2014 of June 26, 2014. The new procedures apply to interest deriving from preference shares and debt instruments to which Additional Provision One of Law 10/2014 of June 26, refers, including debt instruments issued at a discount for a period equal to or less than twelve months.

#### ***Warrants originally registered with the entities that manage clearing systems located outside Spain***

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According to the literal wording of Royal Decree 1145/2011, income derived from securities originally registered with the entities that manage clearing systems located outside Spain, that are recognized by Spanish law or by the law of another OECD country (such as Euroclear or Clearstream), will be paid free of Spanish withholding tax provided that the paying agent appointed by the issuer submits an statement to the issuer, in accordance with the form attached as annex to RD 1145/2011, with the following information:

- (i) identification of the securities; and
- (ii) total amount of the income corresponding to each clearing house located outside Spain.

These obligations refer to the total amount paid to investors through each foreign clearing house.

The statement mentioned above must be dated the business day immediately before the date on which the interest is payable or, in the case of securities issued at a discount, the business day immediately before the settlement date of such securities. The statements must reflect the situation at the close of business on the business day immediately before the date on which the interest is payable.

In the case of payments made in respect of the Warrants, the failure to submit the relevant statement will result in the issuer or its authorized paying agent being liable to make the corresponding payment net of the applicable Spanish withholding tax (this is currently at the rate of 19 per cent.). In such circumstances, neither the Issuer nor the Guarantor will be required to pay additional amounts in respect of such withholding tax. The Warrant Agreement in respect of the Warrants contains provisions for the Principal Warrant Agent to provide the relevant information to the Issuer in due course.

Notwithstanding the above, if on or before the 10th day of the month following the month in which the payment is made, the relevant entity submits the statement, the issuer or its authorized paying agent will refund the amount withheld in excess, as soon as it receives the statement.

Please note that this is for general information purposes only and is not intended to be nor shall it be deemed to be, or constitute legal advice.

None of the Issuer, the Guarantor, the Dealer(s), the Paying Agent, and/or the European Clearing Systems assumes any responsibility therefore.

### ***Refund by the Spanish tax authorities***

Warrantheolders who might otherwise have been entitled to a gross payment but in respect of whom the Principal Warrant Agent does not provide with the relevant Annex on or before the 10th calendar day of the month that follows the month in which the interest is payable may seek a refund of Spanish tax withheld directly from the Spanish tax authorities.

### **Dutch Taxation**

*The following describes the principal Dutch tax consequences of the acquisition, holding and disposal of the Warrants. This summary does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant to a decision to purchase, to hold, and to dispose of the Warrants. For purposes of Dutch tax law, a holder of Warrants may include an individual or entity who does not have the legal title of these Warrants, but to whom nevertheless the Warrants or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Warrants or the income thereof. Each prospective holder of Warrants should consult a professional adviser with respect to the tax consequences of the acquisition, holding, expiration and disposal of Warrants. The discussion of certain Dutch taxes set forth below is included for general information purposes only.*

*This summary is based on the Dutch tax legislation, published case law, treaties, rules, regulations and similar documentation, in force as of the date of this Base Prospectus, without prejudice to any amendments introduced at a later date and implemented with retroactive effect. Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.*

***This summary does not describe the consequences of the exchange or the conversion of the Warrants.***

### ***Tax position of the Issuer***

Under the Convention, the Issuer is considered to be resident of Spain for tax purposes and therefore the Netherlands should refrain from levying corporate income tax on profits generated by the Issuer, except if and to the extent such profits are allocable to a Dutch permanent establishment or permanent representative of the Issuer.

### ***Withholding tax***

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All payments made by the Issuer under a Warrant may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, except (i) where Warrants are issued under such terms and conditions that such Warrant are capable of being classified as equity of the Issuer for Dutch tax purposes, or (ii) in certain very specific cases as described below.

Dutch withholding tax may apply on certain (deemed) interest due and payable to an affiliated (gelieerde) entity of the Issuer if such entity (i) is considered to be resident of a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is not considered to be the recipient of the payments made by the Issuer in its jurisdiction of residence because such jurisdiction treats another (lower-tier) entity as the recipient of the interest (hybrid mismatch), or (v) is not treated as resident anywhere (also a hybrid mismatch), all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

### ***Taxes on Income and Capital Gains***

A holder of the Warrants (the “**Warrantholder**”) who derives income from a Warrant or who realises a gain from the disposal or settlement of a Warrant will not be subject to Dutch taxation on such income or gain, provided that:

- (a) the Warrantholder is neither resident nor deemed to be resident of the Netherlands for Dutch tax purposes ;
- (b) the Warrantholder does not have an enterprise or deemed enterprise (as defined in Dutch tax law) or an interest in an enterprise or deemed enterprise (as defined in Dutch tax law) that is, in whole or in part, carried on through a permanent establishment (vaste inrichting) or a permanent representative (vaste vertegenwoordiger) in the Netherlands and to which permanent establishment or permanent representative, as the case may be, the Warrants are attributable;
- (c) the Warrantholder is not entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands, other than by way of securities and to which enterprise the Warrants are attributable;
- (d) the Warrantholder does not have a substantial interest (aanmerkelijk belang) or a deemed substantial interest in the Issuer as defined in the Dutch Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*); and
- (e) if the Warrantholder is an individual, the Warrantholder does not derive benefits from the Warrants that are taxable as benefits from miscellaneous activities in the Netherlands (resultaat uit overige werkzaamheden in Nederland) as defined in the Dutch Income Tax Act 2001, which include, but are not limited to, activities in respect of the Warrants which are beyond the scope of “regular active asset management” (normaal actief vermogensbeheer).

Under Dutch tax law a Warrantholder will not be deemed a resident, domiciled or carrying on a business in the Netherlands by reason only of its holding of the Warrants or the performance by the Issuer of its obligations under the Warrants.

### ***Gift and Inheritance Taxes***

No gift or inheritance taxes will arise in the Netherlands with respect to the acquisition of the Warrants by way of gift by, or on the death of, a Warrantholder, unless:

- (a) the Warrantholder is a resident or deemed to be resident of the Netherlands for the purpose of the relevant Dutch tax law provisions; or
- (b) in the case of a gift of the Warrants by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident of the Netherlands.

For the purpose of Dutch gift and inheritance tax, an individual who has the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift or the date of his death, if he has been a resident of the Netherlands at any time during the ten years preceding the date of the gift or the date of his death.

For the purposes of Dutch gift tax, an individual who does not have the Dutch nationality will be deemed to be a resident of the Netherlands at the date of the gift, if he has been a resident of the Netherlands at any time during the twelve months preceding the date of the gift.

### ***Value Added Tax***

No Value Added Tax (Omzetbelasting) will arise in The Netherlands in respect of any payment in consideration for the issue of the Warrants or with respect to any payment by the Issuer in respect of the Warrants.



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### *Other Taxes and Duties*

No registration tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the issue of the Warrants.

### **Irish Taxation**

The following is a summary of the Irish withholding tax treatment of the Warrants. It is based on the laws and practice of the Revenue Commissioners currently in force in Ireland as at the date of this Base Prospectus and may be subject to change. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant to a decision to purchase, own or dispose of the Warrants. The summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Warrants. Prospective investors in the Warrants should consult their professional advisers on the tax implications of the purchase, holding, exercise or sale of the Warrants and the receipt of payments thereon under any laws applicable to them.

### ***Withholding Tax***

Irish withholding tax applies to certain payments including payments of:

- (a) Irish source yearly interest (yearly interest is interest that is capable of arising for a period in excess of one year);
- (b) Irish source annual payments (annual payments are payments that are capable of being made for a period in excess of one year and are pure income-profit in the hands of the recipient); and
- (c) Distributions (including interest that is treated as a distribution under Irish law) made by companies that are resident in Ireland for the purposes of Irish tax;

at the standard rate of income tax (currently 20 per cent.) in the case of (i) and (ii) above and at the rate of 25 per cent. in the case of (iii) above.

On the basis that the Issuer is not resident in Ireland for the purposes of Irish tax, nor does the Issuer operate in Ireland through a branch or agency with which the issue of the Warrants is connected, nor are the Warrants held in Ireland through a depository or otherwise located in Ireland, then to the extent that payments of interest or annual payments arise on the Warrants, such payments should not be regarded as payments having an Irish source for the purposes of Irish taxation.

Accordingly, the Issuer or any paying agent acting on behalf of the Issuer should not be obliged to deduct any amount on account of these Irish withholding taxes from payments made in connection with the Warrants.

Separately, for as long as the Warrants are quoted on a stock exchange, a purchaser of the Warrants should not be obliged to deduct any amount on account of Irish tax from a payment made by it in connection with the purchase of the Warrants.

### ***Encashment Tax***

Payments on any Warrants paid by a paying agent in Ireland or collected or realised by an agent in Ireland acting on behalf of the beneficial owner of Warrants will be subject to Irish encashment tax at a 25 per cent rate, unless it is proved, on a claim made in the required manner to the Revenue Commissioners of Ireland, that the beneficial owner of the Warrants entitled to the interest or distribution is not resident in Ireland for the purposes of Irish tax and such interest or distribution is not deemed, under the provisions of Irish tax legislation, to be income of another person that is resident in Ireland.

### **The Proposed Financial Transaction Tax ("FTT")**

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in securities (including secondary market transactions) in certain circumstances. The issuance and subscription of Warrants should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Warrants where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or

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be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of Warrants are advised to seek their own professional advice in relation to the FTT.

### Automatic Exchange of Tax Information between States

On November 17, 2015, the Spanish Government published Royal Decree 1021/2015, of November 13, (the "**Royal Decree**") in force since January 1, 2016 which establish the obligation on financial institutions to identify the tax residence of persons holding or controlling certain financial accounts and to report them to the Spanish tax authorities within the context of mutual assistance.

The Royal Decree implements into Spanish domestic legislation the rules on the information to be reported to the tax authorities in respect of financial accounts and due diligence procedures that must be applied by affected financial institutions when obtaining such information per EC Council Directive 2011/16/EU on administrative cooperation in the field of taxation (as amended by EC Council Directive 2014/107/EU) as regards mandatory automatic exchange of information in the field of taxation and the provisions of article 29 bis and additional provision twenty-two of Spanish General Taxation Law.

Based on the Royal Decree, as amended by Royal Decree 366/2021 of May 25, BBVA may be compelled to provide the Spanish tax authorities with certain information in respect of certain categories of financial accounts held or controlled by some investors in the Warrants.

### FOREIGN ACCOUNT TAX COMPLIANCE ACT

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of the Issuer (a "**Recalcitrant Holder**"). The Issuer may be classified as an FFI.

The new withholding regime is now in effect for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined) no earlier than January 1, 2017. This withholding would potentially apply to payments in respect of (i) any Warrants characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the grandfathering date, the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified after the grandfathering date and (ii) any Warrants characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Warrants are issued before the grandfathering date, and additional Warrants of the same series are issued on or after that date, the additional Warrants may not be treated as grandfathered, which may have negative consequences for the existing Warrants, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Spain have entered into an IGA based largely on the Model 1 IGA with each of the Netherlands and Spain.

If the Issuer is treated as a Reporting FI pursuant to any applicable IGA, the Issuer would not anticipate that it will be obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that the Issuer would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Warrants are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Warrants is made is

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not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

Whilst the Warrants are in global form and held within the Clearing Systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Warrants by the Issuer, any paying agent and the common depositary, given that each of the entities in the payment chain between the Issuer and with the participants in the Clearing Systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Warrants. The documentation expressly contemplates the possibility that the Warrants may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Warrants will only be printed in remote circumstances.

If an amount in respect of FATCA Withholding were to be deducted or withheld from payments made in respect of the Warrants, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Warrants, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less than expected. FATCA is particularly complex. The above description is based in part on regulations, official guidance and the IGAs between the United States and the Netherlands and Spain, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Warrants.

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#### Selling Restrictions

##### General Selling Restrictions

This Base Prospectus has been prepared on the basis that Warrants may be directed to any category of Investors unless specified otherwise in the applicable Issue Terms.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that:

- (i) unless specified otherwise in the applicable Issue Terms, no action has been or will be taken in any country or jurisdiction by the Issuer or the Dealers that would permit a public offering of Warrants, or possession or distribution of any offering material in relation thereto, in such country or jurisdiction where action for that purpose is required; and
- (ii) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Warrants or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Warrants under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Guarantor nor the Dealers shall have any responsibility therefor.

None of the Issuer, the Guarantor nor the Dealer(s) represents that Warrants may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Persons into whose hands the Base Prospectus, any Issue Terms or any Warrant comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Warrants or have in their possession or distribute such offering material, in all cases at their own expense.

##### United States of America

The Warrants have not been and will not be registered under the Securities Act and may not be offered, sold, transferred, pledged, delivered or exercised, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. person. Accordingly, the Warrants are only for offer and sale outside the United States in offshore transactions to non-U.S. persons in reliance on Regulation S under the Securities Act.

##### European Economic Area (EEA)

##### *Public Offer Selling Restriction under the Prospectus Regulation*

With regard to each Tranche of Warrants in relation to which "Prohibition of Sales to EEA Retail Investors" will be selected to be "Not applicable" in Part A of the relevant Issue Terms the following restrictions apply:

In relation to each Member State of the European Economic Area (each, a "**Relevant State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Warrants which are the subject of the offering contemplated by this Base Prospectus as completed by the Issue Terms in relation thereto to the public in that Relevant State except that it may make an offer of such Warrants to the public in that Relevant State:

- (a) if the Issue Terms in relation to the Warrants specify that an offer of those Warrants may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Warrants which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the Issue Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Issue Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

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provided that no such offer of Warrants referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- (a) the expression an “**offer of Warrants to the public**” in relation to any Warrants in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants; and
- (b) the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended or superseded).

### Prohibition of Sales to EEA Retail Investors

With regard to each Tranche of Warrants in relation to which “Prohibition of Sales to EEA Retail Investors” will be selected to be “applicable” in Part A of the relevant Issue Terms the following restrictions apply: Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Warrants to any EEA retail investor. For the purposes of this provision:

- (a) the expression “**EEA retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
  - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
  - (iv) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants.

In addition to the selling restrictions set out for each Member State of the European Economic Area please see

“*Public Offer Selling Restriction under the Prospectus Regulation*” above and “Prohibition of Sales to EEA Retail Investors” above.

#### Austria

Unless it is specified in the relevant Issue Terms that an offer of Non-Exempt Warrants will be made in Austria, the following will apply:

No prospectus has been or will be approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*) and/or published pursuant to Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) Neither this Base Prospectus nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Dealers.

No steps may be taken that would constitute a public offering of the Warrants in Austria and the offering of the Warrant may not be advertised in Austria. Each Dealer has represented and agreed, and each further dealer appointed under the programme will be required to represent and agree, that it will offer the Warrants in Austria only in compliance with the provisions of the Prospectus Regulation, the Austrian Capital Market Act 2019 (*Kapitalmarktgesetz*), as amended, and all other laws and regulations in Austria applicable to the offer and sale of the Warrants in Austria.

#### Finland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Warrants may only be offered or sold in compliance with all applicable provisions of the laws of Finland and especially in compliance with the Finnish Securities Market Act (*arvopaperimarkkinalaki* (746/2012), as amended) and any regulation or rule made thereunder, as supplemented and amended from time to time.

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### France

Neither this Base Prospectus nor any other offering material relating to the Warrants (including any *communications à caractère promotionnel*) have been submitted to the clearance procedures of the *Autorité des Marchés Financiers*.

Unless it is specified in the relevant Issue Terms that an offer of Non-Exempt Warrants will be made in France, the following will apply: each of the Dealers have represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Warrants to the public in France.

Neither this Base Prospectus, the relevant Issue Terms nor any other offering material relating to the Warrants has been or will be:

- (a) released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- (b) used in connection with any offer for subscription or sale of the Warrants to the public in France.

Such offers, sales and distributions will be made in France only to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*) as defined in article 2(e) of the Regulation (EU) 2017/1129 (the "Prospectus Regulation") pursuant to article L.411-2 1° of the French Code monétaire et financier acting for their own account, as defined in, and in accordance with, articles, L.411-2, D.411-2 to D.411-4, , D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*.

The direct or indirect resale of Warrants to the public in France may be made only as provided by, and in accordance with, articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-2 of the French *Code monétaire et financier*.

In addition, each of the Dealers and the Issuer have represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in France, this Base Prospectus, the relevant Issue Terms or any other offering material relating to the Warrants other than to investors to whom offers and sales of Warrants in France may be made as described above.

### Germany

Unless it is specified in the relevant Issue Terms that an offer of Non-Exempt Warrants will be made in Germany, the following will apply: Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree that no steps may be taken that would constitute a public offering of the Warrants in Germany and the Warrants have not been and will not be distributed, delivered, offered, sold, promoted or advertised in the Federal Republic of Germany other than in compliance with the Prospectus Regulation, German Securities Prospectus Act (*Wertpapierprospektgesetz*), as amended, or any other laws applicable in the Federal Republic of Germany governing the issue, offering and sale of securities.

### Ireland

Unless it is specified in the relevant Issue Terms that an offer of Warrants will be made in Ireland, the following will apply: Each Dealer has represented and agreed that, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the Warrants, or do anything in Ireland in respect of the Warrants, otherwise than in conformity with the provisions of:

- (a) the European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the "**MiFID II Regulations**"), including, without limitation, Regulations 5 (*Requirements for Authorisation* (and certain provisions concerning MTFs and OTFs)) thereof, any rules or codes of conduct made under the MiFID II Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) the Companies Act 2014 (as amended, the "**Companies Act**"), the Central Bank Acts 1942-2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);
- (c) the Regulation (2017/1129), the European Union (Prospectus) Regulations 2019 and any rules and guidelines issued under Section 1363 of the Companies Act by the Central Bank; and
- (d) the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act.

### Portugal

Unless it is specified in the relevant Issue Terms that an offer of Non-Exempt Warrants will be made in Portugal, the following will apply: Each Dealer has represented and agreed, and each further Dealer appointed under the Programme

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will be required to represent and agree, that:

- (a) no document, circular, advertisement or any offering material in relation to the Warrants has been or will be subject to approval by the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*, the "CMVM");
- (a) it has not, without the prior approval of the CMVM, directly or indirectly taken any action or offered, advertised, submitted to an investment gathering procedure, sold or delivered and will not, without the prior approval of the CMVM, directly or indirectly offer, advertise, submit to an investment gathering procedure, sell, re-sell, re-offer or deliver any Warrants in circumstances which could qualify as a public offer (*oferta pública*) of securities pursuant to the Prospectus Regulation or the Portuguese Securities Code (*Código dos Valores Mobiliários*, the "CVM");
- (b) it has not, directly or indirectly, distributed and will not, directly or indirectly, distribute to the public in the Republic of Portugal the Base Prospectus or any document, circular, advertisements or any offering material in relation to the Warrants, without the prior approval of the CMVM; and
- (c) it will comply with all applicable provisions of the Prospectus Regulation, the CVM and any applicable CMVM regulations and all relevant Portuguese laws and regulations, in any such case that may be applicable to it in respect of any offer or sales of Warrants by it in the Republic of Portugal.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall comply with all applicable laws and regulations in force in the Republic of Portugal and with the Prospectus Regulation regarding the placement of any Warrants in the Portuguese jurisdiction or to any entities which are resident in the Republic of Portugal, including the publication of a prospectus, when applicable, and that such placement shall only be authorised and performed to the extent that there is full compliance with such laws and regulations.

### Republic of Italy

Unless it is specified in the relevant Issue Terms that an offer of Non-Exempt Warrants will be made in the Republic of Italy, the following will apply: The offering of the Warrants has not been cleared by the *Commissione Nazionale per la Società e la Borsa* (the "CONSOB") (the Italian securities exchange commission), pursuant to Italian securities legislation. Accordingly, no Warrants may be offered, sold or delivered, directly or indirectly nor may copies of this Base Prospectus or of any other document relating to the Warrants be distributed in the Republic of Italy, except (a) to qualified investors (*investitori qualificati*) as defined in Article 2, of Regulation (EU) No. 1129 of June 14, 2017 (the "**Prospectus Regulation**") and any applicable provision of Legislative Decree No. 58 of February 24, 1998, as amended (the "**Financial Services Act**") and Italian CONSOB regulations; or (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation and the applicable Italian laws and regulations.

Any offer, sale or delivery of the Warrants or distribution of copies of this Base Prospectus (including the applicable Issue Terms) or any other document relating to the Warrants in the Republic of Italy must be in compliance with the selling restrictions under (a) or (b) above and must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**") and any other applicable laws and regulations;
- (b) comply with all Italian securities, tax, exchange control and any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable), pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time and/or any other competent authority.

*In accordance with Article 5 of the Prospectus Regulation and the applicable Italian laws, any subsequent resale of the Warrants on the secondary market in Italy shall be considered as a separate offer that must be made in compliance with the Article 5 of the Prospectus Regulation and the applicable Italian laws. Pursuant to Italian laws, failure to comply with such rules may result in the subsequent resale of such Warrants being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors. Any investor purchasing the Warrants is solely responsible for ensuring that any offer or resale of the Warrants by such investor occurs in compliance with applicable laws and regulations.*

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### Spain

The Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the Warrants must not be offered, distributed or sold to Spanish Residents who are retail clients under point (11) of Article 4(1) of MIFID II. No publicity of any kind shall be made in Spain.

As used herein, "**Spanish Resident**" means a tax resident of Spain for the purposes of the Spanish tax legislation and any tax treaty signed by Spain for the avoidance of double taxation, including (i) any corporation or other entity taxable as a corporation incorporated under Spanish law, whose registered office is located in Spain or whose effective management is performed in Spain and (ii) any individual who is physically present in Spanish territory for more than 183 days in the calendar year or whose main centre or base of activities or economic interests is in Spain.

### Sweden

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Warrants have not been offered or sold and will not be offered, sold or delivered directly or indirectly in the Kingdom of Sweden by way of a public offering, unless in compliance with the Swedish Financial Instruments Trading Act, (SFS 1991:980 om handel med finansiella instrument).

### The Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Warrants may not, directly or indirectly, be, (or announced to be) offered, sold, resold, delivered or transferred as part of their initial distribution or at any time thereafter to, or to the order of, or for the account of, any person in the Netherlands other than in accordance with the aforementioned restrictions.

### Argentina

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Warrants have not been and will not be registered with the Argentinian Securities Commission (*Comisión Nacional de Valores*) pursuant to the Ley de Mercados de Capitales of Argentina and therefore cannot be offered or sold in Argentina or to, or for the account or benefit of, persons in Argentina except in circumstances which have not resulted and will not result in a public offering.

### Chile

The Issuer and the Warrants have not been, and will not be, registered with the Chilean Commission for the Financial Market (*Comisión para el Mercado Financiero*, "**CMF**") pursuant to Law No. 18.045 (Ley de Mercado de Valores, "**Securities Market Act**"), as amended, of the Republic of Chile and, accordingly, no person shall offer or sell the Warrants in Chile or to, or for the account or benefit of, persons in Chile except in circumstances which have not resulted and will not result in a public offering and/or in the conduct of intermediation (*funciones de intermediación*) within the meaning of Chilean law.

The offer of any Warrants pursuant to this Base Prospectus begins on the date of issuance of the relevant Issue Terms. Any such offer of Warrants complies with General Rule N°. 336 of the CMF. Since the Warrants to which an offer relates have not been registered in the Foreign Securities Registry of the CMF, they are not subject to the supervision of such entity. As any offer of Warrants pursuant to this Base Prospectus does not relate to registered securities, there is no obligation on the Issuer to deliver in Chile public information regarding the Warrants. The Warrants may not be publicly offered in Chile as long as they are not registered in the corresponding Securities Registry. The above paragraph has to be reproduced in Spanish in order to comply with the General Rule N°. 336. Therefore, the following paragraph is only a translation into Spanish of this paragraph's disclaimers and does not contain any additional statement.

*Esta oferta comienza el día que se emitan los Issue Terms. Esta oferta de valores cumple con la Norma de Carácter General 336 de la CMF. Dado que esta oferta versa sobre valores no inscritos en el Registro de Valores Extranjeros que lleva dicha Comisión, tales valores no están sujetos a la fiscalización de ésta. Como esta oferta de valores se refiere a valores no inscritos, no existe la obligación por parte de su emisor de entregar en Chile información pública respecto de dichos valores. Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente.*

### Colombia

Each Dealer has represented and agreed that the Warrants have not and will not be marketed, offered, sold or distributed in Colombia or to Colombian residents except in circumstances which do not constitute a public offer of securities in Colombia within the meaning of article 6.1.1.1.1 of Decree 2555 of 2010 as amended from time to time. The offer of the Warrants is addressed to less than one hundred specifically identified investors. The material in this Base Prospectus is for the sole and exclusive use of the addressee as a determined individual/entity and cannot be understood as addressed for the use of any third party, including any of such party's shareholders, administrators or employees, or by any other third party resident in



## SUBSCRIPTION AND SALE

Colombia. The information contained in this Base Prospectus is provided for illustrative purposes only and no representation or warranty is made as to the accuracy or completeness of the information contained herein. Accordingly, the Warrants will not be publicly offered, marketed or negotiated in Colombia through promotional or advertisement activities (as defined under Colombian law) except in compliance with the requirements of the Colombian Financial and Securities Market Regulation (Decree 2555 of 2010, Law 964 of 2005 and Organic Statute of the Financial System) as amended and restated, and decrees and regulations made thereunder. Each Dealer has acknowledged that the Warrants listed in the Base Prospectus have not been registered in the National Securities and Issuer's Registry (*Registro Nacional de Valores y Emisores*) of the Colombian Financial Superintendence (*Superintendencia Financiera de Colombia*) or with any Colombian securities exchange or trading system, and therefore it is not intended for any public offer of the Warrants in Colombia.

Investors acknowledge the Colombian laws and regulations (specifically foreign exchange and tax regulations) applicable to any transaction or investment consummated in connection with this Base Prospectus and represent that they are the sole liable party for full compliance with any such laws and regulations.

The investors represent that the investment in the Warrants is a permitted investment for them under their corporate bylaws and/or particular investment regime that may be applicable.

### Hong Kong

Each Dealer has acknowledged and agreed, and each further Dealer appointed under the Programme will be required to acknowledge and agree, that the Warrants have not been authorised by the Securities and Futures Commission of Hong Kong. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Warrants (except for Warrants which are "structured products" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**Securities and Futures Ordinance**")) other than (a) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); (b) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance or (c) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Warrants, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Warrants which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### Mexico

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Warrants have not been, and will not be, registered with the National Securities Registry (*Registro Nacional de Valores*) maintained by the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores, or the "CNBV") and, therefore, the Warrants may not be offered or sold in Mexico, publicly or otherwise, except that the Warrants may be offered in Mexico to institutional and accredited investors pursuant to the private placement exception set forth in Article 8 of the Mexican Securities Market Law (*Ley del Mercado de Valores*).

### Monaco

The Warrants may not be offered or sold, directly or indirectly, to the public in Monaco other than by a Monaco Bank or a duly authorised Monegasque intermediary acting as a professional institutional investor which has such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the Fund. Consequently, this Base Prospectus may only be communicated to (i) banks, and (ii) portfolio management companies duly licensed by the "Commission de Contrôle des Activités Financières by virtue of Law n° 1.338, of September 7, 2007, and authorised under Law n° 1.144 of July 26, 1991. Such regulated intermediaries may in turn communicate this Base Prospectus to potential investors.

### Panama

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Warrants have not been and will not be registered with the Superintendence of Capital markets of the Republic of Panama, nor will the offer, sale or transactions regarding the Warrants. The exemption from registration is made under number 3 of Article 129 of Unified Text of the Decree Law 1 of July 8, 1999 (*Institutional Investors*). As a

## SUBSCRIPTION AND SALE

consequence, the tax treatment established in Articles 334 through 336 of Unified Text of the Decree Law 1 of July 8, 1999, is not applicable to them. The Warrants are not under the supervision of the Superintendence of Capital Markets.

### Peru

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Warrants have not and will not be placed, offered, sold, disposed of or distributed in Peru, except in circumstances which do not constitute a public offer of securities in Peru within the meaning of Peruvian securities laws and regulations. Accordingly, the Warrants will not be the subject of a duly diffused invitation for subscription, acquisition or purchase of the Warrants in Peru, pursuant to the Peruvian Securities Market Law, Decreto Legislativo 861, as amended and restated.

The Warrants may only be offered in Peru, under private offerings, complying with the Securities Market Law and the regulations that govern the investment policy of institutional investors such as, but not restricted to, banking and other financial entities, insurance entities, private pension fund managers, open ended and close ended collective investment schemes. The Warrants acquired by institutional investors in Peru cannot be transferred to a third party, unless such transfer is made to another institutional investor or the Warrants have been previously registered with the *Registro Público del Mercado de Valores* maintained by the *Superintendencia del Mercado de Valores*.

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been subject to review by the Securities Market Superintendence (*Superintendencia del Mercado de Valores*, "SMV") and has not been registered with the Peruvian Securities Market Public Registry, therefore it is not intended for any public offer of the Warrants in Peru. If the Warrants were to be offered under private offerings in Peru, regulations do not impose reporting obligations with SMV, to any of the Issuer or the Dealers.

### Republic of Korea

The Warrants have not been and will not be registered with the Financial Services Commission of Korea for public offering in the Republic of Korea under the Financial Investment Services and Capital Markets Act (the "FSCMA"). The Warrants may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in the Republic of Korea or to any resident of the Republic of Korea except pursuant to the applicable laws and regulations of the Republic of Korea, including the FSCMA and the Foreign Exchange Transaction Law (the "FETL") and the decrees and regulations thereunder. The Warrants may not be resold to South Korean residents unless the purchaser of the Warrants complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the FETL and its subordinate decrees and regulations) in connection with the purchase of the Warrants.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, any Warrants in the Republic of Korea or to any resident of the Republic of Korea and will not offer, sell or deliver directly or indirectly or offer or sell to any person for re-offering or resale, directly or indirectly, any Warrants in the Republic of Korea or to any resident of the Republic of Korea, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FSCMA, FETL and other relevant laws and regulations of the Republic of Korea.

### Singapore

This Base Prospectus may only be distributed in Singapore to "accredited investors" and "institutional investors" as defined in the Securities and Futures Act 2001, as amended from time to time ("SFA"). This Base Prospectus and its contents are not available to, directed to and must not be relied upon by persons in Singapore who are not "accredited investors" or "institutional investors" including but not limited to retail investors.

This Base Prospectus and any other document or material issued in connection with the offer or sale of the Warrants is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. Investors should consider carefully whether the investment is suitable for them.

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS"). Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Warrants may not be circulated or distributed, nor may Warrants be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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Where the Warrants are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Warrants pursuant to an offer made under Section 275 of the SFA except:
  - (i) to an institutional investor (as defined in Section 4A of the SFA) or to a relevant person (as defined in Section 275(2) of the SFA), or to any person where the transfer arises from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
  - (ii) where no consideration is or will be given for the transfer;
  - (iii) where the transfer is by operation of law;
  - (iv) as specified in Section 276(7) of the SFA; or
  - (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been lodged with the MAS and has not been registered with the MAS. Accordingly, each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Warrants or caused the Warrants to be made the subject of an invitation for subscription or purchase and will not offer or sell any Warrants or cause the Warrants to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Warrants, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

### Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required or deemed to agree, that it will comply with (i) any laws, regulations or guidelines applicable in Switzerland (as amended from time to time) in relation to the marketing, offer, sale, delivery or transfer of the Warrants, or the distribution of any marketing or offering material in respect of the Warrants, in or from Switzerland.

### *Restrictions for distribution of Warrants to Retail Clients:*

Warrants qualifying as structured products pursuant to Article 70 of the Swiss Federal Act on Financial Services of June 15, 2018 ("**FinSA**") may be offered to retail clients (*Privatkundinnen und -kunden*) pursuant to Article 4 para. 2 FinSA ("**Retail Clients**") in, into or from Switzerland only if a key investor document (*Basisinformationsblatt*) relating to the Warrants in the sense of Article 58 et seq. FinSA ("**FinSA-KID**") or a key information document pursuant to Regulation (EU) No 1286/2014 and Delegated Regulation (EU) No. 2017/653 ("**PRIIPs-KID**") has been prepared and provided to the relevant Retail Clients. If the Warrants may only be offered to Retail Clients in the context of asset management mandates, such obligation to provide a FinSA-KID, a PRIIPs-KID or a Swiss Simplified Prospectus would not apply.

All clients other than professional clients (*professionelle Kunden*) and institutional clients (*institutionelle Kunden*), as defined in Article 4 para. 3, 4 and 5 and Article 5 para. 1 and 2 FinSA ("**Professional or Institutional Clients**"), are Retail Clients. Professional or Institutional Clients include: (a) financial intermediaries regulated pursuant to the Swiss Federal

## SUBSCRIPTION AND SALE

Banking Act of November 8, 1934, the Swiss Federal Financial Institutions Act of June 15, 2018 ("**FinIA**") or the CISA; (b) regulated insurance undertakings pursuant to the Swiss Federal Insurance Supervision Act of December 17, 2004; (c) foreign financial intermediaries or insurance undertakings subject to a similar prudential supervision as the financial intermediaries or insurance undertakings pursuant to (a) and (b); (d) central banks; (e) public entities with professional treasury operations; (f) pension funds and occupational pension schemes with professional treasury operations; (g) undertakings with professional treasury operations; (h) large companies that exceed two of the following thresholds: (i) a balance sheet total of CHF 20 million, (ii) turnover of CHF 40 million, and/or (iii) own capital of CHF 2 million; (i) private investment structures for high-net worth individuals with professional treasury operations; and (j) Opting-out Clients.

An "**Opting-out Client**" (*vermögende Privatkundinnen und -kunden*) is a Retail Client who confirms (i) that, based on the education/professional experience or based on comparable experience in the financial sector, he/she/it has the necessary knowledge to understand the risks resulting from an investment in the Warrants and who owns, directly or indirectly, eligible financial assets of at least CHF 500,000, or (ii) that he/she/it owns, directly or indirectly, eligible financial assets of at least CHF 2 million.

### *Approval of prospectus for public offering:*

If and to the extent the Warrants will be publicly offered, directly or indirectly, in Switzerland in the meaning of the FinSA, or if the Warrants were admitted to trading to a Swiss trading venue (e.g. SIX Swiss Exchange), a prospectus pursuant to the requirements of Article 40 et seq. FinSA would be required. Such requirement may be met on the basis of (i) an automatic recognition of this Base Prospectus in Switzerland under the rules of the FinSA by way of a notification of, and a registration of the Base Prospectus with, a Swiss reviewing body (*Prüfstelle*) within the meaning of Article 52 FinSA (a "**Swiss Reviewing Body**") pursuant to the rules of the FinSA, as implemented by the relevant Swiss Reviewing Body and (ii) depositing the relevant Issue Terms with the Swiss Reviewing Body. Such a registration pursuant to (i) would be possible for a Base Prospectus that is approved by the by the Central Bank of Ireland, for offerings to retail investors, as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), i.e. for any Warrants other than Exempt Warrants.

Except where the Base Prospectus is registered with a Swiss Reviewing Body under the rules of the FinSA, neither this Programme nor any other offering or marketing material relating to the Warrants constitutes a prospectus pursuant to the FinSA, and neither this Programme nor any other offering or marketing material relating to the Warrants may be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA and FinSO for such public distribution are complied with .

Without a registration of the Base Prospectus with a Swiss Reviewing Body pursuant to the rules of the FinSA, the Warrants may only be offered, sold or advertised, directly or indirectly, in, into or from Switzerland if the Warrants (a.) are addressed solely at investors classified as Professional or Institutional Clients; (b.) are addressed at fewer than 500 Retail Clients; (c.) are addressed at investors acquiring securities to the value of at least CHF 100,000; (d.) have a minimum denomination per Warrant of CHF 100,000; or (e.) do not exceed a total value of CHF 8 million over a 12-month period.

### **Taiwan**

The Warrants may not be sold offered or issued to Taiwan resident investors or in Taiwan unless they are made available (A) outside Taiwan for purchase by such investors outside Taiwan (either directly or through licensed intermediaries) so long as no solicitation, marketing, selling and distribution or other similar activities take place in Taiwan and/or (B) in Taiwan through bank trust departments and licensed securities brokers pursuant to the Taiwan Regulations Governing Offshore Structured Products and any other applicable laws and regulations of Taiwan.

### **The Bahamas**

This Prospectus has not been registered with the Securities Commission of The Bahamas, nor have any applications been made to exempt such offer from the filing of a prospectus with the Securities Commission of The Bahamas under the Securities Industries Act, 2011. The Warrants may not be offered or sold in or from within The Bahamas unless the offer or sale is made by a person appropriately licensed or registered to conduct securities business in or from within The Bahamas. The Warrants may not be offered or sold to persons or entities deemed resident in The Bahamas pursuant to the Exchange Control Regulations, 1956 of The Bahamas unless the prior approval of the Exchange Control Department of the Central Bank of The Bahamas is obtained. No distribution of the Warrants may be made in The Bahamas unless a preliminary prospectus and a prospectus have been filed with the Securities Commission of The Bahamas (the "Securities Commission") and the Securities Commission has issued a receipt for each document, unless such offering is exempted

## SUBSCRIPTION AND SALE

pursuant to the Securities Industry Act, 2011 and the Securities Industry Regulations, 2012, in which case additional filing and reporting obligations under Bahamian law may be triggered.

### Turkey

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no information in this Base Prospectus is provided for the purpose of offering, marketing and sale by any means of any capital market instruments in the Republic of Turkey. Therefore, this Base Prospectus may not be considered as an offer made or to be made to residents of the Republic of Turkey. Accordingly, neither this Base Prospectus nor any other offering material related to the offering may be used in connection with any offering to the public within the Republic of Turkey without the prior approval of the Turkish Capital Market Board. However, according to article 15 (d) (ii) of the Decree No.32 there is no restriction on the purchase or sale of the offered warrants by residents of the Republic of Turkey, provided that: they purchase or sell such offered warrants in the financial markets outside of the Republic of Turkey on an unsolicited (reverse inquiry) basis; and such sale and purchase is made through banks, and/or licensed brokerage institutions authorised by the Banking Regulation and Supervision Agency of Turkey or licensed brokerage institutions authorised pursuant to the regulations of the Turkish Capital Market Board and the considerations of the purchase of such warrants is transferred through such licensed banks operating in the Republic of Turkey. As such, Turkish residents should use such licensed banks or licensed brokerage institutions when purchasing the Warrants and should transfer the purchase price through such licensed banks operating in the Republic of Turkey.

### United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Warrants having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Warrants other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Warrants would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Warrants in circumstances in which Section 21(1) of the FSMA does not or, in the case of the Guarantor, would not if it was not an authorised person, apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA and the Financial Services Act 2012 with respect to anything done by it in relation to any Warrants in, from or otherwise involving the United Kingdom.

## PROHIBITION OF SALE TO UK RETAIL INVESTORS

With regard to each Tranche of Warrants in relation to which "Prohibition of Sales to UK Retail Investors" will be selected to be "applicable" in Part A of the relevant Issue Terms the following restrictions apply. Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Warrants to any UK retail investor. For the purposes of this provision:

- (a) the expression "UK retail investor" means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and

## SUBSCRIPTION AND SALE

- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants.

### Uruguay

Each Dealer has represented and agreed, and each further dealer appointed under the Programme will be required to represent and agree, that the Warrants may only be placed in Uruguay relying on a private placement exemption pursuant to section 2 of Law number 18,627. The Warrants are not and will not be registered with the Financial Services Superintendence of the Central Bank of Uruguay to be publicly offered in Uruguay.

### Venezuela

No public offering of Warrants has been authorised by the National Securities Superintendence (*Superintendencia Nacional de Valores* - "SNV"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (i) it shall not offer and/or sell Warrants in Venezuela by means of a public offering, without obtaining the prior authorisation of SNV in accordance with the relevant provisions of the Securities Markets Act of 30 December 2015 (*Decreto Ley de Mercado de Valores*) and (ii) any offer has not been and will not be made available to the public, without the prior authorisation of SNV.

### Sales outside EEA and UK only

If the Issue Terms in respect of any Warrants specifies "Sales outside EEA and UK only" as Applicable, the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Warrants are not intended to be offered, distributed or sold to any investor in the European Economic Area or in the United Kingdom, and that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Warrants which are the subject of the offering contemplated by this Base Prospectus as completed by the Issue Terms in relation thereto to any investor in the European Economic Area or in the United Kingdom.

### Additional Selling Restrictions

In connection with a offering and sale of a particular Tranche of Exempt Warrants, additional selling restrictions may be imposed which will be set out in the Pricing Supplement

## IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF WARRANTS

### Restrictions on Non-exempt offers of Warrants in relevant Member States

Certain Tranches of Warrants with an issue price per Warrant of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Regulation to publish a prospectus. Any such offer is referred to as a "**Non-exempt Offer**". This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Warrants in each Member State in relation to which the Issuer has given its consent as specified in the applicable Final Terms (each specified Member State, a "**Non-exempt Offer Jurisdiction**" and together the "**Non-exempt Offer Jurisdictions**"). Any person making or intending to make a Non-exempt Offer of Warrants on the basis of this Base Prospectus must do so only with the Issuer's consent to the use of this Base Prospectus as provided under "*Consent given in accordance with Article 5 of the Prospectus Regulation*" and provided such person complies with the conditions attached to that consent.

Save as provided above, none of the Issuer, the Guarantor or any Dealer have authorised, nor do they authorise, the making of any Non-exempt Offer of Warrants in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

### Consent given in accordance with Article 5 of the Prospectus Regulation

In the context of a Non-exempt Offer of such Warrants, the Issuer and the Guarantor each accept responsibility, in each of the Non-exempt Offer Jurisdictions, for the consent of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Warrant in a Non-exempt Offer made by a Dealer or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Base Prospectus are complied with. The consent and conditions attached to it are set out under "*Consent*" and "*Conditions to Consent*" below.

None of the Issuer, the Guarantor or any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to

## SUBSCRIPTION AND SALE

any Non-exempt Offer and none of the Issuer or the Dealer has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, neither the Issuer nor the Guarantor has authorised the making of any Non-exempt Offer by any offeror and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of Warrants. Any Non-exempt Offer made without the consent of the Issuer is unauthorised and none of the Issuer, the Guarantor or, for the avoidance of doubt, any Dealer accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.**

If, in the context of a Non-exempt Offer, an Investor is offered Warrants by a person who is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of the relevant Non-exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

### Consent

In connection with each Tranche of Warrants, and subject to the conditions set out below under “*Conditions to Consent*”, the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Warrants by:

- (a) the relevant Dealer(s) or Manager(s) stated in the applicable Final Terms
- (b) any financial intermediaries specified in the applicable Final Terms; and
- (c) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Guarantor’s website ([www.bbva.com](http://www.bbva.com)) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer

The financial intermediaries referred to in paragraphs (ii) and (iii) above are together the “**Authorised Offerors**” and each an “**Authorised Offeror**”)

### Conditions to Consent

The conditions to the Issuer’s consent to the use of this Base Prospectus in the context of the relevant Non-Exempt Offer are that such consent:

- (a) is only valid during the Offer Period specified in the applicable Final Terms; and
- (b) only extends (as at the date of this Base Prospectus) to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Warrants in a Non-exempt Offer Jurisdiction, as specified in the applicable Final Terms

The consent referred to above relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

As of the date of this Base Prospectus, the only relevant Member State which may, in respect of any Tranche of Warrants, be specified in the applicable Final Terms (if any relevant Member States are so specified) as indicated in (ii) above, will be Ireland, and accordingly each Tranche of Warrants may only be offered to Investors as part of a Non-exempt Offer in Ireland, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

## ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY WARRANTS IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH WARRANTS TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE WARRANTS CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF THE ISSUER, THE GUARANTOR OR, FOR THE AVOIDANCE OF DOUBT ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

## **SUBSCRIPTION AND SALE**

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY WARRANTS IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR SHOULD BE AWARE THAT INFORMATION ON THE TERMS AND CONDITIONS OF THE NON-EXEMPT OFFER BY ANY AUTHORISED OFFEROR SHALL BE PROVIDED AT THE TIME OF THE NON-EXEMPT OFFER BY SUCH AUTHORISED OFFEROR. ANY AUTHORISED OFFEROR USING THIS BASE PROSPECTUS FOR THE WARRANTS CONCERNED FOR THE PURPOSE OF ANY OFFERING MUST STATE ON ITS WEBSITE THAT IT USES THIS BASE PROSPECTUS IN ACCORDANCE WITH THE CONSENT GIVEN AND THE CONDITIONS ATTACHED THERETO.**

### **Non-Exempt Offers: Issue Price and Offer Price**

Warrants to be offered pursuant to a Non-Exempt Offer will be issued by the Issuer at the Issue Price specified in the applicable Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Dealer at the time of the relevant Non-Exempt Offer and will depend, amongst other things, on prevailing market conditions at that time. The offer price at which the Authorised Offeror will offer such Warrants to the Investor will be the Issue Price or (where agreed with the relevant Dealer) such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Warrants to such Investor. Neither the Issuer nor the Guarantor will be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Warrants to such Investor.



## GENERAL INFORMATION

### GENERAL INFORMATION

#### 1. Authorisation

The update of the Programme and the issue of Warrants have been duly authorised by resolutions of the sole shareholder of the Issuer and of the Directors of the Issuer dated 20 June, 2023. The giving of the Guarantee has been duly authorised by a resolution of the Board of Directors of the Guarantor dated on May 31, 2023.

#### 2. Listing of Warrants

As the date of this Base Prospectus

- (i) Application has been made to Euronext Dublin for certain Warrants issued under the Programme during the period of twelve months after the date of this Base Prospectus to be admitted to the Official List and trading on its regulated market.

This Base Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Regulation. The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus.

- (ii) Application has been made to the Vienna Stock Exchange for certain Warrants issued under the Programme during the period of twelve months after the date of this Base Prospectus to be listed and admitted to trading on the Vienna MTF

#### 3. Documents Available

For twelve months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from <https://shareholdersandinvestors.bbva.com/debt-investors/programas/structured-medium-term-note/> in the case of the documents listed at (vi) and (vii) or, in the case of the documents listed at (i), (ii), (iii), (iv) and (v) below, on the indicated websites below. :

- (i) the Deed of Incorporation including the articles of association of the Issuer and the bylaws (with an English translation thereof) of the Issuer and the Guarantor (<https://shareholdersandinvestors.bbva.com/debt-investors/issuing-companies/>);
- (ii) the audited the audited financial statements of BBVA Global Markets B.V. for the financial years ended December 31, 2022 ([https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/04/BBVA-Global-Markets-Memoria-2022\\_PDF.pdf](https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/04/BBVA-Global-Markets-Memoria-2022_PDF.pdf)) and December 31, 2021 (<https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/05/BBVAGlobalMarkets2021-1.pdf>);
- (iii) the unaudited interim report of the Guarantor corresponding to the three month period ended March 31, 2023 (TBD), the audited consolidated financial statements in respect of the financial years ended on December 31, 2022 (which includes for comparison purposes financial data for the years ended on December 31, 2021 and on December 31, 2020) ([https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/02/5\\_2\\_2022\\_Consolidated\\_Annual\\_Accounts\\_and\\_Management\\_Report.pdf](https://shareholdersandinvestors.bbva.com/wp-content/uploads/2023/02/5_2_2022_Consolidated_Annual_Accounts_and_Management_Report.pdf)) and December 31, 2021, with an English translation thereof, together with the audit report prepared in connection therewith ([https://shareholdersandinvestors.bbva.com/wp-content/uploads/2022/03/BBVA-Group-Annual-Report-and-MR-Dec-2021\\_ENG.pdf](https://shareholdersandinvestors.bbva.com/wp-content/uploads/2022/03/BBVA-Group-Annual-Report-and-MR-Dec-2021_ENG.pdf));
- (iv) the most recently published audited annual financial statements of the Issuer and the Guarantor and the most recently published condensed interim consolidated financial statements (if any) of the Issuer and the Guarantor (in each case with an English translation thereof), in each case together with any audit or review reports prepared in connection therewith. The Guarantor currently prepares unaudited interim reports on a quarterly basis and audited (under auditing standards generally accepted in Spain) consolidated interim reports on a semi-annual basis (<https://shareholdersandinvestors.bbva.com/financials/>);
- (v) the Guarantee (<https://shareholdersandinvestors.bbva.com/debt-investors/issuing-companies/>);
- (vi) a copy of this Base Prospectus; and
- (vii) any future prospectuses and supplements.

This Base Prospectus, together with any supplements thereto, will be published on the website of Euronext Dublin (<https://www.euronext.com/en/markets/dublin>), and will also be available at <https://shareholdersandinvestors.bbva.com/debt-investors/issuances-programs/>. If listed, the Issue Terms will be published on the exchange where the Warrants are admitted to listing and trading.

## GENERAL INFORMATION

### 4. Clearing Systems

The Warrants may be accepted for clearance through Euroclear and Clearstream, Luxembourg (which are in charge of keeping the records). The appropriate common code and ISIN for each Tranche of Warrants allocated by Euroclear and Clearstream, Luxembourg will be specified in the Issue Terms. The Common Code, the International Warrants Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Warrants will be set out in the applicable Issue Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II B-120 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JK Kennedy, L-1855 Luxembourg.

### 5. Conditions for Determining Price

The price and amount of Warrants to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

### 6. Significant or Material Change

Save as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of the Group since December 31, 2022 and there has been no material adverse change in the prospects of the Issuer since December 31, 2022.

Save as disclosed in this Base Prospectus, there has been no significant change in the financial performance or the financial position of the Group since March 31, 2023 and there has been no significant change in the financial or trading position of the Issuer since December 31, 2022.

### 7. Litigation

There are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

As of the date hereof, the Guarantor and its subsidiaries are involved in a number of legal and regulatory actions and proceedings in various jurisdictions around the world (including, among others, Spain, Mexico and the United States). See "*Risk Factors—The Group is party to a number of legal and regulatory actions and proceedings*".

### 8. Auditors

Ernst & Young Accountants LLP, Cross Towers, Antonio Vivaldistraat 150, 1083 HP Amsterdam, the Netherlands audited the accounts of the Issuer for the financial year ended on December 31, 2022. The auditors of the Issuer are Chartered Accountants and a member of the Royal Netherlands Institute of Chartered Accountants (Koninklijke Nederlandse Beroepsorganisatie van Accountants).

Ernst & Young, S.L. (registered as auditors on the Registro Oficial de Auditores de Cuentas), Calle Raimundo Fernández Villaverde, 65, 28003, Madrid, Spain audited the Guarantor's financial statements, for the financial year ended on December 31, 2022 (which includes for comparison purposes financial data for the years ended on December 31, 2021 and 2020 which has been audited by KPMG Auditores S.L.) prepared in accordance with Bank of Spain Circular 4/2017, dated November 27, 2017, and as amended thereafter (in the following, "**Circular 4/2017**"), and with any other legislation governing financial reporting applicable to the Guarantor.

### 9. Post-issuance information

Save as set out in the Issue Terms, the Issuer does not intend to provide and post-issuance information in relation to any issues of Warrants.

### 10. Dealer transacting with the Issuer and the Guarantor

The Issuer, the Dealer and the Guarantor are part of the same group. Accordingly, these entities engage, and will engage, in investment banking and/or commercial banking transactions with, and perform other services for, the Group in the ordinary course of business.

### 11. Credit Ratings

The Guarantor has been rated A by S&P Global, A3 by Moody's and A - by Fitch Ratings Ireland Limited ("**Fitch**"). The Issuer has been rated A by S&P Global and A3 by Moody's. Each of S&P Global, Moody's and

## GENERAL INFORMATION

Fitch is established in the European Union and is registered under the CRA Regulation. As such, each of S&P Global, Moody's and Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority ("ESMA") on its website (at <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with such CRA Regulation.

The Credit Ratings stated above have the following meanings according to the relevant rating agencies:

### S&P Global

An obligor rated "A" has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.

An S&P Global negative outlook means that a rating may be lowered. (Source: [https://www.standardandpoors.com/en\\_US/web/guest/article/-/view/sourceId/504352](https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352))

### Moody's

Obligations rated "A" are considered upper-medium-grade and are subject to low credit risk. (Source: [https://www.moody.com/Pages/amr002002.aspx?stop\\_mobi=yes](https://www.moody.com/Pages/amr002002.aspx?stop_mobi=yes))

### Fitch

"A" ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. (Source: <https://www.fitchratings.com/products/rating-definitions#rating-scales>)

## 12. Important information

Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**" and, together with Euroclear, the "**European Clearing Systems**") have arranged certain procedures to facilitate the Issuer, the Guarantor and the Principal Warrant Agent (as defined on page 43 ) in the collection of the details referred to under "*Spanish Tax Rules*" from holders of the Warrants where Condition 7(c) is specified as applicable in the Issue Terms. If any European Clearing System is, in the future, unable to facilitate the collection of such information, it may decline to allow any or all Series of the Warrants to be cleared through such European Clearing System and this may affect the liquidity of such Warrants. Provisions have been made for the Warrants, in such a case, to be represented by definitive Warrants (see "*Form of Warrants*"). The procedures agreed and described in the Amended and Restated Warrant Agreement dated 6 July, 2023 (the "**Warrant Agreement**") may, in the future, be amended to comply with Spanish tax law and regulations and operational procedures of the European Clearing Systems. The Guarantor and the Issuer may from time to time, at their discretion, appoint an agent to intermediate with the European Clearing Systems in the provision of such information. Details of any such appointment will be set out in the Issue Terms.

## 13. Presentation of financial information

### Accounting principles

Under Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002, all companies governed by the law of an EU Member State and whose securities are admitted to trading on a regulated market of any Member State must prepare their consolidated financial statements for the years beginning on or after January 1, 2005 in conformity with International Financial Reporting Standards adopted by the European Union ("EU-IFRS"). The Bank of Spain issued Circular 4/2004 of December 22, 2004 on Public and Confidential Financial Reporting Rules and Formats (as amended or supplemented from time to time, "**Circular 4/2004**"), which requires Spanish credit institutions to adapt their accounting system to the principles derived from the adoption by the European Union of EU-IFRS.

BBVA's consolidated financial statements as at and for each of the years ending December 31, 2022, and December 31, 2021 (the "**Consolidated Financial Statements**"), have been prepared in accordance with EU-IFRS reflecting Circular 4/2017 and any other legislation governing financial reporting applicable to the Group and in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board ("**IFRS-IASB**").

## GENERAL INFORMATION

The financial statements of BBVA Global Markets B.V. as at and for each of the years ending December 31, 2022 and December 31, 2021 have been prepared in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code.

- "EUR", "euro" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended;
- "US dollars", "US\$" and "\$" refer to United States dollars; and
- "GBP" and "£" refer to pounds sterling.

### Financial information

The following principles should be noted in reviewing the financial information contained in this Base Prospectus:

- Unless otherwise stated, any reference to loans refers to both loans and advances.
- Interest income figures include, when used, do not include interest income on non-accruing loans to the extent that cash payments have been received in the period in which they are due.
- Financial information with respect to segments or subsidiaries may not reflect consolidation adjustments.
- Certain numerical information in this Base Prospectus may not compute due to rounding. In addition, information regarding period-to-period changes is based on numbers which have not been rounded.

## **ISSUER**

**BBVA Global Markets B.V.**  
Calle Saucedo, 28  
28050 Madrid Spain

## **GUARANTOR**

**Banco Bilbao Vizcaya Argentaria, S.A.**  
Plaza de San Nicolás, 4 48005 Bilbao  
Spain

## **ARRANGER AND DEALER**

**Banco Bilbao Vizcaya Argentaria, S.A.**  
Calle Azul, 4  
28050 Madrid Spain

## **PRINCIPAL WARRANT AGENT**

**Deutsche Bank AG, London Branch**  
Winchester House, 1 Great Winchester  
Street London EC2N 2DB  
United Kingdom

## **LUXEMBOURG WARRANT AGENT, REGISTRAR AND TRANSFER AGENT**

**Deutsche Bank Luxembourg S.A.**  
2 Boulevard Konrad Adenauer  
L-1115 Grand Duchy of Luxembourg

## **CALCULATION AGENT**

**Banco Bilbao Vizcaya Argentaria, S.A.**  
Calle Azul,  
428050 Madrid  
Spain

## **AUDITORS**

*for the financial year ended December 31, 2021*

### **KPMG Accountants N.V.**

Laan van Langerhuize 1  
1186 DS Amstelveen  
The Netherlands

## **AUDITORS**

*for the financial year ended December 31, 2022*

### **Ernst & Young Accountants LLP**

Antonio Vivaldistraat 150  
1083 HP Amsterdam  
The Netherlands