

Green Bond Fact Sheet

Banco Bilbao Vizcaya Argentaria S.A			Date: 10-May-2018
Issue date: 14-May-2018 Maturity date:14-May-2025 Tenor: 7			
Issuer Name	BBVA	Amount Issued	EUR1bn (USD1.198bn)
Country of risk	Spain	CBI Database	Included
Issuer Type ¹	Financial Corporate	Bond Type	Green Bond
Green Bond Framework	Link to Framework	Second party opinion	DNV GL
Certification Standard	Not certified	Assurance report	N/A
Certification Verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input checked="" type="checkbox"/> Energy	<input checked="" type="checkbox"/> Solar <input checked="" type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input checked="" type="checkbox"/> Geothermal <input checked="" type="checkbox"/> Hydro <input type="checkbox"/> Tidal	<input checked="" type="checkbox"/> Biofuels <input checked="" type="checkbox"/> Bioenergy <input checked="" type="checkbox"/> Waste to energy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input checked="" type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Buildings	<input checked="" type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input checked="" type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input checked="" type="checkbox"/> Passenger trains <input checked="" type="checkbox"/> Urban rail	<input checked="" type="checkbox"/> Freight rolling stock <input checked="" type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input checked="" type="checkbox"/> Infrastructure <input checked="" type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input checked="" type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input checked="" type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Waste management	<input checked="" type="checkbox"/> Recycling <input checked="" type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> Land remediation <input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> FSC Forestry <input type="checkbox"/> Energy/water efficiency <input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> FSC Cellulose & paper
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> ICT <input type="checkbox"/> Industry: process
Issue details	
Reporting	The issuer will publish an annual SDG Bond report on its website where proceed allocation and environmental impacts of financed projects will be disclosed.
Company information	BBVA is a global financial group providing financial services to more than 30 countries. It is a leading bank in the Spanish market and the biggest financial institution in Mexico.
Firsts, records and certifications	First Spanish bank to issue a green bond and first green bond issued under an SDGs Framework.
Proceeds description	<p>The bond is issued under BBVA's SDG Framework, which distinguishes between green and social eligibility criteria and allows the issuer to classify a bond as "green", "social" or "sustainability" depending on the use of proceeds.</p> <p>The EUR1bn deal will finance projects under the green eligibility categories of renewable energy (83%), energy efficiency (4%), sustainable transport (8%), water and waste management (5%). For energy efficiency, performance improvements of at least 30% apply both to retrofits/upgrades of assets and to new technologies. Buildings that have obtained a green building certification of at least LEED Silver, BREEAM Good, HQE Good, DNGB Silver España – VERDE or equivalent.</p>
Climate Bonds view	<p>BBVA's innovative SDGs Framework enables the issuer to keep a clear distinction between bonds that finance environmental project and social projects. This makes it easier for investors with a dedicated mandate to identify bonds that comply with their investment criteria.</p> <p>We note that the green building certificate thresholds are not on the high-end of the scale and hope to see this eligibility criteria tightening in the future to align with market best practice.</p>
Underwriters	BBVA, Commerz, CACIB, HSBC, SG, UC
Deal comments	
Credit Rating	A- (Fitch), Baa3 (Moody's), BBB+ (S&P)
Pricing summary	The order book size reached over EUR3bn. Excess demand allowed it to lower the price from mid-swaps plus 95 basis points (bps) to mid-swap plus 80bps. (source)
Investors summary	<p>SRI investors represented 51% of the allocation. On a geographical basis, most investors came from France, with Germany, Austria, the Nordics and the UK following.</p> <p>77% of the orders were placed by fund managers, 18% from insurance companies and pension funds and 9% by banks. (source)</p>

¹ Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign