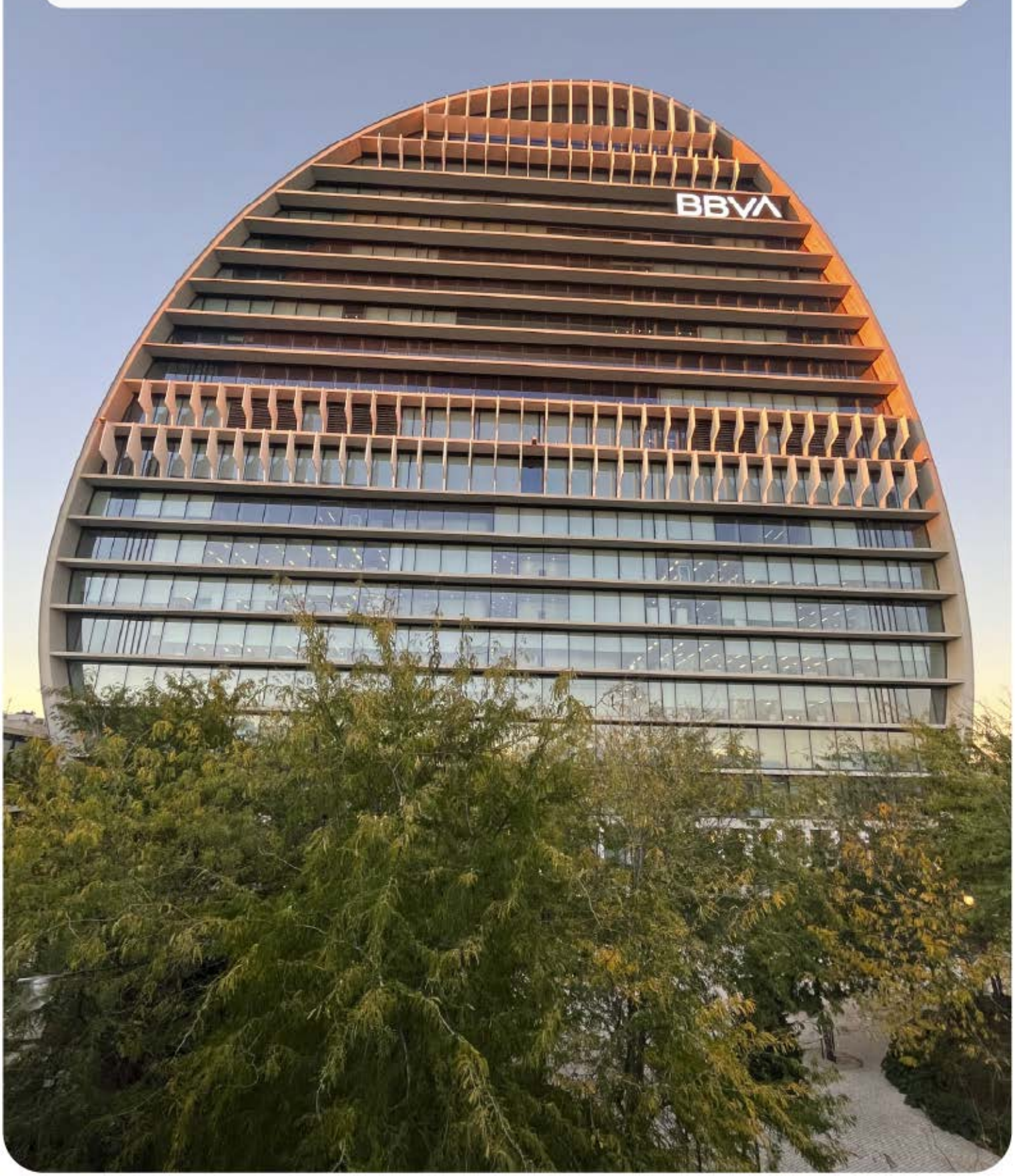
BBVA

BBVA GROUP

Annual Report 2025



Annual Report 2025

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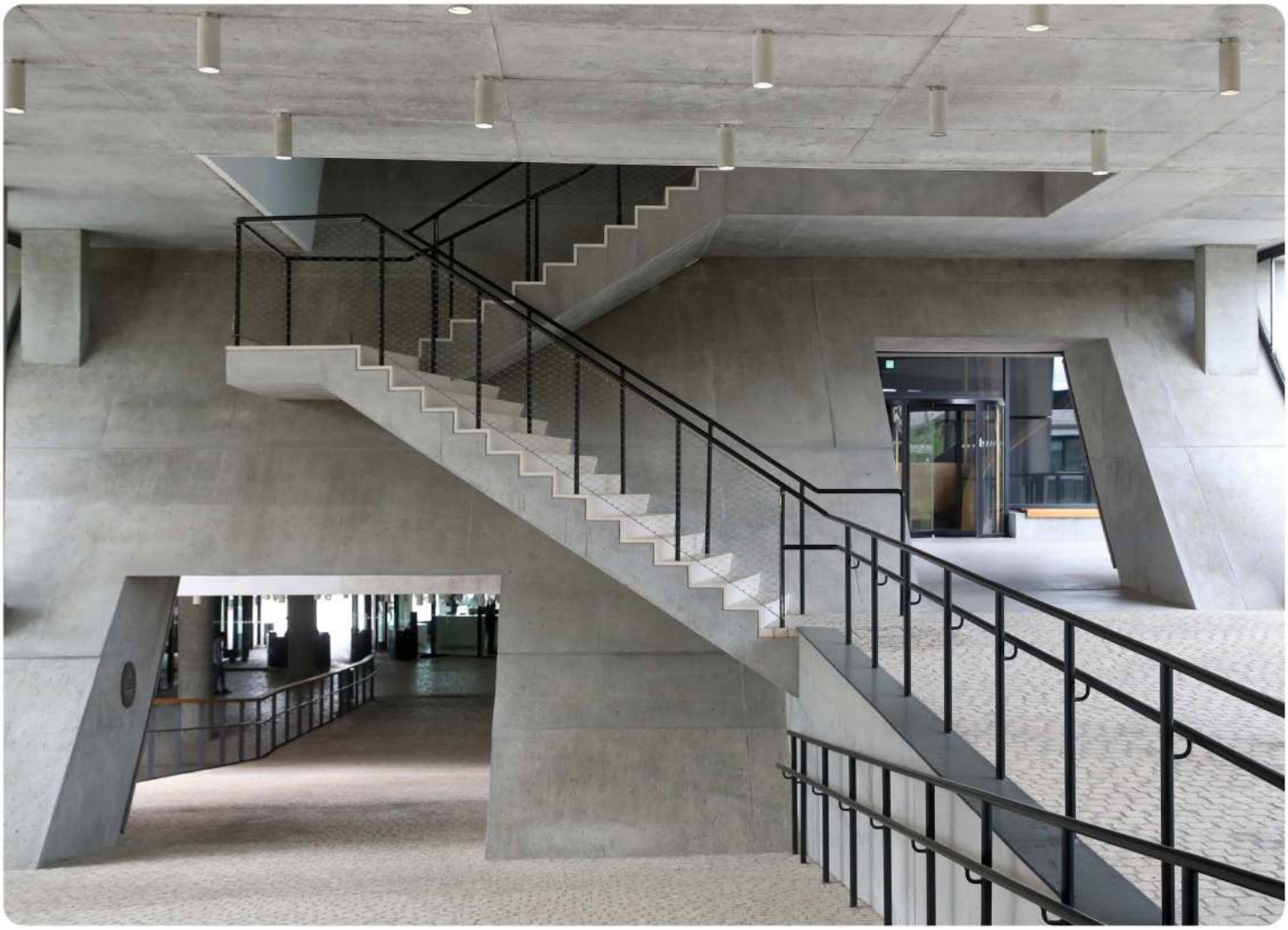
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Letter from the Chair

CARLOS TORRES VILA

Watch video

Dear shareholders,

2025 was an outstanding year for BBVA. We significantly expanded our positive impact on all our stakeholders – clients, employees, shareholders and society as a whole –, and achieved the best results in our history.

NEW CUSTOMERS

+11.5 Million

During the year, 11.5 million new customers joined the Group – a new record –, 66 percent through digital channels. This growth reflects the strength of our value proposition and the strategic vision we launched more than a decade ago to lead the digital transformation of banking.

Thanks to this expanded reach, we supported more individuals and businesses at key moments in their lives and projects. In 2025, over **160,000 families** gained access to a home; **one million SMEs and self-employed** individuals boosted their activity with new financing; and **73,000 large corporations** made investments to grow and create jobs.

Furthermore, we **channeled €134 billion into sustainable finance**, supporting our clients in their transition toward a more sustainable economy. And we mobilized **€30.2 billion for social initiatives**, such as building hospitals, schools and infrastructure that are essential for development.

Together with the BBVA Foundation and the BBVA Microfinance Foundation, **we allocated €192 million to social initiatives that benefited nearly eight million people**.

None of this would be possible without **the talent and commitment of the more than 127,000 people who make up BBVA**. We are an innovative, ambitious and fully customer-oriented team that works every day to offer increasingly relevant and personalized solutions. Our ability to anticipate trends, incorporate new technologies and execute with discipline is the foundation of our impact and our results.

Value creation for shareholders

This impact and this execution capability are also reflected in the **value created for you, our shareholders**.

NET ATTRIBUTABLE PROFIT

€10.5 Billion

In 2025, we achieved a net attributable profit of €10.51 billion – 4.5 percent more than the previous year. We continued to be at the forefront of European banking both in growth and profitability: our **loan portfolio increased by 16.2 percent in constant euros** and **return on tangible equity** (ROTE) stood at **19.3 percent**.

Tangible book value per share plus dividends rose by 12.8 percent during the year – by 15.2 percent excluding the impact of share buybacks – continuing the value creation trend of previous years.

HIGHEST CASH DIVIDEND EVER

€92 Cts. / SHARE

We will **distribute over €5.2 billion** – half of our profit – against 2025 results. At the Annual General Meeting on March 20, we will propose a cash dividend of **€0.60 per share**. Together with the **€0.32 per share paid in November**, **this would raise the total cash dividend per share to €0.92** – 31 percent more than the previous year and our highest dividend ever.

EXTRAORDINARY SHARE BUYBACK PROGRAM

c.€4.0Billion

TOTAL SHAREHOLDER RETURN

x6

SINCE 2019

This is in addition to the **€3.96 billion extraordinary share buyback program currently underway**. In total, we will return over €9.2 billion to our shareholders, a reflection of our firm commitment to attractive, sustainable returns.

In addition, we currently hold a significant excess capital above the 12 percent level that will translate into greater distribution capacity in the future.

Looking at the bigger picture, **since the start of 2019, the value of our shareholders' investment** – including dividends and share performance – **has multiplied over six-fold, a return that is clearly superior to our main European and Spanish peers.**[1]

Environment and artificial intelligence

The environment continues to be challenging, with trade tensions, international conflicts and rising fragmentation in the economic order. However, the global economy is showing greater resilience than expected. BBVA Research estimates point to 3.2 percent annual growth between 2025 and 2027, but the recent escalation of the conflict in Iran could weigh on growth momentum and lead to additional episodes of volatility.

But there is one aspect that stands out from previous cycles: **artificial intelligence. It is not just a passing trend, but a structural transformation that is redefining how we create value, work and compete**. It represents a challenge of enormous magnitude and at the same time, an extraordinary opportunity for those who know how to integrate it.

At BBVA we have decided to reinvent ourselves once again – just as we did with digitization – to lead the way once more.

2025-2029 Strategic Plan

Last year **we launched our 2025-2029 Strategic Plan**, with notable progress in our key priorities. A plan that revolves around a clear premise:

[1] Value of the investment includes share performance plus dividends. European banks: Stoxx Europe 600 Banks. Spanish banks: BKT, CABK, SAB, SAN, UNI, weighted by market capitalization. Data from 01/01/2019 through 02/27/2026.

incorporating a radical client perspective into everything we do. We want to better understand each customer, anticipate their needs and support them with increasingly relevant, personalized solutions.

With this goal in mind, the Plan reinforces our **strategic priorities**:

- Scale up all Enterprise segments
- Boost sustainability as a growth engine
- Promote value and capital creation
- Strengthen our empathy to succeed as a winning team
- Unlock the full potential of artificial intelligence

Artificial intelligence holds a central place in this new phase. We have laid out a roadmap with eight major initiatives, ranging from digital advisors for customers and bank agents to improvements in risk management, process automation and accelerated software development.

The strategic partnership with OpenAI expands our ability to scale these solutions, combining our global presence and customer knowledge with the most advanced technology. **Building on our experience with digitization, this new technological transformation consolidates our leadership and reinforces our competitive advantage**.

Financial ambition

The **Strategic Plan includes ambitious financial targets** that reflect our confidence in our ability to execute it. We aim to:

- Reach an **average ROTE of around 22 percent in the2025-2028 period**
- Achieve **efficiency levels close to 35 percent** in 2028
- Generate annual growth of **tangible book value per share plus dividends** of around **15 percent for the 2025-2028 period**

They are ambitious goals, fully aligned with a strict financial discipline and commitment to creating sustainable long-term value.

BBVA is at its best moment. We have leading franchises, a clear and unique strategy, a strong capital position and an exceptional team.

We will continue to work with ambition to lead the banking industry in the age of artificial intelligence, advance the sustainable transition and play a decisive role in the economic and social progress of all countries where we operate.

And to all of you, our shareholders, **thank you for your trust and continued support**.

Kind regards,

Carlos Torres Vila
Chair



Letter from the Chief Executive Officer

ONUR GENÇ

Dear shareholders,

RECORD NET ATTRIBUTABLE PROFIT

€10.5 Billion

2025 was a great year, with the best financial results in our history. We delivered a record net attributable profit of €10.51 billion, up 4.5 percent from the previous year. This performance consolidates our track record of sustained growth and once again demonstrates **the strength of our diversified business model**.

I would like to begin by thanking the more than **127,000 people who make up BBVA**. These results are a direct reflection of their professionalism and commitment to our customers. In a demanding and changing environment, our teams once again showed remarkable adaptability and a clear focus on execution.

UNIQUE COMBINATION OF GROWTH AND PROFITABILITY

CUSTOMER LENDING

+16.2%

ROTE

19.3%

Business activity growth was particularly strong. **Customer lending increased by 16.2 percent in constant euros, with market share gains in most of the countries where we operate**. More importantly, this growth showed strong profitability. **ROTE reached 19.3 percent, among the highest in European banking**. This combination of growth, profitability, and efficiency strengthens our competitive position compared with our main European peers.

Financially, the year was defined by **strong core revenues, which increased 14.1 percent in constant euros and drove gross income to €36.93 billion, up 16.3 percent from 2024**. Excluding currency effects, net interest income grew 13.9 percent and net fees and commissions increased 14.6 percent, with broad-based growth across all business areas. This performance was supported not only by strong activity levels but also by disciplined pricing and balance sheet management.

EFFICIENCY RATIO

38.8%

At the same time, we maintained strict cost control. Revenue growth significantly outpaced expense growth, and we improved our efficiency ratio to 38.8 percent, **placing us among the most efficient banks in Europe**. Operating income reached an all-time high of €22.60 billion, up 20.4 percent in constant euros from the previous year.

Risk indicators performed favorably and in line with our expectations. The cumulative cost of risk stood at 1.39 percent, the NPL ratio improved to 2.7 percent, and the coverage ratio rose to 85 percent. All of this occurred against a backdrop of strong credit growth, reflecting the quality of our origination and prudent risk management.

CET1 RATIO

12.70%

Our capital position remains solid. The CET1 ratio reached 12.70 percent at year-end, even after accounting for the dividend and the €3.96 billion extraordinary share buyback program we are executing. We remain committed to distributing any excess capital above the upper end of our CET1 target range (12 percent). This strong capital base allows us to continue growing strongly and deliver attractive shareholder returns.

By business area, Spain and Mexico once again demonstrated their structural strength.

Spain

In **Spain**, lending grew 8 percent year over year, with particularly strong performance in corporate and consumer segments. Net attributable profit reached its highest level ever, €4.18 billion, up 11.3 percent from 2024, driven by core revenue growth, disciplined cost control, and lower impairment charges. Risk indicators continued to improve, with a cost of risk of 0.34 percent.

Mexico

In **Mexico**, the loan portfolio grew 7.6 percent, with strong growth in retail segments. Net attributable profit reached €5.26 billion, up 5.7 percent at constant exchange rates. Also noteworthy are the strong risk indicators along with the efficiency, which remained strong at around 30 percent, a clear differentiator within the local financial system.

Turkey

Turkey delivered net attributable profit of €805 million, up 31.8 percent in current euros, driven by core revenue growth and a lower impact from hyperinflation adjustments. The performance of risk indicators points to a normalization process following an extended period of negative real interest rates.

South America

In **South America**, lending grew 13.9 percent year over year, and net attributable profit reached €726 million, with particularly strong performance in Peru and Colombia. Risk indicators evolved favorably and in line with our expectations.

Rest of Business

In the **Rest of Business** area—which primarily includes wholesale banking (CIB) in Europe (excluding Spain), the United States and Asia, as well as our digital banks in Italy and Germany—net attributable profit totaled €627 million, up 29.4 percent year over year at constant exchange rates. Growth was driven by project finance, corporate lending, and primary market issuances.

Overall, the performance of our franchises confirms the strength and diversification of our business model, as well as our execution capabilities in very different environments.

2025 marked the **first year of our new Strategic Plan**, and we are advancing at a steady pace. We added 11.5 million new customers and **grew** in particularly relevant strategic segments, such as **enterprises and sustainable business. Putting customers at the center** is the foundation of this plan. It has enabled us to become one of the most recommended banks in all our markets.

Applying artificial intelligence is vital to the evolution of our management and the development of our business. These tools are already leading to tangible improvements in productivity and operational quality and helping to strengthen our risk management standards.

Our objective is clear: apply technology where it creates measurable impact in efficiency, customer experience and risk control. This combination is what underpins a lasting competitive advantage.

As we enter 2026, we expect to sustain positive momentum, delivering growth above our peers and profitability of around 20 percent. **We start from a position of strength: leading franchises, profitability and efficiency levels that set us apart from our European peers, and a solid capital base.**

We will continue to execute our strategy with a clear focus on profitable growth, prudent risk management, and sustainable value creation for all our shareholders.

Kind regards,

Onur Genç
Chief Executive Officer

Consolidated Management Report



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The figures in this Consolidated Management Report of BBVA Group have been rounded. Therefore, it is possible that the amounts that appear in certain tables are not the exact arithmetic sum of the figures that precede them.

BBVA at a glance

1. About us

BBVA is a global financial group with a customer-centric vision, characterized by its pioneering strategy in digitalization, innovation and sustainability. With a presence in more than 25 countries, it serves over 81.2 million active customers through a team of 127,174 employees. BBVA holds a leading position in Spain, is the largest financial institution in Mexico, and has leading franchises in South America and Turkey. In Europe, BBVA has a steadily growing presence, driven by its specialized offices serving business customers and its focus on digital banks, currently operating in Italy and Germany. In addition, BBVA provides specialized services to large corporations through its offices in the United States and Asia. This strong geographic diversification, together with high levels of customer acquisition through digital channels, positions us to strengthen our leadership and address the challenges of the future.

In addition, through its activities, BBVA contributes to the progress and well-being of all its stakeholders: shareholders, customers, employees, suppliers and society as a whole. In this regard, BBVA supports families, entrepreneurs and companies in their future plans, helping them seize the opportunities provided by innovation and sustainability. Likewise, BBVA offers its customers a differentiated value proposition, underpinned by technology and data, helping them improve their financial health through personalized information to support financial decision-making.

BBVA´s GLOBAL PRESENCE
DECEMBER 2025

Countries
>25

Branches
5,642



Employees
127,174

Active Customers (in millions)
81.2

FINANCIAL HIGHLIGHTS
DECEMBER 2025

Net attributable profit 2025
€10,511 M

CET1
12.70%

Total assets	Loans and advances to customers (gross)	Deposits from customers
€859,576 M	**€472,697 M**	**€502,501 M**

DIGITAL CAPABILITIES
DECEMBER 2025

CUSTOMERS

Mobile Customers
62.6 M



DIGITAL SALES

Units	PRV [1]
78.8%	**57.3%**

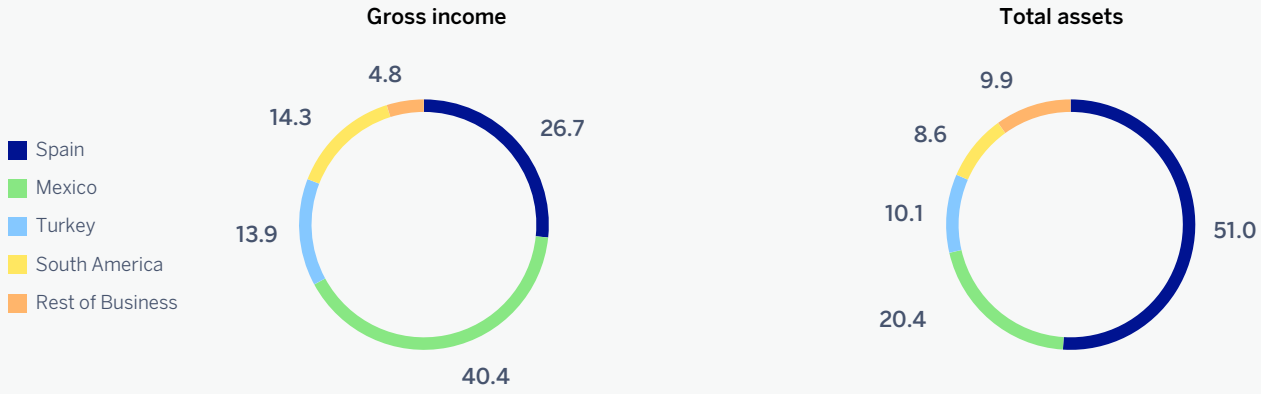
[1] Product Relative Value as a proxy of lifetime economic representation of units sold.

SUSTAINABLE BUSINESS CHANNELING
DECEMBER 2025

SUSTAINABLE BUSINESS CHANNELED
€134BN



GROSS INCOME [1] AND TOTAL ASSETS [1] BREAKDOWN (PERCENTAGE. 2025)



[1] Excludes the Corporate Center.

Leading Franchises

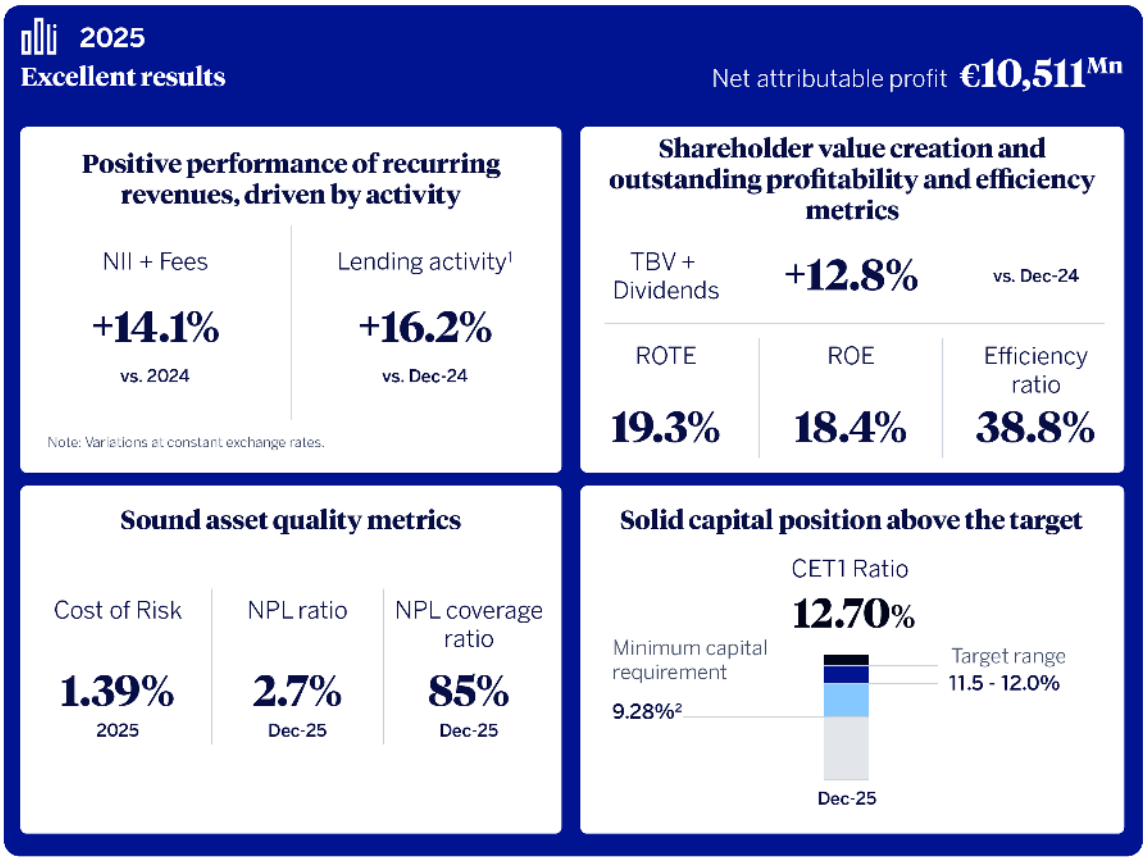
RANKING AND MARKET SHARE (%)[1]

	SPAIN	#3	14.2%
	MEXICO	#1	25.6%
	TURKEY	#2	19.3%
	COLOMBIA	#4	11.2%
	PERU	#2	22.0%
	ARGENTINA	#2	11.9%

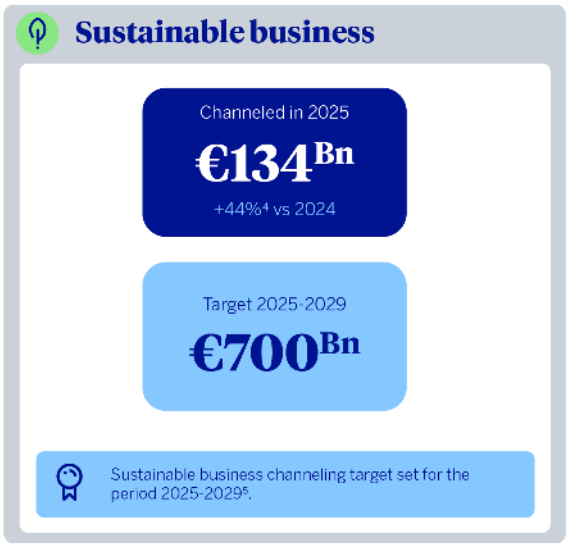
[1] Market share of loans as of November 2025 (Spain, Mexico, Colombia), and December 2025 (Turkey, Peru, and Argentina). Ranking considering main competitors in each country. Turkey only considering private banks. Source market shares: Bank of Spain (Spain), CNBV (Mexico), BRSA (Turkey), Superfinanciera (Colombia), SBS (Peru) and BCRA (Argentina).

BBVA organizes its operations into several geographical areas (mainly Spain, Mexico, Turkey, and South America) and, key indicators such as net interest income, fees, cost-to-income ratio, and asset quality are detailed for each of them. In the "Financial Information" section of this consolidated Management Report, a breakdown of BBVA Group's business areas by segments and key regions is presented.

2. Highlights







(1) Performing loans under management excluding repos.
(2) Considering the latest official updates to the countercyclical capital buffer and the buffer against systemic risks, applied on the basis of exposure as of September 30, 2025, and incorporating the increase in the percentage of the countercyclical capital buffer applicable to exposures located in Spain approved by the Bank of Spain and published on October 1, 2025, applied on said exposure basis. Furthermore, from January 1, 2026, the minimum regulatory requirement for the Group would be reduced to 8.97%, in accordance with the result of the Supervisory Review and Evaluation Process (SREP) communicated by the European Central Bank (ECB).
(3) Gross customer acquisition through channels for retail segment. Excludes the US business sold to PNC.
(4) Growth compared to the same period of the previous year, excluding the activity of BBVA Asset Management and the BBVA Microfinance Foundation.
(5) The Goal 2029 includes the channeling of financial flows, cumulatively, in relation with activities, clients or products considered to be sustainable or promoting sustainability in accordance with internal standards inspired by existing regulations, market standards such as the Green Bond Principles, the Social Bond Principles and the Sustainability Linked Bond Principles of the International Capital Markets Association, as well as the Green Loan Principles, Social Loan Principles and the Sustainability Linked Loan Principles of the Loan Market Association, and best market practices. The foregoing is understood without prejudice to the fact that said channeling, both at an initial stage or at a later time, may not be registered on the balance sheet. To determine the financial flows channeled to sustainable business, internal criteria is used based on both internal and external information, either from public sources, provided by customers or by a third party (mainly data providers and independent experts). This Sustainable Business Channeling Objective does not include BBVA Asset Management and Fundación Microfinanzas BBVA activity.

Key data and highlights by geographic are in 2025

SPAIN

- Increase in lending, with more dynamic growth of wholesale portfolio
- Sustained growth in recurring revenues (net interest income plus net fees and commissions) throughout the year
- Good performance of the risk indicators
- Double-digit year-on-year growth in the area's net attributable profit

MEXICO

- Dynamism of retail lending
- Sustained growth in recurring revenues quarter after quarter
- Good performance of the insurance business
- Quarterly net attributable profit remains at high levels and above the previous quarter

TURKEY

- Growth in customer funds under management exceeds growth in lending activity for the year
- Improvement in net interest income thanks to dynamism of the business and greater contribution from the Turkish lira customer spread
- Lower negative hyperinflation adjustment
- Favorable evolution of the net attributable profit in the year

SOUTH AMERICA

- Balanced growth in lending activity and customer funds
- Cumulative hyperinflation adjustment in Argentina at the end of 2025 was significantly lower than in 2024
- Peru and Colombia continue showing good performance in terms of asset quality
- Year-on-year increase in the net attributable profit of this business area

REST OF BUSINESS

- Dynamism of lending activity and high fund gathering in all geographical areas in 2025
- Favorable performance of recurring revenues
- Positive evolution of risk indicators
- Excellent growth in cumulative net attributable profit in 2025

Detailed information on the business areas is disclosed in section “2. Business Areas” of “Financial information”.

3. BBVA Group strategy



A rapidly evolving world

BBVA is embarking on a new strategic cycle from a strong position, prepared to anticipate challenges and seize the opportunities of a constantly evolving world.

The world is not only undergoing a phase of rapid change, but also a reconfiguration of the order that has prevailed for many decades. The **global economy** is moving forward with moderate yet resilient growth, supported by investment, technological innovation and consumption, within a context of structural change marked by **geopolitical uncertainty, trade tensions and demographic challenges**.

Geopolitical tensions—particularly U.S. protectionist policies—and the potential escalation or even the threat of new conflicts are shaping a **more fragmented global economic order**, in which each region seeks to strengthen its autonomy and leadership. In this context, **reshoring and nearshoring** processes—the relocation of certain links in the production chain to home countries or to nearby regional markets—are consolidating as a **key lever for growth**. The reconfiguration of supply chains is opening up new opportunities for emerging economies and for companies that are able to anticipate these changes.

In this context of global change and transformation, **artificial intelligence (AI) and sustainability are consolidating as two of the forces shaping the world**, redefining the foundations of competitiveness and growth.

- Innovation is reaffirmed as the main driver of competitiveness, with **artificial intelligence** shaping a new era of technological disruption. To unlock its full potential, data availability and the **use of next-generation cloud technologies** are essential.
- **Sustainability** is positioning itself as a major opportunity, driven by investments in efficient energy solutions to meet the growing demand stemming from artificial intelligence, mobility, industrial electrification and green infrastructure.



These trends are impacting the **financial sector**, which is undergoing a profound transformation. The rise of new competitors—such as neobanks and large digital platforms—and the power of technology as an accelerator of innovation are redefining the rules of the game. The ability to execute and implement quickly and efficiently consolidates into a critical success factor.

Strategic Plan 2025–2029:

A new plan to lead the banking of the future

In this constantly evolving world, BBVA is ready and able to lead the banking of the future.

The 2025–2029 Strategic Plan is presented as the guiding light for the Group in the coming years. This plan anticipates major trends, driving sustainability as a growth engine and making a firm commitment to innovation.

For BBVA, people are the true driving force behind change. Therefore, **the new Plan reinforces its commitment to customers and society**, who inspire and guide all the Group's decisions and strategy.

The Plan is structured around the **Purpose, Values, and Strategic Priorities**, which will inform the main lines of action for the next five years.

Purpose

BBVA's strategy revolves around a single Purpose: **"Support your drive to go further"**. A renewed Purpose in which the **customer is the clear protagonist**. BBVA wants to be the bank that not only supports individuals and businesses during key moments, but also empowers them to achieve their goals and make their projects a reality.

"Support your drive to go further"

Its meaning is expressed thought three key ideas:

Support

Support: This is BBVA's vocation. Always being by its customers' side, especially when they need it most. It involves listening, understanding, and adapting to their needs, identifying with them, sharing their concerns, projects, and dreams, with empathy and constant support, to be a true ally on their journey who genuinely understands what they need.

your drive

Your drive: Represents the dreams, hopes, and ambitions of customers. BBVA recognizes that behind every project, every goal, and every step forward, there is something deeper: willpower. It is the inner strength that drives individuals and companies to improve, pursue their objectives, and believe in a better future. It's the determination to keep moving forward and the motivation fueling them every day.

to go further

To go further: embodies the spirit of progress and innovation. BBVA knows the path and projects its customers toward the future. It is an attitude that is part of BBVA's DNA, always seeking to anticipate, see today what will come tomorrow, and look to the future with optimism, sharing the ambitions of customers and helping them turn their dreams into reality.

This Purpose represents the future of BBVA to be built in this 2025–2029 strategic cycle. It inspires the way we work and the culture of the Group, and it aligns the entire organization to build trustful relationships and generate a positive impact on customers and society.

Values

The Group is grounded in strong **Values**, which form the foundation of its culture and serve as a guide for decision-making and the expected behavior across the entire organization. These Values have been instrumental to the success of BBVA's strategy and will continue to be a key management lever in the new strategic cycle. The Values remain fully in force in this new stage as a hallmark of the BBVA team; however, behaviors take on renewed meaning in this context, including the nuances of radically incorporating the client's perspective

Customer comes first

BBVA puts its customers at the heart of its business, prioritizing them above all else and treating their needs as its own.

+ We make our customers' needs our own.
+ We are empathetic.
+ We have integrity.

We think big

It's not just about innovating, but about having a significant impact on people's lives. BBVA wants to exceed your expectations, not just meet them.

+ We are ambitious.
+ We are innovators.
+ We exceed customers' expectations.

We are one team

People are the most important asset of the BBVA Group. Trusting others as you trust yourself, and working together with a common purpose.

+ I am committed.
+ I trust others.
+ I am BBVA.

Strategic priorities

BBVA has established **six new Strategic Priorities** to advance its strategy. These Priorities form the framework for implementing the 2025–2029 Strategic Plan.



STRATEGIC PRIORITIES

Embed a **Radical Client Perspective** in All We Do

BBVA wants to be much more than a bank: it aspires to be a companion on its customers' journey and to help them achieve their dreams. To be there when they need it, when they dream, when they dare, when they reinvent themselves. All of this with the trust of someone who understands, anticipates, and acts alongside them.

Embedding the customer perspective in a radical way (Radical Client Perspective – RCP) is at the heart of BBVA's strategy and the driving force behind this new way of banking.

BBVA starts from a firm conviction: **everything begins with listening and deeply understanding the customer**. Every interaction with the bank must be useful, simple, and memorable. It is not just about offering products and services, but about creating experiences that inspire trust, drive progress, and reflect a genuine commitment to their well-being and financial health.

All of this is guided by **three clear pillars**:

- **Delight with a differentiated value proposition**, anticipating their needs and offering hyper-personalized, simple, and relevant solutions, exactly when they need them.
- **Achieve excellence in every experience**, ensuring that every interaction with the bank—through any channel and at any time—is flawless, eliminating friction, resolving issues with agility and empathy, and exceeding expectations.
- **Promote a new way of relating**, based on genuinely hyper-personalized advice, supported by artificial intelligence and the responsible use of data.

Net Promoter Score[1]	Position[2]
Spain	#1
Mexico	#1
Turkey	#2
Peru	#1
Colombia	#2
Argentina	#3

11.5
New customers[3]
(in millions)

(1) Net Promoter Score as a measure of customer satisfaction for individual customers. Measured among large banks in their respective countries.
(2) Position as of December 31, 2025.
(3) Gross customer acquisition through own channels for retail segment.

STRATEGIC PRIORITIES

Boost **Sustainability** as a Growth Engine

BBVA strengthens sustainability as a driver of differential growth, with the ambition of continuing to lead a transformation that represents a major opportunity and requires significant investments in key industries, productive sectors, and value chains. To succeed, the Group supports its customers with specialized advice and provides the necessary financing to meet the demand for more efficient and environmentally responsible energy solutions, while maintaining its commitment to the social sphere. In this way, BBVA consolidates sustainability as an essential pillar of competitiveness and long-term development.

BBVA has been a pioneer in developing key capabilities in sustainability, positioning the Group to seize this major opportunity in the coming years. The Group will do so through three key levers:

- **Differentiated advice** tailored to each segment: corporates, enterprises, and retail customers.
- **Development and financing of innovative solutions**, such as clean technologies and green infrastructure (cleantech); solutions for homes and mobility; promotion of natural capital; and social initiatives, especially in emerging markets.
- Integration of sustainability into **risk management**, both to mitigate risks and to support business opportunities.

For this new strategic cycle, a target of €700[1] billion in sustainable channeling has been set for 2025–2029, of which €134 billion was channeled in 2025. This new, more ambitious target follows the channeling of a total of €304 billion in sustainable business between 2018 and 2024.

SUSTAINABLE BUSINESS CHANNELING (€ BN)





[1] The 2029 goal includes the cumulative channeling of financial flows related to activities, customers or products considered sustainable or that promote sustainability in accordance with internal standards inspired by existing regulations, as well as market standards such as the Green Bond Principles, Social Bond Principles and Sustainability-Linked Bond Principles of the International Capital Markets Association, the Green Loan Principles, Social Loan Principles and Sustainability-Linked Loan Principles of the Loan Market Association, and market best practices. This is understood without prejudice to the fact that such channeling, both at the time of origination and at a later stage, may not be recorded on the balance sheet. To determine the amounts of sustainable business channeled, internal criteria are applied based on both internal and external information, whether public, provided by customers or by third parties (primarily data providers and independent experts). This Sustainable Business Channeling target does not include the activity of BBVA Asset Management or the BBVA Microfinance Foundation.

STRATEGIC PRIORITIES

Scale up **All Enterprise Segments**

BBVA reinforces its commitment to businesses in order to **establish itself as the strategic partner of choice for SMEs, enterprises, large corporations, and institutions,** supporting them and helping them grow while advancing toward a more competitive, sustainable, and connected model. **All of this is achieved by offering global, innovative, and tailored solutions.**

Thanks to its global vision, strong international presence —which facilitates cross-border operations— and sectoral expertise, **BBVA possesses distinctive competitive advantages** that allow it to anticipate market trends and provide solutions adapted to the needs of each industry.

With the aim of strengthening its value proposition, the Bank is **redesigning the customer experience and relationship model from a radically client perspective.** This new approach combines the proximity and expert advice of its relationship managers with the most advanced technological capabilities to deliver a more agile, personalized, and relevant service.

The new model integrates financial solutions into business ecosystems, streamlines access to credit, and simplifies daily management with more straightforward and digital processes. In this regard, BBVA also equips its managers with artificial intelligence tools, enabling them to provide more strategic, efficient, and proactive support.

Cross-border gross income [1] 2025
(%, year-on-year variation [2])

+20%

(1) Cross-Border business is defined as the revenues generated outside the clients' home country by groups with presence in at least two geographical areas within BBVA's footprint. Includes Commercial banking (excluding SMEs) plus CIB (excludes the application of hyperinflation accounting and the Group's wholesale business in Venezuela).

(2) Increase in constant terms.

STRATEGIC PRIORITIES

Promote a **Value and Capital Creation Mindset**

The creation of value and capital is at the center of all BBVA's decisions. The Group promotes a mindset in which the focus is not only on growing, but on doing so while **generating value**, achieving returns above the cost of capital. Generating value makes it possible to sustainably **remunerate shareholders and reinvest in long-term growth opportunities.** This means that, when making decisions, the Bank is guided not by a short-term approach, but by **sustainable value creation.**

To this end, the Bank has established a management model that aligns decisions, metrics, and incentives with this objective. BBVA also integrates artificial intelligence and advanced analytical capabilities into its risk function to make more agile and precise decisions, improve risk-adjusted profitability, and ensure that each transaction generates value above the cost of capital.

The Bank also maintains a **clear focus on businesses with low capital consumption and high-value generation, such as asset management, private banking**, **insurance**, and **payments**, which contribute to more efficient and sustainable growth over time.

Finally, BBVA works to **optimize the balance sheet structure** through the efficient distribution of risks and asset rotation, using risk-sharing schemes (securitizations, partial portfolio sales, etc.). This approach allows the Bank to offer a more comprehensive value proposition to customers while freeing up capital that can be allocated to financing transformative projects and strengthening future growth.

RoTE 2025
(%)

19.3%

Tangible book value per share + dividends
(€/share)

10.42 **+12.8%** *Dec.25 vs Dec.24*

(1) Considers the gross amounts per share paid in April 2025 and November 2025, which amounted to 0.41 and 0.32 euros respectively and includes the shares repurchased from 22 December 2025 to 31 December 2025 corresponding to the first tranche of the second buyback program executed to date, as well as the estimate, considering market prices, of the number of shares pending execution of the same program.

STRATEGIC PRIORITIES

Unlock the Potential of Artificial Intelligence and Innovation through **Data Availability and Next Gen Tech**

BBVA is focused on **innovation** in a context of unprecedented **technological disruption**, in which **Artificial Intelligence (AI) and data** are already transforming the value chain—from customer engagement (with hyper-personalized experiences and real-time responses) to processes (by driving automation) and ways of working.

BBVA has been working for years in the fields of data and artificial intelligence, placing the Group in a privileged position to fully leverage this new wave of transformation and the opportunities it brings. The Bank has top-tier expert teams that work in an integrated manner with the business areas, as well as with leading specialists and strategic partners worldwide, as evidenced by the recent agreement with OpenAI. The objective of this transformation is twofold:

- **A new value proposition for customers**, far more personalized and context-aware with much greater simplicity and quality in processes.
- **A new way of running the Bank to enhance value creation and productivity through process improvement and simplification.**

This ambition is brought to life through eight strategic initiatives, "The 8", the roadmap that articulates the Group's AI strategy:

- Initiative 1: **Blue**, the **digital assistant**, is evolving toward a hyper-personalized model, delivering conversational and multimodal support with 24/7 availability, as well as advisory capabilities and transaction execution.
- Initiative 2: AI solutions focused on **supporting the sales force**, with the aim of enhancing the customer relationship model and increasing banker proactivity ("AI Banker" or "Augmented banker"). Relationship managers will benefit from being able to spend more time with customers and, therefore, from being able to build a value proposition that is better tailored to their needs.
- Initiative 3: AI solutions applied to **the risk area**, focused on helping analysts become more productive and accurate in the performance of their role.
- Initiative 4: driving the **automation and redesign of BBVA's internal processes** through AI to improve speed and quality, with a particular focus on banking operations, where agility and reliability are essential.
- Initiative 5: **automation of the different phases of software development**, enabling faster development cycles within a secure and resilient environment.
- Initiative 6: the **creation of an "alter ego"**, a second "digital self" for each employee, with the mission of helping them perform their work more creatively and efficiently, increasing their impact and creativity.

STRATEGIC PRIORITIES

These six initiatives are underpinned by two cross-cutting ones:

- **Real-time availability of high-quality** structured and unstructured **data** for people and AI models/agents.
- The development of an **agent-based architecture** and the **technical capabilities** required to ensure secure, impactful interaction among the different AI solutions.

In addition, the Group is evolving its **technology platform** to support its value proposition with an increasingly **modern, efficient, resilient, scalable and global** infrastructure. In line with this objective, BBVA is accelerating the transformation of its core banking systems by leveraging next-generation technologies.

The objective is clear: **to lead the offering of innovative, personalized and relevant solutions for its customers**.

Strategic alliance BBVA and OpenAI

To build a radically customer-centric proposition and to drive a more productive and efficient operating model



Strengthen our **Empathy,** Succeed as a **Winning Team**

BBVA's team is the engine that turns strategy into reality and amplifies the impact of all the Group's other Strategic Priorities. **Strengthening empathy and succeeding as a winning team are key to moving forward into the future**. **BBVA fosters an organization in which the customer is the true protagonist** and where active listening and empathy, collaboration, and a commitment to service generate a positive impact on the customer experience and on society as a whole.

The Bank's culture is at the heart of the business. It inspires people to **act with integrity, ambition, and responsibility,** and to strive for **excellence** in everything they do. Every person at BBVA is part of the transformation: through their talent and commitment, they help build a more human, coherent, and purpose-driven environment aligned with the Group's Purpose. Because the customer is not at the end of the process, but rather at the heart of every decision and every action taken along the entire value chain.

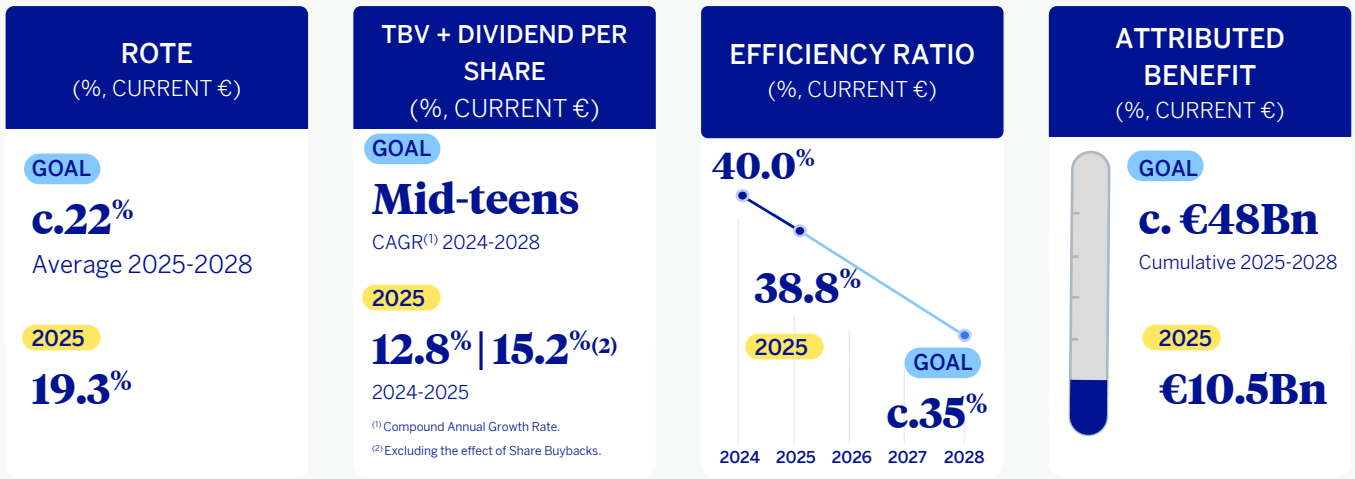
This strategic priority **reinforces BBVA's commitment to talent, training, diversity, and a sense of belonging.** The Group works to attract, develop, and motivate top professionals, offering a distinctive value proposition and consolidating BBVA as a true love brand for employees and customers.

With an empathetic, committed and winning team, the Bank will be able to continue leading the transformation and, **together, building the bank of the future.**

BBVA Group financial goals 2025-2028

BBVA presented its financial goals for the 2025–2028 period, both at the Group level and for the different business areas. All of them have the necessary levers to grow in a sustainable and ambitious manner, generate capital and maintain rigorous cost and risk control, enabling an improvement in profitability across each business unit. The Group aims to achieve these targets through the execution of its strategic priorities, which will significantly drive **growth and value creation**.

EVOLUTION OF BBVA'S GROUP FINANCIAL GOALS 2025-2028



Specifically, **BBVA expects to have approximately €49 billion of CET1 over the 2025–2028 period**. Of this capital, BBVA will first allocate around 30% to growth investments —approximately €13 billion— while **the remaining 70% will be available for distribution to shareholders— around €36 billion**[2]. Of this amount, assuming a maximum payout of 50% of profit in line with BBVA's shareholder distribution policy, €24 billion would correspond to ordinary distributions, while the remaining €12 billion would represent excess capital above the 12% CET1 level, available for distribution. In both cases, shareholder remuneration may be delivered through cash dividends or share buybacks.

[2] Subject to approval by the governing bodies and the corresponding regulatory authorization.

SIGNIFICANT INCREASE OF **SHAREHOLDER DISTRIBUTIONS**

TOTAL REGULAR *PAY-OUT* 2025

50%[1]

of Net Attributable Profit

€5.2Bn[2]

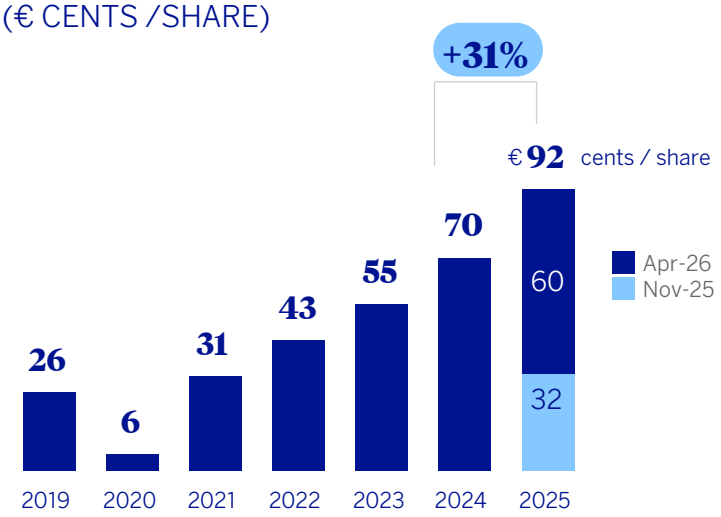
Fully paid in cash

(=)

€92

cents €/ share[3]

CASH DIVIDEND[4]
(€ CENTS /SHARE)



Highest dividend ever

EXTRAORDINARY SHARE BUYBACK PROGRAM[5]

c.€4.0 Bn

Currently executing the first tranche of Share Buyback Program amounting €1.5bn.

(1) Pay-out percentage calculated taking into account the following: 2025 Reported results (€10,511 M.) Shares acquired during the ongoing SBB execution are not considered.

(2) Maximum amount considering 5,678 million BBVA shares with right to dividend (5,709 million of shares representing BBVA share capital minus 31 million shares that have been repurchased until January 30, 2025 as part of the share buyback currently underway).

(3) 2025 dividend includes €32 cents (gross) paid in Nov-25 and €60 cents (gross) to be paid in Apr-26, pending approval from the governing bodies.

(4) Gross figures.

(5) Subject to approval from the governing bodies, the remaining €2.5bn of the total €4.0bn, in addition to the €1.5bn currently being executed.

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1.1 Introduction

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1.1.1 General basis for the preparation of the Consolidated Non-Financial Information Statement

Legal framework

Banco Bilbao Vizcaya Argentaria, S.A. is the parent company of a group of subsidiaries, joint ventures, and associates engaged in various activities and which, together with the parent company, constitute the BBVA Group (hereinafter, BBVA, Group, or BBVA Group).

In accordance with the provisions of the Commercial Code and the Corporate Enterprises Act, the BBVA Group has prepared this Consolidated Non-Financial Information Statement (hereinafter, the NFIS), which includes, among other matters, the information necessary to understand the evolution, results, and position of the Group, as well as the impact of its activity with regard to environmental and social issues, respect for human rights, and the fight against corruption and bribery, in addition to matters relating to own workforce.

The BBVA Group's NFIS has been prepared in accordance with the regulatory framework in force in Spain as of December 31, 2025, specifically; Law 11/2018 on non-financial information, Law 7/2021 on climate change and its implementing regulations, as well as the regulation relating to the European Taxonomy (Regulation (EU) 2020/852 and Commission Delegated Regulations 2021/2139 and 2021/2178 as amended by Commission Delegated Regulations (EU) 2022/1214, 2023/2485, 2023/2486 and 2026/73).

It is also worth noting that in 2024 came into force a new regulatory framework for the publication of corporate sustainability information, Directive 2013/34/EU, as amended by Directive (EU) 2022/2464 (hereinafter, CSRD as subsequently amended by Directive (EU) 2025/794 "Stop-the-clock") and Delegated Regulation (EU) 2023/2772 (amended in November 2025 by Commission Delegated Regulation 2025/1416 – the "Quick-fix"), which specifically develops the common standards for presenting sustainability information (hereinafter, ESRS). The CSRD Directive had not been transposed into Spanish law as of December 31, 2025. Current regulations on sustainability and corporate reporting are being reviewed within the framework of the European Union's Omnibus Package, an initiative aimed at simplifying regulatory requirements and reducing the administrative burden for companies.

Given the lack of transposition of the CSRD into Spanish law, the National Securities Market Commission (Comisión Nacional del Mercado de Valores, CNMV) and the Institute of Accounting and Auditing (Instituto de Contabilidad y Auditoría de Cuentas, ICAC) issued a joint statement on November 19, 2025 recommending that large Spanish public interest institutions required to report sustainability information by 2025 publish, to the extent possible, their Non-Financial Information Statements (NFIS) in accordance with European sustainability reporting standards and under the new "Quick-fix" transitional framework. Additionally, the reports must also comply with Law 11/2018.

In light of the above, BBVA publishes non-financial information considering the regulatory framework in force in Spain as of December 31, 2025, taking as a reference the new ESRS regulatory framework and making use of the new "Quick-fix" transitional framework for certain transitional requirements.

In the "Appendices to the Consolidated Non-Financial Information Statement" section of this report, tables pertaining to the requirements of Law 11/2018, Law 7/2021, and the information contained in the ESRS are included, with references to each of the sections of this NFIS where the information is located.

Where applicable, the metrics are accompanied by their methodologies, significant assumptions and associated limitations (in table footnotes or explanatory notes) in the corresponding breakdowns, in accordance with ESRS requirements. In addition, it is indicated whether the metric has been subject to additional verifications beyond those performed by the verifier of this NFIS.

The information contained in the NFIS has been subject to a limited review by Ernst & Young Auditores, S. L., in its capacity as an independent verification services provider, with the scope indicated in its Verification Report which is included in the Appendix of this Management Report.

Unless otherwise indicated, references in this NFIS to other documents, including, but not limited to, other reports and websites, including that of BBVA, are for informational purposes only. The contents of such other documents or websites are not incorporated by reference into this NFIS, nor should they be considered part of it for any purpose.

Scope of consolidation

The scope of consolidation used for the purposes of this NFIS is the same as that used as a basis for preparing the Consolidated Financial Statements[3]. However, in those cases in which the scope of the information disclosed in the NFIS differs from the previous scope, it is specifically detailed. Certain companies that are consolidated in the Group individually comply either with the criteria established by Law 11/2018 or by European and local regulations and are included within their scope of application. However, these companies may be exempt from preparing and submitting individual reports of this nature as they are included in this NFIS.

Other relevant aspects

In preparing this report, certain confidential or potentially sensitive information—whose non-disclosure is permitted by the ESRS in certain cases—has not been included[4]. The BBVA Group has not withheld any disclosure regarding imminent events or matters under negotiation.

BBVA takes into account the transition periods set out in Commission Delegated Regulation 2025/1416 (which amends Commission Delegated Regulation (EU) 2023/2772) for the identification and/or disclosure of certain information requirements, which mainly relate to:

- The identification and disclosure of certain quantitative aspects related to the value chain;
- The anticipated financial effects related to the material impacts, risks, and opportunities identified in the double materiality analysis (see "Double materiality analysis" section);

[3] For more information on the subsidiaries that make up the Group, see Annex I of the BBVA Group Consolidated Annual Accounts.
[4] The information relating to the management of resources concerning own employees and consumers and end-users (referred to in ESRS S1-4.37, S4-4.30 and MDR-A69), as well as the metrics and their monitoring in the field of cybersecurity (referred to in ESRS MDR-M77 and MDR-T80), has been considered sensitive, and the information required by ESRS E1-8.63 regarding the internal carbon pricing system has been considered confidential.

- The financial effects related to revenues derived from activities affected by transition and physical risks;
- Certain employee-related information.

BBVA applies the time horizons defined by the ESRS, unless a specific definition is indicated in order to align them with its management and planning processes[5].

In the "Complementary information to the Consolidated Non-financial Information Statement" section of this report, BBVA includes tables of equivalences and/or content references to other sustainability standards and frameworks, among others, Responsible Banking Principles UNEP-FI. Although these do not form part of the applicable legal framework, BBVA has deemed them relevant to include.

From January 1, 2026 until the date of preparation of this NFIS, no additional subsequent events have occurred, other than those mentioned in the Consolidated Annual Accounts, that could significantly affect the information contained in this report.

1.1.2 Information regarding specific circumstances

Changes in the preparation and presentation of sustainability information

For the preparation and presentation of this NFIS, the Group has introduced the following main changes with respect to 2024[6]:

- **New strategic priorities**: The report has been adapted to reflect the six new strategic priorities defined by BBVA, which will guide growth, value creation and the generation of positive impact in the coming years. Accordingly, the document provides a view aligned with current corporate objectives, including metrics associated with them, such as sustainable business channeling.
- **Update of the double materiality analysis: T**he BBVA Group has updated the 2024 double materiality analysis based on progress made in internal processes, alignment with the institution's new strategic cycle, and the changing market environment, given that this is a dynamic exercise in constant evolution.
- **Greenhouse gas emissions** (hereinafter, GHG) **of scopes 1 and 2 for operations in Spain:** The GHG emissions corresponding to scopes 1 and 2 have been estimated for the case of Spain, using as a source the emission factors published by the Ministry for Ecological Transition and the Demographic Challenge (hereinafter, MITECO) in accordance with the provisions of Royal Decree 214/2025.
- **Disclosures under the European Taxonomy**: On January 8, 2026, Commission Delegated Regulation (EU) 2026/73 was published in the Official Journal of the European Union. The new Regulation introduces a more proportionate and flexible approach to information disclosure; more concise and simplified templates, eliminating redundancies and reducing the level of detail required, particularly in relation to certain exposures, non-material activities, and specific sectors—such as fossil gas and nuclear energy—which are now reported in a more aggregated manner.
- **Governance information**: Information related to the responsible use of data and cybersecurity, which in 2024 was reported within the "Consumers and end-users" chapter, is now reported under the "Governance information" section, given its broader scope and its impact across the Group's activities.

No material errors from previous periods have been identified, nor have data been recalculated beyond what is expressly mentioned in this report.

[5] In accordance to ESRS 1, section 6.4, paragraph 80.
[6] Other adjustments and methodological updates carried out are detailed throughout the report.

Estimates subject to uncertainty and indirect estimates

In preparing the Consolidated Non-Financial Information Statement (NFIS), a series of estimates and assumptions has been made in various areas, and both external and internal data measurement, collection, and verification practices and methodologies have been used. Many of these are still under development. A non-exhaustive overview is provided below:

- Calculation of greenhouse gas emissions, especially those corresponding to loans granted to the Group's customers.
- Establishment and monitoring of transition objectives for portfolio alignment.
- Estimation of the potential impacts of climate and environmental risks, as well as social and governance risks.

These estimates have been made using the best information available as at December 31, 2025. The Group is pursuing various work streams to enhance the accuracy and reliability of the data. Nevertheless, it is important to recognize that future events may necessitate adjustments to these estimates. In this regard, it should be noted that, during the 2025 financial year, no significant changes have been made to the estimates from previous years.

1.1.3 Internal control over the Consolidated Non-financial Information Statement

The information in the BBVA Group's Consolidated Non-Financial Information Statement (NFIS) is prepared under an Internal Information Control Model that supports its reliability.

This model is based on the same methodological, governance, and control components that operate within the Financial Information Internal Control System, ensuring consistency and integration between the two. Furthermore, it is subject to ongoing evaluation by the Group's Internal Control units, coordinated by the Financial Internal Control area, located in the various Group entities.

To ensure the necessary independence in implementing the control model for information relating to non-financial information, the various Internal Control units are integrated within the Regulation & Internal Control area. This area, whose head reports to the Board of Directors through its Committees, defines and coordinates the Group's entire internal control model, which is structured around three lines of defense and is described in the "General risk management and control model" section of the "Risk management" section of the Consolidated Management Report.

The main risks associated with the NFIS disclosure process are related to the following aspects: The interpretation and application of the regulations concerning non-financial and sustainability information; the completeness and integrity of the data from multiple internal and external sources; the availability of information; the processing of both qualitative and quantitative data and the inherent complexity of its validation, as well as the accuracy of estimates used.

To mitigate these risks, controls are implemented related to the monitoring, updating, and documentation of applicable regulations; the coordination of the preparation process; the identification of key processes, roles, and responsibilities; data validation; cross-checking; documentation of the methodologies used in estimations; and monitoring and review by the various Committees and Corporate Bodies.

There are inherent limitations to the effectiveness of any control model, including controls and procedures related to information disclosure. Consequently, even effective information preparation and disclosure controls and procedures have limitations in providing assurance that all of their control objectives will be achieved.

The different Control units follow a common and consistent methodology established at the corporate level, which basically consists of: (i) Identifying the risks with the greatest potential impact on information generation and the processes involved in generating that information; (ii) Analyzing the risk situations, errors, or inaccuracies that may arise in each of these processes; (iii) Defining and operationalizing the most appropriate controls to mitigate the identified risks; (iv) Evaluating the design and operation of the controls; and (v) Developing action plans and assigning responsibilities to remedy any identified control weaknesses.

Finally, the results of the internal evaluation of the Internal Control Model for Non-Financial Information (NFI), carried out by the Group's control areas, will be reported to the Audit Committee.

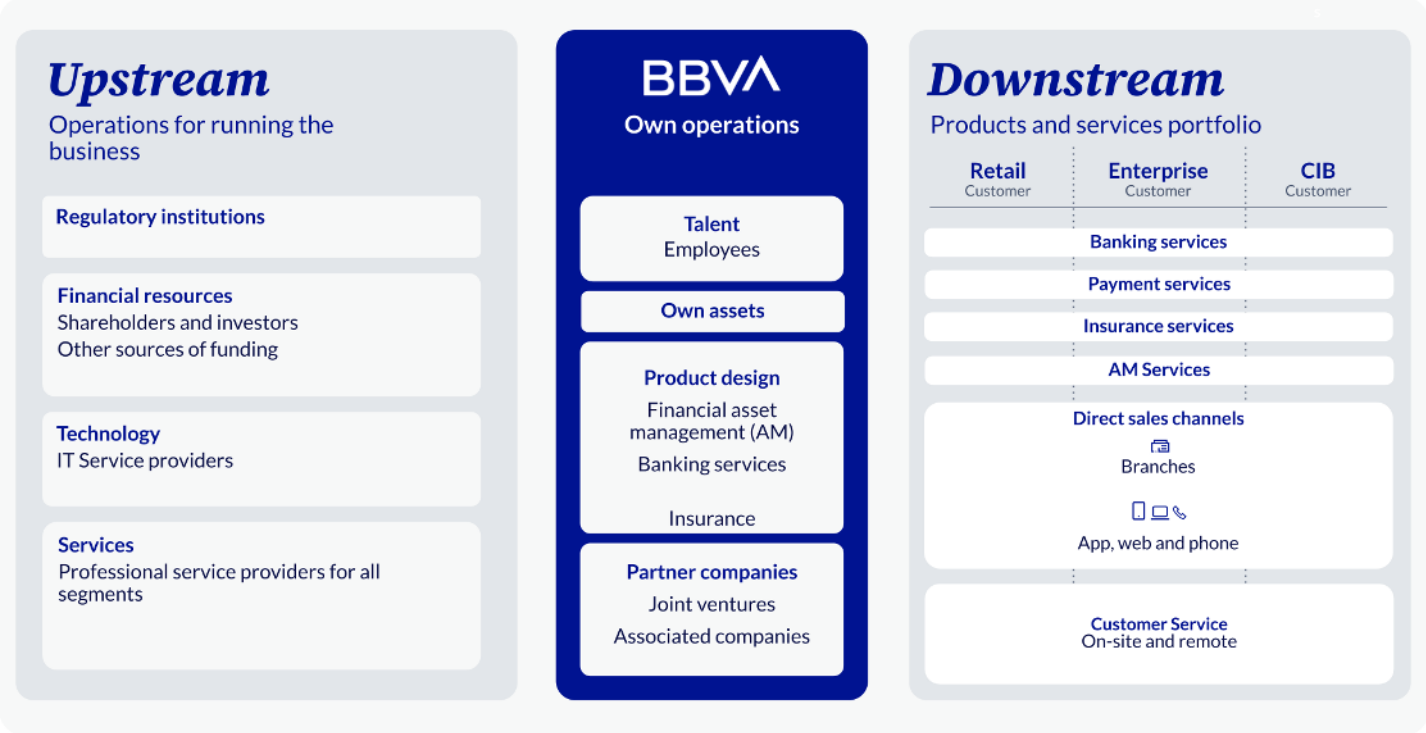
1.1.4 The Value Chain and its relationship with stakeholders

The Value Chain

The BBVA Group defines the scope of its sustainability reporting by analyzing its value chain and the stakeholders within it. This allows it to structure the key relationships necessary for achieving its purpose, strategy, and corporate objectives into three phases:

- **Upstream**, which includes supply chain providers;
- **Own operations**, which primarily encompasses employees[7] and owned real estate assets; and
- **Downstream**, referring to customers of its banking, insurance, and asset management activities, both retail and corporate.

In this way, the Group manages capital, data, talent, risks, and business opportunities, among other aspects, through a business model that combines global capabilities with local execution to create value, radically considering the customer perspective.



[7] The number of employees by country is broken down in the "Own workforce" chapter.

Upstream

The upstream phase of the value chain aims to guarantee the supply of the inputs necessary for the Group's operations. It integrates the entities and suppliers responsible for providing resources and services, both financial and non-financial, that are essential for the development of the business.

This primarily includes relationships with technology providers, cloud service providers, information systems providers, financial service providers, professional services providers (amongst others, legal or consulting services), and general suppliers, among others.

In its relationship with suppliers, and in order to ensure compliance with the applicable legal framework in tax, labor, environmental and human rights matters, the Group relies on a set of procedures and standards: the General Procurement Principles, the supplier evaluation process and the Corporate Standard for the Procurement of Goods and the Contracting of Services.

Own operations

The own operations phase encompasses BBVA's own assets and internal processes that enable it to develop and offer financial solutions, from product and service design to risk management. This area also includes all the companies that make up the BBVA Group, integrating human capital management and the strengthening of corporate culture as drivers of internal operations.

Downstream

In this phase, BBVA markets and distributes its products and services, as well as monitoring their impact on the environment. In this context, the Group identifies customers in its three main business segments—banking, insurance, and asset management—as stakeholders in this phase of the value chain.

- **Banking**: As the Group's core business, it encompasses all types of customers: retail, enterprises, and CIB, for whom it develops customized and sustainable financial products and services.
- **Insurance**: In this segment, the Group employs a hybrid operating model adapted to each region. Business management combines the activities of its own insurance companies with strategic alliances with specialized partners, thus optimizing the offering in each market. The value proposition is primarily aimed at the retail segment, complemented by solutions for corporate customers in selected jurisdictions.
- **Asset Management:** This business segment is present in all the regions where the Group operates, and it develops various products and services, mainly targeting retail and corporate customers.

This chain aims to address the needs of current and potential customers. The global strategy is adapted locally to the impacts, risks, and opportunities of each market, allowing for the prioritization of specific solutions tailored to each context.

The ESRS only require the disclosure of information related to the value chain that is material. As a result of the double materiality analysis, which is described later, no material impacts, risks, and/or opportunities associated exclusively with insurance and asset management activities have been identified. Consequently, specific policies, actions, targets, and metrics covering these aspects are not disclosed, other than those which by their nature encompass these activities. For further information, please refer to the chapter "Double materiality analysis".

Stakeholders

The BBVA Group maintains an active dialogue through specific channels with its main stakeholders —shareholders and investors, customers, employees, suppliers, regulators and supervisors and society— who can affect and be affected by business activities and relationships throughout the value chain.

This dialogue aims to integrate their views and interests, a commitment reflected in the Group's various policies, and especially in the Sustainability General Policy, in order to advance the fulfillment of its purpose through responsible banking. This listening process with the different stakeholders constitutes a key element of the Group's strategy, as it enables the identification of impacts, risks, and opportunities associated with its activities.

These stakeholder groups include:

Shareholders and investors

BBVA maintains a constant and two-way dialogue with its shareholders and investors, differentiating between institutional and individual shareholders. In this regard, the Investor Relations area organizes conferences and meetings, in addition to the Annual General Meeting of Shareholders, where it communicates the Group's financial and business performance, as well as other relevant aspects, while addressing comments and questions on a personalized basis, with the aim of consolidating long-term relationships of trust and mutual value.

Communication channels

- General Shareholders' Meeting
- Conferences and meetings with shareholders and investors
- Shareholders and investors website
- Webcasts and conference calls
- Investor inquiries service and the Shareholders' Office

Main topics

- Strong levels of solvency and profitability
- Attractive shareholder remuneration
- Transparency in financial and strategic disclosure
- Corporate Governance
- Sustainability strategy and business opportunities

For more information, see the "Shareholder and investors"section in the Consolidated Management Report.

Customers

BBVA structures its business model around placing the customer at the heart and driving force of a new way of banking. This vision is embodied in the purpose of **"Support your drive to go further"** and the core value of "The customer comes first", principles that guide all the Group's decisions to build trust and promote financial well-being.

Through the "Radical Client Perspective" (RCP) approach, the Group delves into the needs of individuals, SMEs, and corporations, offering comprehensive support that facilitates their transition to more sustainable and resilient models. In this way, sustainability is consolidated as a key driver of growth and value creation, complemented by a relationship model based on personalized advice. This approach leverages artificial intelligence and the responsible use of data to ensure clear, transparent, and accessible communication for all segments.

Communication channels

- Customer service (SAC)
- Personalized advisors
- Corporate website, app, and digital channels
- Complaint channels
- NPS
- Whistleblowing channel

Main topics

- Sustainability and energy transition
- Access to credit and sustainable solutions
- Enhancement of customer experience and service
- Transparency and service quality

In this context, and with the aim of improving the experience and quality of service in commercial relationships, BBVA provides managers and digital channels tailored to the needs of its customers and potential customers, supported by artificial intelligence and next-generation (Next Gen) technologies that enable a more efficient and personalized relationship. Additionally, through the Customer Service, Complaint channels, and Whistleblowing channel, BBVA ensures transparent and responsible information management, enabling the identification of customers' interests, opinions and concerns and ensuring respect for their human rights.

Furthermore, the level of customer satisfaction and experience with the Group is regularly measured using the Net Promoter Score (NPS) methodology. For more information, see the "Customer experience" section within the "Consumers and end-users" chapter.

Employees

Through the commitment of its more than 127 thousand employees to corporate values, and responsible talent management, BBVA strengthens its ability to generate value, integrating sustainability into its daily operations and making its professionals key agents in the transformation towards a more sustainable and responsible model.

Communication channels

- RCP survey
- Moment that Matters
- Corporate intranet
- Employee Support Service (SAE)
- Talent & Culture Advisor channel
- Whistleblowing Channel

Main topics

- Corporate values
- Professional development and mobility
- Health, well-being, and work-life balance
- Diversity and inclusion

To this end, the Group provides tools such as the Employee Support Service (SAE), the Talent & Culture Advisor Channel, and the Whistleblowing Channel, which support communication, allowing each person to freely share their concerns or ideas at any time. Additionally, employees have access to the RCP survey and the "Moment that Matters" activity is implemented, aiming to foster collaboration and identify key areas on which to focus efforts.

Suppliers

BBVA is committed to establishing transparent and long-term relationships with its network of suppliers, integrating ethical, social, and environmental factors into its management.

Communication channels

- Supplier Portal
- Supply surveys
- Whistleblowing Channel
- Periodic evaluations

Main topics

- Sustainability and ESG risks
- Human and labor rights
- Transparency and service quality

To foster these relationships, the Group provides a Supplier Portal, which serves as a channel for communication and collaboration. Through this platform, suppliers can manage inquiries, access relevant information, and participate in evaluation and monitoring processes, thus strengthening a two-way, agile, and transparent communication.

Additionally, BBVA conducts periodic evaluations of its suppliers to promote practices aligned with the Group's standards on sustainability, ESG risk management, human and labor rights, as well as transparency and service quality.

Society

The BBVA Group actively contributes to progress in the society through initiatives that promote financial inclusion, reduce inequalities, and provide access to education and culture. To this end, it drives social programs aimed at creating opportunities for vulnerable groups, supporting their integration into the economy and their personal and professional development.

Communication channels

- Social and inclusion programs
- Digital channels for educational dissemination
- Volunteer initiatives
- Philanthropic activities

Main topics

- Financial and digital inclusion
- Reduction of inequalities
- Education and culture
- Emergency response

BBVA also strengthens its engagement with society through digital channels for educational outreach, which facilitate access to financial and technological training content contributing to enhancing people's skills in an increasingly digital environment. This commitment is complemented by corporate volunteering initiatives and philanthropic activities, through which BBVA actively participates in social impact projects and responds to emergencies.

Regulators and supervisors

The BBVA Group maintains an ongoing dialogue with the various supervisors and regulators with which it engages, both at the European level and in the geographies in which the Group operates. Given the Group's banking nature, these authorities are of particular relevance.

ESG analysts and rating agencies

BBVA's environmental, social, and corporate governance performance is also assessed by analysts and ESG rating agencies. BBVA's continued inclusion and prominent position in these indices are the result of demonstrating consistent progress in these areas and influence BBVA's eligibility for investment portfolios.

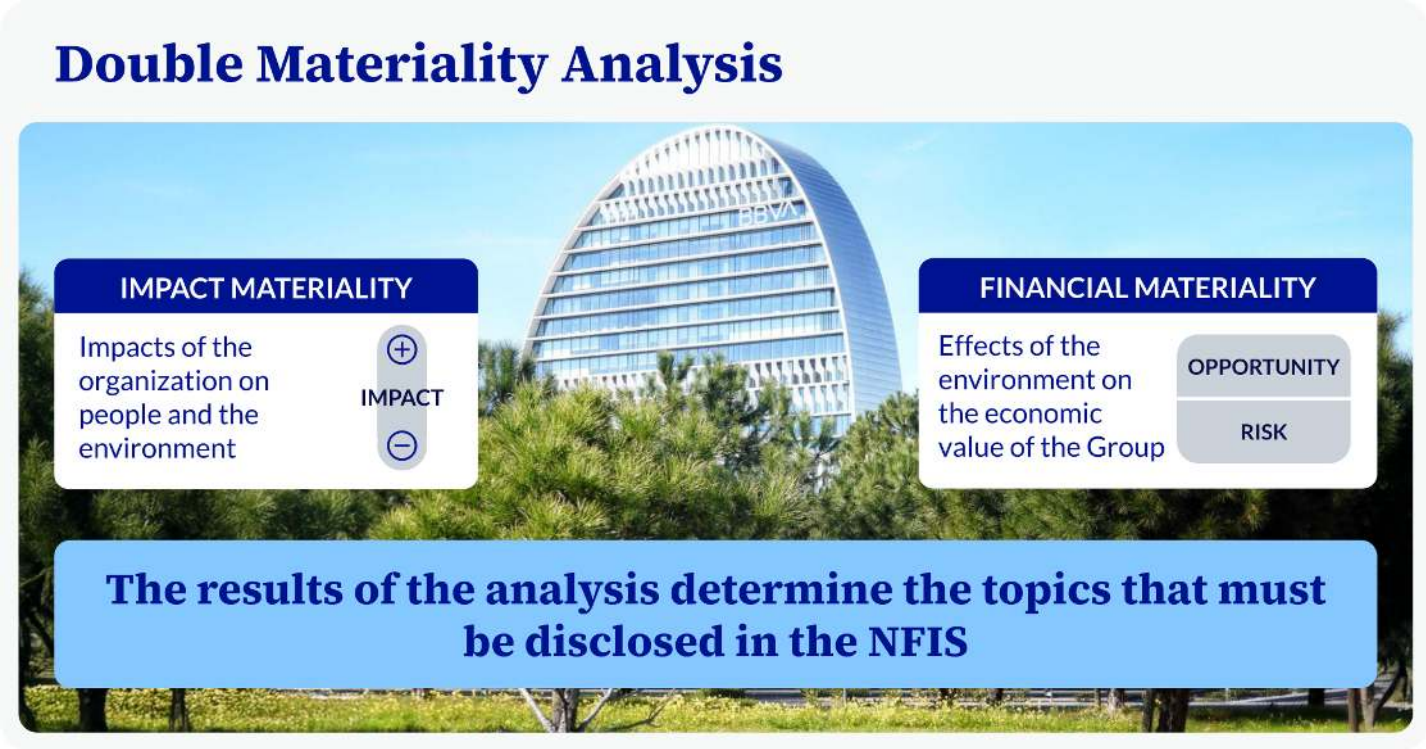
For further details on ESG analysts and ratings, please consult the "Sustainability indexes and ratings" section on the BBVA website.

1.2 Double materiality analysis

1.2.1 Results and determination of materiality

Sustainability as a growth driver continues to be a strategic pillar for the BBVA Group, as it generates impacts on society and the environment while safeguarding its competitiveness and financial performance.

In 2025, the Group prepared its NFIS based on the key sustainability matters identified through the double materiality analysis (hereinafter, DMA). This analysis, carried out in accordance with the ESRS, consolidates the approach initiated in 2024.



The DMA assesses two key dimensions, considering the Group's operating context. On the one hand, how the Group's activities may affect society and the environment (impact materiality); and on the other, the risks and opportunities that the environment generates for the business (financial materiality). In accordance with the ESRS, this NFIS identifies and discloses the matters for which the Group has identified material Impacts, Risks and Opportunities (hereinafter, IROs), including the stage of the value chain in which they originate.

The DMA is conceived as a dynamic process subject to periodic reviews. Its evolution responds to updates in strategic priorities, market conditions, stakeholder dialogue and the regulatory environment, thus ensuring the continuous improvement of information quality.

Integrating the double materiality analysis into the strategy

The results of the 2025 DMA are consistent with the strategy defined by the Group. The incorporation of a radically customer-centric perspective is the cornerstone for driving sustainable business as a key engine of growth. This approach is strengthened through data availability and artificial intelligence, and it is executed by a team committed to the Group's values and best practices in business conduct. Likewise, the outcome of the DMA incorporates the assessment obtained from the Group's internal risk management exercises (climate, environmental, and non-financial risks).

Below are the results categorized by the topics set out in the ESRS, distinguishing between material (exceeding the established threshold). The remaining matters, having not reached said threshold, were classified based on their scoring and proximity to the threshold into three categories (significant, relevant, and non-relevant), thereby providing a graduated view of their relative importance to the Group.

DOUBLE MATERIALITY ANALYSIS – RESULTS (BBVA GROUP 2025)

	Impact materiality		Financial materiality		Final results
	Negative impact	Positive impact	Risks	Opportunities	Total
MATERIAL					
Climate change	Material	Material	Material	Material	Material
Own workforce	Relevant	Material	Relevant	Not relevant	Material
Consumers and end-users	Relevant	Material	Material	Material	Material
Business conduct*	Significant	Material	Material	Not relevant	Material
NON-MATERIAL					
Pollution	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant
Water and marine resources	Relevant	Relevant	Relevant	Relevant	Relevant
Biodiversity and ecosystems	Relevant	Not relevant	Relevant	Relevant	Relevant
Resource use and circular economy	Not relevant	Not relevant	Not relevant	Relevant	Relevant
Workers in the value chain	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant
Affected communities	Relevant	Relevant	Not relevant	Relevant	Relevant

*Includes entity-specific: Money laundering, Cybersecurity and Data protection.

Material
Significant
Relevant
Not relevant

As a result of the DMA conducted in accordance with ESRS requirements, certain sustainability matters have not been identified as material for the Group in the current exercise. This determination is based on the fact that said topics were ruled out during the preliminary context analysis phase or, following their assessment, did not exceed the significance thresholds defined in the internal methodology.

In this regard, the excluded matters do not present substantial relevance either from the perspective of impact materiality (due to a lack of severity or likelihood within the value chain) or financial materiality (as they do not generate risks or opportunities capable of significantly influencing cash flows, financial position, or business development). Consequently, the disclosure focuses on those material aspects inherent to the Group's business model and activity.

1.2.1 Results and determination of materiality

The following section details the material IROs corresponding to each topic. It also includes the methodological justification for their materiality and a summary of the associated management actions, which will be detailed in the subsequent chapters of this report.

Climate change

Climate change is material for BBVA, with significant implications both for the environment and for the Group itself. Consequently, climate action is fully integrated into the strategy, guiding decision-making, risk management, and the development of financial solutions. A key pillar of this strategy is actively supporting customers in their transition, not only by financing their investments but also by advising them, in a process where innovation and mastery of new technologies are essential.

Supporting customers in their transition toward sustainable models, with a focus on climate-related risks and opportunities, drives decarbonization and strengthens long-term financial stability.

To determine the materiality of climate-related IROs, BBVA considers its greenhouse gas (GHG) emissions, both direct and those associated with its financed portfolio, and evaluates both physical and transition risks that may affect assets and financing activities. The current Risk Assessment exercise is integrated into the DMA, including climate scenarios and segmentation by geography and sector.

BBVA acknowledges the financial sector's role in the transition to a low-carbon economy. The climate-linked sustainable business channelling is already generating impacts, and its potential is even greater in the medium and long term, as additional opportunities exist. At the same time, emissions from currently financed companies are producing impacts that require management measures, sectoral policies, engagement with credible transition plans, clauses, and incentives to progress in line with the Paris Agreement.

The following section presents the details of the material IROs for the Climate Change topic, grouped into Mitigation, Adaptation, and Energy (energy transition). It includes the classification of the material IROs, indicating whether the main effect is current or potential, the corresponding time horizon, and the phase of the value chain in which it originates.

Subtopic	IRO description	I/R/O	Current / Potential	Time horizon [1]	Value chain
Climate change mitigation	Sustainable business channeling toward activities and customers linked to decarbonization	Opportunity	Current and potential	—	Downstream
	Increase in portfolio GHG emissions due to the financing of companies, sectors, or operations with high emissions or lacking transition strategies, which may result in failing to meet the decarbonization targets established in the Group's transition plan	Negative impact	Current and potential	—	Downstream
	Financial risks arising from financing customers affected by changes in legislation, market conditions, technology, and consumer preferences; linked to the transition to a low-carbon economy (transition risk)	Risks	Potential	Long term	Downstream
Climate change adaptation	Contribution to customers' adaptation to the effects of climate change through the channeling of sustainable business, enhancing their resilience	Positive impact	Current and potential	—	Downstream
Energy	Channeling of sustainable business into activities related to energy efficiency, transition, and innovation	Opportunity	Current and potential	—	Downstream
	Contribution to the transition of BBVA customers toward sustainable and efficient energy systems through the channeling of sustainable business	Positive impact	Current and potential	—	Downstream

[1] Time horizons: Short-term: Up to one year. / Medium-term: From the end of the first year up to five years. / Long-term: Beyond five years.

The transition risk associated with long-term credit is a particularly relevant IRO. Its analysis, with an extended time horizon and a potential impact on financing, reinforces the strategic importance of mitigation and the energy transition for the Group.

As a result of the assessment, climate change has been established as a key material topic for BBVA. While sectors with high emissions (such as energy, construction and transportation) may be affected by extreme weather events and stringent regulations, the transition to a low-carbon economy also represents a business opportunity for the Group. Supporting customers by offering advice and providing them with an innovative range of financial products and services drives their decarbonization and resilience, generating value for both society and the Group.

Furthermore, the response to climate change is inseparable from natural capital. Decarbonization must integrate dependencies and impacts on nature and biodiversity, considering the social dimension. Both challenges are interconnected: global warming exacerbates ecosystem degradation, and, in turn, the loss of nature limits mitigation and adaptation capacity. The Group continues to make progress in natural capital and, by 2025, will further deepen its identification of associated risks and opportunities. Although its materiality does not yet reach that of climate change, it is being progressively integrated into management and reporting. The "Natural capital management" chapter of the "Environmental Information" section presents the progress made in identifying and managing these risks and opportunities.

Own workforce

BBVA recognizes people as a fundamental pillar of its corporate strategy, since, thanks to the Group's commitment to creating a motivating and equitable work environment with opportunities for professional development, as well as the establishment of a strong and deeply rooted corporate culture, they directly contribute to achieving business objectives.

Below is a table that includes the material IROs in the area of own workforce:

Subtopic	IRO description	I/R/O	Current / Potential	Time horizon [1]	Value chain
Working conditions	Generation and adoption of a strong corporate culture by employees, incorporating a radical customer-centric perspective throughout the organization	Positive impact	Potential	Short term	Own operations
	Greater employee satisfaction and productivity generated by a high-quality employment offering	Positive impact	Potential	Short term	Own operations
	Greater employee satisfaction and productivity generated by competitive compensation	Positive impact	Potential	Short term	Own operations
Equal treatment and opportunities for all	Promotion and support of equal opportunities among employees	Positive impact	Potential	Short term	Own operations

[1] Time horizons: Short-term: Up to one year. / Medium-term: From the end of the first year up to five years. / Long-term: Beyond five years.

Each of these IROs is considered potential in the short term, as the benefits and improvements derived from the policies and programs implemented can be observed progressively. They are considered material for BBVA because they impact the ability to attract and retain talent, the quality of service offered to customers, and the Group's resilience to changes in the labor market.

The Group integrates these aspects into risk management and the execution of its strategy and operations, reflecting a commitment to continuous improvement and strengthening of its human team. To this end, an inclusive and diverse environment is fostered, professional development programs are promoted, and public monitoring indicators are maintained. These measures are aligned with the corporate values that underpin the Group's Purpose.

Consumers and end-users

Consumers and end-users are a fundamental part of the Group's business model. This topic is material and is recognized in the Group's strategy, which is based on offering personalized experience and real-time responses by the use of data and AI, as well as a commitment to the environment. In this way, the customer relationship and experience go beyond formal requirements to become a decisive and radical factor for growth and competitive differentiation.

Below is a table that includes the material IROs for the topic of consumers and end-users:

Subtopic	IRO description	I/R/O	Current / Potential	Time horizon [1]	Value chain
Information-related impacts	Risk of legal or regulatory sanctions, financial losses, social risk (lack of trust among customers or potential customers), reputational, and operational risk that BBVA may suffer stemming from insufficient transparency regarding the products and services offered	Risk	Potential	Short term	Downstream
Social inclusion	Leverage the demand for digital and intelligent experiences to strengthen the Group's positioning and profitability by improving customer satisfaction and loyalty	Opportunity	Current and potential	—	Downstream
	Increase in the customer base and revenues due to the growing demand for sustainable financial products	Opportunity	Current	—	Downstream
	Positive contribution to the transition of our customers and potential customers toward a more sustainable future through the design and offering of sustainable and personalized financial products and services	Positive impact	Current	—	Downstream
	Growth in the number of customers, improvement in their engagement, and increase in their transactional activity through innovation, AI, and the development of digital products and services	Opportunity	Potential	Short term	Downstream
	Improvement in customer accessibility and experience in financial services through digitalization and AI	Positive impact	Current	—	Downstream

[1] Time horizons: Short-term: Up to one year. / Medium-term: From the end of the first year up to five years. / Long-term: Beyond five years.

Strategic priorities act as the central axis of the analysis, guiding the identification of the most relevant IROs, while also being reinforced by them. Thus, placing the customer at the center by embedding the "Radical Client Perspective" (RCP) requires information transparency and responsible business practices, and demands channels that are accessible and suitable for all customer segments. Maximizing the potential of artificial intelligence and digitalization helps accelerate their achievement.

The results of the DMA confirm the connection between transparency, business practices, digitalization/AI, and financial inclusion, constituting the cornerstone of the customer relationship model. Clear communication tailored to each customer's profile regarding conditions, risks, and ESG attributes reduces the risk of mis-selling, litigation, and sanctions, and improves customer satisfaction and loyalty.

Additionally, the growth strategy is built around the sustainable business opportunity, driven by two levers: a catalog of sustainable solutions and the response to the demand for digital and smart experiences that improve satisfaction and loyalty. This approach allows for the simultaneous generation of positive social impact and profitable growth for the Group.

AI acts as a cross-cutting lever in this model, allowing for the personalization of information and offerings, the anticipation of needs, and the reduction of friction throughout the customer relationship lifecycle. Its deployment requires adequate governance that mitigates potential biases and ensures regulatory compliance.

To delve deeper into these aspects, detailed information is presented in the "Consumers and end-users" chapter, which describes BBVA's main action plans, initiatives, and results in this topic.

Business Conduct

The Group has identified the IROs related to business conduct by considering its sector and other factors such as its geographic presence, the type of activity (for example, financing), and the structure of commercial transactions, such as direct banking services to consumers or business-to-business transactions.

Below is a table that includes the material IROs for the topic of business conduct:

Subtopic	IRO description	I/R/O	Current / Potential	Time horizon [1]	Value chain
Corruption and Bribery	Risk of legal sanctions, litigation, and reputational damage associated with unethical practices, such as corruption, fraud, or bribery	Risk	Potential	Short term	Own operations
Management of supplier relationships, including payment practices	Risk of an increasing scope of third-party exposure linked to technological evolution and the growing use of cloud services, other ICT services, and the adoption of generative artificial intelligence services, among others	Risk	Potential	Short term	Upstream
Protection of Whistleblowers	Risk of legal sanctions, litigation, and reputational damage associated with inadequate or inaccessible complaint mechanisms	Risk	Potential	Short term	Own operations

[1] Time horizons: Short-term: Up to one year. / Medium-term: From the end of the first year up to five years. / Long-term: Beyond five years.

In a context of accelerating technological evolution and innovative artificial intelligence tools, a transformation is taking place in the way entities operate and interact with third parties, particularly regarding the evaluation of contracted services. This environment requires strengthening control and due diligence mechanisms over ethical conduct and regulatory compliance throughout the entire value chain.

In this regard, BBVA integrates the principles of integrity and ethics into its strategy and operations, reinforcing internal control mechanisms. This includes policies and measures designed to protect whistleblowers and proactively manage reputational and regulatory risks related to corruption.

Additionally, the following topics have been identified as material topics **specific to the entity**, which are included in the "Governance information" section:

Subtopic	IRO description	I / R / O	Current / Potential	Time horizon [1]	Value chain
Money laundering	Contribution to socio-economic well-being through measures for the prevention of money laundering and terrorist financing, aligned with the principles of good corporate governance	Positive impact	Current	—	Own operations
	Risk of legal sanctions, financial losses, and reputational damage due to regulatory non-compliance or misuse of BBVA products and services for illicit activities related to money laundering and terrorist financing	Risk	Potential	Short term	Own operations
Cybersecurity	Protection of customers' and stakeholders' information and finances through the design and implementation of policies, standards, procedures, and actions in the field of cybersecurity	Positive impact	Current	—	Own operations
	Risk of cybersecurity incidents materializing due to inadequate security management of ICT service providers	Risk	Potential	Short term	Upstream
	Risk of loss of market competitiveness due to loss of customer trust caused by potential cyberattacks and security breaches	Risk	Potential	Short term	Downstream
	Financial risk and potential loss of customers due to the occurrence of fraud situations resulting from their lack of cybersecurity awareness	Risk	Potential	Short term	Downstream
Data protection	Protection of stakeholders' data through increased information transparency and the implementation and continuous improvement of control mechanisms that ensure the secure management of their personal data and enable them to exercise their rights	Positive impact	Current	—	Own operations, Upstream, Downstream
	Protection of stakeholders' personal data through the identification of inherent risks in each data processing activity, applying prevention, control, and mitigation measures	Positive impact	Current	—	Own operations, Upstream, Downstream
	Risk of loss of credibility and market reputation if the BBVA Group does not ensure transparency in the processing of personal data, engages in misuse, fails to provide adequate control mechanisms, or restricts stakeholders' ability to exercise their rights	Risk	Potential	Short term	Own operations, Upstream, Downstream

[1] Time horizons: Short-term: Up to one year. / Medium-term: From the end of the first year up to five years. / Long-term: Beyond five years.

The DMA confirms that the prevention of money laundering and terrorist financing is a material topic for the Group, both in terms of impact materiality and financial materiality (related to risks for the Group). A current positive impact is identified as it contributes to the integrity of the financial system and socio-economic well-being through measures aligned with good governance. In parallel, a current risk is identified due to the potential misuse of products and services by third parties for illicit purposes, with financial effects (sanctions and litigation, remediation and control costs) and non-financial effects (reputation, trust, and relationship with regulators) for the Group.

Cybersecurity and data protection affect the entire value chain of the Group, from relationships with technology providers to customer protection, and are intrinsic to the Group's digital business model. Preventing information leaks, ensuring resilience against cyberattacks, and the ability to manage incidents quickly are crucial both for preserving reputation and guaranteeing business continuity. These aspects align with the strategic priority related to digital innovation and operational excellence by reinforcing a secure, agile, and reliable banking model that protects customers' rights and supports growth in digital channels.

The methodology applied in the DMA exercise is described in the chapter "Double materiality analysis: Methodology" within the section "Appendices to the Consolidated Non-Financial Information Statement". The methodological framework explains how BBVA has identified, assessed and prioritized potential and actual IROs, distinguishing between positive and negative impacts, as well as risks and opportunities. In the case of impacts, both probability and magnitude are assessed, while the assessment of risks and opportunities is based on a hybrid methodology that combines internal quantitative metrics, scenario analysis and qualitative criteria to determine the probability and magnitude of their effects.

1.3 Integrating sustainability into BBVA's business

1.3.1 Sustainability as a growth engine

1.3.2 BBVA Group Transition Plan

1.3.3 Integration into the BBVA Group's own funding structure

Sustainability is integrated into BBVA's activity within a context of structural transformation driven by **climate change** and the need to advance towards more efficient and resilient economic models. This process incorporates considerations related to the **protection of natural capital** and the **social sphere**.

The world is experiencing an era of unprecedented change, and sustainability represents a major **long-term opportunity:**

An **unprecedented investment** cycle **in infrastructure**, driven by increased energy demand.

Advanced maturity of **new technologies**,making them cost-effective.

Investments to **improve production processes and the value chain** of companies.

Banks have a fundamental role to play, financing this transformation and channeling resources towards decarbonization technologies that offer long-term profitability.

Accordingly, BBVA establishes "**Sustainability as a growth engine**" as a strategic priority, aiming to capture new business opportunities, strengthen the management of associated risks and advance the transition toward a carbon-neutral economy.

To promote the achievement of these objectives, indicators (such as the channeling of sustainable business and the decarbonization of the portfolio) have been incorporated into the variable remuneration system. For further information on the remuneration system, see the chapters "Sustainability governance" and "Competitive remuneration".

1.3.1 Sustainability as a growth engine

New sustainable business channeling objective

In its strategic plan for the period 2025-2029, BBVA has set a new objective of €700 billion for sustainable business channeling to support individuals, businesses, and corporations in their transformation. This represents more than doubles the previous target of €300 billion for the 2018-2025 period and is more ambitious, as it is planned for a shorter timeframe.

Within this framework, BBVA addresses this challenge with a holistic vision that integrates three key areas across the geographies in which it operates:

A HOLISTIC VISION OF SUSTAINABILITY

Climate opportunities

- Electric transport.
- Energy efficiency.
- Renewable energy...

Natural capital opportunities

- Agriculture.
- Water.
- Circular economy...

Social opportunities

- Financial inclusion.
- Entrepreneurship.
- Social infrastructure...

Growth levers

Investment in sustainable business can enable large corporations and small and medium-sized enterprises (SMEs) to anticipate future challenges, access new business opportunities, and position themselves as leaders in an increasingly demanding market. Similarly, home solutions result in greater efficiency for households.

BBVA fosters the generation of new sustainable business through three growth levers described below.

1. Differentiated advice tailored to each segment

BBVA offers differentiated solutions adapted to each customer segment to meet their specific needs:

Corporate customers	BBVA offers sector-specific solutions based on innovation and specialized knowledge, focused on the transition to sustainable production models and on contributing to social activities.
Enterprise customers	BBVA promotes solutions that generate economic savings, for example, in energy efficiency or fleet renewal, and contribute to social activities through specific products.
Retail customer	BBVA offers personalized digital solutions, based on data analysis, focused on home energy savings, sustainable mobility, and financial and social inclusion. These solutions support the customer throughout the entire process, from decision-making to contracting, through strategic alliances with third parties.

For further information on the initiatives developed by the Group in relation to advisory services and the marketing of financial products linked to climate change and financial inclusion, see the chapter "Environmental business channeled" and the "Social business channeled" in the chapter "Consumers and end-users" section.

2. Development and financing of innovative solutions

BBVA continues to promote the financing of innovative solutions in various areas, such as:

Clean technologies and green infrastructure (cleantech) as a fundamental driver for accelerating the energy transition, through strategic pillars such as: energy storage, electric mobility, the CO_2 value chain, and new energy vectors.

Home and mobility solutions. They are key pillars of the energy transition and a critical competitiveness factor for companies and household efficiency.

Boosting natural capital through solutions focused on sustainable agriculture, water management, and circular economy models.

Social initiatives, especially in emerging markets, based, among others, on promoting digitalization.

3. Integrating sustainability into risk management

BBVA leverages its expertise in climate risk management to capture new business opportunities while properly managing risks and contributing to reduce emissions in its portfolios.

The BBVA Group has developed **specific risk frameworks** to support the financing of new businesses (including emerging sustainable technologies) and has defined a customer acquisition plan based on the degree of progress of each company in its transition towards decarbonization.

By 2025, 88% of the loan portfolio in emissions-intensive sectors already has a **Transition Risk Indicator (TRi)**, which allows for the assessment of each customer's transition risk.

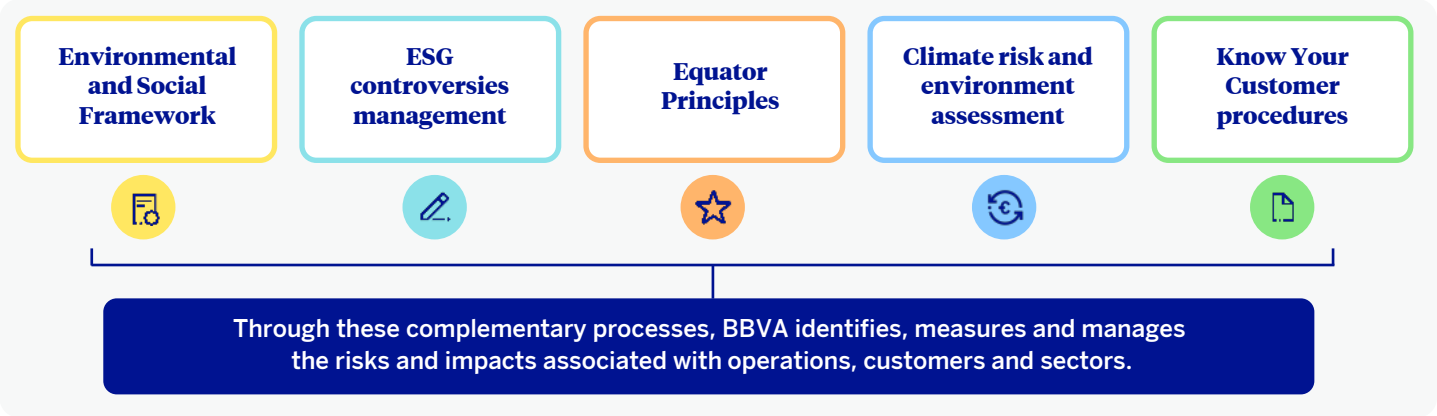
Likewise, BBVA continuously strengthens its capabilities through advanced analytical tools and the specialized training of its risk teams.

Consideration of environmental and social factors in customer relations

In line with its decarbonization strategy and the principles of its Sustainability General Policy, which include:

- Progressively integrating ESG risks and opportunities into internal processes,
- Supporting customers in their transitions, and
- Monitor direct and indirect environmental and social impacts.

BBVA integrates these principles into its operations, also covering the processes for assessing and managing the impact and risk of its financing operations. In addition to defining sectoral alignment plans and assessing customers' transition plans, the Group measures the environmental and social impact, applying proportional processes tailored to the type of customer and the nature of the transaction.



These processes allow us to anticipate potential impacts, adapt financing decisions to the risk profile associated with the operation, and monitor alignment with the Group's sustainability objectives. The results of these assessments are incorporated directly into the risk approval, monitoring and review processes. For further information on these processes, see the "Risk management and reporting" within the "Management of risks associated with climate change" section.

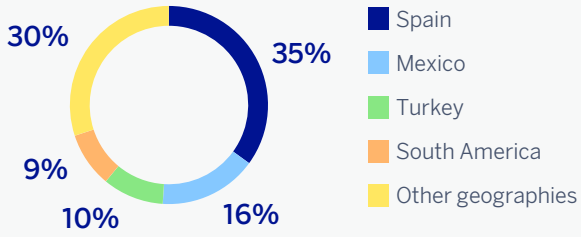
Evolution of the sustainable business channeling

In 2025, BBVA channeled a total of €134 billion into sustainable business, marking a record year and representing 44%[8] growth compared to the same period of the previous year:

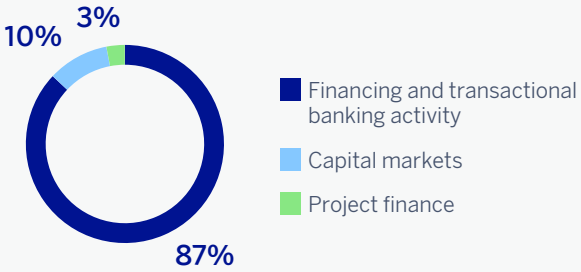
[8] Growth compared to the same period of the previous year, excluding the activity of BBVA Asset Management and the BBVA Microfinance Foundation.

A GLOBAL AND HOLISTIC APPROACH
BREAKDOWN OF THE SUSTAINABLE BUSINESS CHANNELING 2025

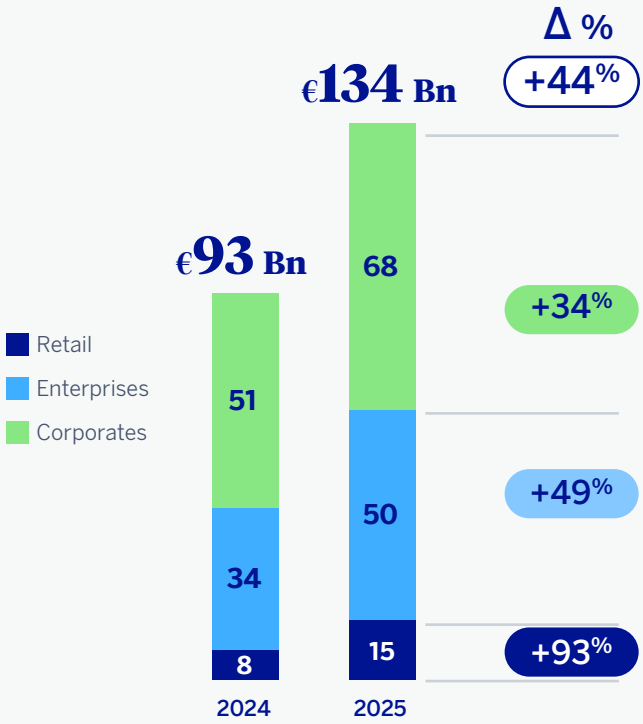
BY GEOGRAPHY [1]



BY PRODUCT [2]



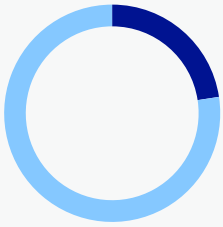
BY CUSTOMER SEGMENT [4]



BY SCOPE OF ACTION[3]

Opportunities in the environmental scope, 77.4%

€104 Bn



Opportunities in the social scope, 22.6%

€30 Bn

BY CUSTOMER SEGMENT AND SCOPE OF ACTION

Sustainable Channeling 2025 (in *Bn €*)[5]	Corporates	Enterprises	Retail	Total
Environmental	63	37	4	**104**
Social	6	13	11	**30**
Total	**68**	**50**	**15**	**134**

(1) Generally, the criterion used for distributing pipelines by geography is the location of the corresponding operation's registration. However, there are certain exceptions when several geographies are involved in the operation.
(2) The products and eligibility and calculation criteria are described in the Guide for Sustainable Business Channeling available on the BBVA Group's shareholders and investors website. Financing and transaction banking activity: This primarily includes (i)Long- and short-term products where proceeds are allocated to activities considered sustainable (in accordance with both internal and market standards and best practices), (ii) generalist products,both long- and short-term, intended for customers considered sustainable based on their revenues derived from sustainable activities (in accordance with existing regulations and/or internal standards) or according to reputable market certifications, as well as (iii) Sustainability-linked products, both long- and short-term (in accordance with both internal and market standards and best practices), such as those linked to environmental and/or social indicators or criteria. Capital markets: This primarily includes (1) The placement of third-party bonds, with BBVA acting as bookrunner, in relation to green, social, or sustainable bonds, or bonds linked to environmental and/or social indicators; as well as , as well as (2) EU Emission Allowances acquired by BBVA at auction pursuant to the Emission Trading Scheme Directive, the amounts of which are allocated by the Member State to the sustainable purposes provided for in said Directive. Project finance: Green and/or social projects, in accordance with internal standards, market standards, and best practices.
(3) In cases where data granularity does not allow for a direct attribution between the environmental and social categories, internal estimation models based on the best available information are applied. For reporting purposes, the "Environment" category integrates activities related to climate change and Natural capital.
(4) The 2024 data excludes the BBVA Asset Management and FMBBVA business.
(5) The amounts indicated have been rounded; therefore, the amounts or variations shown may not be the exact arithmetic sum of the figures that precede them.

For more information on the initiatives developed by the Group in relation to advising and marketing financial products in the field of climate change and in the social field, see the "Environmental business channeled" chapter and the "Social business channeled" within the chapter “Consumers and end-users” section.

Control processes

Alongside the development of the three growth levers described above, BBVA works continuously on the definition and adaptation of processes to foster operational efficiency and appropriate internal controls, including the definition of robust **criteria** for classifying sustainable business, with particular emphasis on **data quality**.

Criteria for determining sustainable business channeling

To determine the Sustainable Business channeling, BBVA takes into account the following **regulations** and **main market standards**:

- **Existing regulations**: These primarily consider the current taxonomies of sustainable activities in the different geographical areas where it has a presence.
- **Market standards: Standards for dedicated purpose products and activities: T**hese mainly include the Green Bond Principles and Social Bond Principles of the International Capital Markets Association, as well as the Green Loan Principles and Social Loan Principles of the Loan Market Association.
- **Market Standards for general-purpose products and activities** (usually linked to ESG indicators or criteria to incentivize positive sustainability behavior): These include the Sustainability-Linked Bond Principles of the International Capital Markets Association and the Sustainability-Linked Loan Principles of the Loan Market Association.
- **Internal Standards**: BBVA also applies internal standards inspired by local taxonomies (in the European case, considering the element of “substantial contribution” to the environmental objectives defined by these taxonomies) and market best practices. These standards may incorporate a degree of flexibility when applied in non-European regions, with the aim of reflecting national characteristics and avoiding the exclusion of emerging markets. BBVA also assesses the sustainable activities of its customers that comply with internal standards and/or applicable regulations, based on their publicly available information. For this purpose, it may use external data providers and recognized business certifications.

Further details on the eligibility and calculation criteria for sustainable business are publicly available in the Guide for Sustainable Business Channeling on the BBVA shareholders and investors website.

Sustainable business channeling amounts are calculated using internal criteria based on both internal and external information, whether public, supplied by customers, or provided by third parties (primarily data providers and independent experts).

Sustainable business channeling is a cumulative concept, as it reflects amounts originated from a specific date onward. Part of these flows is not recorded on the balance sheet (as is the case with the placement of customer bonds).

Finally, this internal metric differs from other regulatory metrics. In particular, it does not coincide with the metrics that must be broken down according to the European Taxonomy (Regulation 2020/852 and its delegated regulations 2021/2178, 2022/1214, 2023/2485, and 2023/2486) nor with the information required under the Implementing Technical Standards (ITS) relating to Pillar 3 reporting on environmental, social, and governance risks. The main differences are summarized below:

Sustainable Business Channel

- It includes the channeling of financial flows related to activities, customers or products considered sustainable or that promote sustainability, in accordance with both internal and market standards and best practices.
- It includes channeling financial flows that may not be recorded on the balance sheet (e.g., certain transaction banking activities, investment funds, or bonds where BBVA acts as a bookrunner, etc.).
- The channeling concept is cumulative and reflects the total flow channeled at the time of origination.
- It includes the channeling of flows that contribute both to a social purpose and to environmental objectives.

Metrics related to European Taxonomy

- They are based on environmentally sustainable economic activities according to the European taxonomy.
- The main regulatory metrics (e.g., GAR) include exposures within the balance sheet assets[(1)].
- They consider only the current exposure, reflected primarily in the balance sheet, corresponding to the reporting date.
- They primarily consider the contribution to an environmental purpose, although the regulations include minimum social safeguards.

[(1)] According to the regulatory definition (FINREP) of gross book value of loans and advances, fixed income and variable income.

Focus on ESG data quality

During 2025, the rollout of the sustainability data strategy continued, reviewing new data needs and providing business units with capabilities to leverage existing information in order to optimize decision-making. The ESG Data Strategy is aligned with the BBVA Group's Data Governance framework, fostering the integrity and quality of the information made available to users.

Collecting ESG data from customers remains a strategic priority within BBVA's ESG Data Strategy. To this end, initiatives have been launched to explore and integrate new information providers, develop AI-based capabilities for processing unstructured data sources, and obtain data directly from corporate customers. These actions strengthen the Group's capacity to promote sustainable business growth and mitigate ESG risks.

One of the key pillars in the capture of customers' ESG data has been the geolocation of their productive assets. In this regard, during 2025 work was carried out on their collection, availability and integration into BBVA's systems. This new solution model will make it possible to optimize the measurement of physical risk for BBVA and to develop new personalized advisory capabilities for customers.

In line with the priorities established in the Group's sustainability strategy, new datasets have been made available this year to meet the demands of business areas regarding natural capital management. This information will enable BBVA to promote the development of initiatives related to natural capital and improve the accuracy of nature-related risk measurements.

Additionally, the BBVA Group continuously works to make available KPIs and metrics of strategic relevance for business development. This data, which reflects the environmental, social, and governance performance of its customers and operations, is a fundamental asset for identifying business opportunities aligned with sustainability principles.

Finally, BBVA continues to make progress in collecting data on the energy efficiency of real estate assets, especially in regions where there is no legislative framework comparable to that of the European Union in this area. In these regions, projects have been developed to estimate energy consumption and financed emissions with the greatest possible accuracy, allowing their integration into risk management processes. As a result, data for Colombia was reported for the first time in 2025.

Dialogue with industry and the public sector

With the aim of supporting the transition of the financial system toward sustainability, BBVA plays an active role in various global initiatives.

In 2025, supervisory activities related to climate risk have gained significant relevance. In this regard, BBVA has actively participated in working sessions with supervisory authorities such as the European Central Bank, the Bank of Spain, Turkey's Banking Regulation and Supervision Agency (BRSA), and the Bank of Mexico.

In the field of sustainable finance, the Group has taken part in global, European and national forums and associations, including the Institute of International Finance (IIF), the Association for Financial Markets in Europe (AFME), the European Financial Services Roundtable (EFR), the European Banking Federation (EBF), the Zero Emissions Platform, the European Energy Efficiency Financing Coalition and the Spanish Banking Association (AEB), among others. In addition, it has continued to apply the guidelines of the United Nations Environment Programme Finance Initiative (UNEP-FI) in its loan portfolio decarbonization strategy.

In addition, as part of its loan portfolio decarbonization strategy, BBVA has strengthened its participation in working groups aimed at the development and enhancement of measurement standards and methodologies:

- Integration into sectoral working groups to advance toward net zero emissions in sectors facing greater challenges, such as cement, agriculture and real estate.
- Collaboration in sector-wide initiatives to strengthen relationships with customers and promote financial leadership in sustainability.
- Participation in the Rocky Mountain Institute's (RMI) Center for Climate Aligned Finance (CCAF) to develop sectoral methodologies and further improve the PACTA standard.

Since the signing in 2024 of the strategic agreement with RMI, BBVA has been part of a group of financial institutions, non-governmental organizations and corporations from key sectors, driving the harmonization of climate efforts, investment in the transition and the implementation of best practices in sustainable finance.

Taking into account the Group's holistic vision, the main sustainability-related initiatives and forums in which BBVA participates are presented below, most of which focus on the area of climate change.

RELATED TO SUSTAINABILITY DISCLOSURE

Working Group on Nature-Related Financial Disclosures (TNFD)

SINCE 2022

BBVA is a member of the TNFD Forum. It follows the publication of the different versions of the framework for managing and disclosing nature-related risks and opportunities, as well as the published guidelines.

International Sustainability Standards Board (ISSB)

SINCE 2024

BBVA is Corporate Champion member of the ISSB to promote the adoption of its sustainability reporting standards among its customers.

ADVOCACY FORUMS

United Nations Environment Programme Finance Initiative (UNEP FI)

SINCE 1998

BBVA joined this initiative, reaffirming its commitment to sustainable development and corporate responsibility. In 2021, BBVA joined the UNEP FI Leadership Council, assuming the role of Co-Chair of the Global Steering Committee for Europe until 2023.

Spanish Group for Green Growth (GECV)

SINCE 2014

BBVA was one of the founding partners of the Spanish Green Growth Group (GECV), which promotes public-private collaboration to jointly advance environmental challenges such as natural capital, circular economy, energy efficiency, etc.

European Banking Federation - Sustainable Finance

SINCE 2021

BBVA chairs the group of experts on sustainable finance at the European Banking Federation.

Alliance of CEO Climate Leaders - World Economic Forum

SINCE 2021

The president of BBVA, along with 78 other CEOs or presidents of major global companies, signed a declaration to promote the contribution of the private sector in the fight against climate change.

Financial Industry Advisory Board (FIAB) of the International Energy Agency (IEA)

In March 2023, BBVA joined this council whose objective is to facilitate a structured dialogue between the IEA and the financial community on issues affecting energy investment.

Cleantech for Iberia

SINCE 2023

BBVA joined this initiative to promote the advancement of clean technologies in Spain and Portugal. Its main objective is to strengthen the Iberian Peninsula's position as a leader in this sector. BBVA has published a report on the bankability of clean technologies in collaboration with Cleantech for Iberia.

Sustainability committees of national banking associations

At the local level, BBVA promotes sustainability committees in banking associations in several countries, sharing practices and methodologies on climate change management for banks.

LINKED TO DECARBONIZATION TARGETS

Net Zero Asset Managers Initiative

SINCE 2021

BBVA Asset Management joined this initiative to support the goal of reducing net greenhouse gas emissions to zero by 2050 or earlier.

Partnership for Carbon Accounting Financials (PCAF)

SINCE 2021

BBVA is a signatory member of PCAF, a financial sector initiative whose objective is to establish an international methodology for measuring and disclosing greenhouse gas emissions financed by banks and investors.

LINKED TO GENERAL SUSTAINABILITY FRAMEWORKS

United Nations Global Compact

SINCE 2002

BBVA participates in this initiative. BBVA contributes to aligning its operations and strategies with the ten principles of the Global Compact, which cover human rights, labor standards, environmental protection, and anti-corruption efforts.

Equator Principles

SINCE 2004

BBVA is a signatory to the Equator Principles (EP), which establish standards for the management of environmental and social risk in project finance.

United Nations Principles for Responsible Investment (PRI)

SINCE 2008

BBVA formalized its commitment to socially responsible investment by joining the PRI.

Women Empowerment Principles (WEPs)

SINCE 2010

BBVA joined the WEPs. Since then, BBVA has launched several initiatives to promote gender equality and the empowerment of women in the workplace, the marketplace, and the community.

Principles of Responsible Banking

SINCE 2019

BBVA was one of the 28 founding banks of the Principles for Responsible Banking promoted by the United Nations Partnership with the Financial Sector (UNEP FI).

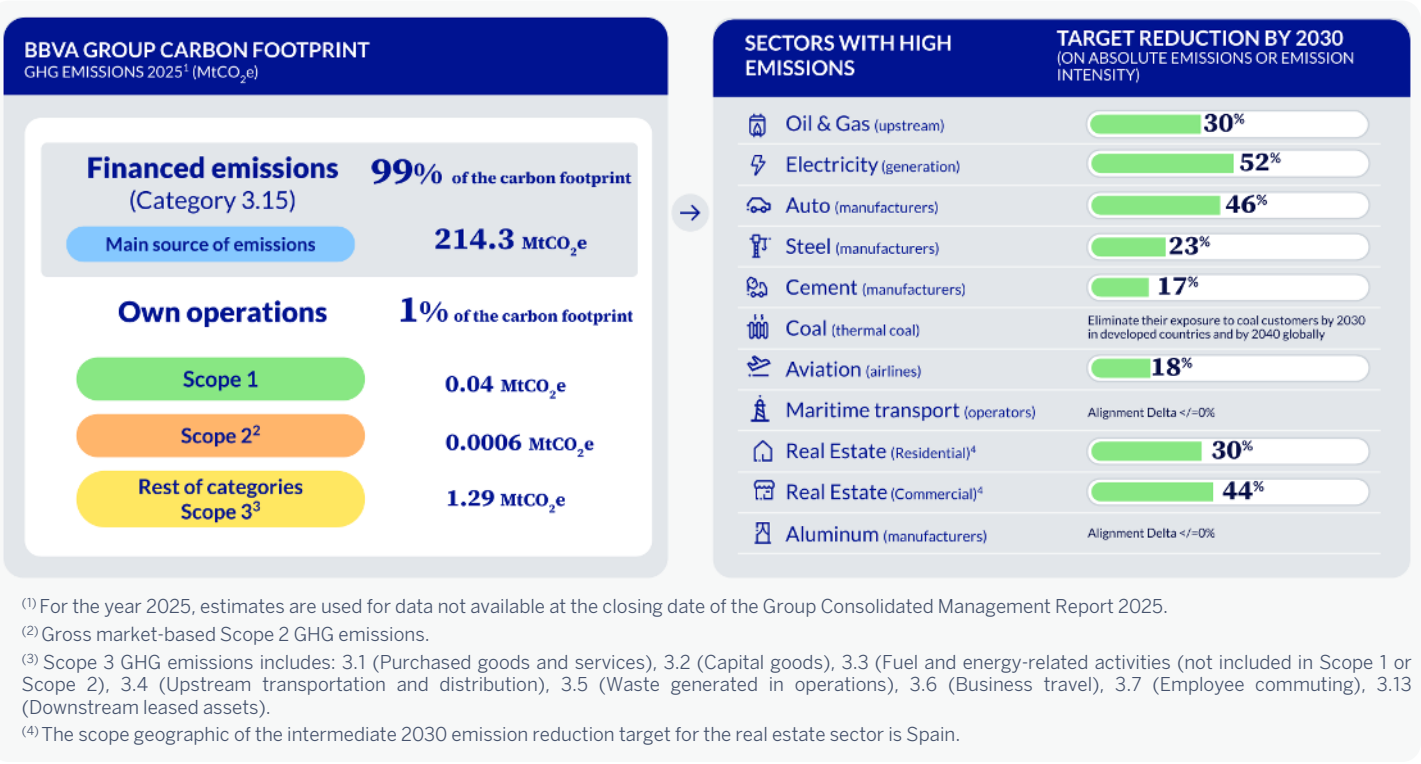
Financial Health & Inclusion Commitment

SINCE 2021

BBVA was one of the founding banks of this action with the aim of promoting universal financial inclusion and fostering a banking sector that supports the financial health of all clients.

1.3.2 BBVA Group Transition Plan

BBVA integrates climate change management as a cornerstone of its corporate strategy. In this regard, the Group has defined a decarbonization roadmap that makes it possible to identify, measure and reduce the environmental impact of its activity, promoting a transition toward a low-carbon economy that encompasses both its operating footprint and its financial activity. Accordingly, the Group has established emissions reduction targets for both its loan portfolio[9], and its own operations through the Global Eco-Efficiency Plan (hereinafter, the GEP).



(1) For the year 2025, estimates are used for data not available at the closing date of the Group Consolidated Management Report 2025.

(2) Gross market-based Scope 2 GHG emissions.

(3) Scope 3 GHG emissions includes: 3.1 (Purchased goods and services), 3.2 (Capital goods), 3.3 (Fuel and energy-related activities (not included in Scope 1 or Scope 2), 3.4 (Upstream transportation and distribution), 3.5 (Waste generated in operations), 3.6 (Business travel), 3.7 (Employee commuting), 3.13 (Downstream leased assets).

(4) The scope geographic of the intermediate 2030 emission reduction target for the real estate sector is Spain.

This strategy leverages a specific governance model for the portfolio's climate management, supported by committees that monitor progress toward objectives, encourage the proper integration of climate criteria into business processes, and promote alignment with international standards and commitments.

BBVA also has an engagement strategy that combines supporting customers in their transition plans, providing financial solutions and specialized advice, with active dialogue with the industry and other stakeholders.

For more information on the decarbonization strategy, objectives, governance model, and climate change engagement, please see "BBVA Group Transition Plan" section.

[9] High-emitting sectors: Oil & Gas (upstream), Power (generation), Auto (manufacturers), Steel (manufacturers), Cement (manufacturers), Coal (thermal coal mining), Aviation (airlines), Shipping (operators), Real Estate (residential), Real Estate (commercial), Aluminum (primary production). The geographical scope of the 2030 interim emission reduction target for the Real Estate sector (commercial and residential) is Spain.

1.3.3 Integration into the BBVA Group's own funding structure

The issuance of own green, social and sustainable bonds (combining both green and social characteristics) is fundamental to achieving the previously established objectives.

Under the sustainable finance debt framework, updated in December 2024, BBVA, S.A. or its subsidiaries can obtain financing with green and/or social components. This can be done through loans or by issuing green, social, or sustainable instruments.

This Framework adheres to international best practices, aligning with the ICMA's Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainable Bond Guidelines (SGB). It also complies with the Loan Market Association's Green Lending Principles (GLP) and Social Lending Principles (SLP), as well as the International Capital Market Association's Harmonised Impact Reporting Framework Handbook. Furthermore, it incorporates the updated criteria of BBVA's internal taxonomy.

These instruments may be senior or subordinated bonds, certificates of deposit, promissory notes, or other green, social, or sustainable instruments. They may be issued in various currencies and jurisdictions, through public offerings or private placements, and will be used to finance or refinance assets, loans, or projects that meet the criteria established in the Framework.

BBVA is committed to updating this Framework periodically. It is a public document accessible in the shareholders and investors section of the BBVA website.

As of December 31, 2025, the green, social, and sustainable bonds (with a mixed green and social component) issued by the Group's entities under the frameworks described and pending repayment are as follows:

OUTSTANDING GREEN, SOCIAL AND SUSTAINABLE ISSUANCES IN 2025 ISSUED UNDER THE GROUP'S SUSTAINABLE DEBT FINANCING FRAMEWORK [1]

Issuing entity	Category	Type of issue [2]	Year of issue	Nominal (millions)	Currency
BBVA S.A	Green bond	SP	2024	1,000	EUR
BBVA S.A	Green bond	SNP	2022	1,000	EUR
BBVA S.A	Green bond	AT1	2022	1,000	EUR
BBVA S.A	Green bond	SNP	2025	1,000	EUR
BBVA S.A	Green bond	SP	2022	1,250	EUR
BBVA S.A	Green bond	SP	2022	215	CHF
BBVA S.A	Green bond	SP	2022	210	CHF
BBVA Global Markets	Green bond	SP	2022	43	PLN
BBVA Global Markets	Green bond	SP	2023	64	PLN
BBVA Global Markets	Green bond	SP	2024	10	USD
BBVA Global Markets	Green bond	SP	2024	10	USD
BBVA Global Markets	Green bond	SP	2024	16	AUD
BBVA Global Markets	Green bond	SP	2024	16	AUD
BBVA Global Markets	Green bond	SP	2024	16	AUD
BBVA Global Markets	Green bond	SP	2024	30	USD
BBVA Global Markets	Green bond	SP	2024	10	USD
BBVA Global Markets	Green bond	SP	2025	42	PLN
BBVA Global Markets	Green bond	SP	2025	25	USD
BBVA Global Markets	Green bond	SP	2025	25	USD
BBVA Global Markets	Green bond	SP	2025	25	USD
BBVA Global Markets	Green bond	SP	2025	30	USD
BBVA Mexico	Green / Social	Senior Unsecured	2022	10,000	MXN
BBVA Mexico	Green / Social	Senior Unsecured	2023	8,689	MXN
BBVA Mexico	Green / Social	Senior Unsecured	2025	900	MXN
BBVA Mexico	Green / Social	Senior Unsecured	2025	900	MXN
BBVA Turkey	Green / Social	Syndicated Loan Facilities	2025	446	USD
BBVA Turkey	Green bond	Senior Unsecured	2025	20	USD

[1] The change in outstanding green, social and sustainable bonds between the 2024 and 2025 NFIR is due, on the one hand, to the amortization of certain issues and , on the other hand, to the revision of the outstanding issues inventory. Certain issues have been reclassified or incorporated following this revision.

[2] SNP = Senior Non-Preferred / SP: Senior Preferred / AT1: Additional Tier 1.

In the area of green, social, and sustainable bonds, business areas that originate products identified as such under the applicable criteria receive incentives, provided the financing cost of these types of bonds is lower than that of conventional bonds. This is determined by BBVA's Funds Transfer Pricing (FTP) system, which is reviewed within the corporate Asset Liability Committee framework and serves as the baseline for the Group's other geographical areas.

The FTP system is an essential component of BBVA's liquidity and funding management. It serves as a tool to assign a price to the products offered by the Bank, reflecting the liquidity and funding cost of each transaction and acting as a key component for profitability measurement.

1.4 Sustainability governance model

1.4.1 Sustainability governance

1.4.2 Due diligence processes

1.4.1 Sustainability governance

Corporate bodies

BBVA Corporate Governance System

The sustainability governance model is integrated within BBVA's Corporate Governance System, as detailed below.

BBVA has a corporate governance system comprised of a set of principles, rules, and mechanisms that integrate and regulate the structures and operation of its corporate bodies (hereinafter, the System or the Corporate Governance System). This System is primarily defined by the provisions of the Bylaws, the regulations of its various corporate bodies, and the Bank's general policies approved by the Board of Directors.

The System is aligned with BBVA's Culture and Values and is geared towards achieving the Group's social interest and Purpose. To ensure this, the Board oversees its effectiveness, adapting it, when deemed necessary or appropriate, to the environment in which the Bank and its Group operate, taking into account applicable regulatory and supervisory requirements, industry best practices, and the opinions of various stakeholders.

Board of Directors

One of the key elements of BBVA's Corporate Governance System is the Board of Directors, which, as the highest governing body for the representation, administration, management, and oversight, performs both management functions and those related to the supervision and control of management, in accordance with the provisions of the Bylaws and its regulations.

As of December 31, 2025, BBVA's Board of Directors is composed of fifteen directors[10], two of whom are executive directors and thirteen non-executive directors[11].

This body has a balanced composition, with high levels of independence and diversity, both in terms of gender and skills, experience, and knowledge.

At the close of fiscal year 2025, BBVA's Board of Directors is composed of 46.7% women and 53.3% men, meeting the target of 40% representation of the least represented gender established in the Board of Directors' Selection, Suitability, and Diversity Policy.

[10] In Spain, the consolidated text of the Capital Companies Law, approved by Royal Legislative Decree 1/2010, of July 2, does not require the representation of workers as part of the board of directors in listed companies.
[11] The composition of the Board of Directors is defined by the appointments and re-elections approved by the General Shareholders' Meeting, as well as by the Board itself through the allocation of roles within the Board. For more information on the composition of the Board of Directors and BBVA's Corporate Governance System, please refer to the Annual Corporate Governance Report, included as part of the Consolidated Management Report.

In terms of independence, as of the close of fiscal year 2025, BBVA's Board of Directors comprises ten independent directors, representing 66.7% of the total Board members and 76.9% of the total non-executive directors on the Board. In terms of nationality, the Board of Directors includes members from seven countries (Spain, Turkey, Portugal, Denmark, United States, and Belgium), with 40% being non-Spanish directors.

Regarding its functions, the Board of Directors is responsible for those established at any given time by applicable legislation and the Bylaws, and specifically those detailed in Article 18 of its Regulations.

Among other functions, and as an essential part of the Corporate Governance System, the Board of Directors is empowered, pursuant to Article 18.1. a) i) of its Regulations, to approve the Entity's general policies and strategies. In exercising this power, the Board has defined a general management and control framework, comprised of the Group's main strategic and forward-looking decisions (including the Strategic Plan, the Budget, and the Risk Appetite Framework), and has approved a series of general policies containing the Board of Directors' main guidelines for the management and oversight of the Group's various areas of activity.

Furthermore, the Board, either directly or through its Committees, generally monitors the implementation of decisions, including overseeing the implementation of the aforementioned general management and control framework, and supervising the management of the Company and its Group.

To ensure the proper fulfillment of its functions, the Board of Directors has a governance model that guarantees the participation of all directors, with full freedom of judgment, and whose fundamental pillars are: (i) appropriate decision-making, oversight, and control processes; (ii) a comprehensive, transparent, adequate, and consistent information model; and (iii) proactive management of identified conflicts of interest, both actual and potential.



Functions and responsibilities of the Corporate Bodies

To better perform its functions, the Board of Directors has a structure of committees that assist it on matters within its purview. These committees have been established based on an appropriate distribution of responsibilities, as outlined in their respective regulations (hereinafter, the Committees and the Board of Directors will be referred to collectively as the “Corporate Bodies”). These committees are composed of directors with specific expertise in their respective areas and have a cross-compositional structure that ensures efficient interaction among them. In carrying out their functions, the committees conduct in-depth reviews of the matters and proposals submitted by the executive departments for consideration by the Corporate Bodies, thus becoming an essential element in the decision-making, oversight, and control processes that fall under their purview.

In particular, in carrying out the management and oversight functions related to Sustainability, the Board of Directors has adopted a governance model that centers on the Board itself and relies on the specialized assistance of its various Committees on matters within their respective areas of competence.

- The **Executive Committee** supports the Board of Directors in decision-making and the ongoing monitoring of BBVA's Sustainability strategy and objectives, which are defined taking into account the impacts, risks, and opportunities (IROs) arising from Sustainability. The Executive Committee also supports the Board in overseeing the development and implementation of the strategy by the Group's various executive areas.
- The **Risk and Compliance Committee** supports the Board in integrating Sustainability into the analysis, planning, and management of the Group's financial and non-financial risks, and in monitoring their implementation.
- The **Audit Committee** oversees the process of preparing and the content of the information that must be formulated by the Corporate Bodies regarding Sustainability for publication as part of the Group's public information.
- The **Appointments and Corporate Governance Committee**, in addition to assisting the Board in evaluating the effectiveness of the Corporate Governance System described above, also ensures that Sustainability-related competencies are taken into account when analyzing the composition of the Board of Directors.
- The **Remuneration Committee** analyzes the selection and monitors the evolution of strategic indicators linked to variable remuneration, including those related to Sustainability.
- The **Technology and Cybersecurity Committee** supports the Board of Directors in monitoring the Group's technology strategy, as well as in overseeing technology risk and cybersecurity management, in a complementary and coordinated manner with the other Board committees.

For further information on the integration of sustainability into the variable remuneration model of executive directors, please refer to the "Competitive remuneration" section of this report, as well as the BBVA Directors' Remuneration Annual Report 2025, which is incorporated by reference into the BBVA Group's consolidated Management Report.

Governance model of the Corporate Bodies in matters of sustainability

Within the framework of the Group's overall management and control structure, the Board of Directors has approved the Strategic Plan for 2025-2029, which includes, as one of its six strategic priorities, "Boost sustainability as a growth engine". In this regard, the Corporate Bodies are promoting the integration of Sustainability, encompassing ESG aspects, into all of the Group's businesses and activities from a global perspective, and ensuring the appropriate management of the material impacts, risks, and opportunities arising from it.

To assist you in the above, the Bank has the Global Sustainability Area, which is responsible, among other things, for designing and promoting the implementation of the Group's strategic Sustainability agenda and business development in this area; for establishing the Group's objectives in these matters; and for promoting and coordinating the different lines of work of the Group's areas in this area, establishing for all of them the objective of promoting integrity in the relationship with the different stakeholders.

Furthermore, the various executive areas promote the different facets of Sustainability within their respective areas of responsibility, considering them in the definition of their strategies, work plans, initiatives, and resource management, and establishing, where appropriate, objectives and metrics to measure the progress made by each area in these areas.

The impacts, risks, and opportunities arising from the different facets of Sustainability that are of material importance to the Bank are taken into account in the various decisions approved by the Board of Directors that form BBVA's general management and control framework.

In particular, they are addressed in the Strategic Plan, which incorporates Sustainability as one of its strategic priorities, namely "Boost sustainability as a growth engine"; in the Budget, which establishes annual targets for strategic indicators related to Sustainability, among others; and in the Risk Appetite Framework, which includes references to Sustainability in the Risk Appetite Statement, as well as specific metrics related to Sustainability (i.e., the Net High Transition Risk metric and the decarbonization metric for the lending portfolio).

Furthermore, various sustainability-related issues are also integrated into the Group's general policies, which establish the basic management guidelines in different areas of particular relevance to the proper development of the Bank's activity.

In this context, BBVA's Corporate Governance System provides the corporate bodies with a holistic view of the different elements that contribute to Sustainability and long-term value creation, which the environment classifies as "ESG" factors or that should be included within the concept of "Sustainability." This view encompasses, among other aspects, the management of the environmental impact arising both from the Bank's own activity and from that of its customers in relation to climate change; the management of social issues, both internally and in its interaction with society and, in particular, with customers; as well as governance aspects linked to the Bank's conduct and aimed at ensuring responsible and appropriate business conduct.

Through this governance model, the Corporate Bodies define, oversee, and monitor the implementation of the Group's Sustainability strategy, taking into account the impacts, risks, and opportunities it generates for the BBVA Group. It also allows the Corporate Bodies to establish or oversee the establishment, at the executive level as appropriate, of the Bank's objectives in these areas and to monitor progress toward achieving them.



Activity of the Corporate Bodies in the area of Sustainability

The Board of Directors has approved the Strategic Plan for 2025-2029, which incorporates, as one of its six strategic priorities, "Boost sustainability as a growth engine" and a Sustainability General Policy. This policy defines and establishes the general principles, objectives, and management and control guidelines that the Group will follow regarding sustainable development, and whose oversight falls to the Board itself.

In addition, the Board of Directors has adopted other specific management decisions in the field of Sustainability, including the establishment of a strategic sustainable business channeling indicator, setting a target of €700 billion for the 2025–2029 period, which also forms part of the indicators established for employee incentives, following the achievement in 2025 of the €300 billion sustainable business channeling target set for the 2018–2025 period; and portfolio decarbonization targets in certain sectors, aligned with the objective of achieving net zero emissions by 2050.

To monitor and control the implementation of the decisions adopted by the Board of Directors regarding Sustainability, the Corporate Bodies rely on periodic reports received from both the Global Sustainability Area and the various areas of the Group, which incorporate Sustainability into their business and activity reporting. These reports are submitted by the executive areas to the Corporate Bodies according to their respective responsibilities, either on a regular basis or on an ad hoc basis.

To this end, it is worth noting that in 2025, the Corporate Bodies received regular, specific reports from the Global Sustainability Area, enabling them to monitor the various aspects of the strategy related to Sustainability and the established objectives in this area, as well as the Group's main projects and lines of work in this field. Likewise, the Group's different business and global areas reported to the Corporate Bodies on their activities, which include Sustainability as a key pillar, given its strategic priority for the organization. These reports detailed the specific initiatives, projects, and activities undertaken, and the resources available for implementing this priority.

Thus, most of the impacts, risks and opportunities arising from Sustainability related in the "Double materiality analysis" section of this Report, have been reported to the Corporate Bodies throughout the year, either specifically or as part of broader reports from the Bank's various executive areas on Sustainability matters[12].

More specifically, during 2025, some of the impacts, risks, and opportunities related to sustainability listed in the "Double materiality analysis" chapter of this Report that have been subject to recurring monitoring by the Board and its Committees are as follows:

- Climate change mitigation.
- Climate change adaptation.
- Working conditions.
- Equal treatment and opportunities for all.
- Incidents related to information.
- Corruption and bribery.
- Whistleblower protection.
- Money laundering.
- Cybersecurity.
- Data protection.

[12] As specified in this section of this Report, "Sustainability governance", BBVA's Sustainability Governance model is based on a holistic approach and a cross-cutting vision of sustainability issues by the corporate bodies. Thus, not all of the impacts, risks, and opportunities related to sustainability and included in the "Double materiality analysis" chapter of this Report are analyzed through specific presentations to the corporate bodies. In some cases, they are monitored in an integrated manner within presentations on broader issues within their respective areas (e.g., Risks, Compliance, Talent & Culture, etc.).

Knowledge, experience and capabilities of the Board of Directors

To ensure the best possible performance of its functions in this area, and in particular to develop an appropriate understanding of the material impacts, risks, and opportunities that Sustainability generates for the BBVA Group, the Board considers it essential to have knowledge and experience in this field.To this end, it continues to develop initiatives that have materialized in the incorporation, as part of the progressive renewal of its members, of individuals with extensive knowledge and experience in these matters, as well as in the expansion of the continuous training program for its members to include sustainability-related topics, which since 2021 has covered both the Group's progress in Sustainability (decarbonization strategy, sustainable transition, inclusive growth and natural capital) and sustainability-related compliance matters (e.g., natural capital, global trends, greenwashing risk, etc.).

In this way, the composition of the Board of Directors is continuously reviewed by the Board of Directors, with the support of the Appointments and Corporate Governance Committee, to ensure the diversity of viewpoints, knowledge and skills aligned with strategic needs and that the Board of Directors, as a whole, has an appropriate composition at all times.

Competencies	J.M. Andrés	J. Caruana	E. Casanueva	S. Dulá	R. Galamba	B. Garijo	C. Hedegaard	L. Máiz	C. de Parias	A. Peralta	A. Revenga	C. Salazar	J. Verplancke
Banking and financial services	↑	↑	↑	↑	↑	↑	→	→	↑	↑	→	↑	↑
Accounting, auditing, and finance	↑	↑	↑	↑	→	↑	☆	→	↑	↑	☆	↑	→
Innovation and information technologies	→	→	→	→	↑	↑	→	☆	→	☆	↑	☆	↑
Risk management	↑	↑	↑	↑	↑	→	→	→	↑	↑	↑	☆	→
Strategy and macroeconomic environment	→	↑	↑	↑	↑	↑	↑	→	↑	→	↑	↑	→
Human resources, talent, culture, and compensation	→	→	↑	↑	↑	↑	↑	↑	↑	→	↑	↑	→
Institutional, legal, and regulatory	→	↑	↑	→	→	↑	↑	↑	↑	→	→	→	→
Corporate governance	↑	→	→	↑	↑	↑	↑	↑	→	→	→	↑	→
Sustainability (Environmental and Social)	→	→	→	↑	→	↑	↑	↑	→	→	↑	↑	→

☆ General ↑ High → Medium

As reflected in this skills and diversity matrix, BBVA's Board of Directors brings together a wide range of knowledge, skills and experience, both national and international, in areas that are essential for BBVA. This enables the Board, as a whole, to have a balanced, diverse and highly qualified composition, facilitating the proper performance of the functions of the corporate bodies, as set out in sections 4 to 6 of the 2025 Annual Corporate Governance Report, which is incorporated by reference into the BBVA Group's consolidated Management Report.

In this context, the Board has the knowledge and experience in areas considered key to BBVA's strategy, business and activities, as well as an understanding of the environment, activities, strategy and risks of both the Bank and the Group. Specifically, in the area of Sustainability, the Board of Directors has been strengthening its capabilities through both specific training initiatives and, in recent years, the incorporation of directors with extensive experience and expertise in Sustainability matters.

This knowledge and experience relate to general sustainability-related issues (for example, inclusive growth, climate transition, etc.), as well as to specific aspects of Sustainability in the financial sector, affecting not only the transition process of the sector as a whole, but also specific products and services related to those offered by the BBVA Group in the countries in which it operates. All of this enhances the Board of Directors' overall solid Sustainability capabilities, both in general terms and with regard to other aspects more specifically related to its business model.

In turn, this knowledge is complemented by reports, presentations and specific training provided to the Board of Directors and its various Committees by the Bank's executive teams, which have extensive experience and expertise in their respective areas of specialization and, in particular, in relation to the products and services offered by the BBVA Group in the countries in which it operates.

Sustainability General Policy of BBVA

BBVA's Sustainability General Policy, revised and approved by the Board of Directors in September 2022, establishes the criteria, objectives, and guidelines that govern the Group's and its subsidiaries' management of sustainability matters, aligning with the United Nations' approach, which promotes meeting current needs without compromising the ability of future generations to meet their own.

Furthermore, this Policy unifies the previous Corporate Social Responsibility Policies and the Sustainability General Policy, and identifies the Group's main stakeholders (customers, employees, shareholders and investors, suppliers, regulators and supervisors, as well as community support initiatives) along with the areas in which it focuses its actions, such as tax responsibility, the prevention of illicit conduct and corruption, participation in international initiatives, and respect for human rights.

This regulatory framework includes areas considered essential for growth aligned with environmental, social and governance criteria, reflecting the principles that guide the Group's actions in matters of sustainability:

1. Supporting customers in their transition to **more sustainable business models** by acting as a lever to enhance such behaviors or actions, for example, through the channeling of sustainable business in relation to decarbonization and energy transition, and the contribution to customers' adaptation to climate change.
2. Progressively integrating **sustainability opportunities and risks** into its strategy, business, processes, and risk management. This principle is realized by expanding its portfolio of sustainable products and considering climate transition risk in its operations.
3. Ensuring the direct and indirect **environmental and social impact** in the most relevant areas that its businesses and activities could generate, promoting positive impacts and reducing negative impacts, for example, by managing the impact of GHG emissions from the financed portfolio and the services offered to customers.
4. Respecting the dignity of **persons and the human rights** inherent to them in accordance with various widely recognized national or international commitments to which it has adhered.
5. Developing **community investment programs** and activities to address the most relevant challenges in the communities where the Group is present, with the aspiration of creating opportunities for all.
6. Becoming involved as an agent of social change together with other **stakeholders** (employees, shareholders, suppliers or society in general) with the aspiration to create opportunities for all, and dedicating to this purpose their skills and business knowledge, their capabilities and resources.

Accordingly, the matters covered by this Policy are aligned with the impacts, risks and opportunities (IROs) identified in the double materiality analysis and reflect the commitments made by BBVA in different areas. For more information on the identified IROs, see the "Double materiality analysis" chapter.

The Board of Directors, as BBVA's highest supervisory body, oversees the implementation of this Policy, either directly or through its committees. This policy is publicly available to all stakeholders and can be found on the Bank's website.

This policy is public to all stakeholders and is available on the corporate website bbva.com.

Furthermore, BBVA has an Environmental and Social Framework in place, which establishes the criteria for the identification, assessment, and monitoring of certain activities in sectors selected due to their environmental and social impact (for more information, see the "Environmental and social impact of customer financing" section).

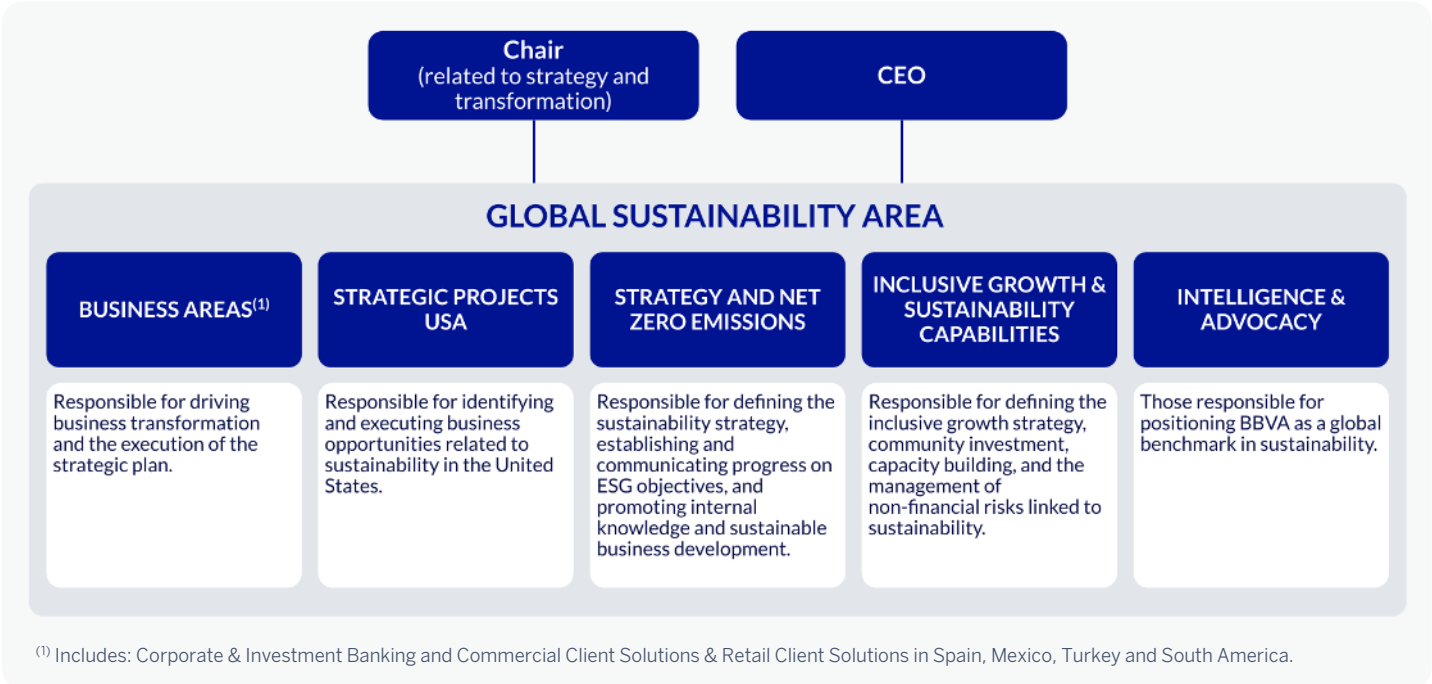
Framework for action for the integration of sustainability in the executive sphere and in the financing structure

Integration of sustainability in the executive level across the Group

The implementation of the Sustainability strategy, approved by BBVA's corporate bodies, requires cross-functional integration at the executive level. For this implementation, the Group has a Global Sustainability Area, whose head reports directly to both the Chairman, regarding transformation and sustainability strategy, and the CEO, regarding business matters.

Thus, the implementation of the Sustainability strategy is cross-cutting throughout the Group, with all its areas responsible for progressively incorporating it into their strategic agenda and work practices. To this end, the Global Sustainability Area is responsible, among other things, for designing and driving the implementation of the Group's strategic Sustainability agenda (focusing on combating climate change, protecting natural capital, and inclusive growth) and developing business in this area; establishing the Group's objectives in these matters; and promoting and coordinating the Group's various lines of work in this area, developed by the different areas; while maintaining, across all areas of the Group, the objective of promoting integrity in relationships with different stakeholders.

In this way, the Sustainability governance model in the Group integrates the governance model of the Social Bodies with a cross-cutting structure in the executive field led by the Global Sustainability Area, which drives the execution of the strategic priority in the different areas of the Group, in accordance with the main areas of action foreseen in the Sustainability General Policy of the Group (climate change and protection of natural capital as well as inclusive growth).



(1) Includes: Corporate & Investment Banking and Commercial Client Solutions & Retail Client Solutions in Spain, Mexico, Turkey and South America.

As shown in the above figure, the Global Sustainability Area incorporates dependencies from the business units of both Commercial Client Solutions and Retail Client Solutions as well as CIB, a business unit with which it shares its Head, with the aim of strengthening and accelerating the integration of Sustainability into the Group's business.

In addition, BBVA has developed a network of experts made up of specialists in sustainability across different areas of the Group (Retail Client Solutions, Commercial Client Solutions, Corporate & Investment Banking, Asset Management, GRM, Finance, Regulation & Internal Control, Legal, Internal Audit, and the Global Sustainability Area itself). These specialist teams are responsible for building knowledge in the field of sustainability within the Group, aimed at developing customer-focused proposals and solutions, as well as for supporting the different areas in the design and implementation of new value propositions in the field of sustainability, the integration of sustainability risks into risk management, the management of non-financial risks, and the definition of a public sustainability agenda and standards.

In 2022, the Sustainability Alignment Steering Group (hereinafter, the SASG) was created with the aim of putting forward proposals and monitoring the alignment objectives for the sectors for which specific targets have been set, as well as overseeing compliance with those objectives. This committee is led by the Global Head of Sustainability & Corporate Investment Banking and is composed of the global heads of Risk Management, Commercial Client Solutions and Strategy & M&A.

Following its passage through the SASG, the monitoring of compliance with the objectives, including the explanation of possible deviations and redirection measures (if applicable) is presented on a quarterly basis for review at the highest executive level and subsequently to the Corporate Bodies, with a minimum frequency of biannually. For more information, see the section “BBVA Group Transition Plan”.

With regard to the area of ESG public disclosure, the Group has an ESG Reporting Committee. The Committee serves as a coordination and support body at executive level aimed at ensuring that the information to be disclosed on Sustainability matters that is to be formulated by the corporate bodies of the BBVA Group reflects the Sustainability objectives and strategy, risk management model and relevant quality standards. The Committee is led by the Finance area and the following areas participate in it: the Global Sustainability Area, Global Risk Management, Regulation & Internal Control, Legal Services, the General Secretariat, Data, the Chair’s Office, Talent & Culture, Strategy, Communications and Internal Audit.

To strengthen the cross-cutting integration of sustainability, BBVA has incorporated other aspects related to Sustainability into its day-to-day operations, both in its relationship with customers and in its internal processes, including its management control and reporting processes. The following actions can be highlighted:

- **Progressive integration of sustainability into financial reports for Senior Management and the business areas**

  In Spain for example, these reports include an analysis of the trend in profits and returns and the impact on the income statement, and certain decisions on how best to allocate internal resources are made on the basis of this information.

- **Use of financial information for decision-making based on the sustainability axis**

  Likewise in Spain, for example, this information includes data on sustainable business channeling, profitability, percentage of penetration of sustainable activity, as well as balance sheets and income statements that enable the Group to monitor the sustainable business for each segment of activity.

– **Incorporating global and local Sustainability projects into the SDA (Single Development Agenda) project agenda.**
Development and implementation of global and local sustainability projects under the umbrella of the Single Development Agenda (SDA). The SDA is a uniform governance framework through which projects are prioritized and the financial resources and human capital necessary for their execution are allocated. The amount allocated to sustainability-related projects totaled €42 million in 2025 (€52.5 million in 2024)[13]. Notable investments include the following areas: (i) Transformational initiatives to grow in sustainable sectors, leveraging digitalization and focusing on verticals such as energy, mobility, or agribusiness; (ii) Projects in the area of risk and processes for the comprehensive adaptation of current components and the implementation of new physical and transition risk controls; (iii) Strategic initiatives to reduce financed emissions, aligned with decarbonization objectives; (iv) Projects focused on creating a positive impact on people; (v) Projects to implement key requirements related to ESG reporting; (vi) Projects associated with the sustainability-based growth strategy through personalized advisory, risk management, and control using high-quality and transparent data.

1.4.2 Due diligence processes

BBVA views due diligence as a continuous, proactive and integrated process aimed at identifying, assessing, mitigating, and monitoring adverse impacts, whether actual or potential, that its businesses and activities may generate.

BBVA is systematically incorporating its relationship with social factors—customers, employees, suppliers, and society—as a potential risk vector within its overall non-financial risk management framework. This ensures their systematic consideration in the processes of identification, assessment, control, and monitoring, thereby integrating due diligence into the Group's management model. This process consolidates the objectives established and processes implemented in previous years to identify and address potential negative impacts on its stakeholders, in accordance with the implementation of the Human Rights Action Plan 2021-22 & 2023.

In this context, BBVA understands risk as the possibility that an internal or external event may negatively affect the achievement of the Group's strategic objectives or generate adverse impacts on people, the environment, or the stakeholders with which it engages.

In addition, BBVA applies specific risk assessment processes, including, among others, integrated Operational Risk Assessment, Non-financial Risk Assessment and Climate Risk Assessment exercises, which identify and assess risks arising from emerging factors, including climate change.

These processes are complemented by monitoring and measuring the effectiveness of the measures adopted, through non-financial risk management indicators, risk limits defined in the Group's global catalogue, as well as internal review mechanisms and reporting to the corporate bodies. This integration ensures that due diligence is not an isolated exercise, but rather part of the corporate risk management system.

Complementarily, the Group's double materiality analysis reinforces this approach by integrating the perspective of impacts, risks and opportunities that are relevant both for BBVA and for its stakeholders, drawing on the internal risk management processes and the methodologies for identifying relevant matters already in place.

In line with the ESRS, BBVA is making progress in the gradual integration of the essential elements of due diligence into its risk identification, management and prevention processes. Below are the main elements that make up this risk management approach and how they are integrated into BBVA's corporate framework, together with references to the corresponding sections of this Consolidated Management Report:

[13] The figure includes information from Spain, Mexico, Turkey, Argentina, Colombia, Peru, Uruguay and Holding.

Integration into governance, strategy and business model

The general risk management and control model applies to all areas of the Group and covers both financial and non-financial risks (environmental, operational and reputational risks, among others). As the regulatory landscape continues to evolve, the Group is working within this framework to more fully integrate the identification and management of social risks as a subcategory within compliance, employee and operational risk blocks (including risks related to third parties).

Accordingly, the risk management process includes the identification, assessment, mitigation, and monitoring of risks and impacts, under the supervision of the Board of Directors and the Risk and Compliance Committee.

For further information, see the "Risk management" section of the consolidated Management Report and the "Sustainability governance", "Management of risks associated with climate change" sections, and the "Business conduct" chapter.

Engagement with affected stakeholders

The Group promotes ongoing dialogue with its stakeholders in order to anticipate expectations and manage reputational risks. This dialogue is carried out through different channels that make it possible to identify and address the issues that are relevant to them:

- Dialogue with stakeholders, including employees, customers, suppliers, society and investors (see the "The Value Chain and its relationship with stakeholders" section).
- Complaints and customer service channels, which make it possible to detect risks linked to financial products or services (see the "Complaints channels" section).
- The Group Whistleblowing Channel, accessible to employees, suppliers and third parties, which constitutes an essential tool for detecting and managing potential breaches or adverse impacts (see the "Whistleblowing Channel" section).
- Communication channels for employees, in particular the Employee Service (SAE) and the Advisor Talent & Culture Channel, to raise queries, concerns or suggestions (see the "Own workforce" chapter).

Identification and assessment of adverse incidents

BBVA also has other management processes and systems that constitute comprehensive control frameworks that actively contribute to the identification, assessment and mitigation of environmental, social and governance risks and impacts. Among them, the following stand out:

- ESG assessment and monitoring of customers, which encompasses various processes aimed at identifying, assessing and mitigating environmental and social risks and impacts associated with customer relationships. This framework is supported by the Environmental and Social Framework, the Equator Principles and the ESG controversy management procedure, enabling a consistent and ongoing assessment of the risks associated with the bank's activities and relationships (see the "Management of risks associated with climate change" section).
- Anti-corruption and bribery (see the "Corruption and bribery" section) and anti-money laundering (see the "Prevention of money laundering and terrorist financing" section).
- Supplier assessment (see the "Management of suppliers and services" section).
- Management of risks related to transparency in information and the access to products and services (see the "Transparency in information provided to customers about services and products" and "Access to services and products" and sections).
- Cybersecurity and responsible data use risk management (see the "Cybersecurity" and "Responsible use of data" sections).

Adoption of measures to address adverse impacts

BBVA continues to strengthen this approach in order to generate positive impacts in line with the strategic priority of "Boost sustainability as a growth engine" and as established in the Sustainability General Policy.

Accordingly, the Group develops initiatives and action plans aimed at generating positive impacts and strengthening the resilience of its operations to ESG risks. These actions are detailed throughout this NFIS and include measures related to climate change, own workforce, consumers and end-users, and business conduct, among other topics.

Monitoring the effectiveness of these efforts and communication

All risks are subject to a management and control framework described in the "Risk management" section of the consolidated Management Report. This framework establishes mechanisms for monitoring, reporting and escalation of risks to the relevant corporate bodies, ensuring homogeneous and coordinated oversight across all areas of the Group.

The corresponding metrics are disclosed throughout this NFIS. In addition, transparent and periodic communication on progress and results is carried out, both through this Consolidated Management Report and through other Group reports.

2. Environmental information

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2.3.2 Management of other direct environmental impacts 138

BBVA's strategy integrates sustainability as one of its strategic priorities and conceives it as a growth engine, closely linked to the 'Radical Client Perspective' (RCP) priority, which places the customer at the center of the business model. From this perspective, the Group manages, in an integrated manner, the environmental impacts, risks, and opportunities identified as material based on the double materiality analysis.

BBVA identifies **sustainable business channeling in the environmental domain as a positive impact** and **material opportunity,** aimed at supporting the decarbonization of the economy, energy efficiency, renewable energies, and other solutions with a positive environmental impact. Under the RCP approach, BBVA supports its customers—companies, SMEs, and individuals—through financial products and services for the transition, generating relevant positive impacts such as financing sustainable projects, reducing their emissions, and improving their resilience against the effects of climate change. For more information, see the "Environmental business channeled" section and, on a cross-cutting basis, the "Integration of Sustainability into BBVA's activity" chapter.

Climate change management drives new transformation processes in the real economy. In this context, BBVA structures its approach based on a dual perspective: supporting customers in emission reduction and adaptation to a transforming environment, and ensuring the **management of risks** associated with this process, with a particular focus on transition risks.

In response to these impacts and risks, the Group has defined a **Transition Plan**, which sets interim emissions reduction targets for 2030 in 11 carbon-intensive sectors and a decarbonization strategy for each sector. This approach is complemented by the management of the direct environmental impacts of the Group's operational activities, building on the Global Eco-efficiency Plan in place since 2019 until 2025 and reinforcing its ambition through the new framework for action for the period 2026-2030. For more information, see the chapter "Climate change management".

Additionally, Group 's approach is completed with the management of **natural capital**. BBVA is making progress in identifying and managing the impacts and dependencies associated with natural capital and other environmental aspects, as well as in developing financial solutions linked to biodiversity conservation and the sustainable use of natural resources. For more information, see the chapter "Natural capital management."

Finally, the Board of Directors updated in 2022 the Sustainability General Policy, which establishes the processes for managing impacts, risks, and opportunities related to climate change mitigation and adaptation. This policy encompasses areas such as sustainable business channeling, the management of physical and transition risks, decarbonization, and the use of renewable energy (for more information, see the "Sustainability General Policy of BBVA" section).

2.1 Environmental business channeled

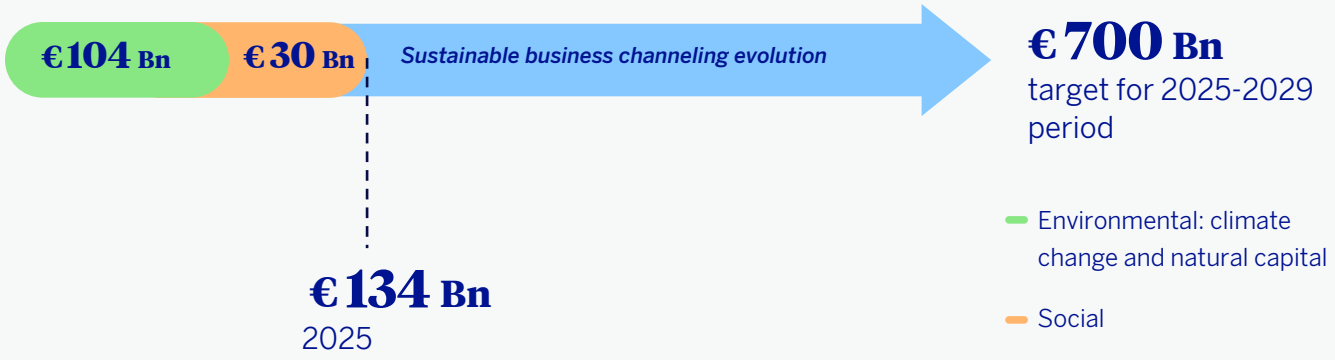
BBVA drives sustainable business channeling as a strategic pillar to address the transition towards a low-carbon economy. In this regard, the Group channels resources towards activities classified as detailed in the "Criteria for determining sustainable business channeling" section, thereby responding to the challenges of the current context.

As detailed in the chapter "Integration of Sustainability into BBVA's activity" the performance achieved in 2025 represents progress towards meeting the €700 billion channeling target set by the Group for the 2025-2029 period: BBVA reached a record **€134 billion channeled into sustainable business during 2025, of which €104 billion is associated with the environmental domain, and the remainder with social activities.**

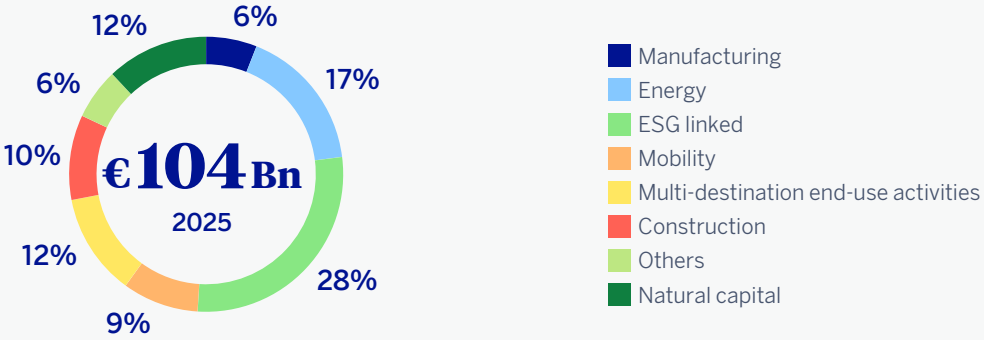
SUSTAINABLE BUSINESS CHANNELING RELATED TO THE ENVIRONMENT [1]

BREAKDOWN AS OF DECEMBER 2025

OBJECTIVE FOR 2025-2029 PERIOD



CLIMATE CHANGE AND NATURAL CAPITAL 2025



[1] Multi-destination finalist activities cover more than one area of action, but with the information available it is not possible to make an exact assignment.

Channeling by customer segment

The range of sustainable financial products and services considered sustainable by BBVA in accordance with the criteria described in the "Criteria for determining the sustainable business channeling" subsection, is tailored to the characteristics of each customer type, in order to precisely meet their needs. In this regard, the Group develops specific initiatives in the environmental field and carries out differentiated monitoring of the distribution channeling according to each customer segment:

SUSTAINABLE BUSINESS CHANNELING RELATED TO THE ENVIRONMENT
BREAKDOWN AS OF DECEMBER 2025

CLIMATE CHANGE AND NATURAL CAPITAL 2025 by customer segment

Of the €104 billion, the following has been allocated by customer segment:

Corporate customers	Enterprise customers	Retail customers
€63 Bn	€37 Bn	€4 Bn

1. Corporate customers

During 2025, the Group has continued to promote the confirming business related to sustainability, based on the assessment and classification of corporate customers' suppliers according to environmental sustainability criteria. This may allow suppliers of BBVA customers to access better discounts on their invoices when they meet the established sustainability criteria. In addition, this product acts as a lever for corporate customers to improve the sustainability of their value chain.

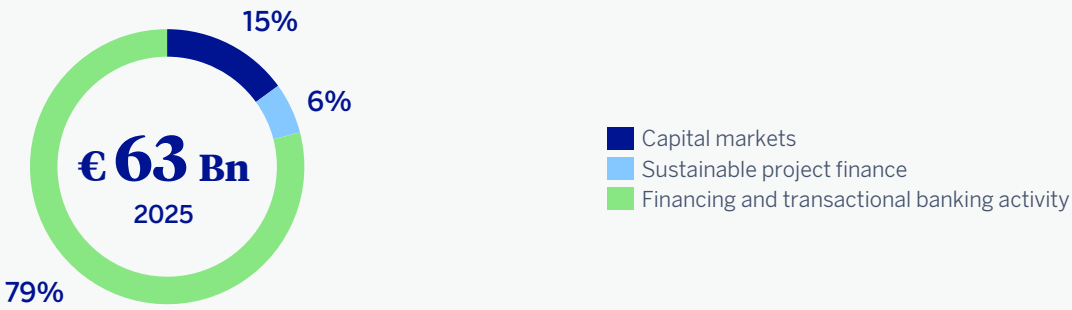
Additionally in key markets, BBVA has continued to strengthen its support for European customers in more exposed sectors and expanded its range of solutions in North America.

Finally, the Group promoted the financing of new clean technologies, prioritizing solutions such as sustainable aviation fuels (SAF), batteries and biomethane as a renewable and manageable alternative in industrial thermal processes. These initiatives are complemented by the promotion of energy storage and efficient electrification in the industrial sphere.

Trend in sustainable business channeling in the corporate customers segment

In 2025, sustainable business channeling linked to climate change and natural capital in wholesale customers amounted to €63 billion which represents a growth of 37% compared to 2024.

CORPORATE CUSTOMERS



Financing and transactional banking activity

In the area of corporate finance and transactional banking, BBVA has channeled €49 billion related to climate change, including:

- €29 billion primarily in financing and transactional activity, along with general financing for customers considered sustainable due to the proportion of revenue derived from sustainable activities linked to climate change, with a particular focus on sectors such as energy and mobility.
- €20 billion in financing and general-purpose transactional banking activity associated with compliance with environmental indicators or criteria linked to climate change.

Capital markets

It primarily includes (i) the placement of third-party bonds, with BBVA acting as bookrunner, in relation to green bonds, sustainable bonds (for the portion allocated to environmental objectives), or bonds linked to environmental indicators, as well as (ii) EU Emission Allowances acquired by BBVA at auction in accordance with the EU Emissions Trading Scheme Directive, the proceeds of which are allocated by the Member State to the sustainable purposes set out in that Directive.

The total volume channeled through the aforementioned channels during 2025 amounts to €9 billion, with particularly strong bonds issuances among European and Mexican customers. The Group continues to drive the development of green and social bonds markets in Latin America, Europe, and the United States.

Sustainable project finance

BBVA has played a significant role in financing green and sustainable projects (specifically in the portion allocated to environmental objectives) channeling an approximate aggregate volume of €4 billion,with the following areas standing out:

- €3 billion in renewable energy projects, mainly solar and wind, with one-off operations, especially in the United States and Europe.
- €500 million in new clean technology projects. These include funding for carbon capture and storage projects, as well as the financing of a gigafactory for batteries.
- €500 million in other areas, including natural capital, of which 100 million have been allocated to water treatment and distribution projects.

2. Enterprise customers

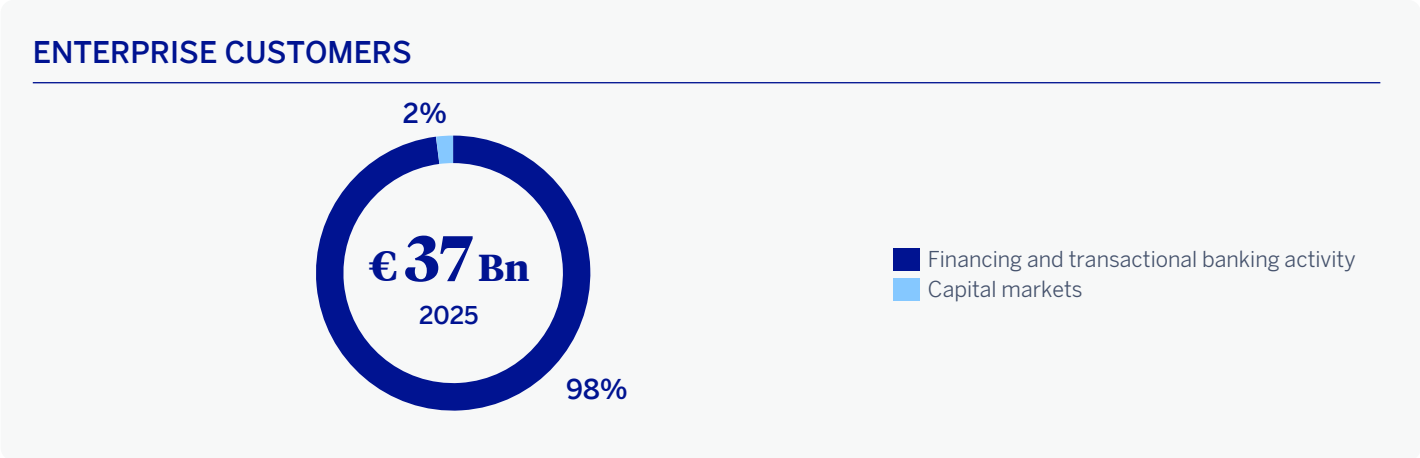
The BBVA Group's new strategic cycle places special emphasis on enterprise customers. In the sustainability domain, the Group directs the development of its value proposition towards solutions that generate economic efficiencies for its customer. Under this approach, priority is given to key cross-cutting drivers for business competitiveness, such as energy efficiency, the transition towards sustainable mobility, comprehensive water resource management, the promotion of the circular economy, and the modernization of the agri-food sector. Furthermore, the bank has continued to strengthen the use of advanced data analytics for the development of consulting tools, such as the carbon footprint calculator for customers.

During 2025, the development of local initiatives was also promoted, including the launch of a biodiversity bond in Turkey and the identification of new business opportunities in the wine sector in Mexico and Spain (for further information, see the "Identification and measurement of risks and opportunities associated with natural capital" section).

The number of sustainable transactions completed (including loans, confirming and lines of credit, among others) was twice the figure reported in the previous year, exceeding 157,000. Mexico's contribution is particularly noteworthy, accounting for more than 72% of these transactions.

Trend in sustainable business channeling in the Enterprise customer segment

In 2025, sustainable business channeling linked to climate change among enterprise customers reached approximately €37 billion. This volume represents a 43% increase compared to the 2024.



Financing and transactional banking activity

During the 2025 fiscal year, €36 billion was channeled into areas related to climate change, notably:

- €17 billion in financing and transactional banking specifically related to climate change, with a focus on activities in the agricultural and construction sectors.
- €11 billion in general-purpose financing linked to environmental or social indicators or criteria, of which €800 million corresponds to sustainability-linked confirming based on an assessment and classification of suppliers of customers according to sustainability criteria.
- €8 billion in generalist financing for customers considered sustainable based on their income from sustainable activities related to climate change.

Capital markets

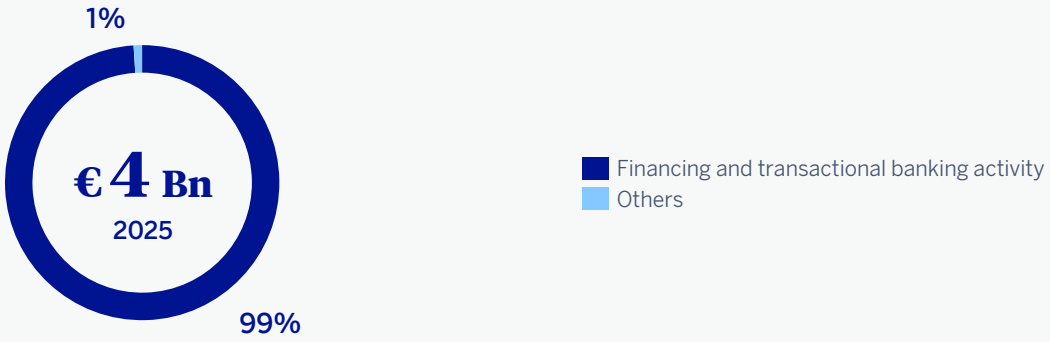
In the capital markets sector, €1 billion have been placed in 2025, broken down into green bonds (in the section dedicated to environmental objectives) sustainable bonds and bonds linked to third-party environmental indicators in which BBVA acts as book runner.

3. Retail customers

Trend in sustainable business channeling in the retail customers segment

During 2025, the Group boosted the sustainable business channeling through various products aimed at retail customers, achieving €4 billion linked to climate change which represents a growth of 43% compared to 2024.

RETAIL CUSTOMERS (1)



(1) "Others" mainly includes insurance policies related to energy efficiency.

Financing and transactional banking activity

In 2025, BBVA has enhanced its value proposition by focusing mainly on:

Residential energy efficiency and home ecosystem, in Spain:

- The Group leverages its capabilities in Data Analytics and Big Data to identify customized energy-saving opportunities for its customers. These tools enable the estimation of potential cost and emissions reductions, acting as a catalyst for sustainability investment decisions.
- The Group has consolidated a comprehensive offering aimed at decarbonizing the housing stock. Beyond financing, the value proposition integrates turnkey technical solutions for the installation of photovoltaic self-consumption systems, efficient climate control systems (aerothermal energy), and improvements to building envelopes (windows). In 2025, BBVA financed more than 14,000 transactions of this type.
- In the mortgage segment, the entity has prioritized the channeling of credit toward high-performing assets. At the same time, momentum has been maintained in the refurbishment of homeowners' associations, a critical segment for improving the efficiency of the real estate stock.

Sustainable mobility and electrification:

- The mobility strategy is structured through an integrated digital ecosystem, enabling individuals and enterprises to seamlessly manage the transition of their vehicles ('end-to-end'). This platform facilitates access to financing and leasing plans for over 200 electric and hybrid models.
- This digital capability is complemented by specialized advisory services for the electrification of SME fleets.

Furthermore, in the agri-food sector has also continued to promote advisory and financing solutions for small and medium-sized enterprises in both Spain and South America.

In aggregate terms, the Group has mobilized a total volume of €4 billion in sustainable financing for the retail segment, driven by the digitalization of the offering:

- Nearly €2 billion was channeled toward the acquisition of low-emission vehicles.
- Channeling of €1 billion into mortgages for homes with high energy certification in the main operating geographies.
- Financing through customized digital solutions for the mass market and energy efficiency, with approximately €300 million channeled under this category.
- BBVA channeled around €40 million in financing for solar panels, and nearly €70 million in financing for household energy-efficiency measures. These solutions are being promoted transversally across the geographies in which the BBVA Group operates.
- The remaining amount channeled was mainly allocated to various activities related to the agricultural sector and manufacturing.

2.2 Climate change management

2.2.1 BBVA Group Transition Plan

2.2.2 Management of risks associated with climate change

2.2.3 Sustainable financing under Article 8 of the European Taxonomy

Climate change represents one of the greatest challenges in the current global context. In response to this challenge, BBVA directs its efforts towards contributing to its mitigation and adaptation. Firstly, due to its **responsibility to society as a purpose-driven organization**. Secondly, because it aims to **adequately manage the risks arising from the transition to a low-carbon economy and the physical risks associated with climate change.** Finally, because **supporting customers in this process through advisory services and financing represents an unprecedented business opportunity.**

To articulate this vision, the Group has defined its **Transition Plan**, which acts as the global strategic framework for climate change management, establishing decarbonization targets for both the financed portfolio and its own operations

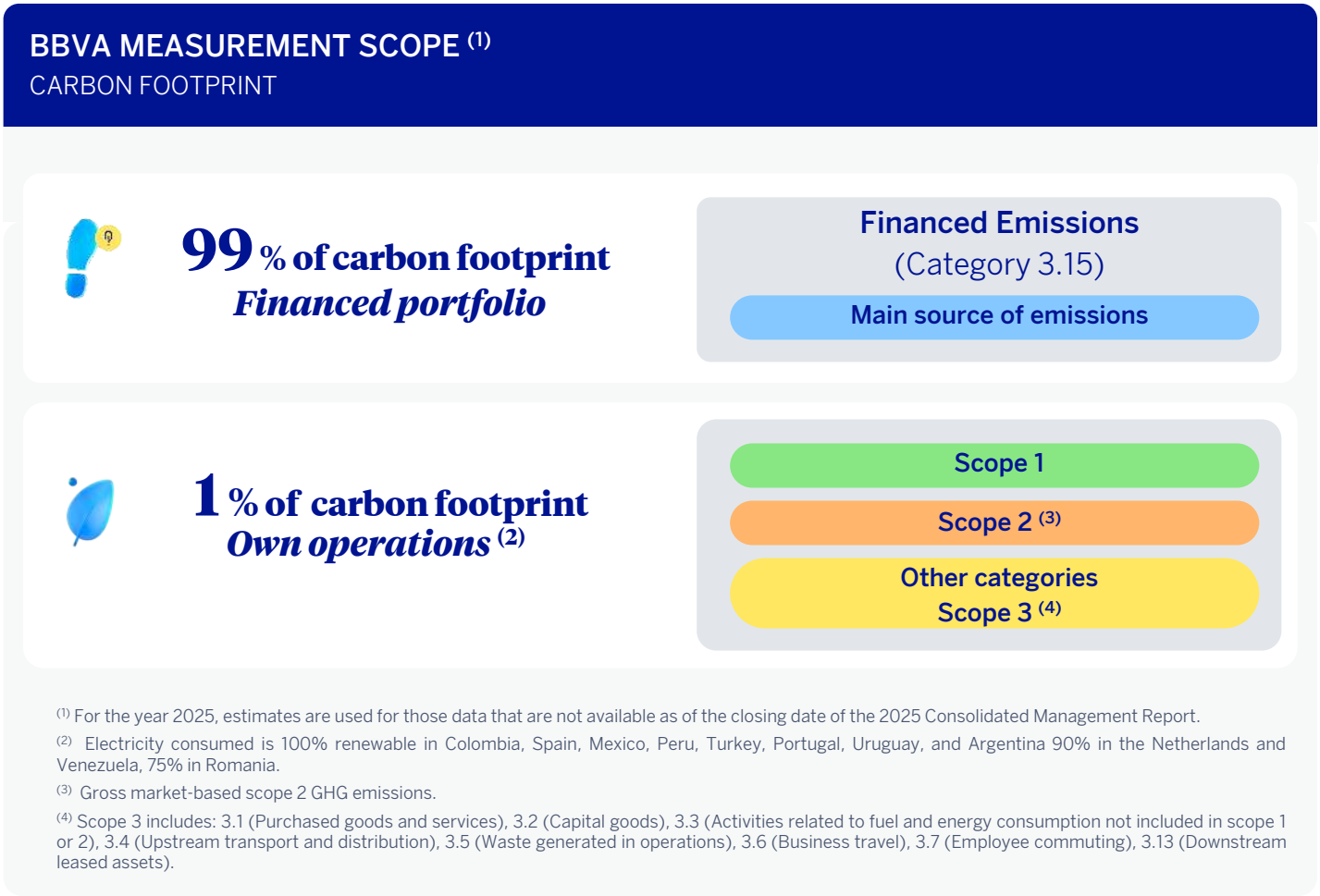
Finally, the Group has a **Risk Management** Model in place that incorporates sustainability variables into its decision-making processes and governance frameworks, understanding that environmental challenges have a direct impact on the financial risk profile and the resilience of the business model in the long term.

2.2.1 BBVA Group Transition Plan

In its double materiality analysis, the Group identifies the increase in financed emissions derived from exposure to carbon-intensive sectors or those in the midst of a technological adaptation process as a current negative impact.

In this context, the Transition Plan constitutes the backbone instrument of the climate strategy, structuring the Group's response to the challenges derived from decarbonization

To do this, BBVA calculates and monitors its carbon footprint annually to identify the main sources of impact and prioritize mitigation actions. In this context, **financed emissions (Scope 3 – category 15)** represent approximately 99% of the Group's total footprint, constituting the main focus of the decarbonization strategy. Emissions from its own operations (Scopes 1 and 2) and the remaining Scope 3 emissions have a smaller impact, although they are actively managed through reduction and operational efficiency plans. This differentiation allows the Group to focus its efforts effectively, both on sustainable customer financing and on reducing its own environmental footprint.



(1) For the year 2025, estimates are used for those data that are not available as of the closing date of the 2025 Consolidated Management Report.

(2) Electricity consumed is 100% renewable in Colombia, Spain, Mexico, Peru, Turkey, Portugal, Uruguay, and Argentina 90% in the Netherlands and Venezuela, 75% in Romania.

(3) Gross market-based scope 2 GHG emissions.

(4) Scope 3 includes: 3.1 (Purchased goods and services), 3.2 (Capital goods), 3.3 (Activities related to fuel and energy consumption not included in scope 1 or 2), 3.4 (Upstream transport and distribution), 3.5 (Waste generated in operations), 3.6 (Business travel), 3.7 (Employee commuting), 3.13 (Downstream leased assets).

To advance decarbonization, BBVA:

- Develops a **decarbonization strategy for the loan portfolio and investment products**, tailored to the specific characteristics of each sector and supported by specific transition plans, with metrics and monitoring systems that enable the continuous assessment of decarbonization progress and data-driven decision-making.

- **Sets intermediate emission reduction targets for 2030**, which steer the loan portfolio's evolution towards pathways aligned with decarbonization scenarios.

Additionally, to manage the direct environmental impacts inherent to its operational activity, the Group quantifies its **carbon footprint** on an annual basis, articulating mitigation measures through continuously implemented emission reduction plans. In this context, the 2021-2025 Eco-efficiency Plan, which has guided internal emissions management in recent years, concludes in 2025 after having consolidated significant progress. Based on this, BBVA developed its new **Eco-efficiency Plan 2026-2030** during 2025, setting more ambitious targets for 2030 and marking the beginning of a new phase in its operational decarbonization strategy.

Thus, the various elements that make up the Transition Plan are approved by the corresponding committees, as detailed in the sections relating to the Governance Model.

In this regard, BBVA recognizes that the success of decarbonization also depends on governments, regulators, and supervisory bodies, through their public and/or sectoral policies. Collaboration between the financial sector and these stakeholders is key to achieving an effective and lasting shift towards a cleaner and more sustainable economy.

Financed portfolio

The BBVA Group's global strategy for managing its financed portfolio is structured around five main pillars:



Measuring the carbon footprint: Financed CO_2e emissions

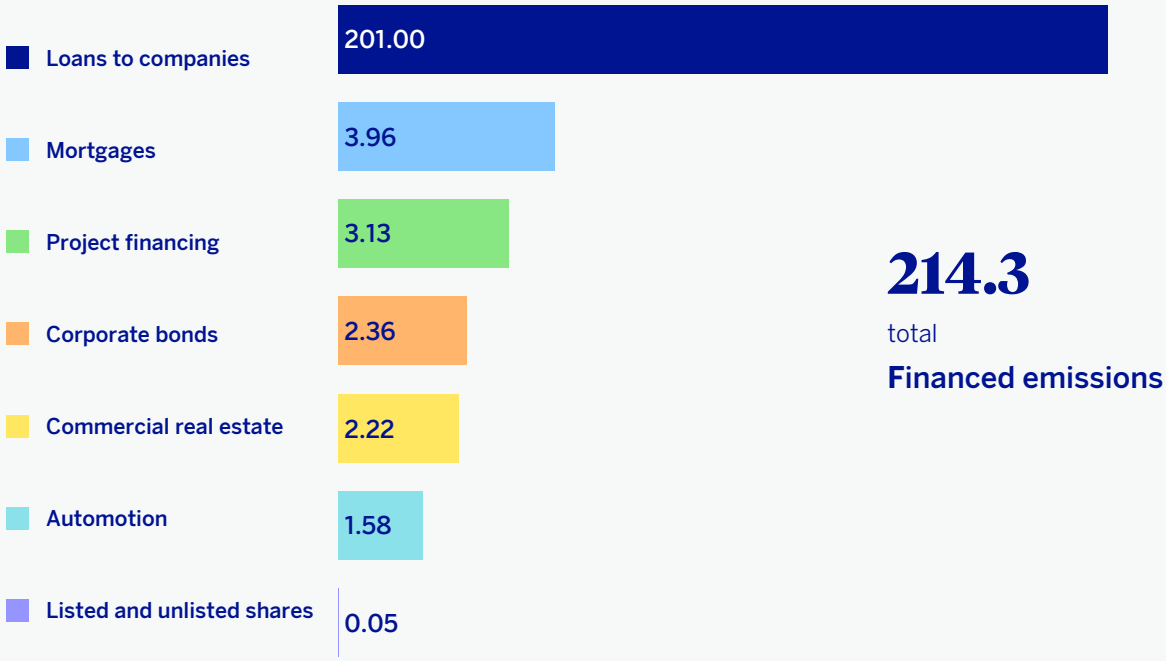
BBVA measures Scope 3, Category 15 greenhouse gas (GHG) emissions for financing activities (corporate loans, project finance, commercial real estate, mortgages, and motor vehicle loans) and for the portfolio of corporate bonds and listed and unlisted equity. To carry out this measurement, BBVA has adopted the PCAF (Partnership for Carbon Accounting Financials) methodology, applying the financial control criteria identified in the GHG protocol. This calculation covers all portfolios included in the first edition of the PCAF standard and the Group's significant geographical areas, providing a comprehensive view of financed emissions.

In line with the defined roadmap, since the end of 2024 the calculation of financed emissions includes all material geographies within the Group: BBVA, S.A. (excluding the branch in Portugal), BBVA Mexico, BBVA Colombia, BBVA Peru, BBVA Argentina and Garanti BBVA (the Garanti BBVA perimeter in Turkey and its subsidiaries Garanti Bank International and Garanti Bank Romania).

The estimate is expressed in terms of both absolute financed emissions and economic intensity (tons of CO_2e per € million financed). Additionally, the quality score defined in the PCAF methodology is presented, which assesses the availability and reliability of the data used for the calculation. This score ranges from 1 to 5, with 5 being the worst score, assigned when sector estimates using emission factors provided by PCAF are used, and 1 being the best score, assigned when customer-disclosed and verified reported emissions data are used. The version of the factors used is the latest one provided by PCAF, segmented by Exiobase, in September 2024.

The following graph shows the BBVA Group's financed emissions by asset class and their distribution by geography:

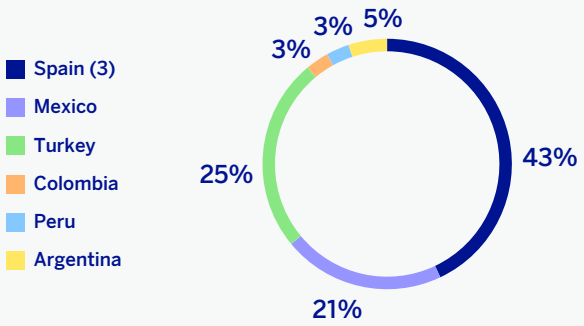
FINANCED EMISSIONS BY PCAF ASSET TYPES ($MtCO_2e$. 2025) (1)



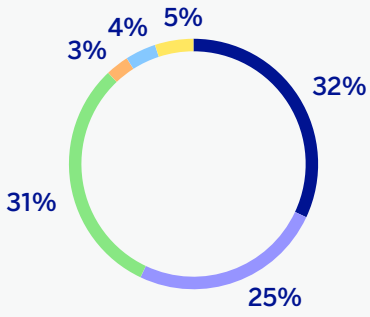
(1) 2024 Data ($MtCO_2e$): Loans to companies (174.45); Mortgages (3.39); Project financing (6.22); Corporate bonds (2.90); Commercial real estate (1.74); Automotive (1.77) and Listed and unlisted Shares (0.14).

EMISSIONS FINANCED BY GEOGRAPHY (PERCENTAGE. 2025)

Total emissions (Scopes 1+2+3) (1)



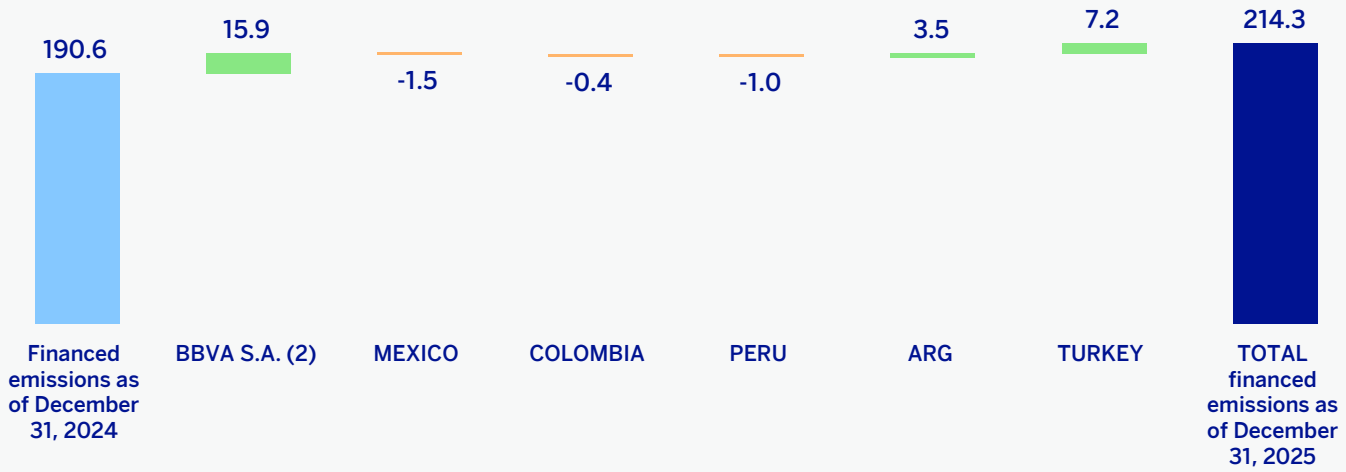
Emissions (Scopes 1+2) (2)



(1) 2024 Data (%): Spain (40); Colombia (4); Turkey (24); Argentina (3); Mexico (25) and Peru (4).
(2) 2024 Data (%): Spain (29); Colombia (3); Turkey (29); Argentina (4); Mexico (30) and Peru (5).
(3) Data from BBVA, SA excluding Portugal.

The following graph shows the calculation of financed emissions by geography in the last year:

CALCULATION OF FINANCED EMISSIONS BETWEEN 2024 AND 2025 ($MtCO_2e$) [1]



[1] 2024 Data ($MtCO_2e$): BBVA SA (-7.8); Mexico (-2.2); Colombia (-6.4); Peru (-8.1); Argentina (6.2) and Turkey (46.7). These data are not comparable due to the improvement in data capture implemented in 2025.

[2] Data BBVA, S.A. without Portugal.

The increase in financed emissions in 2025 (12.4%) is due both to the growth in lending (accounting for approximately 45% of the increase) and to a rise in the intensity of financed emissions as a result of improvements in the processes for capturing customer-reported emissions data. As a consequence, an economic intensity metric has been calculated using the Bank's exposure to its counterparties based on their associated emissions. Accordingly, the intensity coefficient amounted to 735 tCO_2e/Mn€ (690 in 2024).

This improvement in data availability is reflected in an enhancement of the BBVA Group's data quality score, from 3.80 to 3.68.

Looking ahead, fluctuations in the measurement of financed emissions are to be expected, due to both revisions to the emission factors provided by PCAF and an increased use of client-reported data as disclosure becomes more widespread, as was the case with respect to 2024.

The following table details the emissions financed at the Group level by economic activity and by scope type (1, 2, and 3) of emissions, along with the intensity coefficient. A column with the calculation quality score is also included.

FINANCED EMISSIONS (BBVA GROUP) (1)

	2025						2024					
	Financed emissions ($MtCO_2e$)			Intensity ($tCO_2e/M€$)			Financed emissions ($MtCO_2e$)			Intensity ($tCO_2e/M€$)		
Sector	Total	Scope 1 + 2	Scope 3	Scope 1 + 2	1 + 2 + 3	Score	Total	Scope 1 + 2	Scope 3	Scope 1 + 2	1 + 2 + 3	Score
Manufacturing	98.7	23.0	75.7	439	1,887	3.5	86.2	20.4	65.8	415	1,675	3.8
Electricity, gas, steam and air conditioning generation	21.4	11.8	9.6	784	1,418	3.5	21.5	12.3	9.1	751	1,066	3.7
Wholesale and retail trade	50.5	13.5	37.0	386	1,446	3.9	43.1	13.1	30.0	419	1,409	4.1
Mining and quarrying	9.5	4.6	4.9	1,523	3,159	3.5	10.3	3.2	7.1	733	2,735	3.0
Transportation and storage	7.3	4.1	3.2	303	542	3.9	5.3	2.8	2.5	231	499	4.0
Agriculture, forestry and fishing	10.2	7.0	3.2	1,505	2,198	4.1	8.3	5.9	2.4	1,497	2,285	4.3
Other sectors	11.2	3.7	7.5	63	188	3.9	10.8	3.4	7.4	61	196	3.9
Mortgages	4.0	4.0	0.0	40	40	3.5	3.4	3.4	0.0	36	36	3.6
Other retail portfolios	1.6	1.6	0.0	167	167	3.7	1.8	1.8	0.0	211	211	4.2
Total	**214.3**	**73.2**	**141.1**	**251**	**735**	**3.7**	**190.6**	**66.3**	**124.3**	**240**	**690**	**3.8**

(1) Includes data from BBVA, S.A (excluding Portugal), BBVA Mexico, BBVA Peru, BBVA Colombia, BBVA Argentina and Garanti BBVA (including Garanti Bank International and Garanti Bank Romania).

Financed emissions from the loan portfolio with intermediate decarbonization targets for 2030

For sectors with an alignment metric and emissions reduction targets set for 2030, BBVA has calculated the amount of emissions covered by these targets, according to the PCAF methodology.

These sectors are broken down into sub-sectors spanning the different stages of the value chain. In this regard, alignment methodologies focus on those segments where mitigation capacity is most significant, prioritizing the links with the greatest material impact on emissions reduction. If emissions are reduced in that part of the value chain, the entire sector will benefit from that reduction.

In order to determine the coverage ratio of financed emissions with 2030 targets, the Group includes in the numerator the total emissions of those sectors with defined decarbonization pathways, integrating their value chain. This volume is measured against the total inventory of reported financed emissions, calculated in accordance with the PCAF[14] methodology standard.

As of December 2025, the emissions coverage achieved is 37.6 million tons of CO_2e of scopes 1 and 2 for all sectors with alignment metrics, following the methodologies described above. This represents 52.14% of total financed emissions. In terms of exposure, for the same sectors, the coverage percentage is 31.96% using the drawn balances across all segments and countries.

[14] Calculation of emissions coverage financed with emissions reduction targets for 2030: Numerator: scope 1 and 2 emissions from the sectors for which targets have been set (asset classes: business loans, project finance, CRE and RRE asset class emissions, and vehicle loan asset class emissions). Denominator: Total scope 1 and 2 emissions from all asset classes. Assumptions incorporated into the calculation: (1) Only scope 1 and 2 emissions are counted to avoid double counting of emissions; (2) To be able to count the emissions of the auto sector, whose KPI is established on scope 3, the scope 1 and 2 emissions of the financed vehicle fleet (auto loans) are taken into account, as these coincide with the perimeter of the metric used (scope 3 of the producers). (3) In the case of the O&G sector, whose alignment metric is based on upstream scope 1+2+3 emissions, only scope 1 and 2 emissions for the entire sector are included, also to avoid double counting of emissions. The emissions considered in this calculation, therefore, differ from those included in the sector's specific alignment metric; (4) For the coverage calculation, the total scope 1+2 emissions figure is included in the denominator, but only the data for Spain from CRE and RRE are included in the numerator (together with the rest of the asset class), since alignment targets have only been set for this country. (5) The coverage of emissions financed with targets in 2024 was 38.6 million tons of CO_2e, which included Mexico in the CRE and RRE sectors, representing 58.28% of scope 1+2 emissions and 43.36% of drawn balances.

The concept of locked-in emissions[15] refers to the estimation of future Greenhouse Gas (GHG) emissions that will arise from assets financed by the Group over their remaining useful life. Given BBVA's business model, this metric is not material regarding its own assets (scope 1 and 2) nor Category 3.11 ('Use of sold products'), with the relevant impact being concentrated in scope 3.15 (Financed emissions). The primary strategic tool to manage and mitigate this impact is the BBVA Group Transition Plan (see "BBVA Group Transition Plan" section for further detail). While BBVA acknowledges that its customers may hold assets generating locked-in emissions, there are currently limitations regarding the availability of counterparty data that preclude a reliable estimation and, consequently, systematic management based on this specific metric. Nonetheless, BBVA maintains a proactive approach to managing the associated transition risk. To this end, it evaluates complementary metrics such as the weighted average maturity of its financing to high climate impact sectors, which stands at approximately 4 years.

Loan portfolio decarbonization strategy

With the aim of reducing emissions, BBVA has designed a strategy focused on the progressive alignment of its portfolio with the objectives of the Paris Agreement, contributing to limiting global warming to 1.5°C.

The decarbonization strategy for aligning the loan portfolio is based on a management model that includes three elements:



1. **Development of sector alignment Plans**, with intermediate targets to 2030[16] for the most emissions-intensive sectors, allowing the specific characteristics and challenges of each industry to be addressed in its transition to a low-carbon economy (oil and gas, power generation, auto, steel, cement, coal, aviation, shipping, aluminum and the real estate sector, both commercial and residential), following the Guidance for Climate Target Setting for Banks of the United Nations Environment Programme Finance Initiative (UNEP-FI).

   For each sector, the Group conducts a detailed analysis that assesses its role in decarbonization, as well as the main risks and opportunities, the current state of the portfolio[17], and its progress toward the targets set. These plans define a sectoral decarbonization path and a business strategy that guides selective growth, considering both the risk profile and the business opportunities associated with the transition.

   Sectoral alignment plans are developed through a structured three-phase process: sector analysis, an overview of the customer portfolio, and the identification of business opportunities arising from the decarbonization context. They also incorporate the business projections defined in the five-year Industrial Plans, the sectoral and customer-type appetite identified in the Asset Allocation, and the Sectoral Frameworks from the Risk area. Additionally, BBVA continuously monitors its exposure to these activities and directs capital allocation toward initiatives and projects related to decarbonization and the energy transition.

[15] BBVA does not hold key assets that are significant sources of scope 1 and 2 emissions, and scope category 3.11 ("Use of sold products") is not considered relevant. The focus is on scope category 3.15, financed emissions with the BBVA Group Transition Plan being the primary instrument for managing them (see "BBVA Group Transition Plan" for further details).
[16] The achievement and progressive advancement of decarbonization objectives will depend to a large extent on the actions of third parties, such as customers, governments, and other stakeholders, and therefore may be materially affected by such actions, or the lack thereof, as well as by other exogenous factors beyond BBVA's control (including, but not limited to, new technological and regulatory developments, armed conflicts, and the ongoing climate and energy crises). Consequently, these objectives may be subject to future revisions.
[17] It includes committed financing, both drawn and undrawn, with wholesale customers of CIB and Commercial Banking, except for the oil and gas sector, which only considers drawn financing with wholesale customers of CIB and Commercial Banking.

2. **Assessment of customers' transition plans** using specific tools integrated into the business strategy and the risk management process, with the aim of quantifying the risk arising from potential misalignment of customers with their expected commitments. For further information, see the "Management of risks associated with climate change" section.

3. **Integration into the annual customer review and operations admission process**, evaluating the execution of customers' transition plans and the impact of individual transactions on achieving portfolio alignment objectives. For more information, see "Sustainability as a growth engine" section.

To promote the operationalization of the decarbonization strategy for portfolio alignment, BBVA has developed specific tools such as, for example:

- **Transition risk indicator (TRi)**: This tool allows for the evaluation of each customer's current emissions profile and the maturity of their decarbonization strategies, using a sector-specific approach and based on the analysis of the most significant variables. It categorizes customers according to their transition risk and the maturity of their plans, facilitating personalized advice.
- **Sustainability client toolkit**: This tool gathers ESG information from large corporations and/or entities in a single repository, facilitating access and use by customer relationship management teams.
- **Management dashboard for sectoral Transition Plans**: This dashboard compiles the main alignment indicators obtained using the PACTA (Paris Agreement Capital Transition Assessment) methodology and facilitates the monitoring of their evolution and progress toward achieving objectives.
- **"What if" simulator**: This tool allows for the real-time evaluation of the potential impact of transactions on both each customer's decarbonization curve and the BBVA Group's portfolio curve for the corresponding sector, enabling proactive and dynamic portfolio management.

This management model allows for tracking objectives and capturing potential business growth. The allocated resources are directed towards the development, creation, and integration of specific tools into BBVA's systems that enable the monitoring and control of defined sector plans, as well as their application in the deal admission process. This includes evaluating customers' transition plans, identifying gaps in relation to trajectories compatible with the climate transition, and designing and implementing engagement plans.

Sector-specific transition plans, along with the aforementioned tools (e.g., TRi), allow for an assessment of the maturity level of customer transitions in order to deploy a support strategy, strengthen strategic dialogue with them, and offer a value proposition tailored to their needs.

Supporting customers during the transition

The Group's engagement strategy aims to establish a structured framework for interaction that facilitates customers' progress toward sustainable business models. This approach pursues a dual strategic objective:

- Integrate the identification of customers' climate and transition risks into the Group's operations and processes, ensuring consistency with strategy and risk appetite.
- To drive BBVA's sustainability strategy by actively supporting customer transformation through financing and advisory solutions.

This support process focuses on wholesale customers of CIB and Commercial Banking belonging to sectors intensive in emissions or affected by sector alignment frameworks.

The relationship model is based on a collaborative and continuous approach, articulated through:

- Strategic dialogue: to identify and understand specific challenges and opportunities for each counterparty.
- Specialized advice: assistance in defining transition strategies and access to technical solutions.
- Value proposition: provision of sustainable financial solutions in accordance with the criteria detailed in the "Sustainability as a growth engine" section.
- Sectoral participation: active involvement in forums and working groups to share best practices.

This model allows BBVA to gain in-depth knowledge of the risk profile of its most heavily issuing customers. Thanks to this understanding, the bank offers a high-value-added service that strengthens long-term trust and enables it to tailor the necessary measures to each individual case.

The Group monitors the effectiveness of this support through tracking indicators that assess the customer's progress and actual engagement. These results are submitted to the relevant supervisory body (CIB Engagement Oversight Group - CEOG), enabling dynamic risk management. In cases where progress does not align with established objectives, mitigation measures may be considered, ranging from limiting the growth of exposure.

Governance model for the loan portfolio decarbonization strategy

Sustainability and climate change are integrated into BBVA's governance through principles and mechanisms that facilitate decisions aligned with its long-term strategy.

The Sustainability General Policy (for more information, see the “Sustainability governance” section) establishes the general principles of action, including, among others, those aimed at supporting customers in their transition towards more sustainable business models.



To monitor the decarbonization strategy of the loan portfolio and its degree of alignment with the established objectives, BBVA created the Sustainability Alignment Steering Group (SASG) in 2022. This committee is led by the Global Head of Sustainability & Corporate Investment Banking and comprised of the Global Heads of Global Risk Management, Commercial Client Solutions, and Strategy & M&A. Its main functions include:

- Analyzing and discussing the 2030 emissions reduction targets, which are presented by the Global Head of Sustainability & Corporate Investment Banking for approval by the BBVA Executive Committee and Board of Directors.
- Evaluating the degree of compliance with the objectives and the evolution of the loan portfolio decarbonization strategy.
- Analyzing and discussing the proposals for sectoral alignment plans and their updates, submitted by the business units with the support of the technical teams.

- Promoting the creation and deployment of the necessary tools, methodologies, and metrics to integrate sectoral plans into existing management processes.
- Analyzing and understanding best practices in the sector, promoting the integration of sustainability criteria into daily business operations.

In 2024, the Group strengthened its decarbonization strategy governance model by implementing a sector-based model for wholesale customers. This structure incorporates specialists with experience in each key sector, enabling more effective support, a stronger strategic dialogue, and more efficient attention to business needs.

In this way, BBVA has global sector heads in the priority sectors for decarbonizing its lending portfolio: energy; industry and transport; and infrastructure and construction. These leaders are responsible for guiding the business strategy for each sector, executing the actions defined in the sector alignment plans, and implementing a support plan to assist them in their transition to a low-carbon economy. Additionally, BBVA completes its sector coverage with managers in the consumer, retail, and healthcare sectors; technology, media, and communications (TMT); financial institutions; and financial sponsors.



Information derived from monitoring sector-specific plans is taken into account in risk assessment processes, particularly regarding credit and transition risks, considering customers' capacity to move towards models with a lower environmental impact. This risk analysis contributes to business decision-making and the updating of sector-specific plans, facilitating the prioritization of sectors or customers and the adjustment of support strategies.

Loan portfolio decarbonization objectives

The objectives apply at the consolidated Group level, except for the objectives of the real estate sector, both commercial and residential, which apply only to Spain.

The following table presents the decarbonization targets for 2030 that have been defined:

PACTA Sector and Value Chain	Metrics	Scope of emissions	Scenario	Base year [1]	Objective 2030	Target reduction	2024	2025	Market data 2025	Reduction 2024 vs base year	Reduction 2025 vs base year	Methodology	Attributed emissions associated with the value chain (MTn CO_2e) [2]
Oil and Gas (upstream)	Absolute emissions (million ton CO_2e)	1&2&3	IEA_NZE	14	9.8	(30)%	10.5	5.7	n/a	(25)%	(59)%	PCAF	5.7
Power (generation)	Emission intensity (kg CO_2e/MWh)	1&2	IEA_NZE	221	107	(52)%	139	103	444	(37)%	(53)%	PACTA	8.9
Auto (manufacturers)	Emission intensity (g CO_2/v-km)	3	IEA_NZE	205	110	(46)%	165	136	133	(19)%	(33)%	PACTA	2.8
Steel (manufacturers)	Emission intensity (kg CO_2e/ton of steel)	1&2	ISF-NZ	1,270	984	(23)%	1,146	1,126	1,662	(10)%	(11)%	PACTA	2.6
Cement (manufacturers)	Emission intensity (kg CO2e/ton cement)	1&2	IEA_NZE	700	579	(17)%	731	724	709	4%	3%	PACTA	5.3
Coal (thermal coal)	Total amount (€Mn) [4]	n/a	n/a	n/a	*	n/a	1,578	1,341	n/a	(8)%	(21)%	n/a	0.04
Aviation (airlines)	Emissions intensity (g CO_2/PKM) [5]	1	ISF-NZ [5]	89 [5] 103 [6]	73 [5] 85 [6]	(18)%	90 [5] 104 [6]	85 [5] 99 [6]	94 [5] 109 [6]	1% [5] 1% [6]	(4%) [5] (4%) [6]	PACTA	1.53
Shipping (operators)	Alignment delta (g CO_2e/ (dwt*nautical miles)) [3]	1&2&3	IMO	n/a	</=0%	n/a	Minimum: (7.49)% Striving: (2.99)%	Minimum: 13.4% Striving: 20.3%	n/a	n/a	n/a	IMO	0.95
Residential real estate (operational emissions) [7]	Emissions intensity (kg $CO_2e/m^2/y$)	1&2	PNIEC	21.2	14.8	(30)%	21.1	20.6	n/a	(1)%	(3)%	PCAF	2.14
Commercial real estate (operating emissions) [7]	Emissions intensity (Kg $CO_2e/m^2/y$)	1&2	PNIEC	21	11.7	(44)%	21.5	18.8	n/a	2%	(10)%	PCAF	0.03
Aluminum (primary manufacturing) [7]	Alignment delta (ton CO_2e/ton aluminum) [3]	1&2	IAI&MPP	n/a	</=0%	n/a	-0.4%	-1.0%	n/a	n/a	n/a	SAFF	0.6

n/a: not applicable.
* BBVA has set the goal of phasing out its exposure to coal customers by 2030 in developed countries and by 2040 globally, under the terms of its Environmental and Social Framework.
[1] Base year 2020 for the Power generation, Auto, Cement and Steel sectors; 2021 for Oil & Gas; 2022 for Aviation; 2023 for Real Estate (commercial and residential). The base year corresponds to the year prior to the year of publication of the sectoral target. In the case of the Shipping and Aluminum sectors, the delta of the annual alignment is calculated taking as a reference the trajectory for said year set by the IMO and the IAI & MPP, respectively. The Thermal Coal sector is not referenced to the base year as it does not apply a reduction target, but BBVA has set the objective of eliminating its exposure to coal customers by 2030 in developed countries and by 2040 globally, in the terms of its Env. and Social framework.

[2] The calculation has been performed using the PCAF methodology for BBVA, S.A, BBVA Mexico, BBVA Colombia, BBVA Peru, Garanti BBVA and BBVA Argentina. The calculation of the attributed emissions associated with the value chain has been carried out by adding all scope 1 and 2 emissions of the different NACE sectors included within the analyzed sectors. PACTA calculates emission intensity for the part of the value chain where most of the emissions are generated in order to to improve the efficiency of the sector's emissions. In this way, it is assumed that, by aligning the part of the value chain responsible for the emissions, the sector as a whole is aligned. In the case of the Oil & Gas sector, the target is defined in terms of absolute scope 1+2+3 emissions, and the published metric does not aim to improve production efficiency, but rather to reduce the sector's total emissions. Furthermore, this objective does not affect the sector's midstream and downstream efficiency. For this reason, the emissions data for the entire value chain is not published and the emissions data itself must be taken as a reference.

[3] A positive score indicates that the portfolio intensity is higher than required by the decarbonization pathway. A negative score or 0 indicates that the portfolio intensity is aligned.

[4] The total amount of the loan portfolio weighted by revenues from thermal coal mining or by the installed capacity for the generation of electrical energy derived from thermal coal with coal customers (defined in the terms of the Environmental and Social Framework) amounts to €1,341 million as of December 31, 2025. The total amount of the loan portfolio weighted by revenues from thermal coal mining or by the installed capacity for the generation of electrical energy derived from thermal coal with coal customers that have limited expectations of making the transition in time to meet BBVA's coal phase-out objective as of the same date amounts to €81 million.

[5] The ISF-NZ scenario does not consider the belly freight factor. BBVA portfolio metric in gCO_2/PKM adjusted for the annual belly freight factor.

[6] BBVA portfolio metric in gCO_2/PKM unadjusted for the annual belly freight factor.

[7] In 2024, closing data for the commercial real estate, residential real estate, and aluminum sectors were not published, as a full 12-month cycle had not yet elapsed since the publication of the applicable targets, in accordance with the guidelines for setting climate targets for banks of the United Nations Environment Programme Finance Initiative (UNEP-FI).

It is important to emphasize that the baseline for these metrics may change, as the information sources and methodologies used[18] are constantly evolving. BBVA's objective is to maintain its level of ambition for reduction even if the baselines are modified. Furthermore, achieving these targets is not expected to be a linear process in the short term. It is possible that, to reach them in the long term, it will be necessary to accept some deterioration in the alignment metric in the short term, through potential increases in financing to customers with a higher starting point in terms of CO_2 emissions, but who are taking steps to decarbonize.

2021

In **2021**, using the PACTA (Paris Agreement Capital Transition Assessment) methodology, BBVA published 2030 alignment targets for the Electricity Generation, Automotive, Steel, and Cement sectors. The Net Zero scenario of the International Energy Agency (IEA_NZE) and the Institute for Sustainable Futures Sectoral Pathways to Net Zero Emissions (ISF NZ) were used as a reference. In 2023, the International Energy Agency published an update to the net-zero emissions scenario for 2050, but this did not affect the interim decarbonization targets for 2030 that BBVA published in 2021. Furthermore, BBVA announced its objective to eliminate its exposure(1) to customers belonging to corporate groups with thermal coal mining or thermal coal-fired power generation activities by 2030 in developed countries and by 2040 globally(2) (in accordance with the Environmental and Social Framework).

2022

In **2022**, BBVA published its alignment target for the oil and gas sector. BBVA participated alongside other banks in defining specific guidelines for this sector. Given the sector's significance in global emissions and the available information, BBVA decided to use the PCAF methodology and established an absolute emissions reduction target for scope 1, 2, and 3 emissions for the upstream oil and gas sector (which includes oil exploration, drilling, extraction, and production).

2023

In **2023**, BBVA published its 2030 alignment targets for the aviation and shipping sectors. The Institute for Sustainable Futures Sectoral Pathways to Net Zero Emissions (ISF NZ) scenario for aviation and the IMO (International Maritime Organization) emissions reduction strategy for shipping, established in 2023, were used as benchmarks.

2024

In **2024**, BBVA published its decarbonization targets for the aluminum and commercial and residential real estate sectors. For the aluminum sector, the Net Zero scenario from the International Aluminium Institute (IAI) and the Mission Possible Partnership 1.5°C Roadmaps (MPP) were used as benchmarks, both science-based and recognized by the industry. For the real estate sector, the target is limited to Spain , and the Integrated National Energy and Climate Plan (PNIEC) was used as a roadmap, defining national targets for emissions reductions, renewable energy penetration, and energy efficiency. BBVA bases its assumptions on this scenario, and its implementation will be key to achieving the stated decarbonization goals.

2025

In **2025**, BBVA participated in the working group that drafted the Technical Note on climate targeting and transition planning for the Food and Agriculture sector, published by the United Nations Environment Programme Finance Initiative (UNEP-FI) in November 2025. This document highlights the measurement limitations and challenges the sector faces due to regional heterogeneity, diverse value chains, and a scarcity of consistent, high-quality agricultural data. BBVA has not yet set targets for the agricultural sector due to the lack of a universal framework and the difficulty in collecting granular and comparable data, which limits the accuracy of emissions baselines and complicates the standardization of targets.

(1) Non-Performing Loans (Stage 3 exposures for the purposes of BBVA Group's consolidated accounting under IFRS 9) are excluded for the calculation of exposure.

(2) Developing countries are understood to be those determined according to the IMF criteria in the World Economic Outlook, October 2015, Tables D and E (pp. 149–150). The geographical scope of a corporate group shall be defined by the location of the parent company's headquarters.

[18] The primary provider of emissions intensity data is Asset Impact (formerly Asset Resolution), which provides asset information for the portfolio included in the calculation perimeter. Data coverage ranges from 95% to 100%, depending on the sector analyzed.

Loan portfolio decarbonization progress

BBVA continues to make progress in the decarbonization of its loan portfolio, achieving reductions both in absolute emissions in the oil and gas sector and in emissions intensity in sectors such as power generation, automotive, steel, aviation, commercial and residential real estate in Spain, and aluminum. This progress reflects a gradual alignment with the reduction targets set for 2030, as well as an orientation of the business appetite toward customers that are actively managing their climate transition.

The following details the progress of the decarbonization strategy for all sectors for which BBVA has set a 2030 target.

Oil & Gas

Sector dynamics and key drivers of decarbonization

The decarbonization of the upstream oil and gas sector currently relies on levers such as reducing operational emissions (especially methane through advanced leak detection and repair systems), improving energy efficiency in operations, repositioning the business toward key technologies for the energy transition, and the selective development of transition fuels.

The sector faces the challenge of fostering energy diversification and ensuring the viability of the transition. The main drivers of growth in this area are the electrification of operations, the use of carbon capture, utilization, and storage (CCUS), the development of hydrogen and biofuels, and the role of liquefied natural gas (LNG) as a enabler of the transition in emerging markets.

BBVA's objective and scope of the metric

BBVA has set a target of reducing absolute carbon emissions by 30% in the oil and gas sector (which considers exploration, drilling, extraction and production activities) between 2021 and 2030, measured in millions of tons of CO_2e (scopes 1, 2 and 3). The target reduction is solely associated with drawn facilities.

To calculate emissions in this sector, BBVA has developed its own methodology, based on the PCAF methodology. The calculation has been performed on the upstream business of companies in the sector, accounting for scope 1, 2 and 3 emissions of the barrels of oil equivalent produced by the companies. For the attribution of these emissions, the PCAF methodology has been applied (weight of committed financing over the global debt and equity profile of the different corporate groups). Emissions data have been obtained from the Asset Impact database (the same source used for the PACTA methodology) and, where necessary due to a lack of information, an estimated calculation has been carried out (PCAF score 5) using economic emission factors.

Portfolio performance



(1) Alignment metric as of December 2025. For the Oil & Gas sector, the portfolio alignment metric is an absolute emissions metric with a 2021 baseline and the reduction target is only associated with the drawn amounts.

(2) The achievement of these objectives is not expected as a linear process in the short term. To achieve them in the long term, it may be necessary to accept a certain deterioration in the alignment metric in the short term, through potential increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are taking actions to decarbonize.

(3) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, and ECA lines, among others).

(4) Percentage calculated in terms of portfolio loan volume, which includes both drawn and undrawn financing (such as loans, unused revolving credit facilities, guarantees, ECA lines, among others). Data as of December 2025. Customers considered to be actively managing their transition are those classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emissions reduction targets and levers for managing such emissions and their committed investments to execute their transition plan.

The absolute financed emissions of the upstream oil and gas sector were 5.7 Mt CO_2e as of December 2025, having decreased by 59% compared with the 2021 base year and by 45% compared with 2024. Therefore, portfolio management remains aligned with BBVA's decarbonization objectives. Upstream portfolio emissions have decreased during the period, reflecting the non-linear nature of the portfolio in a complex macroeconomic environment, where significant variations can occur from one period to another, including reductions and subsequent normalizations.

Actions with customers

Throughout 2025, BBVA has focused its efforts in the sector on offering financial support and advice to companies actively managing their transition. These companies currently represent 76% of the total upstream loan portfolio vs. 65% at the end of 2024.

BBVA maintains a selective and consistent approach, supporting customers in their transition toward low-carbon energy generation. This involves financing the investments required to facilitate their diversification and decarbonization, such as renewable energy generation, carbon capture, transport and storage, green hydrogen production, or the production of biofuels.

Power generation

Sector dynamics and main decarbonization drivers

Power generation is the backbone of global electrification. Demand is increasing, driven by industrial electrification, electric mobility, digitalization, and the significant growth in data centers, which, combined with the increasing penetration of renewable energy, intensifies system variability.

The challenge lies in meeting the growing energy demand and accelerating the adoption of renewable technologies. To achieve this, a rapid expansion of renewable energy (onshore and offshore), the strengthening and digitalization of transmission and distribution networks, and the deployment of energy storage (batteries) are required.

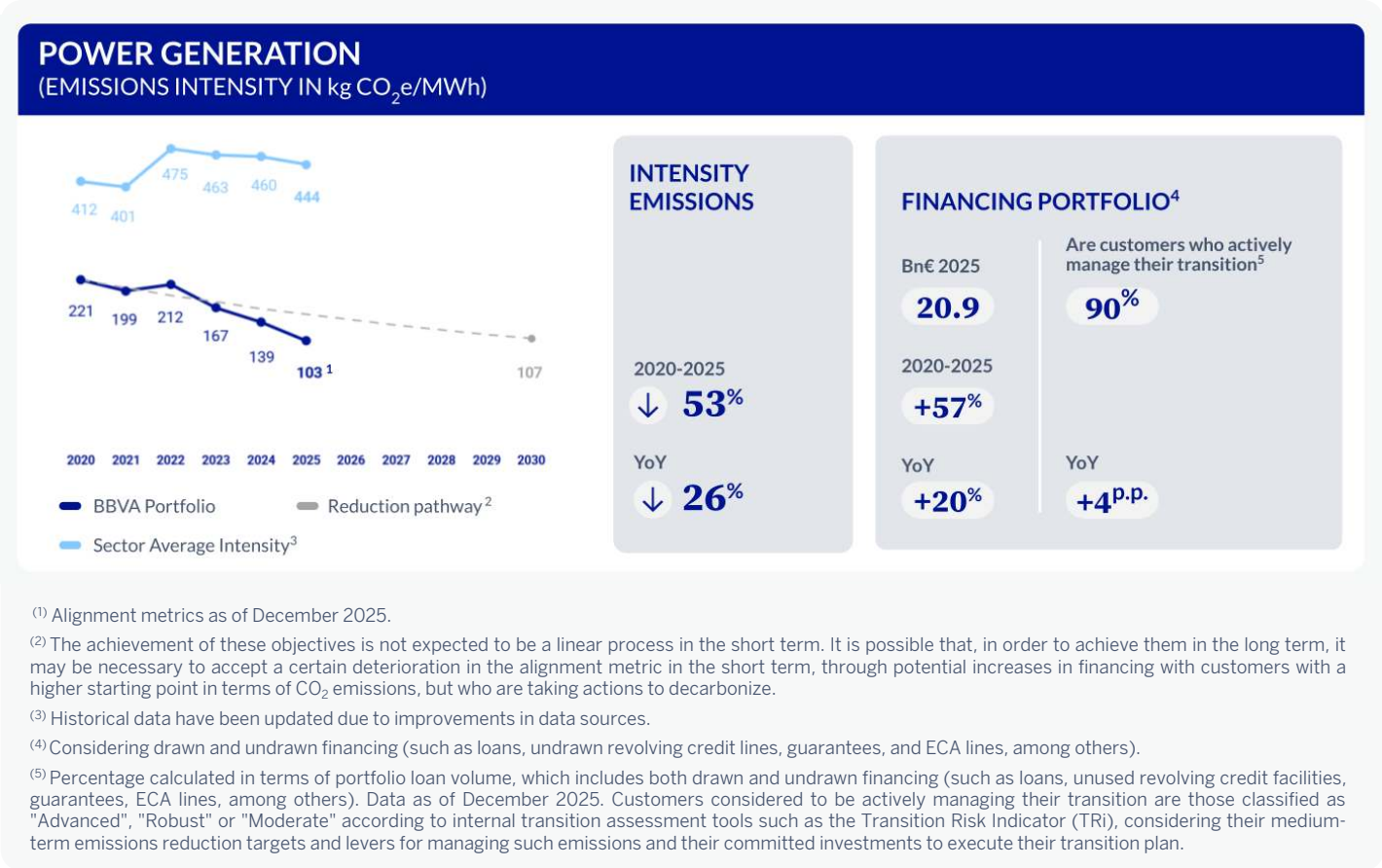
These levers align with growth in renewable project finance, networks and storage, reinforcing the role of the power sector as a cross-cutting enabler of decarbonization in other sectors.

BBVA's objective and scope of the metric

BBVA has set a target of reducing its carbon emissions intensity by 52% in the power generation sector between 2020 and 2030, measured in kilograms of CO_2e/MWh (scopes 1 and 2).

The portfolio alignment metric for the Power generation sector follows the PACTA methodology. It is calculated by taking the weighted average of each customer's emissions intensity multiplied by their weight in the portfolio. Each customer's weight in the portfolio corresponds to the financing provided, weighted by the percentage of electricity generated associated with their activity.

Portfolio performance



(1) Alignment metrics as of December 2025.

(2) The achievement of these objectives is not expected to be a linear process in the short term. It is possible that, in order to achieve them in the long term, it may be necessary to accept a certain deterioration in the alignment metric in the short term, through potential increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are taking actions to decarbonize.

(3) Historical data have been updated due to improvements in data sources.

(4) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, and ECA lines, among others).

(5) Percentage calculated in terms of portfolio loan volume, which includes both drawn and undrawn financing (such as loans, unused revolving credit facilities, guarantees, ECA lines, among others). Data as of December 2025. Customers considered to be actively managing their transition are those classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emissions reduction targets and levers for managing such emissions and their committed investments to execute their transition plan.

The carbon emissions intensity of the Power generation portfolio was 103 Kg CO_2/MWh as of December 2025, 26% lower than at the end of last year and 53% lower than the base year 2020.

This trend over time shows the strength of BBVA's loan portfolio, which has grown 20% compared with the previous year and 57% compared with the base year 2020, with strong support for clean energy, which is a relevant axis of the strategy.

The reduction in emissions intensity in 2025 was the result of 51% growth in renewable energy projects compared with 2024, reaching €7,276 million by the end of 2025. All of this, together with the improvement of customer intensities and proactive portfolio management fostering growth with customers actively managing their transition.

Actions with customers

BBVA is firmly committed to supporting its customers, focusing on project finance in the renewable energy sector. Throughout 2025, BBVA maintained a growth focus with customers who invest in less energy-intensive technologies and have a strong strategy and performance. They currently represent 90% of the total amount of loan portfolio related to power generation.

In addition, in 2025, BBVA stepped up its active support for customers through advisory services in project structuring. This effort aims to align growth with decarbonization pathways and achieve a sustained improvement in the emissions intensity of the portfolio.

Auto

Sector dynamics and main decarbonization drivers

The auto sector is facing a profound structural transformation marked by fleet electrification, supply chain restructuring (especially regarding batteries and critical minerals), and regulatory uncertainty surrounding emissions in use.

The industry's decarbonization efforts are focused on the transition to electric mobility, driving the production and sale of electric and plug-in hybrid vehicles.

However, the sector must manage significant challenges such as the disparity in the pace of electric vehicle adoption across key markets and the potential impact of tariff tensions.

BBVA's objective and scope of the metric

BBVA has set a target to reduce its carbon emissions intensity in the auto sector by 46% between 2020 and 2030, measured in grams of CO_2 per vehicle-kilometer (scope 3).

The portfolio alignment metric for the auto sector follows the PACTA methodology. This methodology is based on identifying the Group's financing related to vehicle manufacturing by customers. In the case of the auto sector, the metric analyzes vehicle manufacturers by measuring the emissions per kilometer of the vehicles they produce.

Portfolio performance



(1) Alignment metrics as of December 2025.

(2) The fulfillment of these objectives is not expected to be a linear process in the short term. It is possible that, in order to achieve them in the long term, it may be necessary to assume some deterioration in the alignment metric in the short term, through possible increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are taking actions to decarbonize.

(3) Historical data has been updated due to improved information sources.

(4) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, and ECA lines, among others).

(5) Percentage calculated in terms of portfolio loan volume, which includes both drawn and undrawn financing (such as loans, unused revolving credit facilities, guarantees, ECA lines, among others). Data as of December 2025. Customers considered to be actively managing their transition are those classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emissions reduction targets and levers for managing such emissions and their committed investments to execute their transition plan.

The carbon emissions intensity of the auto manufacturer portfolio is 136g CO_2/v-km as of December 2025 which continues to reduce the existing gap with the sector's average intensity. The improvements mean a 33% decrease compared with 2020 and a 17% decrease compared with 2024.

The variations have occurred mainly due to portfolio diversification with the incorporation of less emissive manufacturers and the improvement in customer intensity with sustained progress in the electrification of their fleet in the different markets, despite the slowdown in the pace of sales that the sector has experienced. It should be noted that the year-on-year metric for the loan portfolio reflects a one-off increase due to short-term financing transactions executed at year-end. This increase does not alter the portfolio's decarbonization trajectory.

Actions with customers

During 2025, BBVA focused its actions in the auto manufacturing sector on offering financial support and advice to companies that are positioning their business models around electric mobility, supporting both existing and new customers with purely electric production lines, as they advance in their market positioning and within the framework of their geographical expansion strategies.

Additionally, BBVA has promoted the financing of projects linked to battery manufacturing, considering them a key lever for the decarbonization of the sector. Customers actively managing their transition currently represent 100% of the total amount of loan portfolio related to auto manufacturing, reflecting BBVA's portfolio alignment with the sector's decarbonization pathways.

Steel

Sector dynamics and main decarbonization drivers

Steel is an emissions-intensive industrial sector with long-life assets, intensive investment cycles, and processes that rely on fossil fuels and blast furnaces. Additionally, steel is a base material in multiple industries (construction, automobiles, machinery), and its embodied carbon can act as a competitive advantage.

The decarbonization of the sector is progressing favorably, driven by the gradual adoption of more efficient and lower-emission industrial processes, particularly through the replacement of traditional technologies with electric arc furnaces (EAFs). However, this progress could be hampered by the introduction of tariffs or trade measures, which could affect the competitiveness of investments, disrupt supply chains, and slow the deployment of these low-carbon technologies in certain markets.

The main decarbonization levers for the steelmaking sector include the transition to electric arc furnaces, the optimization of existing blast furnace processes, the use of low-carbon fuels, such as green hydrogen, as reducing agents, and increased steel recycling, along with the adoption of Carbon Capture, Utilization and Storage (CCUS) for residual process emissions.

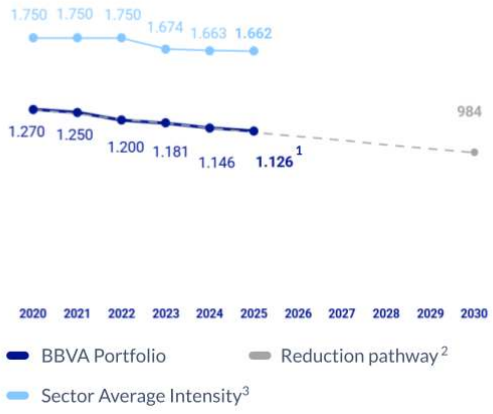
BBVA's objective and scope of the metric

BBVA has set a target of reducing its carbon emissions intensity by 23% in the steel sector between 2020 and 2030, measured in kilograms of CO_2e/ton of steel (scopes 1 and 2).

The portfolio alignment metric for the steel sector follows the PACTA methodology. This methodology is based on the identification of the Group's financing related to customers in steel manufacturing. In the case of the steel sector, the metric analyzes steelmakers by measuring emissions per ton of steel produced.

Portfolio performance

STEEL
(EMISSIONS INTENSITY IN kg CO_2e/TON OF STEEL)



INTENSITY EMISSIONS

2020-2025
↓ 11%

YoY
↓ 2%

FINANCING PORTFOLIO[4]

Bn€ 2025
2.8

2020-2025
+36%

YoY
-10%

Are customers who actively manage their transition[5]
84%

YoY
+5p.p.

(1) Alignment metrics as of December 2025.

(2) The fulfillment of these objectives is not expected to be a linear process in the short term. It is possible that, in order to achieve them in the long term, it will be necessary to assume some deterioration in the alignment metrics in the short term, through possible increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are taking actions to decarbonize.

(3) Historical data have been updated due to improvements in information sources.

(4) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, and ECA lines, among others).

(5) Percentage calculated in terms of portfolio loan volume, which includes both drawn and undrawn financing (such as loans, unused revolving credit facilities, guarantees, ECA lines, among others). Data as of December 2025. Customers considered to be actively managing their transition are those classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emissions reduction targets and levers for managing such emissions and their committed investments to execute their transition plan.

The carbon intensity of the steelmaker portfolio was 1,126 kg CO_2e/ton of steel as of December 2025. The intensity of the steel customer portfolio has consistently outperformed the market as a whole over the past two years due to the weight of customers with electric arc furnace production, which is much less intensive than blast furnaces.

The curve is at a level of CO_2e emissions 11% lower than in the base year 2020 and 2% lower than in 2024. This reduction in intensity is based on improved performance in customer intensity and increased business growth with customers adopting more efficient manufacturing processes in terms of CO_2e emissions.

Actions with customers

Customer actions focus on a growth approach to financing capital investments aimed at the technological transformation of electric arc generators, as well as a greater proportion of recycled materials, energy efficiency projects, and electrification. This also includes financing some hydrogen-based direct reduced iron (H2-DRI) projects and transition solutions such as Carbon Capture, Utilization, and Storage (CCUS).

In 2025, BBVA promoted the progressive diversification of its portfolio toward customers with clear roadmaps for low-emission technologies and has incorporated advisory services in the definition and execution of energy transition strategies. By 2025, 84% of the total amount of loan portfolio related to steel manufacturing correspond to customers actively managing their transition.

Cement

Sector dynamics and main decarbonization drivers

The cement sector is facing a profound transformation driven by the need to reduce emissions and the growing demand for materials with a lower carbon footprint. This transition is particularly complex given that cement currently lacks a functional substitute at scale, making the sector indispensable for global development. This transformation is taking place in a context characterized by long-lived industrial assets and high capital intensity, which requires an appropriate fiscal and regulatory incentive framework to provide certainty for the investments needed to adopt new technologies without undermining competitiveness.

The decarbonization of the cement industry is structured around several key levers, notably the use of alternative materials to achieve a reduction in the clinker factor, improvements in kiln energy efficiency, the replacement of fossil fuels with alternative fuels and, of particular relevance, the deployment of carbon capture, use and storage technologies (CCUS) to address the emissions inherent to the production process.

However, the sector faces significant challenges stemming from the substantial investment required by the technological transformation. In this context, decarbonization levers that are already financially viable in the short term coexist with other disruptive technologies whose deployment is unfeasible without public support, fiscal incentives and favorable regulatory frameworks that ensure a return on investment.

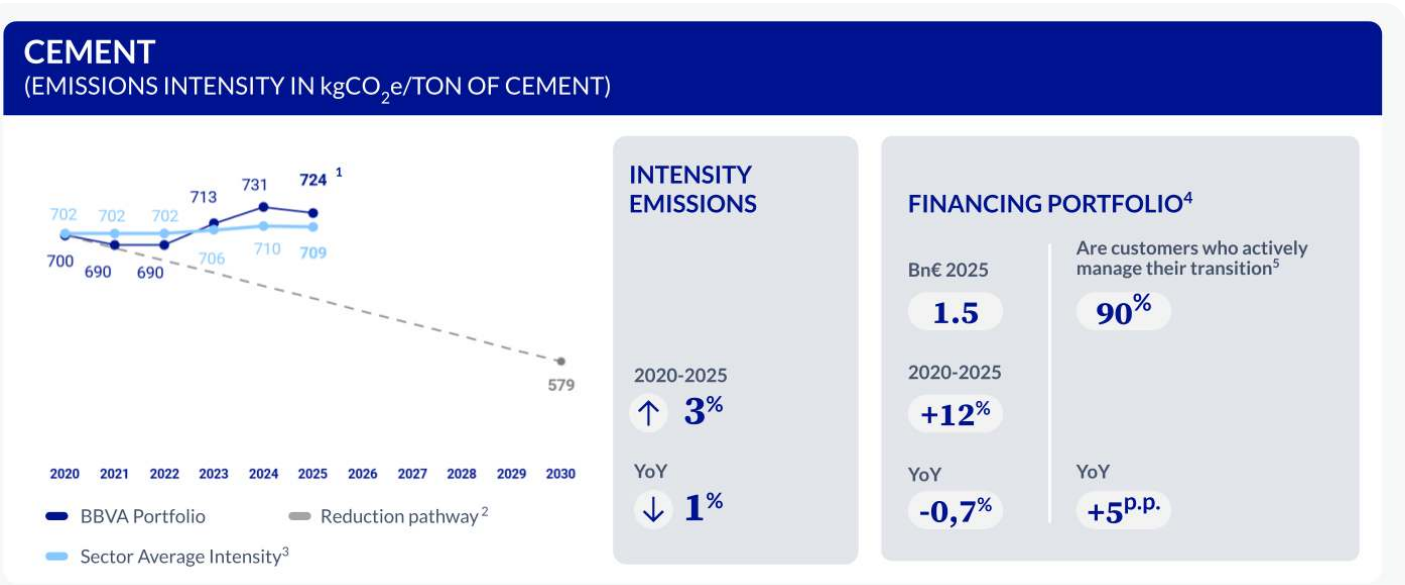
From a portfolio management perspective, the challenge lies in the lack of homogeneous data that would allow for a consistent comparison of performance.

BBVA's objective and scope of the metric

BBVA has set a target of reducing its carbon emissions intensity by 17% in the cement sector between 2020 and 2030, measured in kilograms of CO_2e/ton of cement (scopes 1 and 2).

The portfolio alignment metric for the cement sector follows the PACTA methodology. This methodology is based on the identification of the Group's financing related to customers in cement manufacturing. In the case of the cement sector, the metric analyses cement manufacturers, disregarding their derivatives and measuring emissions per ton of cement produced.

Portfolio performance



(1) Alignment metric as of December 2025.

(2) The fulfillment of these objectives is not expected to be a linear process in the short term. It is possible that, in order to achieve them in the long term, it will be necessary to assume some deterioration in the alignment metric in the short term, through possible increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are carrying out actions to decarbonize.

(3) Historical data have been updated due to improved information sources.

(4) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, and ECA lines, among others).

(5) Percentage calculated in terms of portfolio loan volume, which includes both drawn and undrawn financing (such as loans, unused revolving credit facilities, guarantees, ECA lines, among others). Data as of December 2025. Customers considered to be actively managing their transition are those classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emissions reduction targets and levers for managing such emissions and their committed investments to execute their transition plan.

The carbon emissions intensity of the cement manufacturers' portfolio was 724 kg CO_2e per ton of cement as of December 2025, representing a 3% increase compared with the 2020 baseline. Methodological improvements resulting from the incorporation of new customer emission databases to calculate the final data provided by the data provider Asset Impact have impacted customer intensity, generating a generalized increase in portfolio intensity as well as an increase in the average intensity of the sector.

However, in 2025, a slight improvement in intensity is observed compared with 2024, of 1%, due to proactive portfolio management focused on greater growth with customers who are progressing in their transition.

The data BBVA uses to measure emissions intensity is subject to continuous improvement. There is also ongoing development of new calculation methodologies that provide greater rigor to the measurement process. Therefore, BBVA is working on a recalculation the 2020 baseline and the data reported in subsequent years to incorporate these improvements into the reported metric. The emissions intensity reduction target for the 2020–2030 period would remain unchanged in this context.

Actions with customers

During 2025, BBVA has focused its business strategy on providing financial support to customers who are actively managing their transition and investing in new technologies, such as carbon capture and storage (CCS), improving energy efficiency, reducing the clinker factor and using alternative fuels.

In addition, BBVA actively advises on the definition and execution of transition strategies, combining financing solutions with advice on the structuring of industrial investments and the planning of transformation projects.

Thanks to this approach, customers actively managing their transition now represent 90% of the cement loan portfolio.

Thermal coal

Sector dynamics and main decarbonization drivers

The thermal coal sector shows a structural downward trend in numerous markets, driven by regulatory factors, the increasing competitiveness of low-carbon energy sources and the evolution of social and investor preferences, with marked regional heterogeneity, the management of transition risk and growing social pressure. At the same time, rising power demand driven by the rapid development of artificial intelligence is putting pressure on the closure of coal-fired power plants until security of electricity supply at a competitive cost can be ensured.

Given its high emissions intensity and the associated transition risk, the sector's decarbonization strategy focuses on a phased reduction of exposure, prioritizing support for verifiable closure and conversion plans and avoiding funding for expanding new capacity or extending the life of existing assets without credible plans. These decisions are made through individualized, objective, and risk-based assessments and are complemented by the reallocation of funding toward technologies and solutions that facilitate coal substitution and security of supply (renewables, grids, storage, and efficiency).

BBVA's objective and the scope of the metric

In 2021, BBVA announced its objective to eliminate its exposure to customers with thermal coal mining activity, or thermal coal-fired power generation, by 2030 in developed countries and by 2040 globally (under the terms defined in the Environmental and Social Framework).

According to BBVA's Environmental and Social Framework, thermal coal customers are defined as those customers belonging to a business group with 5% or more of group-level revenues derived from the exploration and exploitation of thermal coal mining, or those customers belonging to a business group whose main activity is the generation of electricity and which has 5% or more of installed capacity at group level for the generation of electricity from thermal coal.

Portfolio performance



(1) Alignment metric as of December 2025.

(2) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, and ECA lines, among others).

(3) Percentage calculated in terms of the volume of loans in portfolio, which includes both drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, ECA lines, among others) corresponding to customers who are expected to manage their transition in time to meet the thermal coal phase-out target. Data as of December 2025. Customers classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emission reduction targets and levers for managing these emissions and their committed investments to execute their transition plan, are considered as customers actively managing their transition.

The total amount of the financing portfolio weighted by the customers' revenues from thermal coal mining or installed capacity for thermal coal-fired power generation with coal customers (as defined in the terms of the Environmental and Social Framework) amounts to €1,341 million as of December 2025.

The thermal coal portfolio has experienced an 21% reduction compared with 2022. This evolution is due to a lower exposure of existing customers to activities related to thermal coal caused both by the progressive reduction of financing and by the reduction in the percentages of thermal coal of the customers themselves, who are advancing in their transition plan.

The total amount of the financing portfolio with coal customers that have limited expectations of transitioning in time to meet BBVA's coal phase out target at the same date amounts to €81 million. Between 2022 and 2025, BBVA reduced its exposure to these customers by 80% and by 47% in the last year.

Actions with customers

BBVA is focused on supporting the transition of the thermal coal sector, focusing its efforts on financing sustainable projects that facilitate the gradual transition to lower carbon intensity alternatives.

In 2025, BBVA has intensified its active support for customers by advising on the definition and execution of energy transition strategies.

BBVA has also continued to monitor its exposure to customers who have not made a public commitment to reducing their thermal coal-related activity, individually assessing their progress, transition risks, and the feasibility of future alignment. By 2025, customers expected to manage their transition in time to meet the thermal coal phase-out target by 2030 in developed countries and by 2040 in developing countries represent 94% of the sector's loan portfolio.

Aviation

Sector dynamics and main decarbonization drivers

The aviation sector is characterized by structurally growing demand, increasing regulatory pressure on climate-related matters and technological limitations in reducing its emissions.

The sector's transition is necessarily gradual and is underpinned by fleet renewal with next-generation aircraft, improvements in operational efficiency and the optimization of airport infrastructure, as well as the increasing use of sustainable aviation fuels (SAF). The development and scaling-up of these fuels represents the main challenge in the sector's decarbonization.

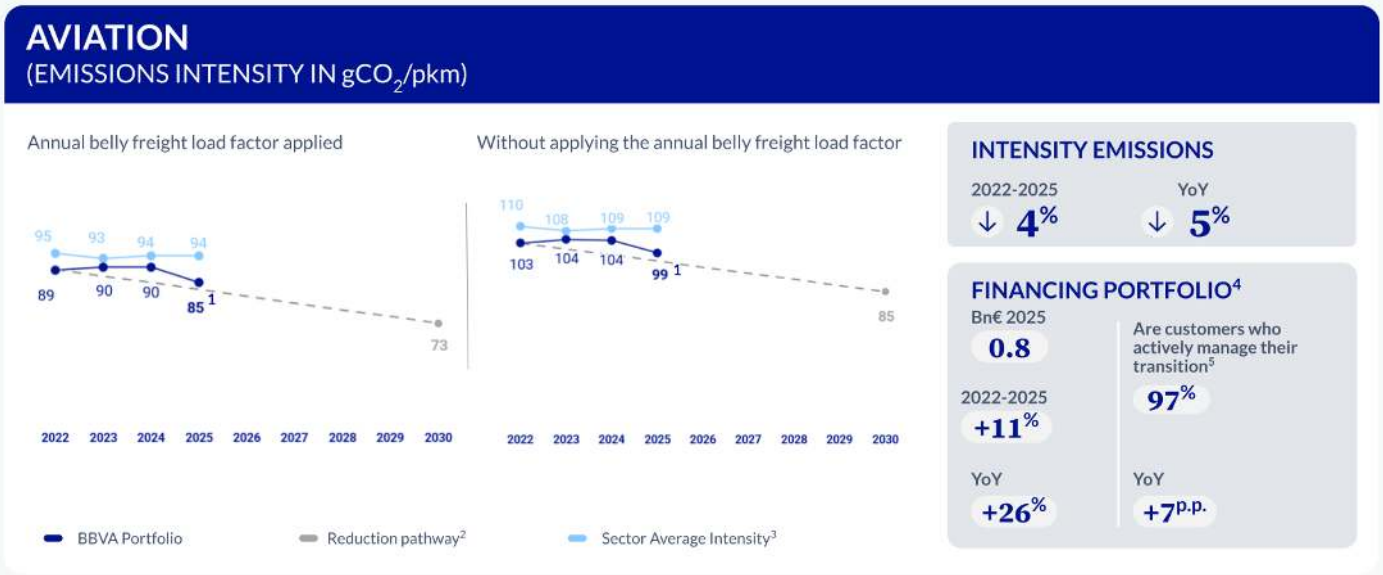
BBVA's objective and scope of the metric

BBVA has set a target to reduce its carbon intensity by 18% in the aviation sector between 2022 and 2030, measured in grams of CO_2/PKM (passenger per kilometer) (scope 1).

The portfolio alignment metric for the aviation sector follows the PACTA methodology. This methodology is based on the identification of the Group's financing related to airlines. In the case of the aviation sector, the metric analyses airlines by measuring emissions per passenger kilometer of flights operated.

BBVA's portfolio gCO_2/PKM metric is expressed both with and without adjustment for the annual belly freight factor.

Portfolio performance



(1) Alignment metric to December 2025. The gCO_2/PKM metric of the BBVA portfolio is expressed with and without adjustment for the annual belly freight factor.

(2) The fulfillment of these objectives is not envisaged as a linear process in the short term. It is possible that, in order to achieve them in the long term, it may be necessary to assume some deterioration in the alignment metrics in the short term, through possible increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are undertaking actions to decarbonize.

(3) Historical data has been updated due to improved information sources.

(4) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, and ECA lines, among others).

(5) Percentage calculated in terms of portfolio loan volume, which includes both drawn and undrawn financing (such as loans, unused revolving credit facilities, guarantees, ECA lines, among others). Data as of December 2025. Customers considered to be actively managing their transition are those classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emissions reduction targets and levers for managing such emissions and their committed investments to execute their transition plan.

The carbon intensity of the aviation portfolio was 85g CO_2/PKM as of December 2025 and remains below the average intensity for the sector. This level represents a reduction of 4% compared with the base year 2022 and 5% compared with 2024.

This reduction is mainly due to the boost in the aircraft financing business and to growth with leasing customers whose fleets are more modern and efficient and whose business model facilitates a faster turnover of assets, driving the technological renewal of the global air fleet.

Actions with customers

During 2025, BBVA has promoted the use of specialized financing structures, such as leasing and asset finance, to support fleet renewal strategies, facilitating investments in new generation aircraft that allow significant improvements in fuel consumption efficiency and a reduction in emissions intensity.

BBVA maintains a growth focus with customers in the sector who have clear and credible transition strategies. These customers currently represent 97% of the total amount of airline-related loan portfolio.

Shipping

Sector dynamics and main decarbonization drivers

The shipping sector, a central pillar of global trade, faces a dual challenge: intense regulatory pressure and significant technological uncertainty regarding the future fuel of the energy transition. The sector must undertake substantial investments before 2030, given its high dependence on fossil fuels and the resulting climate impact.

The key drivers for the sector's decarbonization are fleet renewal, the development and scaling-up of low-carbon alternative fuels and, in a complementary manner, improvements in port infrastructure, including electrification (On-shore Power Supply, OPS), the supply of new fuels (bunkering) and the creation of green corridors. The sector's main challenge is to achieve a significant reduction in emissions without undermining its competitiveness or financial resilience.

BBVA's objective and scope of the metric

BBVA has set itself the objective of aligning with the path set by the International Maritime Organization (hereinafter, IMO), achieving a percentage deviation (delta) of 0% or less with respect to this decarbonization path in 2030.

The portfolio alignment metric for the shipping sector is compliant with the IMO standard and is based on identifying Group financing related to shipping operators through loans and guarantees secured by vessels over 5,000 tons. The metric measures well-to-wake emissions intensity expressed in grams CO_2e/(dwt*Nautical Mile), where DWT stands for Deadweight Tonnage.

Portfolio performance



(1) Alignment metric for fiscal year 2024.The portfolio alignment metric for the shipping sector is compatible with the IMO standard. To calculate the alignment, BBVA has calculated the percentage difference between the intensity of each vessel financed and the decarbonization trajectory set by the IMO in 2023 for that particular vessel type and for the year indicated. The 2023 IMO decarbonization trajectory of 2024 contemplates two levels of ambition:

- "Minimum" according to the ambition to reduce total annual GHG emissions from international shipping by at least 20 % by 2030.
- "Striving" according to the ambition to reduce total annual GHG emissions from international shipping by striving to reach 30% by 2030.

The portfolio alignment metric for the shipping sector is expressed as (+/-):

- A score of 0% represents a portfolio that is exactly in line with the decarbonization trajectory.
- A negative score indicates that the portfolio intensity is lower than required by the decarbonization trajectory.
- A positive score indicates that the portfolio intensity is higher than required by the decarbonization trajectory.

(2) Considering drawn and undrawn financing (such as loans, undrawn revolving credit lines, guarantees, ECA lines secured by ship mortgages, or finance leases secured directly by the vessel).

The alignment metrics with respect to the IMO Strategy minimum trajectory for the year 2024 are +13.40% and +20.30% for the striving trajectory. A deterioration in the alignment metric is observed compared with 2023, mainly associated with the entry into operation of cruise ships whose financing originated in 2017 and later, and which by their nature require long construction maturities.

Additionally, the evolution of the metric is influenced by methodological factors that entail greater data availability and granularity which, while reducing aggregate alignment in the short term, enable a more robust and transparent measurement.

Actions with customers

During 2025, BBVA has focused its actions on supporting growth with new customers who invest in ships whose decarbonization trajectories are below the thresholds established by the International Maritime Organization (IMO).

This approach includes asset supporting customers with transition plans aimed at improving the efficiency of their fleets, combining financing solutions with advisory services on decarbonization strategies and operational modernization.

BBVA also maintains a growth-oriented approach to the sector with customers who are actively managing their transition through investments in modernizing and renewing more efficient vessels, including new propulsion technologies and improvements in energy performance, with the aim of achieving a sustained reduction in the emissions intensity of the portfolio.

Commercial real estate

Sector dynamics and main decarbonization drivers

The commercial real estate sector in Spain is undergoing a progressive transformation driven by the tightening of the regulatory framework on energy efficiency, the evolution of investor and tenant expectations, and the need to preserve the value of assets in the long term.

The decarbonization of the building stock is hampered by its high degree of heterogeneity, with a significant portion of buildings constructed to outdated energy standards, requiring substantial investments in renovation and modernization. The main drivers of decarbonization in the real estate sector are the energy-efficient retrofitting of existing buildings (insulation, heating, ventilation, and air conditioning, and lighting systems), digitalization and efficient energy management, and the use of renewable electricity. Additionally, the design of highly energy-efficient, low-emission buildings, aligned with international sustainable building standards, is being promoted.

It is important to note that decarbonizing the sector requires a coordinated effort, with the stake of multiple stakeholders, and where appropriate climate policies and public incentives will be particularly relevant to accelerating the transformation of inefficient assets. Progress in decarbonizing the sector depends on national transition targets and faces the main challenge of the variability of the local energy mix and the scarcity and heterogeneity of granular energy data. Collaboration with regulators and other stakeholders is key to creating robust measurement and alignment frameworks.

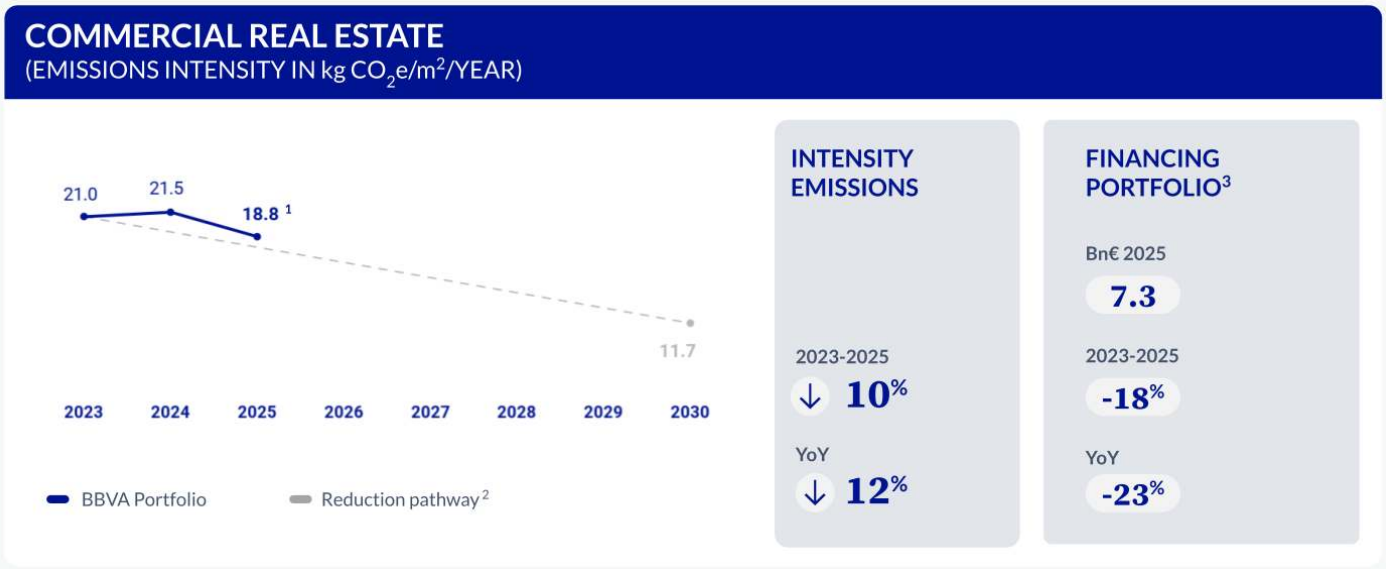
BBVA's objective and the scope of the metric

BBVA has set a target to reduce its carbon intensity by 44% in the commercial real estate sector in Spain between 2023 and 2030, measured in kilograms of CO_2e/m^2/year (scopes 1 and 2).

The portfolio alignment metric for the commercial real estate sector follows the CRREM (Carbon Risk Real Estate Monitor) methodology, which defines a metric in terms of emissions intensity (kg CO_2e per balanced meter per year). The types of commercial real estate assets subject to this metric are: offices, retail premises, shopping centers, hotels, industrial facilities, logistics warehouses and residential/multifamily properties.

The calculation of CO_2e emissions depends largely on the energy mix of the country where the asset is located. Ideally, this data would be obtained from energy performance certificates. However, given the limited availability, lack of standardization, and infrequent updates of these certificates, BBVA has opted to estimate emissions using the PCAF methodology, with specific values for each type of property based on its energy performance certificate.

Portfolio performance



(1) Alignment metrics as of December 2025. Sector average intensity data not available. The geographic perimeter of the intermediate 2030 emissions reduction target for the real estate sector is Spain. Work will continue in the remaining geographies as the industry progresses in defining consensus methodologies and data availability.

(2) The fulfillment of these objectives is not expected to be a linear process in the short term. It is possible that, in order to achieve them in the long term, it will be necessary to assume a certain deterioration in the alignment metric in the short term, through possible increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are taking actions to decarbonize.

(3) Considering drawn financing of loans backed by collateral on an identifiable physical asset.

The carbon emissions intensity of the commercial real estate portfolio in Spain is 18.8g CO_2/PKM as of December 2025, and this level represents a reduction of 10% compared with the base year 2023 and 12% compared with 2024.

This reduction is mainly due to a greater focus on supporting its customers in acquiring and managing properties with better energy efficiency standards.

BBVA continues to make progress in evolving the information systems it has available in order to be able to capture energy efficiency certificates for its real estate portfolio.

Actions with customers

BBVA is driving the alignment of its portfolio in the commercial real estate sector by supporting and advising its customers on acquiring and managing properties with improved energy efficiency standards. This includes focusing on prime assets and operational decarbonization strategies that preserve long-term asset value.

In this context, BBVA advises its customers on identifying and planning for property renovation and refurbishment needs. Additionally, BBVA monitors new loan originations and offers financing options for energy efficiency upgrades and improvements at the time of property acquisition, when feasible. This facilitates the early integration of efficiency and sustainability criteria into the investment strategy.

Residential real estate

Sector dynamics and main decarbonization drivers

The residential real estate sector in Spain is in a phase of gradual transformation driven by national and European energy efficiency objectives, the increase in energy costs and the need to modernize a mostly aging building stock.

The decarbonization of the sector is closely linked to the energy-efficient renovation of existing homes and also to the development of new housing built according to building codes with higher energy efficiency standards and lower emissions, thus structurally reducing future energy consumption. In this context, improved insulation, the electrification of heating and cooling systems, and the integration of renewable energy sources are becoming key drivers.

It is important to note that decarbonizing the sector requires a coordinated effort, with the stake of multiple stakeholders, and where appropriate climate policies and public incentives will be particularly relevant to accelerating the transformation of inefficient assets. Progress in decarbonizing the sector depends on national transition targets and faces the main challenge of the variability of the local energy mix and the scarcity and heterogeneity of granular energy data. Collaboration with regulators and other stakeholders is key to creating robust measurement and alignment frameworks.

BBVA's objective and the scope of the metric

In 2024, BBVA set a target to reduce its carbon emissions intensity by 30% in the Spanish residential real estate sector between 2023 and 2030, measured in kilograms of CO_2e/m^2/year (scopes 1 and 2).

The portfolio alignment metric for the residential real estate sector follows the CRREM methodology, which defines a metric in terms of emissions intensity (kg CO_2e per balanced meter per year). The types of residential real estate assets subject to this metric are single-family and multifamily residential properties.

The calculation of CO_2e emissions depends largely on the energy mix of the country where the asset is located. Ideally, this data would be obtained from energy performance certificates. However, given the limited availability, lack of standardization, and infrequent updates of these certificates, BBVA has opted to estimate emissions using the PCAF methodology, with specific values for each type of property based on its energy performance certificate.

Portfolio performance



(1) Alignment metrics as of December 2025. Average sector intensity data not available. The geographical scope of the 2030 intermediate emission reduction target for the real estate sector is Spain. Work will continue in the remaining geographies as the industry progresses in defining consensus methodologies and data availability.

(2) The fulfillment of these objectives is not expected to be a linear process in the short term. It is possible that, in order to achieve them in the long term, it will be necessary to assume a certain deterioration in the alignment metric in the short term, through possible increases in financing with customers with a higher starting point in terms of CO_2 emissions, but who are taking actions to decarbonize.

(3) Considering drawn financing of loans backed by collateral on an identifiable physical asset.

The carbon emissions intensity of the residential real estate portfolio in Spain is 20.6 g CO_2/PKM as of December 2025, and this level represents a reduction of 3% compared with the base year 2023 and 2% compared with 2024.

This decrease is largely down to a gradual shift in the progressive evolution in the composition of the asset portfolio with higher energy efficiency certifications and the incorporation of renewable energies into the local energy landscape.

BBVA continues to make progress in evolving the information systems it has available in order to be able to capture energy efficiency certificates (EPC) for its real estate portfolio.

Actions with customers

BBVA promotes the alignment of its portfolio in the residential real estate sector by providing support and advice to its customers, offering solutions aimed at improving the energy efficiency of properties and maximizing opportunities for energy and economic savings when feasible.

Aluminum

Sector dynamics and main decarbonization drivers

The aluminum sector faces growing global demand driven by its key role in the energy transition and electrification. However, it faces significant challenges given that it is a sector that requires intensive capital investment and there is uncertainty about the realization of the "green premium" for low-carbon products, as well as the impact of tariffs on materials.

Decarbonizing primary production is essential and revolves around several levers, including the use of renewable electricity, given the energy-intensive nature of the process, improving energy efficiency, implementing innovative technologies, and increasing the recycling of secondary aluminum.

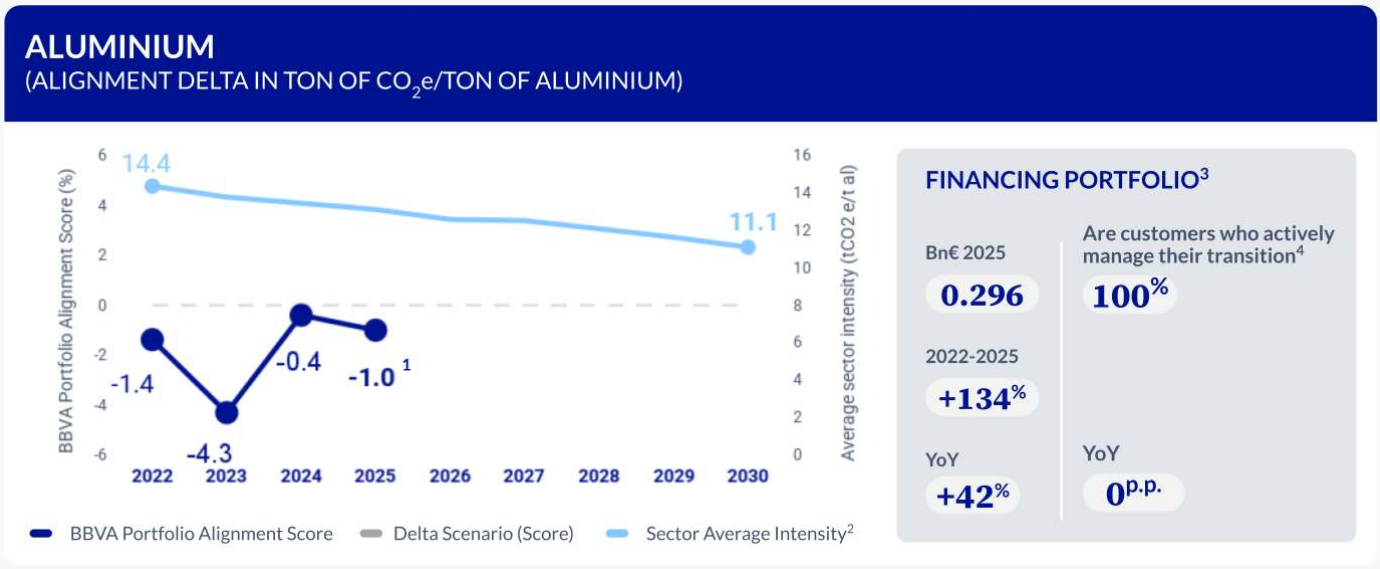
The main challenge for the sector is scaling up low-emission primary production and ensuring the energy diversification of its processes.

BBVA's objective and scope of the metric

BBVA has set the goal of aligning with the decarbonization path determined by the International Aluminum Institute (IAI) and the Mission Possible Partnership's Aluminum Transition Strategy (MPP) by 2030. In other words, to achieve a percentage deviation (delta) of 0% or less with respect to this decarbonization path in 2030.

The loan portfolio alignment metric for this sector was calculated using the Sustainable Aluminum Finance Framework methodology developed by the Rocky Mountain Institute (RMI). For the aluminum sector, this metric analyzes primary manufacturers (which may include mining, refining, and smelting activities) and measures emissions per ton of aluminum produced.

Portfolio performance



(1) A negative score or 0 indicates that the portfolio intensity is aligned. A positive score indicates that the portfolio intensity is greater than required by the decarbonization trajectory.

(2) The sector decarbonization trajectory for primary aluminum production, according to the IAI (International Aluminium Institute) and MPP's Aluminium Transition Strategy (Mission Possible Partnership) scenario, is included for illustrative purposes. It does not represent the intensity trajectory of BBVA's primary aluminum production portfolio.

(3) Considering available and unavailable financing (such as loans, unused revolving credit facilities , guarantees, ECA lines, among others).

(4) Percentage calculated in terms of portfolio loan volume, which includes both drawn and undrawn financing (such as loans, unused revolving credit facilities, guarantees, ECA lines, among others). Data as of December 2025. Customers considered to be actively managing their transition are those classified as "Advanced", "Robust" or "Moderate" according to internal transition assessment tools such as the Transition Risk Indicator (TRi), considering their medium-term emissions reduction targets and levers for managing such emissions and their committed investments to execute their transition plan.

The alignment metric is -1.0%, indicating that BBVA's portfolio intensity is lower than required by the decarbonization path. The portfolio's performance is supported by the addition of customers with robust transition management, along with support for existing customers with production models focused on clean technologies and increased use of renewable energy in production.

Actions with customers

During 2025, BBVA has focused its actions in the aluminum sector on offering financial support and advice to both existing and new customers who are defining transformation plans based on the deployment of new clean technologies (cleantech).

BBVA has strengthened its asset support for customers in the sector as they move toward greater use of renewable energy to meet their energy needs, combining financing solutions with advice on decarbonization strategies.

BBVA also maintains a growth focus on the sector with customers who are actively managing their transition and who currently represent 100% of the total amount of the aluminum-related loan portfolio, reflecting the alignment of the portfolio with decarbonization pathways compatible with established climate objectives.

The decarbonization of investment products

BBVA Asset Management & Global Wealth (hereinafter, BBVA AM&GW) is the BBVA Group unit that encompasses its investment and pension fund managers and portfolios worldwide. The various BBVA AM&GW management companies implement their responsible investment activities in accordance with the parameters set out in different policies and regulations. The sustainability strategy involves incorporating extra-financial criteria into the investment process with the aim of making more comprehensive investment decisions, mitigating risks, and identifying growth opportunities.

BBVA AM&GW has **established interim decarbonization targets for its portfolios by 2030**[19], framed within the achievement of climate objectives for 2050. These targets are complementary to the sectoral alignment plans for customer loan portfolios presented in the previous section. The scope of these interim targets has been defined in terms of the assets included, the metrics used to measure them, the baseline level and the 2030 target. The status of these metrics as of year-end 2025, comparing their evolution against the baseline and the degree of achievement relative to the targets set for 2030, is as follows:

- Corporate portfolio: positive performance in terms of alignment and a slight deterioration in the emissions intensity metric, although it maintains a significant reduction compared to the initial baseline.
- EU government debt portfolio: positive results in terms of alignment and an improvement in the overall portfolio performance compared to the previous year, taking into account the performance of the individual member countries.



[19] The achievement and progressive advancement of the decarbonization targets will depend to a large extent on the actions of third parties, such as customers, governments and other stakeholders, and may therefore be materially affected by such actions, or by the lack thereof, as well as by other exogenous factors beyond BBVA's control (including, but not limited to, new technological or regulatory developments, armed conflicts, and the evolution of climate and energy crises, among others). Accordingly, these targets may be subject to future revisions.

Climate risk management is integrated into BBVA AM&GW's overall risk management and control processes through the development of systems and the calculation of data and metrics that support climate risk management and the overall sustainability strategy. Key aspects include carbon intensity calculations for portfolios, calculations of Major Adverse Events according to SFDR regulations at the issuer, portfolio, and management company levels, metrics for investment vehicles managed by external managers, and the calculation of alignment pathways to the decarbonization objectives of the companies in which BBVA AM invests.

In this regard, BBVA AM&GW is working on a climate strategy linked to decarbonization objectives and has continued to develop actions related to each of the four pillars of its sustainability strategy:

PILLAR I

Integration

Environmental, social, and governance (ESG) risks and opportunities are integrated into investment decisions. The Management Company has developed a proprietary ESG rating that it applies to companies, governments, and third-party funds.

PILLAR II

Exclusion

Investments in companies that fail to meet key international standards regarding social, labor, and human rights, as well as those engaged in certain economic activities, are excluded. This is governed by the Exclusion Policy that applies to direct investments by managed vehicles and funds, with some exceptions outlined in said Policy, such as indexed portfolios, among others.

PILLAR III

Engagement

With the companies and governments in which we invest, through actions of commitment and dialogue, and through the exercise of the right to vote.

PILLAR IV

Impact

Investments are made with environmental or social objectives that meet certain alignment characteristics with the Sustainable Development Goals and that at the same time respect a series of minimum requirements in relation to minimum safeguards and cause no significant harm.

Own operations and other scope 3 emissions

BBVA's global strategy for managing environmental impacts, with the exception of the financed emissions discussed in the previous section, is structured around three main pillars:

Measuring carbon footprint and energy consumption

Calculation of energy consumption and carbon footprint.

Strategy for reducing environmental impact

The implementation of the **Global Eco-efficiency Plan** seeks measures to reduce energy consumption and raise awareness and involve employees and other stakeholders.

Carbon credits

Purchase and retirement of carbon credits[1] for an amount equivalent to scope 1, 2 and categories 3.5 (Waste generated in operations), 3.6 (Business travel) and 3.7 (Employee commuting) of scope 3.

[1] For the purposes of this report, the terms "retire" and "cancel" are used interchangeably in relation to carbon credits.

Measuring carbon footprint and energy consumption

BBVA has a procedure in place across the Group's different geographies for the collection of consumption data associated with direct environmental impacts. Under this common standard, information is consolidated and subsequently used to calculate the Group's carbon footprint.

Carbon footprint

The BBVA Group's carbon footprint comprises the following emissions:

- **Scope 1 emissions,** which include direct emissions from combustion facilities in company-owned buildings (including data centers), fuel for the vehicle fleet, and emissions resulting from refrigerant leaks.
- **Scope 2 emissions**, which include indirect emissions related to the production of electricity purchased and consumed by the Group's buildings (including data centers) and branches.
- **Scope 3 emissions**, which comprise other indirect emissions generated throughout the company's value chain as a result of its activities. The scope 3 categories considered material and applicable to the Group's business are published. In 2025, new concepts were added to scope 3 categories 6 and 7, which are detailed below:
  - 3.1: Purchased goods and services.
  - 3.2: Capital goods.
  - 3.3: Fuel- and energy- related activities not included in scope 1 or 2.
  - 3.4: Upstream transportation and distribution.
  - 3.5: Waste generated in operations.
  - 3.6: Business travel. In 2025, emissions from travel on modes of transport not previously included (other than air and rail) and hotel stays were incorporated.
  - 3.7: Employee commuting. In 2025, emissions from teleworking were incorporated.
  - 3.13: Downstream leased assets.

BBVA will work on estimating the remaining applicable scope 3 categories not currently included in the footprint calculation, although it is considered that it will not have a material impact.

GHG EMISSIONS BREAKDOWN BY SCOPES 1, 2 AND 3 (EXCLUDING FINANCED EMISSIONS) (BBVA GROUP)

	Retrospective				Milestones and target years		
	Base year [1]	2024 [2]	2025 [3]	% 2025 / 2024	2025	2030	Annual % target / base year [4]
Scope 1 GHG emissions							
Gross scope 1 GHG emissions (tCO_2e)	62,672	42,715	40,790	(5)%	—	39,369	(4)%
Percentage of scope 1 GHG emissions from regulated emissions trading schemes (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Scope 2 GHG emissions							
Location-based gross scope 2 GHG emissions (tCO_2e) [5]	277,251	209,664	208,952	— %	251,722	174,605	(4)%
Market-based gross scope 2 GHG emissions (tCO_2e) [6]	186,172	3,079	596	(81)%	54,216	0	n/a
Scope 3 GHG emissions							
Total gross indirect GHG emissions (scope 3) (tCO_2e)	56,700	1,343,737	1,287,369	(4)%	—	—	—
1. Goods and services purchased	—	797,827	769,354	(4)%	—	—	—
2. Capital goods	—	225,548	160,576	(29)%	—	—	—
3. Fuel and energy-related activities (not included in scope1 or scope 2)	—	74,067	74,291	— %	—	—	—
4. Upstream transportation and distribution	—	125,556	117,556	(6)%	—	—	—
5. Waste generated in operations	—	1,597	1,241	(22)%	—	1,122	—
6. Business travel [7]	42,635	31,983	61,856	93 %	—	—	—
7. Employee commuting [7]	14,065	83,820	99,478	19 %	—	—	—
13. Downstream leased assets	—	3,338	3,017	(10)%	—	—	—
Total GHG emissions (excluding financed emissions)							
Total GHG emissions (location-based) (tCO_2e)	396.623	1,596,116	1,537,111	(4)%	—	—	—
Total GHG emissions (market-based) (tCO_2e)	305.544	1,389,531	1,328,755	(4)%	—	—	—

n/a: not applicable.

[1] The data included in the column corresponding to the base year refer to 2019, which is the base year of the Global Eco-efficiency Plan 2021–2025 currently in force and concluding in the current fiscal year.

[2] The 2024 data differ from those published in the previous year due to the replacement of estimates with actual data for certain consumption figures; the update of emission factors applicable to Spain in accordance with MITECO for scopes 1, 2, 3.3 and 3.13; a reclassification of emissions between categories 3.1 and 3.4; a methodological change in waste measurement in Spain and Turkey affecting category 3.5; and an adjustment to the perimeter of buildings in Argentina considered under category 3.13.

[3] For 2025, estimates are used for those data that are not available as of the closing date of this report.

[4] Compound annual growth rate between 2019 and 2030 (not applicable for market-based Scope 2 emissions as a 100% reduction is achieved). The BBVA Group does not have year-on-year targets set for these categories.

[5] Although there are no explicitly defined targets for 2025 or 2030, reference values have been estimated for both years based on the provisions of the corresponding Global Eco-efficiency Plans, assuming a constant perimeter in all cases

[6] Although there are no explicitly defined targets for 2025, reference values have been estimated based on the provisions of the current 2021-2025 Global Eco-efficiency Plan, assuming a constant perimeter in all cases.

[7] Increase in emissions due to the inclusion of new items in these categories in 2025. Data reported in 2019 corresponding to emissions from employee commuting only covers data from Central Services.

Regarding the types of GHGs, 99.4% of the emissions generated by BBVA are CO_2, while CH_4 and N_2O emissions represent 0.1% and 0.5% respectively[20].

[20] It includes scope 1 emissions from fossil fuels and fleet fuels, scope 2 and scope 3 category 3.6 emissions from air and rail travel.

Methodology for calculating emissions[21]

Both scope 1 and 2 emissions, as well as scope 3 emissions, are calculated in accordance with the GHG Protocol standard, established by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The calculation process for scope 2 and scope 3 categories 3.1, 3.2, 3.3, 3.4 and 3.13, as well as for part of the emissions corresponding to categories 3.6 (transport modes other than air and rail, and hotel stays) and 3.7 (emissions derived from teleworking), was carried out with the support of an external provider.

The GHGs included in each scope and category depend on the methodological specifics of the emission factors used.

Scope 1 emissions

Fossil fuels

- To calculate the carbon footprint of fossil fuel use in facilities, the emission factor is multiplied by the fuel consumption figure. The fossil fuels considered are natural gas, heating oil, and liquefied petroleum gas.
- The combined emission factor for each fossil fuel is obtained from the emission factors and global warming potentials of each of the three main greenhouse gases (CO_2, CH_4 y N_2O), the lower heating value (or net heating value), and the fuel density.
- The sources used are MITECO[22] for the case of Spain and, for the rest of the geographies, the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories for emission factors, and the IPCC Fifth Assessment Report and the International Energy Agency (IEA) for the conversion to CO_2e.

Refrigerants

- The available emission factors are multiplied by the kilograms of each type of refrigerant being recharged.
- The emission factors used are MITECO for the case of Spain and those published by the UK Department for Environment, Food and Rural Affairs (DEFRA) for the rest of the geographies.

Vehicle fleet fuels

- The fuel consumption data (in liters) is converted to kilometers traveled and multiplied by the available emission factors.
- The emission factors used correspond to MITECO for the case of Spain and DEFRA for the rest of the world.

Scope 2 emissions

These figures are calculated based on electricity consumption data at the Group's facilities, applying the corresponding emission factors.

BBVA presents scope 2 emissions calculated using two different methods:

- **Location-based**: To calculate the carbon footprint, the electricity[23] consumption data in kWh for each geographic location is multiplied by the emission factor of that country's energy mix. The external provider, commissioned by BBVA to calculate scope 2 emissions, employs the International IEA emission factors for this method. In the case of Spain, the MITECO emission factors have been used.

[21] Except for category 3.15 Investments (see "Measuring carbon footprint: Financed CO_2e emissions" section).
[22] In accordance with the provisions of Royal Decree 214/2025.
[23] Excluding self-generated electricity.

- **Market-based**: The calculation differentiates between electricity consumption from renewable and non-renewable sources, based on the supply contracts established by BBVA and electricity suppliers.
    - Renewable: To classify electricity consumption as renewable, the electricity supplier must guarantee compliance with any of the conditions established in the GHG Protocol for instruments acquired by BBVA, such as renewable electricity certificates, renewable energy purchase agreements (PPAs), or guarantees of origin. The emission factor to be used in these cases is 0 kg CO_2e/kWh.
    - Non-renewable: For non-renewable electricity, emission factors from MITECO for Spain and factors of IEA and the European Residual Mixes from the Association of Issuing Bodies (AIB) are used for the rest of the geographies.
- 99.5% of the electricity consumed by BBVA is renewable[24]. To achieve this, BBVA uses various contractual instruments: of the total renewable electricity, 12.8% is purchased via IRECs, 31.0% via PPAs, 55.9% through guarantees of origin and 0.4% comes from self-consumption installations.

Scope 3 emissions

3.1. Goods and services purchased

- The data used as the basis for the calculation corresponds to the Group's operating expenses with suppliers and includes those companies whose expenses with suppliers are recorded through the global technology platform that supports all phases of the procurement process.
- Regarding emission factors:
    - Specific supplier emission factors have been used when the supplier publishes its emissions in full. In 2025, the percentage of emissions calculated with emission factors obtained from supplier-specific data is 26% (compared to 16%[25] in 2024).
    - Emission factors from the Comprehensive Environmental Data Archive (CEDA) have been used when supplier-specific data is not available, based on the category and location of each expense.

3.2. Capital goods

- The calculation methodology is the same as for category 3.1, using capital expenditure data instead of operating expenses.
- In 2025, the percentage of emissions calculated using emission factors derived from supplier-specific data is 15% (compared to 12% in 2024).

3.3. Fuel- and energy- related activities not accounted for in scope 1 and 2

- The calculation is based on the consumption and activity data used to calculate scopes 1 and 2.
- Well-to-tank (WTT) and transmission and distribution (T&D) emission factors are applied. The sources for the emission factors are MITECO, DEFRA, IEA, and European Residual Mixes.

3.4. Upstream transport and distribution

- The calculation methodology is the same as for section 3.1, using operating expense data for transportation and distribution activities, such as courier services, debit and credit card distribution, cash transport, and office furniture moving and logistics services.

[24] Electricity consumed is 100% renewable in Colombia, Spain, Mexico, Peru, Turkey, Portugal, Uruguay and Argentina, 90% in the Netherlands and Venezuela, and 75% in Romania.
[25] Differs from the figure published in the previous year's NFIS due to the reclassification of emissions between categories 3.1 and 3.4.

- In 2025, the percentage of emissions calculated using emission factors obtained from specific supplier data is 5% (compared to 4%[26] in 2024).

3.5. Waste generated in operations

- This indicator is calculated from data on the kilograms of waste generated in buildings and their recovery rates. The recycling, recovery, or valorization method used for each type of waste is taken into account.
- The emission factors used correspond to the latest available data from DEFRA.

3.6. Business travel

- This category includes emissions from travel by plane, train, and, for the first time in 2025, emissions from travel by other means of transport (taxi, private vehicle, bus, etc.) and hotel stays.
- Air travel is classified into three segments based on distance traveled: short-haul (less than 500 km), medium-haul (between 500 and 3,700 km), and long-haul (more than 3,700 km). In 2025, a distinction was made between cabin class (economy and business). The emission factors used correspond to the latest available DEFRA data, considering the RF (radiative forcing) criterion and, for the first time in 2025, the WTT (Well-to-Tank) emission factors.
- For train journeys, kilometers traveled are taken into account, and DEFRA emission factors are used, considering, for the first time in 2025, the WTT factor.
- For travel by other means of transport, spend and kilometer data available in each geography and CEDA emission factors are used.
- For hotel stays, the number of nights is used as the activity data, together with DEFRA emission factors.

3.7. Employee commuting

- This category includes emissions resulting from employees commuting to their workplaces and, for the first time in 2025, emissions resulting from remote working.
- Regarding commuting emissions, these are calculated based on data on the modes of transport used by employees to travel to their workplaces, collected through a survey sent to employees in the geographies within the Group's carbon footprint calculation area. The emission factors used correspond to the latest available data from DEFRA.
- Emissions from remote working are calculated based on the total number of employees and the remote working model implemented in each region. The emission factors used are from DEFRA, IEA, European Residual Mixes, Johansen & Werner and United States Environmental Protection Agency (EPA).

3.13. Downstream leased assets

- Emissions from BBVA-owned buildings leased to third parties are included.
- Activity data is used as the basis for the calculation.
- The sources of the emission factors used are MITECO, European Residual Mixes, IEA, DEFRA, EPA and IPCC.

[26] Differs from the figure published in the previous year's NFIS due to the reclassification of emissions between categories 3.1 and 3.4.

Calculation perimeter

- The data for energy consumption and scope 1, 2, and 3 emissions related to fuel and energy activities (3.3), waste generated in operations (3.5), business travel (3.6)[27], and employee commuting (3.7) cover the countries of Spain, Mexico, Turkey, Peru, Colombia, Argentina, Uruguay, Portugal, Venezuela, Romania, and the Netherlands. Certain geographic areas (Chile, Bolivia, Switzerland, the United States, Brazil, and BBVA branches outside of Spain) and certain BBVA Group companies are not included in this scope. The area not included in this measurement (geographic areas and/or subsidiaries in the aforementioned countries) represents 3 % of the total BBVA Group workforce.
- The data for scope 3 emissions related to purchased goods and services (3.1), capital goods (3.2), and upstream transport and distribution (3.4) are calculated based on the Group's annual expenditure with suppliers and include those companies whose expenditure with suppliers is recorded through the global technology platform that supports all phases of the procurement process for the BBVA Group in Spain, Mexico, Peru, Colombia, Argentina, and Venezuela[28].
- Data for scope 3 emissions corresponding to downstream leased assets (3.13) covers Spain, Mexico, Peru, Colombia, Argentina, Venezuela, Uruguay, Portugal, Turkey, Romania, and the Netherlands[29].

Energy consumption

ENERGY CONSUMPTION AND COMBINATION (BBVA GROUP) (1)

	2025	2024
Total fossil energy consumption (MWh) (2)	109,968	111,599
Proportion of fossil fuels in total energy consumption (%)	15 %	15 %
Fuel consumption from nuclear sources (MWh)	n/a	n/a
Proportion of nuclear sources in total energy consumption (%)	n/a	n/a
Fuel consumption from renewable sources, such as biomass (which also includes industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	n/a	n/a
Consumption of electricity, heat, steam, and cooling purchased or acquired from renewable sources (MWh)	628,504	620,757
Consumption of self-generated renewable energy not used as fuel (MWh) (3)	2,608	1,672
Total renewable energy consumption (MWh)	631,111	622,429
Proportion of renewable sources in total energy consumption (%)	**85 %**	**85 %**
Total energy consumption (MWh)	**741,080**	**734,028**

n/a: not applicable.

(1) For 2025, estimates are used for those data that are not available as of the date of preparation of this report. The 2024 data differ from those published in the previous Non-Financial Information Statement because the estimates included at the close of the 2024 financial year have been replaced with the actual consumption data available after the publication of that report.

(2) It includes non-renewable electricity consumption and the consumption of fossil fuels (natural gas, liquefied petroleum gas (LPG) and diesel), as well as fuels consumed by vehicle fleets.

(3) In 2025, self-generated renewable energy amounted to 2,608 MWh, while self-generated non-renewable energy totaled 59,075 MWh.

Strategy for reducing environmental impact

The BBVA Group manages the reduction of its direct environmental impact through the implementation of global eco-efficiency plans based on reducing consumption, in addition to carrying out other measures to reduce the rest of scope 3 emissions.

The current Global Eco-efficiency Plan (2021-2025) ends this year, so a new Plan with objectives to 2030 has been developed, detailed below.

[27] It does not include information on transportation by means other than air and rail for Portugal, nor on hotel stays for Uruguay.
[28] Includes the companies BBVA S.A., BBVA México, S.A., Banco BBVA Argentina S.A., BBVA Banco Provincial S.A., BBVA Colombia S.A., Banco BBVA Perú, BBVA Seguros Salud México, BBVA Seguros México, S.A., BBVA Technology America, Fundación BBVA México, Casa de Bolsa BBVA México, Banco Occidental, S.A., Gran Jorge Juan S.A., BBVA Pensiones México, Multiasistencia SA de CV, BBVA Operadora México, BBVA Servs. Adm. México
[29] Emissions data for the geographies of Portugal, Mexico, Peru, Turkey, Romania, the Netherlands, Venezuela and Uruguay are zero because there are no leased assets subject to being considered in this category.

Global Eco-efficiency Plan 2021-2025

The Global Eco-efficiency Plan 2021–2025[30], last renewed in 2021, has fully achieved its targets for the first time in 2023. In the years that followed, the Group's focus has been on continuing to improve the Plan's indicators[31], which are presented in the table below:

EVOLUTION OF THE GLOBAL ECO–EFFICIENCY PLAN INDICATORS (BBVA GROUP) (1)

	Values 2025	Values 2024 (2)	Achievement 2025 (Variation 25-19) (3)	PGE 2025 Target
Renewable electricity (4)	99.5%	98.2%	60 p,p.	77 %
Electricity consumption per employee (MWh/ Employee) (5)	5.17	5.29	(22)%	(10)%
Energy consumption per employee (MWh/Employee) (6)	6.05	6.12	(19)%	(7)%
Water consumption per employee (m3/Employee)	12.15	12.71	(36)%	(11)%
Paper consumption per employee (kg/Employee)	27.91	30.06	(44)%	(11)%
Net waste per employee (t/Employee) (7)	19.37	23.33	(33)%	(4)%
Scope 1&2 carbon emissions (tCO_2e) (8)	41,386	45,795	(83)%	(67)%
Environmentally certified area (9)	61.8%	60.1%	21 p,p.	45 %

(1) The data reflected for 2025 comprise the countries of Spain, Mexico, Turkey, Peru, Colombia, Argentina, Uruguay, Portugal, Venezuela, Romania, and the Netherlands. Certain geographic areas (Chile, Bolivia, Switzerland, the United States, Brazil, and BBVA branches outside Spain) and certain BBVA Group companies, representing 3% of the BBVA Group's total employees, are not included in the perimeter. Some 2025 data are estimated, as complete information for the fiscal year was not yet available at the date of the report's publication.

(2) The 2024 data differs from that published in the previous Non-Financial Information Statement because the estimates included at the 2024 year-end have been replaced by actual consumption figures available subsequent to the publication of said report.

(3) The 2025 Achievement indicators corresponding to renewable electricity and environmentally certified surface area are expressed as the change in percentage points relative to the 2019 value.

(4) Renewable electricity values for the geographies of Venezuela and Uruguay were obtained from databases provided by the International Energy Agency (IEA).

(5) Includes the sum of renewable and non-renewable electricity (per employee).

(6) Includes the consumption of electricity and fossil fuels (natural gas, liquefied petroleum gas – LPG and diesel), as well as fuels consumed by vehicle fleets.

(7) Net waste is defined as total waste generated minus recycled waste. In 2025, the calculation methodology for non-hazardous waste in Spain was updated, expanding the perimeter to non-ISO 14001 certified offices for which data was not previously reported, and in Turkey for hazardous waste, by including data on waste electrical and electronic equipment (WEEE). This methodological change has also been applied to 2024 data to ensure comparability.

(8) Includes scope 1 (fuels used in facilities and vehicle fleets and refrigerant gases) and market-based scope 2.

(9) Includes ISO 14001, ISO 50001, LEED, EDGE, WWF Green Office and Zero Waste certifications.

The achievement of these indicators has been made possible thanks to the following lines of action:

- **Regarding electricity consumption**, BBVA's strategy focuses on the use of renewable energy. To this end, the strategy involves securing Power Purchase Agreements (PPAs), such as those already in place in Spain, Mexico, Turkey, and Argentina, as well as acquiring renewable energy certificates, such as Guarantees of Origin in Spain and Portugal, and International Renewable Energy Certifications (IRECs) in Mexico, Turkey, Peru, Colombia, and Argentina. BBVA is also focused on the self-generation of renewable energy through the installation of photovoltaic and solar thermal panels at its facilities, as is already happening in several geographies, including those in Spain, Mexico, Turkey, Argentina, Peru and Uruguay. Furthermore, BBVA continues to work on implementing Energy Saving Measures (ESMs) in the management of its properties, with the aim of controlling and reducing consumption.

- **Regarding waste management**, it is worth highlighting the implementation of certifications such as ISO 14001:2015 and Zero Waste. For more information, see the section on water and paper consumption indicators, waste, and environmentally certified surface area, see the "Management of other direct environmental impacts" section.

- **Regarding the carbon footprint**, for scope 1 and 2 CO_2 emissions, the reduction of emissions comes from energy efficiency strategies, the renewal of fleets with traditional fuels by hybrid and electric fleets and the use of renewable energy.

[30] The 2021-2025 Eco-efficiency Plan uses 2019 as a base year, since the 2020 consumption values are affected by the COVID-19 pandemic.
[31] The Indicators of this Plan are subject to formal monitoring by the Talent & Culture team.

New Global Eco-efficiency Plan 2026-2030

In line with BBVA's focus on environmental sustainability and resource efficiency, the design of the new Global Eco-efficiency Plan 2026-2030 was finalized during 2025. This plan sets the Group's roadmap for moving towards increasingly sustainable and low-emission operations.

This plan, which builds on previous eco-efficiency strategies, was developed using a bottom-up approach with the active participation of local teams across all geographies where BBVA operates. Through a collaborative process, the main opportunities for improvement were identified in areas such as energy consumption, responsible use of resources, waste management and the reduction of the carbon footprint. This participatory approach made it possible to tailor actions and objectives to the specific realities and needs of each region, which were subsequently aligned, consolidated and validated by the global teams, ensuring consistency and ambition across the plan as a whole. Once such consistency was ensured, the final document was submitted to and approved by the relevant governing body.

The Global Eco-efficiency Plan 2026–2030, whose achievement of objectives will be measured using 2024 as the baseline year, sets out specific targets across the following lines of action:

- **Renewable energy**: Maintaining the objective of achieving 100% renewable electricity by 2030, advancing the procurement of green energy in all regions through PPAs, renewable energy certificates (I-RECs/GOs), or on-site renewable generation such as the installation of photovoltaic solar panels or other clean energy systems.
- **Energy efficiency:** Reduction of energy consumption through the modernization of lighting, HVAC, and building management systems, incorporating building management systems (BMS), LED lighting, more efficient HVAC equipment, and promoting a culture of energy conservation among employees.
- **Sustainable mobility**: Gradually renewing the vehicle fleet towards electric or low-emission models.
- **Resource and waste management**: Optimizing water and paper consumption through low-flow devices, rainwater harvesting, and digital tools and cloud-based document management to reduce paper use, as well as improving waste recycling and recovery through segregation and reuse with certified waste management companies.
- **Decarbonization of operations**: Implementing measures to reduce direct and indirect emissions associated with the Group's activities.

In addition, this year BBVA has adopted a water footprint management model that goes beyond a purely consumption-based view of water and is aligned with the carbon footprint strategy, with which it shares certain synergies and reduction levers embedded in the Global Eco-efficiency Plan. For information on BBVA's progress with respect to the water footprint, see the chapter "Natural capital management".

The following details the main indicators associated with the 2026-2030 Global Eco-efficiency Plan, which will allow for transparent and consistent monitoring of progress in each of the action areas:

INDICATORS OF THE GLOBAL ECO–EFFICIENCY PLAN 2026-2030 (BBVA GROUP)

	Goal 2030 [1]
Renewable electricity	100 %
Electricity consumption per employee (MWh/Employee) [2]	(7)%
Energy consumption per employee (MWh/Employee) [3]	(7)%
Water consumption per employee (m3/Employee)	(8)%
Paper consumption per employee (kg/Employee)	(10)%
Net waste per employee (t/Employee) [4]	(23)%
Scope 1 carbon emissions (tCO_2e)[5]	(8)%
Scope 2 carbon emissions (tCO_2e)[6]	(100)%
Scope 3.5 carbon emissions (tCO_2e)	(30)%
Environmentally certified area[7]	67 %

[1] Objectives have been defined using 2024 as the reference year.
[2] Includes the sum of renewable and non-renewable electricity (per employee).
[3] Includes the consumption of electricity, fossil fuels (natural gas, liquefied petroleum gas -LPG- and diesel), and fleet consumption.
[4] Net waste is the total waste generated minus the waste that is recycled.
[5] Includes fuels in facilities and vehicle fleet and refrigerant gases.
[6] Refers to scope 2 market-based.
[7] Includes ISO 14001, ISO 50001, LEED, Edge, WWF Green Office and Zero Waste certifications.

While the definition of targets has not been based on explicit climate scenario methodologies, the aggregation of local targets at Group level reflects an ambition that, in its outcome, is consistent with the general criteria associated with the global pathway to limit the increase in temperature to below 1.5°C, in line with the Paris Agreement. This alignment is underpinned by a cumulative reduction in scope 1 and 2 emissions of over 80% by 2030 compared to 2019, the consolidation of a 100% renewable electricity supply, and the consistency of the plan with the corporate strategy to achieve net zero emissions by 2050.

Scope 3 emissions reduction (excluding financed emissions)

In addition to reducing scope 1, 2, and 3.5 emissions through the measures established in the Global Eco-efficiency Plan, BBVA is working on a series of measures to mitigate the remaining scope 3 emissions:

- **Suppliers (categories 3.1, 3.2, 3.4):**

  BBVA is actively working to increase the percentage of emissions calculated using emission factors derived from specific data provided by suppliers in scope 3 categories 3.1, 3.2, and 3.4. To this end, the most relevant suppliers in terms of emissions have been contacted in order to gather primary data through external climate management platforms. This approach makes it possible to improve the accuracy of measurements and to develop more effective strategies for reducing emissions across the supply chain.

- **Business travel (category 3.6):**

  BBVA internally communicates its carbon footprint generated by air and rail travel to various areas. This, along with recommendations and alternatives for reducing emissions, promotes employee awareness when planning their business trips.

  Furthermore, in 2025, the Group purchased Sustainable Aviation Fuel certificates (SAFc). This initiative was carried out by joining Iberia's 'Círculo SAF' initiative, an alliance that promotes the development of the sustainable aviation fuel industry and contributes to the reduction of emissions.

As part of this collaboration, BBVA acquired a total of 656 tons of SAF in 2025, equivalent to 2,367 tCO_2e[32].

The corresponding reduction in business travel emissions for fiscal year 2025 is detailed below:

IMPACT OF SAFc PROCUREMENT ON BUSINESS TRAVEL EMISSIONS (BBVA GROUP)

	2025
Business travel emissions without applying SAFc-related reductions (tCO_2e)	61,856
Equivalent tonnes reduced through SAFc purchase (tCO_2e)	(2,367)
Business travel emissions after applying SAFc-related reductions (tCO_2e)	**59,489**

– **Employee commuting (category 3.7):**

BBVA has 465 charging points for fully electric and plug-in hybrid (PHEV) vehicles at the Group's buildings, available to its employees. In addition, the Group promotes more sustainable mobility through corporate shuttle services, the promotion of vehicle sharing via car-sharing applications (currently in use in Colombia and Peru and expected to be rolled out in Spain during 2026), as well as other initiatives aimed at reducing emissions associated with commuting.

Carbon credits

In addition to its emissions reduction efforts, BBVA contributes to the decarbonization of the economy, in a complementary way beyond its value chain, through the purchase and retirement of carbon credits.

BBVA purchases and retires carbon credits in an amount equivalent to its reported CO_2 emissions from the categories over which it has direct control (scopes 1 and 2, and scope 3 categories 5, 6, and 7)[33], after applying the reduction resulting from the purchase of Sustainable Aviation Fuel certificates (SAFc).

To ensure the quality of these carbon credits, BBVA has established requirements that selected projects must meet. These include the requirement that they be certified under the highest quality standards, such as VCS (Verra's Verified Carbon Standard), Gold Standard, American Carbon Registry (ACR), Climate Action Reserve (CAR), or Plan Vivo, and that they were issued five years ago or less. Furthermore, since 2023, the projects must be carbon capture or removal projects.

Additionally, BBVA has an internal Voluntary Carbon Market standard, based on best practices, to evaluate, among other things, different types of carbon credits, certifiers, and quality standards and criteria (including concepts such as additionally, permanence, and other environmental and social aspects), in order to ensure that eligible projects have a real and verifiable climate impact.

In 2025, BBVA acquired credits for forest restoration projects in Mexico (X-Pichil Forest Restoration, Santa Elena Forest Restoration, and Ejido La Florida). The entire purchase was made through BBVA's carbon trading desk.

In addition, in 2025 BBVA Mexico formalized a long-term agreement with a local provider for the development of a reforestation project in the state of Campeche, as well as for the acquisition of carbon credits already issued over four years. These credits will be retired annually starting in 2026, based on the local carbon footprint from 2024 onward.

Carbon credits retired in 2025

BBVA retires the credits in the year following the reference year, whenever possible, once complete and accurate carbon footprint data is available[34].

[32] Emissions calculated according to the Well-to-Wake (WTW) methodology under the EU RED II standard.
[33] Except Venezuela.
[34] If the final footprint is higher than estimated at the time of purchase, the shortfall will be taken into account in the purchase of the following year, increasing the number of credits to be acquired. If the footprint is lower than estimated, the excess credits will be retired the following year.

In 2025, BBVA retired carbon credits acquired in previous years in relation to its 2024 carbon footprint, in addition to outstanding credits to be retired corresponding to the carbon footprints of 2023 and 2022:

- Atopixco Ejido Project (Mexico) (CAR): 15,050 credits retired.
- Zacualtipán Ejido Project (Mexico) (CAR): 12,894 credits retired.
- Forest Carbon Project La Catedral (Mexico) (CAR): 43,836 credits retired.
- X-pichil Forest Restoration Project (Mexico) (CAR): 53,345 credits retired.
- Santa Elena Forest Restoration Project (Mexico) (CAR): 37,179 credits retired.
- Cumare Carbon Project (Colombia) (VCS) : 5,190 credits retired.

Additionally, in 2025, 38 credits were retired from the Santa Elena Forest Restoration Project (Mexico) (CAR) in relation to emissions generated in the 2024 General Shareholders' Meeting, in addition to those retired last year.

CARBON CREDITS CANCELLED (BBVA GROUP)

	2025	2024 [1]
Total (tCO_2e)	**167,532**	**92,801**
Share from removal projects (%) [2]	100.0	92.4
Share from reduction projects (%)	—	7.6
Verified Carbon Standard (VCS) (%)	3.1	56.2
Gold Standard (%)	—	6.0
Climate Action Reserve (CAR) (%)	96.9	37.7
Share from projects within the EU (%)	—	—

[1] The figure for cancelled credits in 2025 differs from the estimate published in the consolidated Non-Financial Information Statement 2024 due to the deferred retirement of the credits associated with BBVA Mexico's footprint and the update of the estimated 2024 carbon footprint data with actual data.

[2] All removal credits retired are for nature-based solutions projects.

Carbon credits to be retired in 2026

In 2026, BBVA will retire credits corresponding to the 2025 carbon footprint, in addition to credits corresponding to Mexico's 2024 footprint pending retirement and to the footprint generated at the 2025 Annual General Meeting.

The total number of credits estimated to be retired in 2026 is 247,348 credits.

Other actions

In addition to purchasing carbon credits, BBVA is contributing to the development of carbon markets through initiatives such as the following:

- In regulated markets, BBVA participates in government auctions on the EU ETS and offers its customers products to cover their EU ETS-related obligations.
- In voluntary carbon markets, BBVA actively engages with its customers.
- BBVA is one of the investors in Carbonplace, a carbon credit trading platform.
- BBVA actively participates in internal and external webinars and conferences to promote carbon markets and help customers manage risks and capitalize on opportunities.
- Furthermore, BBVA is a member of the Advisory Board of the European Energy Exchange (EEX) Global Carbon Index Family and LIFE COASE, a project co-financed by the European Commission's LIFE Programme.

- BBVA participated in the Voluntary Carbon Markets Initiative's (VCMI) Finance Advisory Group between January and August 2025. As a result of this collaboration, the white paper "Financial Institutions" was published in September 2025.
- BBVA is also part of the Carbon Business Council's Latin America working group, which focuses on promoting carbon capture solutions and developing high-quality carbon markets in the region.

Internal carbon price

The cost of purchasing carbon credits annually is assumed locally in the Group's various geographies (including the Holding)[35] based on their individual carbon footprints, generating an internal carbon pricing mechanism and thus creating incentives for emissions reductions at the local level.

Therefore, each unit must include a line item in its annual budget for the purchase of carbon credits based on:

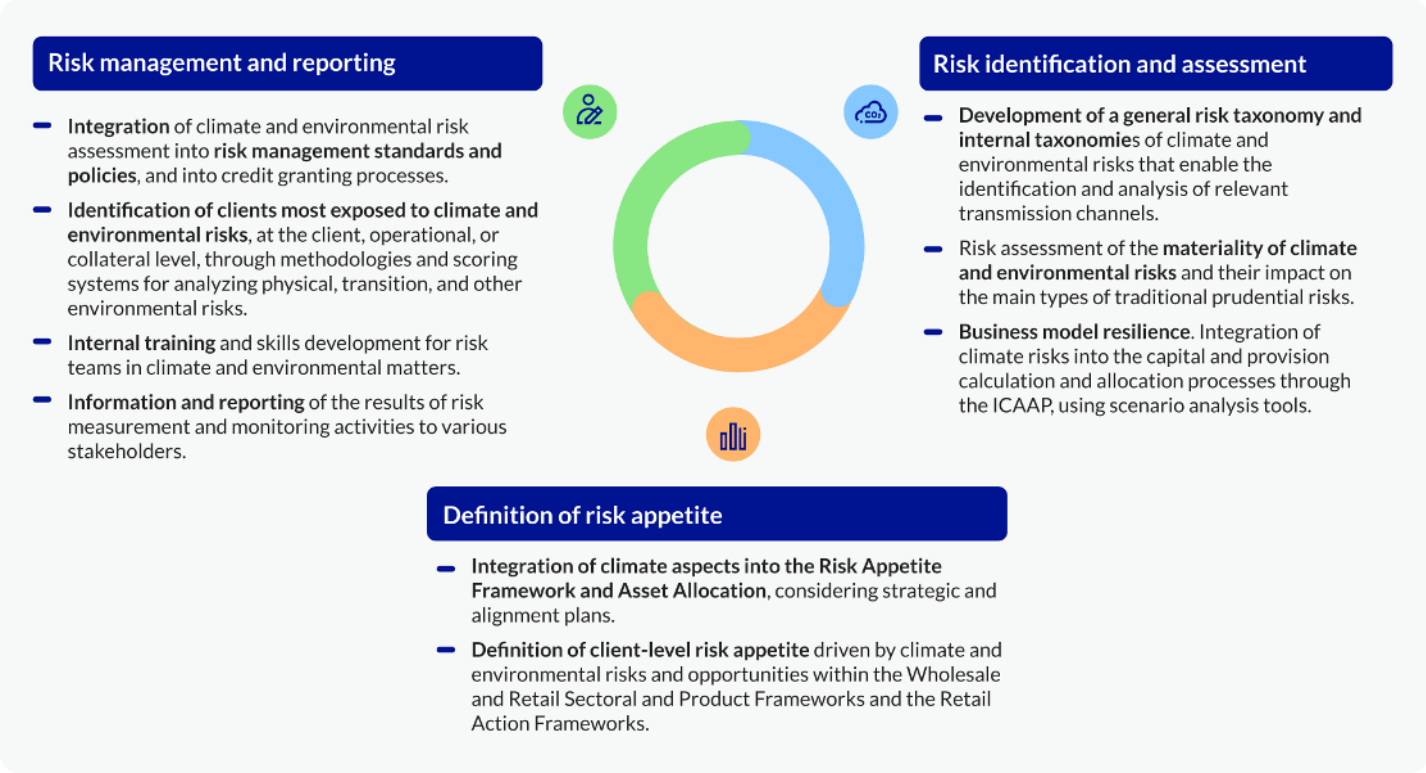
- The estimated annual carbon footprint for scopes 1 and 2 and categories 5, 6, and 7 of scope 3.
- The estimated market price of a carbon credit for CO_2 capture in the regions where BBVA operates. For 2025, the internal carbon price was maintained at €32 per ton, based on expected growth in voluntary carbon markets. This amount represents the budgeted price per carbon credit to be purchased. The final price depends on the market price at the time of purchase [36].

[35] Includes Argentina, Colombia, Spain (including Holding), Mexico, Peru, Portugal, Turkey, Netherlands, Romania and Uruguay.
[36] The actual purchase price is not specified due to confidentiality agreements.

2.2.2 Management of risks associated with climate change

The management of climate and environmental risk factors is key to implementing BBVA's strategy, which is based on properly managing risks, supporting the transition to a low-carbon economy, and fulfilling the ambition of achieving net-zero carbon emissions by 2050.

The potential impacts of climate and environmental (C&E) risks —as well as social and governance risks— are assessed in the risk-management cycle as follows:



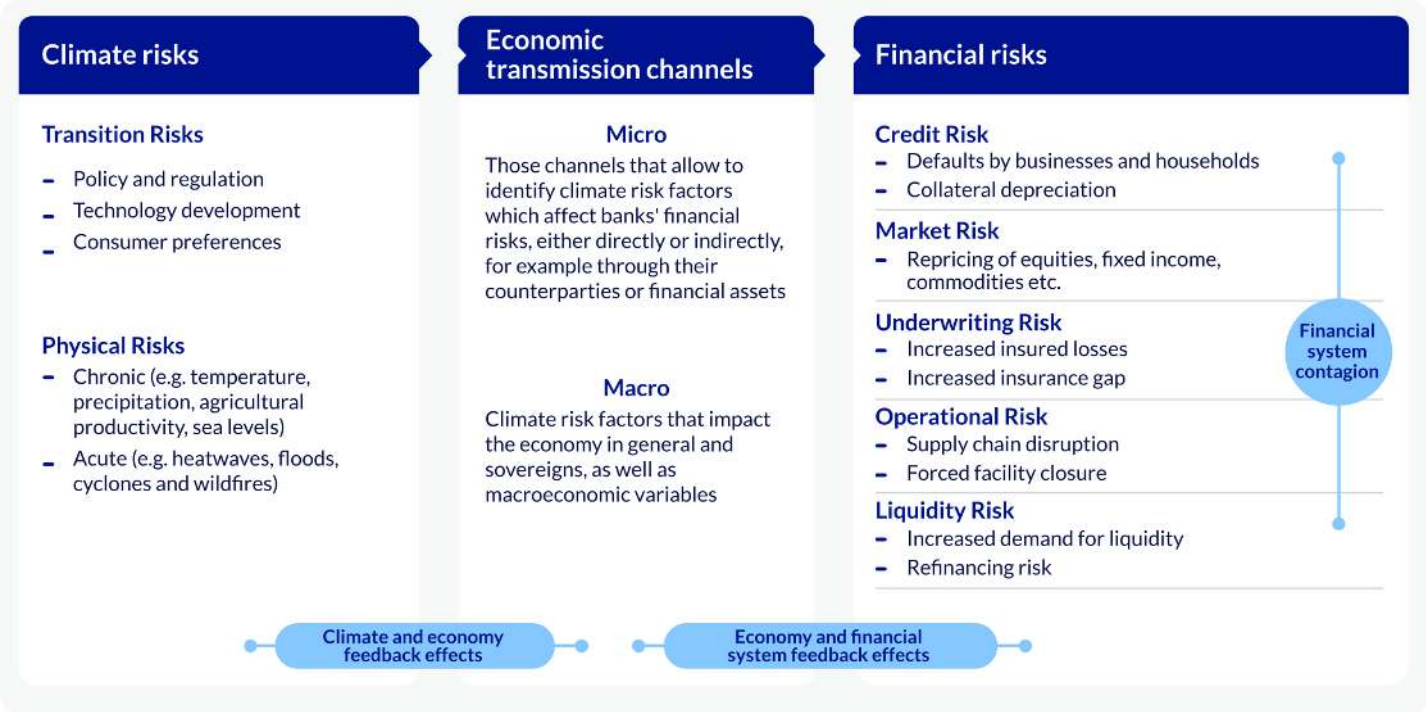
Identification and assessment of climate risks

Risk identification

BBVA has a risk taxonomy that is part of its risk management framework. The taxonomy constitutes an inventory of all the risks to which BBVA is exposed, or may become exposed, by carrying out its business and pursuing its business strategies, and is therefore tailored to BBVA's risk profile.

The taxonomy makes it possible to categorize risks at different levels. First, there is a general level, or tier 1 risks, which corresponds to the most aggregated categories of financial and non-financial risks. Tier 2 risks represent a lower or more granular level, corresponding to the risk drivers that make up the tier 1 risks. At this second level, climate and environmental, social, and Governance risks are included as sources of risk.

In the latest review of the risk taxonomy, Climate and Environmental, Social and Governance (ESG) risks have been defined as a cross-cutting category, as they are considered a source of existing risks, with a cross-cutting impact on different tier 1 risk categories, rather than constructing an independent risk typology.



To carry out the process of identifying the risks and opportunities associated with climate change and other environmental aspects, BBVA has identified the sectors carrying the highest climate and environmental risk. To this end, in recent years BBVA has developed its internal taxonomies for transition climate risks, physical climate risks, and other environmental risks (natural capital), understood as common definitions of the risk drivers and their transmission channels with potential impacts on traditional prudential risks.

CLIMATE AND ENVIRONMENTAL RISKS (BBVA GROUP. 2025)

Types of risks	Climatics		Environmental
	Transition	Physical	Transition and physical
Credit	The transition to a low-carbon economy can involve significant costs and investments, putting some customers' revenues at risk in certain sectors. This could potentially increase their probability of default (PD) and affect the value of collateral.	Risk metrics may be affected for exposures in sectors or geographical areas more exposed to extreme weather events or changes in weather patterns.	The need for adaptation due to the loss of ecosystem services capacity may potentially entail additional costs or significant investments in certain sectors to maintain their operation.
Real Estate	Less energy-efficient properties may see their value affected, with a consequent impact on the value of collateral.	Extreme weather events, due to their location in certain geographical areas, can affect the market's perception of their value, with a potential impact on the value of real estate collateral.	-
Market	Transition risks can have negative impacts on the value of financial assets and increase their volatility.	Extreme weather events can affect expectations of asset value, resulting in sudden depreciations or greater volatility in the value of financial assets.	Perceptions of inadequate environmental practices in some sectors or industries can generate volatility in asset values.
Liquidity	Transition risks can directly or indirectly affect expected cash flows or decrease the liquidity of certain assets, affecting the Group's liquidity position.	Physical risks can directly affect the cash outflows of a financial institution or indirectly through the need for liquidity of customers after extreme weather events.	-
Business and strategy	Transition, physical, and natural capital risks can indirectly affect the strategy and business plan due to the business position with certain economic sectors whose business model may be more affected by the transition to a low-carbon economy, by physical changes in the climate, or by the risks of loss of ecosystem service capacity.		
Operational	Changing customer perception due to the relationships BBVA maintains or the financing it provides to certain customers and industries can generate legal risks.	Extreme weather events can cause disruptions and interruptions to our own operations or damage to our own assets.	Changing customer perception due to the relationships BBVA maintains or the financing it provides to certain customers and industries can generate legal risks.
Reputational	Potential negative perception of stakeholders when their expectations of climate and environmental management are not met.		

Climate transition risk

Transition risks are those risks associated with the adjustment process toward a low-carbon economy in response to climate change, arising from regulatory changes, market shifts, and consumer behavior changes necessary to meet global climate targets. Sectors identified as having the highest climate risk face a significant transformation and adaptation challenge that requires substantial investments. These are also the sectors that will require the most understanding and monitoring of risks.

BBVA has an internal sectoral taxonomy for transition risk, whose main objective is to identify sectors' vulnerability to transition risk and rank them accordingly.

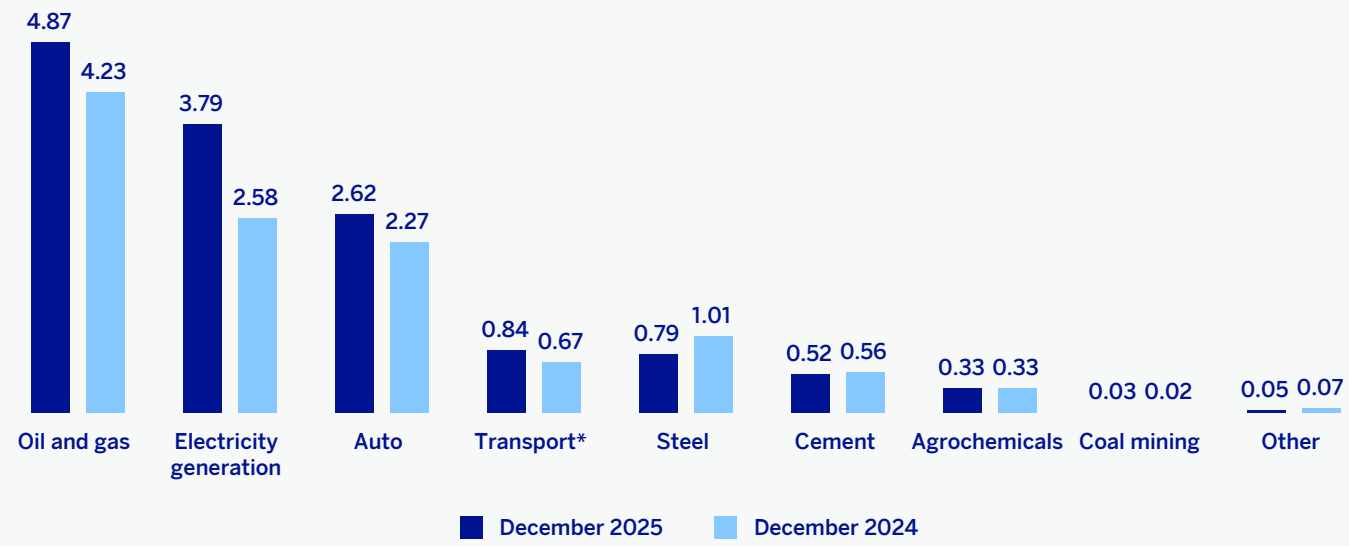
In this way, sectors are categorized as very high, high, moderate, or low vulnerability. The sectors most sensitive to transition risk, or High Transition Risk (HTR) sectors, are identified as energy or fossil fuel producers (oil and gas, power generation, coal mining); basic industries with high emissions intensity (steel, cement); and end-user energy-consuming activities that generate emissions through their products or services (auto, aviation, and shipping).

Also, in 2025 the modification in the transition risk taxonomy has been approved, which expands the perimeter of the high transition risk sectors, incorporating the intermediate (midstream) activities of the oil and gas sector, as well as the gas transport and distribution activities and the supply of gas within the electricity generation sector.

As a result of this exercise, with data as of December 31, 2025, it was identified that 13.84% (11.7% in 2024) of the wholesale portfolio exposure[37] (representing 7.16% of the Group, 5.9% in 2024) corresponds to sectors defined as HTR, with a high or very high level of exposure to this risk. This calculation was carried out on a portfolio of €291,540 million, 253,795 in 2024 (out of the Group total of €563,583 million, 500,636 en 2024), corresponding to the exposure of the wholesale loan portfolio.

The following chart shows the percentage of exposure of each HTR sector relative to the total wholesale portfolio:

EXPOSURE TO SECTORS SENSITIVE TO TRANSITION RISK (% of wholesale EAD) [1]



* Includes aviation and shipping.

(1) The 2024 data differs from that published in the 2024 Non-Financial Information Statement due to additional checks.

Regarding the small business portfolio with high or very high transition risk, the associated exposure is limited, accounting for approximately 2.80% of the total small business portfolio (2.10% in 2024) and is minimally representative of the Group as a whole.

The increase in HTR exposure is partly explained by greater financial support for customers in carbon-intensive sectors who, despite the nature of their activity, are well positioned in their climate transition process. In this sense, considering only the exposure to HTR customers who are not yet advanced in the transition, the indicator as a percentage of total wholesale decreases from 8.78% in December 2024 to 8.45% in December 2025.

Physical climate risk

Physical risks arise from climate change and can manifest both in the increased frequency and severity of extreme weather events and in long-term alterations of climate patterns. These types of events can cause physical damage to company assets, disrupt supply chains, or increase the expenses required to address them.

During 2025, BBVA updated its internal physical risk taxonomy, whose main objective is to identify the economic activities most exposed to physical climate risks and the most relevant natural hazards in the main geographies where BBVA operates, as well as to explain the transmission channels of physical risks to prudential financial risks.

In this way, it is identified that the most relevant natural hazards in the geographies where BBVA operates are tropical cyclones, heatwaves, wildfires, riverine and coastal floods, and drought.

[37] Measured by its EAD (Exposure At Default).

The physical risk analysis is based on sets of climate trajectories consistent with the Shared Socioeconomic Pathways (SSP) developed by the Intergovernmental Panel on Climate Change (IPCC) in its Sixth Assessment Report (AR6). These scenarios integrate consistent assumptions about the evolution of socioeconomic, energy, and demographic factors, and their translation into greenhouse gas emission pathways.

BBVA uses two reference scenarios: SSP2-4.5 and SSP3-7.0. SSP2-4.5 is used as the baseline scenario for the analysis. This scenario describes an intermediate pathway of continuation of current trends until mid-century, with a gradual energy transition and subsequent decline without reaching net zero, leading to ~2.7 °C (2.1–3.5 °C) by the end of the century (AR6). This is useful as a central point for impacts and adaptation.

Meanwhile, the SSP3-7.0 scenario reflects a world characterized by high geopolitical fragmentation, reduced international cooperation, and limited climate policies, resulting in a scenario of high physical risk. Therefore, the IPCC classifies it as high emissions and projects an average warming of ~3.6 °C (2.8–4.6 °C) by the end of the century (AR6). At these levels, the frequency and intensity of heat waves, extreme rainfall, and droughts clearly increase, as do coastal risks. Meanwhile, the SSP5-8.5 scenario is considered unlikely given current policies and is therefore reserved for stress tests.

Natural hazards

During 2025, the calculation methodology for both the retail and wholesale portfolios was maintained, considering the following acute climate hazards (river and pluvial flooding, tropical cyclones, wildfires, heatwaves and cold waves) and chronic hazards (sea level rise, drought).

Exposure

In 2025, work was carried out within the framework of the strategy for geospatial data on customers' productive assets. In 2026, efforts will continue, focusing on improving asset coverage at a global level.

Vulnerability

In 2026, the update of this vulnerability component will be addressed to provide greater granularity based on sub-sectors and to include a larger number of hazards. Additionally, this component will be complemented with damage functions where scientifically robust, and work will continue to increase the number of available damage functions for both direct and indirect transmission channels of physical climate risk.

Next steps

During 2025, the BBVA Adapta project was launched to develop an internal tool for analyzing physical climate risk and natural capital. This tool will provide a granular view of these risks and integrate them into various risk and business processes.

Despite these advances, the assessment of physical climate risks presents several limitations:

- **Data:** historical data are scarce and heterogeneous, with coverage gaps, low resolution, and lack of georeferencing.
- **Scenarios and uncertainty:** climate scenarios are based on assumptions (policies, technology, pathways) with structural uncertainty. Additionally, damage functions and exposure inventories remain incomplete.
- **Heterogeneous analysis (TCFD/ISSB/NGFS):** the heterogeneity of risk analysis and reporting methodologies may significantly affect comparability between entities. There is also a high dependence on low-resolution scenarios that do not capture local realities.

Addressing these limitations requires collaborative work between public entities and private initiatives.

Based on the aforementioned physical risk analysis methodology and using data as of December 31, 2025, it was identified that 23% of the wholesale portfolio's exposure (23% in 2024) corresponds to activities with a high or very high level of exposure to this risk. This calculation was performed on a portfolio totaling €291,540 million (253,795 in 2024).

In summary, internal taxonomies allow for the assessment of the exposure of key economic activities to climate and environmental risks, including transition risks, physical risks, and natural capital risks.

For more information on natural capital risk, see the "Identification and Measurement of risks associated with natural capital" section in the "Natural capital management" chapter.

RISK LEVEL OF ECONOMIC ACTIVITIES (BBVA GROUP. 2025)

Sector	Subsector	Climate		Natural capital
		Transition risk	Physical risk	Transition and physical
Transport vehicles and components	OEM cars			
	Auto parts suppliers			
	Other OEMs			
Basic materials	Mining			
	Of which: coal mining			
	Steel and processed metals			
	Of which: production of steel and metals			
	Chemicals			
	Of which: Agrochemicals			
	Paper and forestry products			
Construction and building materials	Construction			
	Building materials			
	Of which: Cement-based products and materials			
Energy	Integrated Oil & Gas			
	Upstream			
	Downstream			
	Midstream			
	Oil services			
Basic consumption	Primary exploitation			
	Production of food, beverages and tobacco			
Transport	Air transport			
	Shipping			
	Transport infrastructure operators			
Electricity	Traditional/multi-technique electricity generation			
	Low-carbon electricity generation			
	Transmission, distribution and supply of electrical energy			
	Integrated electricity companies			
	Transmission, distribution and supply of gas			
Other sectors				
Wholesale portfolio exposure (EAD at High or Very High) [1]		**14%**	**23%**	**23%**

Very high
High
Medium
Low
Does not apply

[1] This calculation has been carried out on the wholesale portfolio amounting to €291,540 million (253,795 in 2024).
[2] Data 2024 (%): Climate: Transition risk (12) and Physical risk (23); Natural capital: Transition and physical risk (34).

Assessment of climate and environmental risks (risk assessment)

The climate risk assessment is updated semiannually and is supported by an internal scenario analysis tool that projects the financial evolution of sectors and counterparties under alternative climate pathways across different time horizons. For transition risk, reference scenarios from the Network for Greening the Financial System (NGFS) (Net Zero, Delayed Transition, and Current Policies) are used, and for physical risk, sets of pathways consistent with SSP2-4.5 and SSP3-7.0 are applied, including specific water stress exercises. The projections are periodically integrated into monitoring indicators (e.g., transition, physical, and alignment metrics) to prioritize supervision and customer engagement.

The results of the exercise show transition risk to be the predominant vector: the profile is low in the short term, medium-low in the medium term, and medium in the long term, with the greatest contribution from credit portfolios—particularly wholesale—exposed to sectors with higher decarbonization requirements and counterparties whose competitiveness depends on the adoption of low-carbon technologies.

Physical risk remains contained at the aggregate level: low in the short term and medium-low in the medium and long term, with geographic heterogeneity. Materiality is observed in the wholesale portfolios of Spain and Mexico, and more visible signals appear in retail portfolios under acute hazards, with materiality in Mexico.

The impact of transition risk on market risk is not material. Fixed income is positioned at medium-low, with no qualitative changes compared to previous periods. Diversification by issuers and geographies, along with the use of hedges, contributes to the market profile's resilience against shocks associated with the transition. The physical risk component is assessed as low; under extreme heat or flood scenarios, the most plausible channels would be commodities and volatility, without material effects on aggregated sensitivities.

Regarding liquidity and funding risk, the profile is low in the short term and medium-low over the medium and long horizons. Internal indicators remain within thresholds, with no signs of stress attributable to the climate scenario. A comfortable liquidity buffer and stable market access are maintained; however, monitoring of potential funding concentrations related to HTR sectors is reinforced. For the physical risk component, the exercises consider localized acute events; no material impacts are observed on Liquidity Coverage Ratio (LCR) / Net Funding Stable Ratio (NSFR), although enhanced monitoring continues in geographies with higher exposure to physical hazards.

Overall, the assessment confirms a stable profile in the short term and an increasing one in the medium-to-long term for transition risk, while physical risk remains contained at the Group level

From an operational perspective, the exercise generates calibration signals for RAF metrics and defines early warning thresholds that trigger management actions when necessary. At the same time, it provides sector- and customer-level alignment information that feeds portfolio planning and guides the reassignment of growth limits based on decarbonization pathways. On this basis, priority is given to engaging with customers who have the largest gaps relative to the market pathway or significant physical exposure, establishing milestones and monitoring mechanisms to assess effectiveness.

CLIMATE CHANGE RISK ASSESSMENT 2025

	Spain			Rest of the geographies			Group BBVA		
	ST	MT	LT	ST	MT	LT	ST	MT	LT
Transition risk									
Credit									
Liquidity and funding									
Structural equity									
Credit spread									
Markets (trading)									
Insurance									
Operational									
Reputational									
Business									
TOTAL									
Physical risk									
Credit									
Liquidity and funding									
Structural equity									
Credit spread									
Markets (trading)									
Insurance									
Operational									
Reputational									
Business									
TOTAL									
Other environmental risks									
Credit									
TOTAL									

Definition of time horizons
ST: Short term: up to 3 years.
MP: Medium term: 3 to 5 years.
LT: Long term: beyond 5 years.

- Low risk
- Medium-low risk
- Medium risk
- Medium-high risk
- High risk
- Does not apply

Assessment of business model resilience

BBVA understands climate resilience as the ability to adapt in order to manage both transition and physical risks, while simultaneously capturing opportunities linked to decarbonization. In line with the option considered by the ESRS and following TCFD recommendations, BBVA evaluates its strategy on two complementary levels: (i) an orderly transition scenario that allows for opportunity capture, and (ii) scenarios with greater severity of climate risks, against which the robustness of the business model is tested.

Climate scenarios are integrated into the Group's scenario governance and incorporated into the ICAAP. For transition risk, the Group includes an adverse "climate fragmentation" scenario as a structural element of the capital plan, using a top-down approach that combines macroeconomic projections and sectoral impacts, based on NGFS scenarios, and includes potential asset valuation shocks associated with the transition (e.g., corrections in green assets). For physical risk, a economic capital add-on is estimated for droughts in the main geographies of the footprint (Spain, Mexico, and Turkey), with calibrations based on climate indicators and forward-looking multipliers, to capture potential deterioration under adverse conditions.

Additionally, exercises assessing the impact of climate risks on provisioning and economic capital calculations progress along two complementary levers:

- **Top-down (transition risks):** Disaggregation of the NGFS scenarios by sector to calibrate pathways for Probability of Default (PD) and the impact on provisions for Stage 2 customers, as well as a transfer of exposures from Stage 1 to Stage 2.
- **Bottom-up (physical risks):** Assessment of potential collateral value deterioration—real estate assets in corporate and retail portfolios—with translation into Loss Given Default (LGD).

The results of this calculation show that the impacts continue to be immaterial for both transition and physical risks. However, it is important to consider that methodological limitations, particularly in terms of data and scenario design, may be underestimating expected losses for the financial system. In this context, BBVA has implemented scenario analysis capabilities to develop bottom-up analytical methodologies and models to project customers' financial statements and estimate impacts on collateral values under different climate scenarios and across various time horizons. Using these capabilities, the Group will continue refining the models to more accurately reflect the effects of climate risks as information and data evolve, applying a bottom-up scenario analysis approach.

Furthermore, a stress test exercise has been carried out to assess the robustness and resilience of the business strategy in the event of a potential strategic exit of relationships with certain customers, assuming that they do not meet the milestones set in the developed engagement plans. Customers in this situation are closely monitored, and improvements are expected in the short to medium term. The outcome of this exercise under the most adverse scenario (considering a complete exit of these customers) highlights the strength of the business strategy.

Finally, the resilience of the strategy under different climate scenarios is reinforced by the fact that BBVA has established sustainability as one of its six strategic priorities, with a particular focus on combating climate change, integrating into this priority the goal of aligning its financing portfolio with Paris Agreement-compatible scenarios. Notable intermediate targets for 2030 include CO_2 emission reductions in the oil and gas, power generation, auto, steel, cement, coal, aviation, and shipping sectors, as well as aluminum and real estate (commercial and residential), alongside an eco-efficiency plan to reduce its operational footprint. For more information on these objectives, see "BBVA Group Transition Plan" section.

Definition of risk appetite

BBVA's climate change risk management is based on the risk planning process. This process is guided by the defined risk appetite and is operationalized through management frameworks that determine how it is handled in day-to-day operations.

Integration of climate risks into the Risk Appetite Framework

Integration into the Risk Appetite Framework forms the basis for the prudent management of climate risk. The defined tolerances and thresholds are supported by the results of the Risk Assessment and the Group's transition plans.

Within the Risk Appetite Framework Formulation (RAF) process, the review and calibration of the risk appetite statement (known as the Risk Appetite Statement) and its translation into metrics is generally carried out once a year. When defining the appetite for positioning in a portfolio, starting from its relative weight in BBVA's portfolio (called the Risk Portfolio View), climate transition risk is used as an input for portfolios most exposed to regulatory, legal, technological, market, and reputational risks arising from climate change. In addition, the High Transition Risk metric sets a limit and a "Room for Growth" in line with the decarbonization and alignment objectives established in the business plans.

On this basis, the Board of Directors approves limits and thresholds for aggregated exposure to HTR activities, both at the Group level and by geographic area, defining the maximum appetite for this type of risk. Additionally, from 2024, the RAF incorporates an indicator to monitor the degree of compliance with sectoral decarbonization targets, strengthening the link between risk management and alignment commitments.

Within the Risk Appetite Framework (RAF) structure, four levels of metrics are defined, integrating climate risk concentration indicators:

- **At the By-type level, this includes:** (i) the concentration metric for activities and customers potentially most vulnerable to decarbonization, Net High Transition Risk (HTR), and (ii) a metric for portfolio and financed emissions alignment (Lending Portfolio Decarbonization).
- **At the Monitoring Metrics incorporates**: (i) physical risk concentration in the mortgage portfolio through High Physical Risk (HPR), (ii) exposure to customers potentially most vulnerable to decarbonization through High Market Misalignment (HMM) — customers with emissions intensity >30% above the Net-Zero market scenario —, and (iii) the financed emissions intensity metric for the wholesale portfolio (Intensity of Financed Emissions).

These metrics are defined both at the Group level and for each business area.

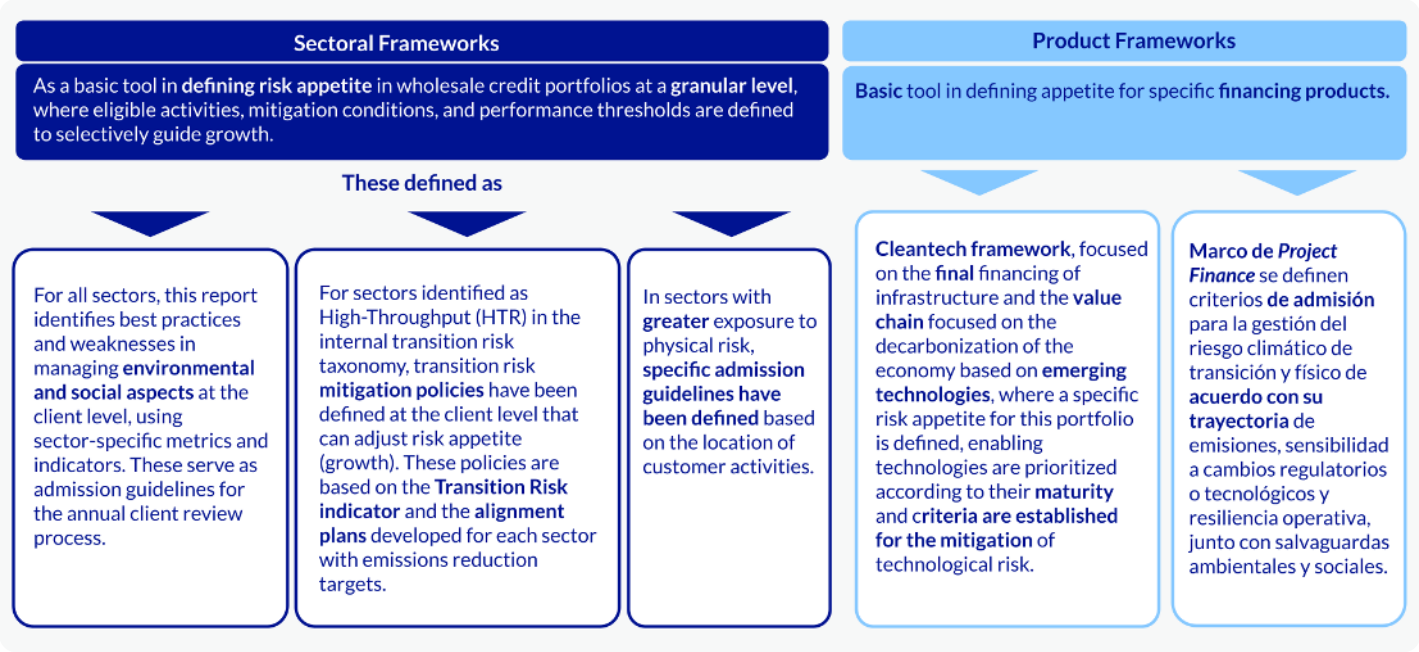
The Risk Appetite Framework will evolve from 2026 as models are refined to more accurately reflect the effects of climate risks and more sophisticated analytical capabilities are implemented.

Key Risk Indicators (KRIs) related to climate change, including the metrics included in the Risk Appetite Framework, are integrated into internal risk reports. Furthermore, during 2025, the internal risk metrics dashboard has been enhanced, allowing all BBVA teams to access materially relevant information on risk identification, monitoring, exposure trends, and climate risk mitigation actions.

Definition of customer-level risk appetite

BBVA applies specific frameworks by sector and by product in which the risk appetite is defined according to customer type, considering both the climate and environmental risk profile as well as decarbonization objectives. This allows the establishment of criteria for portfolio management.

In the Wholesale Portfolio, elements of sustainability risk analysis and portfolio alignment have been integrated to drive the achievement of strategic objectives, through:



Compliance with the risk appetite defined in the Sector and Product Frameworks is also a condition that alignment plans for each sector, with emission reduction objectives, must meet.

In the Retail Portfolio, integration of sustainability aspects, particularly related to decarbonization and physical risk, has continued in the Mortgage, Small Business, and Auto Loan Operating Frameworks. For Mortgages, origination limits have been defined in Spain and Turkey by combining the Energy Performance Certificate rating with the loan-to-value ratio (LTV). This begins to integrate transition risk into the risk appetite definition for this portfolio. Another key factor influencing transition risk in these portfolios is the financed carbon emissions associated with each loan. Thus, the calculation of financed emissions serves as a lever to identify portfolios most sensitive to regulatory, technological, or energy/CO_2 price changes. As a risk mitigation lever, BBVA also acts as a facilitator of financing for investments needed for climate change mitigation and adaptation, promoting more sustainable lifestyles and products.

Risk management and reporting

Policies and standards

The policies and standards for wholesale and retail credit risk management ensure that material climate and environmental risks are identified and assessed in a timely manner. These policies and standards define responsibilities, processes, and key tools applicable to each portfolio segment, as well as the Group's roles in climate and environmental risk management activities. Specifically:

- Wholesale Credit Risk Management Policy, which incorporates the identification, management, and monitoring of risks and opportunities associated with environmental aspects as a core part of its risk management strategy. It also establishes measures to enhance the management and monitoring of wholesale portfolios, along with management criteria and limits.

- Wholesale Credit Risk Management Standard, which details the analysis of climate and environmental risks to be conducted during the credit risk underwriting process in the annual customer review (Financial Program) and the tools to be used. This includes the sustainability due diligence process, compliance with the limitations outlined in the Environmental and Social Framework, customer-level transition risk mitigation policies defined in the Sector Frameworks based on the Transition Risk Indicator, controversy analysis (understood as the presence of significant incidents related to the customer's environmental, social, or governance performance), and the criteria for defining risk appetite indicated in the Sector Alignment Plans.
- Retail Credit Risk Management Policy, which establishes measures to enhance the management and monitoring of transition and physical risks in mortgage, SME, and auto loan portfolios, as well as differentiated criteria for mitigating transition and physical risks.
- Retail Credit Risk Management Standard, which details the information-gathering processes necessary to analyze climate risks (both physical and transition) in mortgage, SME, and auto loan portfolios.
- Collateral Standard, which specifies, as key considerations in evaluating collateral strength and risk, the potential loss of value of real estate collateral due to climate risk—both transition and physical—as well as the adequacy of associated insurance coverage.

Similarly, measures are specified to enhance the management, monitoring, and disclosure of physical and transition climate risks in the policies and standards on Market and Counterparty Risk, Interest Rate Risk, Banking Book Equity Risk, and Liquidity and Funding Risk.

Integration into customer and transaction review

Materiality assessments and risk quantification are complemented by evaluations of wholesale customers. These evaluations consider key aspects related to transition risk, physical risk, and environmental risk. The results of these evaluations are factored into credit decisions and form part of the customer's rating.

Transition risk

Transition risk analysis is conducted across all sectors, with an advanced approach for customers in High Transition Risk (HTR) sectors identified in the internal transition risk taxonomy. This analysis is supported by BBVA's scoring system, known as the Transition Risk Indicator (TRi). In this way, a transition risk score and an assessment of decarbonization plans are available for all corporate banking customers, regardless of their sector.

The TRi evaluates customers' exposure to transition risk based on their activities and geographies. Additionally, the credibility of transition plans is assessed through:

- The level of ambition of emission reduction targets; and
- The level of implementation of these plans. The latter is measured by the maturity of governance structures, the concreteness of the climate strategy regarding the technological levers defined to achieve the targets, and the actual evolution of greenhouse gas emissions.

The TRi is an internal tool useful for business areas in segmenting customers within the sectoral alignment plans for portfolios that form part of BBVA's objectives. This allows the application of risk mitigation policies established in the Sector Frameworks. The following shows the output of the transition scoring system, which is used to classify customers by their level of exposure to transition risk and maturity in risk management:

TRANSITION SCORE OF TOP CUSTOMERS BY SECTOR (1)

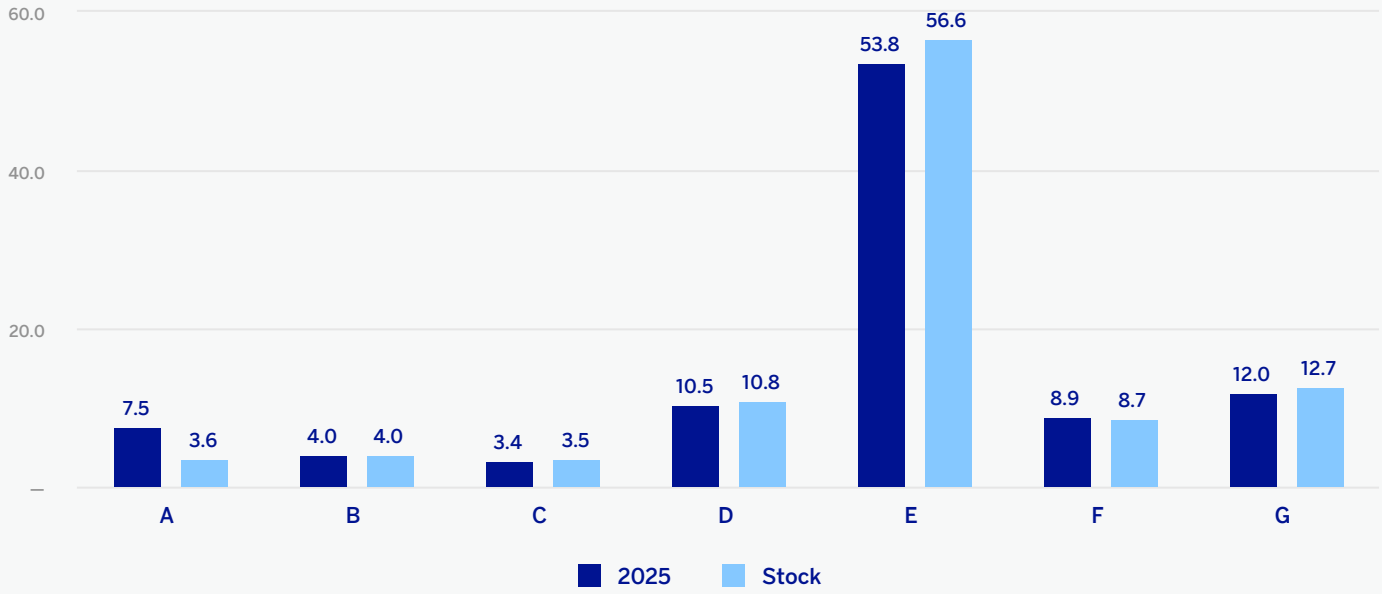


(1) Scoring system related to the transition of the Corporate portfolio (the size of the circles represents the number of clients in each category) and its coverage.
(2) 2024 Data: Auto (94%); Cement (82%); Oil & Gas (81%); Autoparts (37%); Steel (73%); Power Generation (62%); and Other sectors (37%).

The mortgage portfolio represents a significant portion of the Group's portfolio; therefore, specific tools, processes, and methodologies have been developed to assess the climate risks associated with this portfolio. Regarding transition risk, BBVA has adapted its onboarding and monitoring processes to increase the availability of data related to Energy Performance Certificates (EPCs) for the portfolio. In Spain, work continues on collecting EPC data during the loan origination process. When the actual data is unavailable at the time of origination, estimated EPC data is collected through appraisal companies. Additionally, the recurring capture of actual EPC data directly from the databases of the Autonomous Communities has begun. This aims to capture real data on the collateral and identify any potential energy efficiency improvements in the properties after origination.

As a result of the above, progress has been made in increasing the coverage of CEE in the portfolio in Spain, reaching a coverage of 84.8% of the portfolio's EAD with actual or estimated data.

PORTFOLIO COVERAGE BY ENERGY PERFORMANCE CERTIFICATE RATING IN SPAIN (PERCENTAGE)



Efforts to improve loan origination and data capture are reflected in the increased proportion of A-rated loans in 2025.

In Latin America, where official Energy Performance Certificates do not exist, several initiatives have been launched in conjunction with leading organizations to estimate energy consumption data and Energy Performance Certificates for both existing and new loans.

Furthermore, BBVA has applied differentiated pricing to loans with sustainability features, such as the "Efficient Home Mortgage" for homes with an A or B energy rating.

Physical risk

During 2025, significant progress was made in the granular analysis of physical risk exposure for customers and operations. Specifically, a physical risk score was developed for the wholesale customer portfolio, which will identify customers with the greatest exposure to physical and climate-related risks. This score was initially developed using a methodology from an external provider; however, during 2026, an internal methodology developed within the BBVA Adapta tool will be implemented.

This scoring system will be available during the customer onboarding process, through the Client Sustainability Toolkit, and will be complemented by a customer physical risk adaptation questionnaire. The combination of the physical risk exposure score and the implemented adaptation measures will allow for an integrated assessment of each customer's exposure and resilience.

Furthermore, during 2025, a methodological approach was developed to conduct a tactical analysis of physical risk for project finance and data center transactions, providing an initial approximation of the portfolio's risk exposure. During 2026, work will continue on implementing this type of analysis in the onboarding process for project finance, data center, and hotel asset transactions, as well as integrating this analysis into the BBVA Adapta tool.

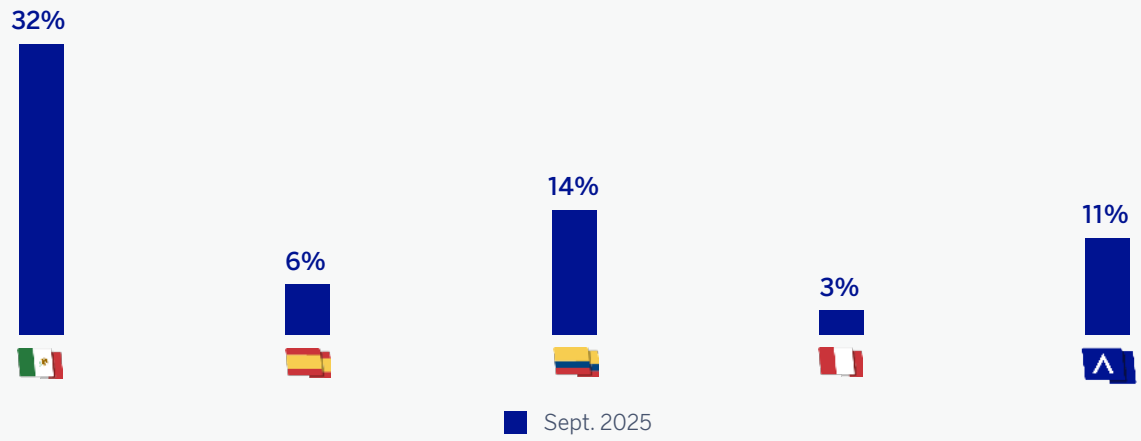
POTENTIAL PHYSICAL RISK INDICATORS LINKED TO CLIMATE CHANGE: EXPOSURES SUBJECT TO PHYSICAL RISK (MILLIONS OF EUROS)

	2025					2024				
	Gross carrying amount	Chronic Risk	Acute Risk	Chronic and acute	Total subject to physical risks	Gross carrying amount	Chronic Risk	Acute Risk	Chronic and acute	Total subject to physical risks
Agriculture, livestock, forestry and fishing	5,871	461	1,674	692	2,827	5,104	505	1,293	695	2,493
Extractive industries	3,225	255	1,017	372	1,644	4,420	335	1,059	383	1,778
Manufacturing industry	60,653	5,759	3,215	2,020	10,994	56,795	5,070	2,056	1,909	9,035
Supply of electricity, gas, steam and air conditioning	20,418	1,739	5,100	567	7,405	18,759	1,978	4,546	276	6,800
Water supply; sanitation, waste management and decontamination activities	1,273	—	14	—	14	1,272	—	12	—	12
Construction	12,770	285	1,009	38	1,331	11,235	26	814	28	868
Wholesale and retail trade; repair of motor vehicles and motorcycles	42,971	25	454	29	508	38,159	15	395	14	424
Transport and storage	15,114	29	101	10	140	13,069	5	74	33	112
Real estate activities	13,090	607	1,411	15	2,033	11,507	202	977	81	1,261
Loans secured by residential real estate	101,583	414	10,951	248	11,613	97,034	456	10,065	199	10,720
Loans secured by commercial real estate	32,113	1,136	3,787	422	5,346	30,553	1,234	3,252	730	5,216
Real guarantees recovered	716	5	59	2	66	820	43	39	2	84
Accommodation and catering activities	10,382	2,866	1,583	829	5,278	9,520	2,960	1,342	801	5,103
Information and communication	17,497	1	6	—	7	14,625	—	6	—	6
Financial and insurance activities	3.242	—	2	—	3	3,417	—	8	—	9
Other sectors	21,452	104	165	36	305	17,005	110	260	15	384

In terms of physical risk analysis in the mortgage portfolio, a metric (called High Physical Risk, hereinafter, HPR) has been developed that allows for the quantification and monitoring of the exposure of mortgage portfolio assets to climate-related physical risks with a forward-looking approach. This metric is part of the Monitoring Metrics of the Risk Appetite Framework.

Each mortgage asset is assigned a physical risk score based on the expected annual loss due to different climate hazards, considering the SSP2-4.5 scenario and a time horizon up to 2040. Those assets with the worst score are included in the HPR metric. The scope of application is the retail mortgage portfolio in the following geographies: Spain, Mexico, Colombia, Peru, and Turkey.

HPR (% of EAD HPR to the total EAD of the analyzed mortgage portfolio)



Environmental and social impact of customer financing

Along with the integration of transition and physical risks into the Group's risk management processes and credit decision-making, BBVA has a set of additional processes that allow it to identify and manage other environmental and social risks and impacts associated with its customers' financing activity.

Its application allows the scope of the analysis to be broadened beyond climate-related issues, ensuring a comprehensive assessment tailored to the customer type and the nature of the project. Thus, the depth of the analysis depends on the magnitude, complexity, and potential impact of each case: larger-scale projects or customers require more exhaustive assessments, while those with limited risks are analyzed using simplified procedures.

The main processes that support this socio-environmental assessment are: (i) the Environmental and Social Framework, (ii) the management of ESG controversies, (iii) the Equator Principles and (iv) Know your customer.

To this end, BBVA collects ESG information from both its customers and external sources, allowing for proper monitoring of the environmental and social risks and impacts associated with its activity.

The conclusions of this analysis are incorporated, along with the assessment of physical and transition risks, into the processes of customer and transaction admission and review.

Environmental and Social Framework

In order to incorporate sustainability aspects into business and risk management, BBVA has developed an Environmental and Social Framework applicable to customers in the Corporate & Investment Banking (CIB) segments and, since December 2024, also to customers in the Business segment, according to materiality thresholds defined by geography based on their capital base, associated risks, leverage level, and credit rating.

This Framework establishes the criteria for identifying, assessing, and monitoring certain activities in sectors selected for their environmental and social impact (mining, agribusiness, energy, infrastructure and defense) and guides commercial decision-making and risk acceptance for these sectors.

The Framework focuses on critical risks common to all sectors (such as the impact on critical habitats and cultural and environmental heritage) and social aspects (such as human rights abuses and respect for indigenous and local communities through the requirement of free, prior, and informed consent). Additionally, specific sectoral risks are assessed, such as the impact on natural capital (particularly in the oil palm supply chain in agribusiness or the clearing of high-value forests).

Implementation of the Framework is based on the analysis carried out by the Bank's ESG risk teams using internal information or external information provided by independent expert advisors. This analysis assesses whether customers engage in activities prohibited for the sectors covered by the Framework. It also analyzes whether customers engage in activities requiring special attention, in which case BBVA evaluates the environmental and social impacts of the activity to be financed and may initiate mechanisms for dialogue and support with the customer as provided for in the Framework. During fiscal year 2025, 257 companies, both existing and new customers, were assessed.

In accordance with established governance, this Framework is reviewed and updated annually to ensure its alignment with market dynamics, emerging trends, evolving stakeholder expectations, and regulatory changes in the countries where BBVA operates. Furthermore, it is subject to periodic internal audits and controls.

ESG controversy management

As part of its commitment to responsible environmental and social risk management, in 2024 BBVA implemented a specific procedure for managing environmental and social controversies applicable to customers in the CIB and Enterprise segments.

This procedure allows for the early identification of potential controversies, a review of existing processes that act as preventative mechanisms, and the establishment of a common methodology for their management and resolution. Its application is based on the availability of external data, primarily provided by an external supplier, and is complemented by internal analysis of company information.

The results of this analysis are subsequently integrated into each customer's financial program, allowing the business relationship to be adjusted according to the level of risk identified[38].

Equator Principles and environmental and social risk management in transactions

BBVA is a financial institution adhering to the Equator Principles (EPFI) since 2004 and applies the Equator Principles (hereinafter, EP4) to five types of products related to project finance, using the thresholds and conditions designated by the EP4 for each product[39]:

1. Project finance advisory;
2. Project finance;
3. Project-linked corporate loans;
4. Bridge loans; and
5. Project-linked refinancing/acquisition finance.

Integration in management, governance, and functions

The EP4s are the baseline for managing the environmental and social risk in project and project-linked finance and are directly related to the Framework, risk appetite, and sector standards.

BBVA applies the EP4 through a series of processes:

- Initial EP4 analysis.
- Three lines of defense model.
- Risk-proportional due diligence.

[38] Procedure approved in 2023.
[39] For example, in the case of corporate loans related to a project: individual commitment of more than USD 50 million within an aggregate of more than USD 100 million with a term of over 2 years and effective operational control.

- Mandatory independent review for Category A projects, and where applicable, Category B projects.
- Integration of contractual clauses and monitoring across the portfolio.

The three-line-of-defense model enables the identification, assessment, and appropriate control of environmental and social impact throughout the lifecycle of each transaction:

- Originators identify transactions within the scope of EP4 at an early stage, compile the documentation, and communicate EP4 compliance expectations to the customer.
- The ESG risk specialist team provides expert review for complex cases, coordinates with independent consultants, assesses mitigation plans, and advises on clauses and monitoring.
- The Risk and Compliance teams conduct second-level and escalation controls.

The environmental and social management of transactions subject to EP4 is carried out through consistent end-to-end processes applied from origination to portfolio monitoring. These processes are reviewed annually and may be subject to audits or internal reviews. They include:

- Compliance checklists, applicable from origination to transaction closing.
- Independence safeguards that guarantee the objectivity of environmental and social assessments.
- Review by an Independent Environmental and Social Consultant (IESC), when applicable.
- File of compliance evidence and documentation of relevant decisions, accessible for audits and reviews.
- Integration of technological systems that enable the monitoring and traceability of transactions.
- Regular internal training and workshops for origination and portfolio management teams, promoting continuous improvement.

Upon completion of the initial processes, each transaction is assigned to a risk category (A, B, or C). This categorization determines the depth of environmental and social due diligence (ESD), the need for an independent review (mandatory for Category A projects and, where applicable, for Category B projects), as well as the content of the covenants and action plans once integrated into the portfolio.

Key areas of due diligence under EP4

- Environmental and social assessment and disclosure:

  BBVA conducts a proportionate assessment that combines internal and external analysis, a review of the project's environmental and social documentation, and an analysis of relevant public information. Additionally, the level of stakeholder engagement and consultation is reviewed, as well as the existence of accessible grievance mechanisms for potentially affected communities. The results of this assessment are integrated into the loan approval process and the negotiation of contractual clauses.

- Application of international technical standards:

  Following EP4, BBVA assesses compliance with the IFC Performance Standards and the World Bank's Environment, Health and Safety (EHS) Guidelines in non-designated countries. In designated countries, local regulations are used as a reference, supplemented by the IFC Performance Standards when there is a high risk or regulatory gaps. This analysis determines whether the project complies with international best practices and whether additional action plans are required.

- Human rights and indigenous peoples:

  BBVA applies explicit due diligence expectations regarding human rights and free, prior, and informed consent. Projects with potential impacts on indigenous peoples are subject to enhanced due diligence and may require additional external validations.

- Climate:

  In line with the EP4 requirements and the Group's climate strategy, BBVA assesses exposure to both physical and transition risks. For high-emission projects, a more in-depth assessment is required, aligned, among other things, with the EP4 requirements.

- EU Taxonomy and the "Do Not Significant Harm" (DNSH) principle:

  Where applicable, BBVA reviews whether the project complies with the technical screening criteria of the EU Taxonomy and its alignment with the DNSH principle to ensure that it does not generate significant adverse impacts on other environmental objectives.

Data on financed operations that were analyzed under the Equator Principles during fiscal years 2025 and 2024 are detailed below:

DATA OF FINANCED TRANSACTIONS ANALYZED ACCORDING TO THE EQUATOR PRINCIPLES CRITERIA

	Category A [1]		Category B [2]		Category C [3]	
	2025	2024	2025	2024	2025	2024
Number of transactions	16	5	56	40	7	17
Total amount (millions of euros)	41,656	5,366	44,537	27,079	5,892	21,972
Amount financed by BBVA (millions of euros)	2,067	440	4,866	2,943	481	1,334

[1] Category A: projects with potentially significant adverse social or environmental impacts that are irreversible or unprecedented.

[2] Category B: projects with potentially limited adverse social and environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

[3] Category C: projects with minimal or no social or environmental impacts.

Of the total 133 transactions analyzed (100% of the transactions within the scope of the Equator Principles in 2024: 81), 79 transactions were signed in 2025 (62 in 2024), and 54 transactions were rejected for business-related reasons and for risk concerns (8 transactions were rejected in 2024). Of the transactions signed in 2025,53% are in the power generation sector, 35% are in the infrastructure sector, and 12% are in other sectors. By geographic area,52% are in the Americas and and the rest belong to Europe, the Middle East and Africa (EMEA).

KYC (Know your customer)

KYC processes applied to retail customers verify and document their economic activity using a risk-based approach. This allows for a better understanding of customers, their operations, product segmentation, channels, needs, and transaction traceability.

To facilitate the application of all of these processes and the collection of customer data, the Client Sustainability Toolkit, the common point of contact for risk and business teams, continued to evolve and its use was promoted in the corporate banking segment throughout 2025. This tool allows for the visualization of up-to-date customer sustainability information, integrating data from external databases—including CO_2 emissions, decarbonization targets, transition plans, ESG ratings, controversies, water consumption and management metrics, biodiversity metrics, and waste and pollution—as well as the results of internal calculation engines—such as alignment levels, financed emissions, and Transition Risk (TRi) scores, physical risk, and natural capital risk. Additionally, it allows for manual data entry by the teams involved in customer reviews. Within this framework, the analysis of climate and environmental risks that must be considered in the credit risk assessment process and annual customer reviews is conducted.

In the Enterprise segment, basic information for customer analysis is collected through questionnaires, focusing on CO_2 emissions and decarbonization plans. This information, as in the Corporate segment, is considered in the risk policy decision-making process with the customer.

BBVA has specialized ESG risk assessment teams, located in each of the geographic areas where it operates and within each business area, to support this decentralized analysis conducted by risk analysts. The results of this analysis can influence risk decisions, specifically the management policy and risk appetite with customers, as defined by the Risk Committees and outlined in the wholesale Sector Frameworks, the Environmental and Social Framework, and the Alignment Plans.

Plans and process for supporting customers

BBVA's customer support strategy is based on constructive and ongoing dialogue, aimed at assisting customers in designing and implementing their transition strategies toward more sustainable business models.

One of the main purposes of this customer support is to understand the risk profile of counterparties in order to align the bank's strategy and risk appetite, while also supporting customers in achieving their objectives based on the results of the materiality assessment.

For more information about customer support, see the “Supporting customers during the transition” subsection in the “BBVA Group Transition Plan”chapter.

2.2.3 Sustainable financing under Article 8 of the European Taxonomy[40]

Commission Delegated Regulation (EU) 2021/2178 governs the content and presentation of the information to be disclosed by financial and non-financial companies.

On January 8, 2026, Commission Delegated Regulation (EU) 2026/73 was published in the Official Journal of the European Union. This regulation ushers in a significant reform of the disclosures associated with the EU Taxonomy, as well as of certain technical screening criteria set out in Delegated Regulations (EU) 2021/2178 and (EU) 2023/2486, without prejudice to the fact that a broader and more structural review of the Taxonomy framework remains pending.

Delegated Regulation (EU) 2026/73 is in force and applies as of January 1, 2026, and therefore to information corresponding to December 31, 2025. Its main objective is to simplify reporting requirements and reduce the administrative burden, while at the same time preserving the essential elements of transparency, comparability and usefulness of the information for investors and other stakeholders.

The new Regulation introduces a more proportional and flexible approach for the disclosure of information. It provides for significantly more concise and simplified reporting templates, eliminating duplications and reducing the level of detail required, particularly in relation to certain exposures, non-material activities and specific sectors—such as fossil gas and nuclear energy—which are now to be reported in a more aggregated manner.

In this context, the BBVA Group will publish EU Taxonomy information in accordance with the new disclosure requirements established in Delegated Regulation (EU) 2026/73.

It should be noted that, during this transitional period, the availability, coverage and quality of the information disclosed by the Group's counterparties is expected to be heterogeneous, which may affect the representativeness and comparability of the information published by the Group. Likewise, the composition of the ratios is expected to evolve progressively as the general reform of the European Taxonomy framework is completed and implemented, and as the scope of disclosure obligations is modified as a result of the application of the new disclosure thresholds required by the Directive approved in the context of the omnibus reform that modifies the scope of application of the current Corporate Reporting Directive.

All **EU Taxonomy information** is included in chapter 6.5 of this report, presented in the **format required by the applicable regulation**, together with the main assumptions applied in the preparation of such information, as well as the areas in which significant judgments have been made.

[40] The complete information defined in the templates in Annex VI of Delegated Regulation 2026/73, defined within the scope of disclosure of Article 8 of the EU Taxonomy, is shown in the chapter "Tables relating to Article 8 of the European Taxonomy" within the "Annexes to the Consolidated Non-Financial Information Statement" section of this Consolidated Management Report.

2.3 Natural capital management

2.3.1 Identification and measurement of risk and opportunities associated with natural capital

2.3.2 Management of other direct environmental impacts

Natural capital, a source of essential ecosystem services, constitutes a functional foundation for economic stability and biosphere integrity. Aligned with ESRS requirements and recognizing the financial sector's structural dependency on nature, the Group integrates this management into its sustainability strategy as a growth engine that complements and reinforces climate action.

Through the application of the LEAP methodology (Locate, Evaluate, Assess, Prepare) and the use of specialized globally recognized analytical tools (such as ENCORE), the Group has mapped its exposure in sectors such as agriculture, water management, and the circular economy. This analysis, executed with a geographic and sectoral perspective, has enabled the assessment of the portfolio's dependency on key ecosystem services.

This proactive management seeks to enhance the Group's financial resilience against systemic and transition risks, while also identifying natural capital as a source of business opportunities.

Regarding the Group's own operations, as it operates mainly in corporate sites or urban centers and does not carry out industrial activities that directly affect ecosystems or local communities, no specifically affected groups have been identified with whom consultation would be necessary. Likewise, the Group has an Eco-efficiency Plan that includes measures related to natural capital. Regarding its activity with customers, the Environmental and Social Framework specifically sets out a series of prohibited activities and restrictions linked to the protection of natural capital and combating deforestation (for more information on the Framework, see the “Management of risks associated with climate change” section).

Finally, to comply with specific requirements of Law 11/2018, progress regarding the objectives of the 2021-2025 Global Eco-efficiency Plan related to water and paper consumption, circular economy, and sustainable construction is included in the “Management of other direct environmental impacts” section.

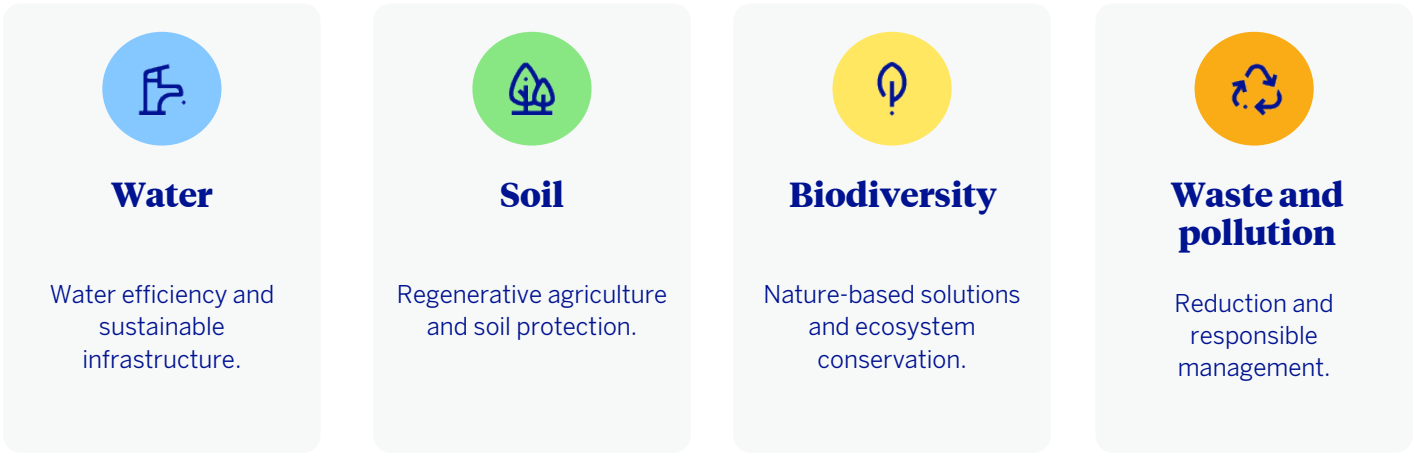
2.3.1 Identification and measurement of risks and opportunities associated with natural capital

As mentioned, it is necessary to address the challenge of natural capital at the same time as tackling climate change. To reflect this, companies' transition plans must reflect the dependencies and their impacts on nature and biodiversity, including a just transition. Ensuring healthy ecosystems and combating climate change are intrinsically linked challenges. Global warming directly affects ecosystems, such as by accelerating or contributing to their loss.

According to Sustainability General Policy of BBVA, natural capital comprises the Earth's natural assets (soil, air, water, flora, and fauna) and the resulting ecosystems, which make human life possible.

BBVA and natural capital

BBVA includes natural capital in its holistic vision of sustainability, which encompasses the geographies in which it operates. For BBVA, opportunities in natural capital are linked to investments that mitigate risks, improve efficiency, and protect natural resources in four key areas:



Policies and frameworks

The Sustainability General Policy expressly includes the protection of natural capital as one of its key areas of focus. Specifically, BBVA recognizes the need to protect ecosystem services and natural assets, as well as species and natural ecological processes, and considers biodiversity and natural capital in its relationships with customers. For more information on the governance model and applicable policies, see "Sustainability Governance Model" chapter and "Sustainability General Policy of BBVA" subsection of "Sustainability governance" section.

Additionally, the Environmental and Social Framework specifically outlines a series of general prohibitions related to biodiversity loss. In addition to these general restrictions, specific prohibitions have been established for new projects in the agribusiness sector related to ecosystem protection.

As part of its project management, BBVA applies the Equator Principles, which require adequate assessment and mitigation of biodiversity risks in financed projects.

For more information on the Environmental and Social Framework and the Equator Principles, see "Risk Management and reporting" subsection in the "Management of risks associated with climate change" section.

Risk management

Natural capital risks are those that arise from actions to protect natural capital (transition risks) and the loss of ecosystem services that serve as inputs or enable economic activities (physical risks). They are a source of economic risks due to the dependencies and impacts of economic activities on natural capital.

Customer activity and its value chain can affect natural capital (impacts), while the loss of natural capital can generate risks for BBVA customers' operations and business model (dependencies).

- Customers whose activities or value chain have a high impact on ecosystems face a greater level of transition risk due to regulatory and policy changes. The replacement of technologies with more efficient and less polluting ones, shifts in consumer demand, and market changes.

- Customers with a high dependence on natural capital in their activities or value chain may face greater physical risks stemming from ecosystem degradation, such as reduced water resources or the loss of protective capacity against adverse weather events.

During 2025, BBVA updated its internal taxonomy of natural capital risks, integrating the analysis of impacts and dependencies across the value chain. Furthermore, for the first time, a geographical perspective was considered to capture the relationship between the Group's activities and nature in its main operating regions.

The methodology designed to identify points of interaction with nature and assess related impacts and dependencies is linked to the initial steps of the TNFD's LEAP approach, recognizing that impacts and dependencies indicate both greater risks and opportunities. This exercise primarily utilized the methodology of the ENCORE tool (Exploring Natural Capital Opportunities, Risks and Exposure) developed by the Natural Capital Finance Alliance, which is also consistent with aspects of other reference tools such as the SBTN Materiality Screening Tool, developed by the Science Based Target Network (SBTN).

The information provided by ENCORE allows, for the first time, an understanding of the impacts and dependencies on natural capital, both upstream and downstream, of the value chain for each of BBVA's 271 economic activities. This analysis enables an understanding of the potential material dependencies and impacts of the bank own activities, as well as those of its suppliers and customers. It also provides a clearer picture of exposure to nature-related risks that were previously hidden within its value chain.

Furthermore, the previous approach has been complemented with a geographical perspective to understand the interaction of economic activities with nature in the different regions where its customers operate. Following TNFD recommendations, a compilation of metrics has been carried out to provide geographical insights into the following aspects:

- Impact factors and external factors, such as regulations on water management, waste and pollution, and biodiversity and land use.
- Changes in the state of nature and the availability of ecosystem services, through recognized external sources such as Aqueduct, the International Union for Conservation of Nature (IUCN), and the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC). Key metrics considered include Baseline Water Stress (BWS) and the Ecoregion Intactness Index (EII).

This analysis includes aspects related to water availability and quality, biodiversity, land use, as well as ecosystem pollution and waste generation.

As a result, by combining the levels of impact and dependence, an exposure level (Very High, High, Medium, Low) is assigned to each sector and geography to natural capital risk. Activities considered sensitive to natural capital risk total €68,843 billion, representing 23.6% of the wholesale portfolio. By country, those with the highest percentage exposure to natural capital risk are Colombia, Peru, and Argentina, geographies where the primary exploitation and/or manufacturing of food, beverages, and tobacco subsectors have a greater weight in the wholesale portfolio.

EXPOSURE SENSITIVE TO NATURAL CAPITAL RISK (PERCENTAGE. 2025)

	Spain	CIB, BBVA S.A	Mexico	Colombia	Peru	Argentina	Turkey	TOTAL
% EAD	25.4 %	22.7 %	22 %	33.7 %	37 %	34.5 %	16.4 %	23.6 %

This prioritization of activities helps identify areas for improvement in risk management processes. First, natural capital risks have been included in the risk assessment exercise that forms part of the General Risk Management and Control Model. As next steps, work is underway to identify more specific metrics to evaluate customers' impact on and dependence on nature. These metrics will provide insight into the current situation and customers' commitments in managing the risks and opportunities arising from natural capital.

Details of the activities considered are included in the table "Risk Level of Economic Activities" in the "Management of risks associated with climate change" section.

Opportunities

During 2025, business opportunities were aligned with the updated assessment of the most relevant sectors within the analysis of impacts and dependencies, both by country and across the value chain. Among the cross-cutting priority sectors, the Group will continue to promote business in the primary sector and the agrifood value chain, among other resource-intensive sectors such as water.

In line with its strategic priority of driving sustainability as a growth engine, BBVA is focusing its efforts on fostering business through strategic channeling. Thus, it continues to work on developing business around the sustainable agriculture for responsible land use, water management, biodiversity, recycling, and promoting the circular economy. All of this is done considering technological and regulatory disruption, the increase in transition and physical risks, and their potential impact on the business.

It is worth noting that the promotion of business opportunities in the four dimensions of natural capital has so far resulted in a greater commercial focus, more partnerships, and increased development of specific products in activities that were already part of the climate action pipeline.

In 2025, BBVA took part in the UNEP-FI working group to explore the nexus of the circular economy with nature, pollution, and inclusive growth. Similarly, BBVA was very active in the World Economic Forum's working groups on financing the nature-positive transition and on transforming food systems.

In 2025, BBVA attended COP30 in Brazil, actively participating in finance-related sessions.

The following sections outlines the progress made on opportunities in 2025 in each of the dimensions of natural capital:

Water

BBVA continues to develop a comprehensive value proposition. Beyond measuring, reducing, and regenerating its own impact, BBVA considers it essential to transfer the learning and knowledge acquired to its customers, especially in water-intensive sectors, supporting them in their transition to more sustainable and resilient production models.

To achieve this, BBVA is developing a value proposition that includes the following lines of action:

- Helping customers assess physical risks (to ensure infrastructure resistant to extreme events) and identify adaptation measures against phenomena such as droughts or floods, to protect their facilities and ensure water resilience, from reinforcing infrastructure to reusing water.
- Working alongside technical partners to identify water efficiency and regeneration solutions, especially in water-intensive sectors. This is structured in several stages: 1. Assessment and understanding of their water situation; 2. Design and implementation of specific solutions to define a personalized roadmap, with measures ranging from optimizing industrial processes and digitizing water monitoring to rainwater harvesting and closed-loop reuse; and 3. Promoting the adoption of water regeneration solutions.
- Promoting financing solutions aimed at protecting, conserving and sustainably using water resources, with specialized water-related financial products that transform water challenges into a sustainable investment opportunity.

In Spain, water-related issues are of great importance due to the country's water stress. In response, BBVA has integrated water considerations into its sustainability conversations with around 680 customers. Globally, corporate financing tied to water-related KPIs has doubled since 2023.

Soil

In 2025, BBVA strengthened initiatives that promote responsible land use in the agricultural and wine sectors, contributing both to environmental protection and to improving the sector's competitiveness.

Growth of the sustainable agribusiness

In 2025, BBVA's agricultural business reached €6,153 million, representing a 97% increase compared to the previous year.

These results reflect the dynamism of the agri-food sector and the growing demand for practices that integrate sustainability, responsible land use, and resilience to climate change. For this reason, BBVA brought together more than 150 leading companies from the agri-food sector in Spain, Mexico, Colombia, Peru, and Argentina at its Madrid headquarters to address the sector's global challenges and the adoption of more sustainable models.

In parallel, internal tools for assessing the sustainable transition of agricultural customers in Mexico and Latin America were updated. This has driven financing for efficient and precision irrigation, as well as practices that promote emissions reduction, water conservation, and more responsible land use.

In 2025, BBVA, in collaboration with the Spanish Wine Federation (FEV), launched the "Sustainable Wineries for Climate Protection" seal for Spanish wineries. This initiative encompasses energy efficiency measures, the use of renewable energy, optimized water consumption, and waste management. Through this seal, wineries, their winegrowers, and suppliers are offered preferential financing terms, specialized training, and ESG support.

Biodiversity

In 2025, Garanti BBVA issued the first thematic bond combining a blue bond with a biodiversity impact in Turkey. Specifically, the bond, worth at $20.2 million and with a 3-year term, aims to protect marine biodiversity in the Mediterranean basin. The funds will be allocated to projects that promote sustainable tourism, fishing and the responsible use of marine resources, sustainable water management, and environmentally friendly agricultural practices.

Also in 2025, the development of an impact measurement tool for the first biodiversity bond issued in Colombia in 2024 was completed.

Waste and pollution

Regarding waste management, in 2025, Spain continued its work on the circular economy. Key areas of focus include:

- Designing ad hoc financial solutions for the ecosystems of new Extended Producer Responsibility (EPR) schemes.
- Specific products to address the volatility of secondary raw material prices.
- Financing new recycling technologies by identifying and supporting opportunities related to new technologies for recycling materials, water, etc. (especially to address regulatory changes towards a circular and plastic-free economy).

2.3.2 Management of other direct environmental impacts

Within the framework of the Global Eco-efficiency Plan 2021-2025 (see the "Measuring carbon footprint and energy consumption" in the "Own operations and other scope 3 emissions" subsection), in addition to the objectives related to the reduction of CO_2 emissions and energy and electricity consumption, BBVA has objectives related to water and paper consumption, the circular economy and sustainable construction.

Water and paper consumption

In order to reduce BBVA's environmental footprint, the following lines of action have been promoted:

- Initiatives to reduce water consumption, such as gray water recycling systems and reuse of rainwater for irrigation at the headquarters in Spain and Mexico or the installation of waterless urinals in some of the buildings in Spain.
- Digitization and centralization of printing measures to reduce paper consumption, which is additionally recycled or environmentally certified in most geographical areas (Spain, Mexico, Turkey, Peru, Colombia, Argentina and Portugal) by 68% in 2025.

CONSUMPTION (BBVA GROUP)

	2025 (1)	2024 (2)	Δ 25-24
Total water consumed (cubic meters)	1,488,897	1,523,679	(2)%
Public water supply (cubic meters)	1,412,744	1,453,796	(3)%
Recycled water (cubic meters)	76,153	69,884	9 %
Paper (tons)	3,422	3,605	(5)%

(1) The data reported for 2025 cover the countries of Spain, Mexico, Turkey, Peru, Colombia, Argentina, Uruguay, Portugal, Venezuela, Romania and the Netherlands. Certain geographical areas (Chile, Bolivia, Switzerland, the United States, Brazil and BBVA branches outside Spain) and certain BBVA Group companies are not included in the scope, representing 3% of the BBVA Group's total workforce. Some of the 2025 data are estimates, as complete information for the year was not yet available at the time of publication of the report.

(2) The data for 2024 differ from those published in the previous Consolidated Non-Financial Information Statement because the estimates included at the end of the 2024 financial year have been replaced by the actual consumption available after the publication of said report.

Water footprint

As mentioned previously, water represents a significant opportunity for investment and sustainable growth. Given the strategic importance that water management has gained in the current context, water use efficiency is identified as key lever to ensure companies' competitiveness and their adaptation to future challenges.

Similarly, the topic of "Water and Marine Resources" has been identified and assessed, and while not material, it is considered relevant. For more information, see the chapter "Double materiality analysis".

Awareness and regulation regarding water are increasing, both in Spain and at the European level. In this regard, the European Water Resilience Strategy was launched in June 2025. This strategy focuses on restoring and protecting the water cycle, ensuring access to clean and affordable water, and fostering a competitive and sustainable water economy, using actions in areas such as governance, finance, infrastructure, security, and digitalization. One of its key objective is to improve water efficiency by at least 10% by 2030.

Within this framework, BBVA addresses the water challenge with a comprehensive approach: from its own management practices to supporting its customers (for more details, see the previous "Opportunities" subsection).

BBVA has calculated its water footprint using the ISO 14046 methodology, which quantifies the water used directly and indirectly in its activities, as well as the environmental impacts of this consumption, applying factors of water availability and quality. This standard provides a robust and internationally recognized methodology based on life cycle analysis. The calculation process has also been verified by an independent third party[41].

As a result, the Group's 2024 water footprint was 8,651,882 m³ equivalent, where:

Direct water footprint

2,148,115 m³ (water equivalent)
obtained from the consumption of mains water (consumptive footprint) that takes place in the different facilities of the organization: administrative buildings, offices, data centers... and from the wastewater generated in them and discharged into the sanitation network (degradative footprint).

Indirect water footprint

6,503,767 m³ (water equivalent)
obtained from the indirect consumption of water needed to produce the different products in the supply chain used in the process, such as the production of electricity, fuels, and consumables, as well as the use and treatment of waste (consumptive footprint) and the degradation of water associated with the production of these processes and waste treatment (degradative footprint).

On one hand, although the direct water footprint represents only about 25% of the total footprint, this is where the greatest potential for action lies, focusing on reducing the water consumption that supplies the various buildings. On the other hand, electricity consumption accounts for almost 85% of the impact associated with the indirect footprint. Therefore, the potential for action here involves purchasing renewable energy, primarily from wind and solar photovoltaic sources, and to a lesser extent, hydroelectric power. In both cases, the connection between water management and the Comprehensive Eco-efficiency Plan becomes evident, while synergies can also be leveraged with the carbon footprint strategy by sharing certain reduction mechanisms.

Water regeneration

Water regeneration refers to the set of actions aimed at restoring and returning water to local natural ecosystems, helping them regain their balance and functionality.

The Nature Based Solutions of the United Nations (the United Nations Environment Program and the International Union for Conservation of Nature) promote programs to restore water-related ecosystems, improve water quality, and increase equitable access. Since then, business initiatives and alliances have also emerged to promote these types of projects, such as the Water Resilience Coalition (WRC), the Alliance for Water Stewardship (AWS), and corporate water replenishment projects.

[41] DNV.

When it's not possible to further reduce one's own water footprint, the opportunity arises to invest in projects that allow for the full or partial replenishment of that footprint back into nature. To this end, BBVA, together with the independent technical expert who calculated the water footprint, is working on the design of a strategy based on acquiring positive water credits (CAPs[42]) following the Act4Water initiative and its certification standard. This ensures that projects meet consistent criteria based on recognized scientific methodologies. Specifically, in 2025 BBVA carried out the acquisition of positive water credits through investment in Hydraulic Technical Performance (HTP) projects aimed at improving the efficiency of the distribution network, and promoting water regeneration in line with the results of the (direct) water footprint in Spain.

Circular Economy

BBVA is working to reduce the impact from waste generation through sustainable construction standards or by implementing Environmental Management Systems certified with ISO 14001 and additionally by implementing the Zero Waste certification from Aenor in all its corporate buildings in Madrid (including Ciudad BBVA, BBVA's headquarters in Spain), and the Opplus building in Malaga. The goal is to miniminize the waste that is sent to landfills, so the Group's facilities have clearly differentiated and marked areas that allow for proper sorting and subsequent recycling of waste.

WASTE (CIRCULAR ECONOMY) (BBVA GROUP)

	2025 (1)(2)	2024 (3)	Δ 25-24
Hazardous waste (tons)	**407**	**406**	**— %**
Hazardous waste recycled (tons)	248	249	(1)%
Hazardous waste disposed of (tons)	159	157	1 %
Non-hazardous waste (tons)	**4,365**	**4,457**	**(2)%**
Non-hazardous waste recycled (tons)	2,148	1,816	18 %
Non-hazardous waste disposed of (tons)	2,216	2,641	(16)%

(1) The data reported for the year 2025 cover the countries of Spain, Mexico, Turkey, Peru, Colombia, Argentina, Uruguay, Portugal, Venezuela, Romania and the Netherlands. Certain geographical areas (Chile, Bolivia, Switzerland, the United States, Brazil and BBVA branches outside Spain) and certain BBVA Group companies are not included in the perimeter, representing 3% of the total BBVA Group workforce. Some of the 2025 data are estimated, as complete information for the year was not yet available as of the date of publication of this report

(2) For the year 2025, estimates are used for those data that are not available as of the closing date of this report. In 2025, the methodology for calculating non-hazardous waste in Spain has been updated by expanding the perimeter to include non-ISO 14001-certified offices for which data had not previously been reported, and in Turkey, in the case of hazardous waste, by including data on waste electrical and electronic equipment. This methodological change has also been applied to the 2024 data to ensure comparability.

(3) The 2024 data differ from those published in the previous report as a result of applying the methodological change described in footnote (2). Additionally, the estimates included at the close of the 2024 financial year have been replaced with the actual consumption data available after the publication of that report.

As part of its focus on sustainability and the circular economy, BBVA is developing various initiatives in the cafeterias of its corporate headquarters in Ciudad BBVA, Madrid, aimed at preventing food waste and optimizing the use of resources.

BBVA promotes the responsible management of surplus food that has not left the kitchens and remains fit for consumption at the end of the day. This surplus is managed in coordination with the catering provider and, together with Oreka Circular Economy, is redistributed to soup kitchens and other social organizations, guaranteeing food safety, traceability, and the maintenance of the cold chain at all times.

Additionally, food items that have been put on exposure and that, for food safety reasons, cannot be donated, are made available to employees by selling them at a reduced price.

Both measures maximize food utilization, promote supervisor consumption habits, and reduce the generation of organic waste associated with daily activity.

[42] CAPs are a unit of measurement that quantifies the benefits of these water regeneration projects. Each credit is equivalent to 1,000 m³ of water saved, restored, or improved in quality, compared to a baseline scenario for calculating the water footprint.

Sustainable construction

Another objective is to ensure the adoption of the highest environmental and energy standards in BBVA buildings, increasing the certified area. Along these lines, the bank's facilities already hold various certifications for both construction and management.

- Among the building certifications, there are 21 buildings and 8 branches of the Group (19 and 11 respectively in 2024) with the prestigious LEED (Leadership in Energy and Environmental Design) standard for sustainable construction. Among these buildings are the main headquarters of the Group in Spain, Mexico, Turkey and Argentina. In addition, three of them have received the highest certification category, LEED Platinum. Additionally, there are 3 WWF Green Office distinctions in Turkey and 42 Edge in Peru, certifications that promote the reduction of the ecological footprint and carbon emissions.
- In terms of management certifications, BBVA has implemented an Environmental Management System based on the ISO 14.001:2015 standard in different buildings, which is certified every year by an independent entity. This certification controls and evaluates the environmental performance of the operations of some of its buildings. This system is implemented in 111 buildings and 1,045 branches in the main countries where the Group operates. Lastly, BBVA has managed to certify 72 buildings and 1,909 branches with an Energy Management System also certified by an independent third party and which meets the ISO 50.001:2018 standard.

Given the activities of the BBVA Group, it has no environmental liabilities, expenses, assets, provisions, or contingencies that could be significant in relation to its equity, financial position, and results. Therefore, as of December 31, 2025, the consolidated financial statements did not include any items that should be included in the environmental information document required by Order JUS/616/2022 of June 30, which approves the new format for submitting consolidated annual accounts to the Mercantile Registry for entities required to publish them.

3. Social information

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Through its Purpose, values and strategic priorities, **BBVA seeks to have a positive impact on people's lives, on businesses and on society as a whole.**

The results of the BBVA Group's double materiality analysis have identified the most relevant social impacts, risks and opportunities in two broad areas.

First, in the area of the own workforce, the consolidation of a solid corporate culture based on shared values and purpose, the promotion of quality employment with competitive remuneration, and the fostering of equal opportunities and diversity are considered material. In addition, respect for labor rights and the protection of workforce safety, health and integrity, addressed in this chapter, complement the material topics. BBVA starts from the premise that having the best, diverse and empowered team is key to the success of its strategy, driving a distinctive culture guided by the Group's purpose and values.

Second, those matters relating to consumers and end-users stand out, where the Group focuses on ensuring an excellent customer experience, with agile service and complaints mechanisms, inclusive access to services and products, transparent and clear information, and the ability to respond to the demand for sustainable financial solutions.

These impacts and opportunities are closely linked to BBVA's strategic priorities. The first of these priorities, Radical Client Perspective (RCP), consists of incorporating the customer perspective transversally across all Group activity, ensuring that customer needs guide the value proposition and processes. At the same time, BBVA promotes sustainability as a growth engine for its business and for the communities it serves, leveraging the need to finance sustainable and inclusive investments. Finally, BBVA understands that implementing Artificial Intelligence (AI) is about preparing for the future. The Group maximizes the potential of data and new technologies not only to strengthen operational efficiency and risk management, but also as a lever for cultural transformation aligned with the RCP priority. Through the upskilling of internal talent, BBVA equips itself with advanced tools that enhance empathy and service quality, enabling employees to offer closer, more personalized, high value-added customer support.

These strategic priorities act as levers to address the material matters described above in an integrated manner, guiding the Group's actions toward both customers and employees.

Overall, this chapter provides an integrated view of how BBVA manages these key social matters and how such management contributes to the creation of long-term sustainable value for its stakeholders.

3.1 Own workforce

3.1.1 Culture, Purpose and values
3.1.2 Quality employment
3.1.3 Competitive remuneration
3.1.4 Equal opportunities
3.1.5 Labor rights
3.1.6 Occupational health and safety
3.1.7 Workforce characteristics

Talent management

BBVA reaffirms its commitment to talent management as a key asset of the new 2025–2029 Strategic Plan, with the objective of **strengthen empathy and succeed as a winning team**, one of the Group's six strategic priorities. To achieve this, BBVA promotes a corporate culture aligned with its Purpose and values that fosters empathy, integrity and excellence in service. All of this reinforces the Group's ability to generate differentiated customer experiences, which is decisive in advancing the strategic priority of "Embed a Radical Client Perspective in all we do".

Within the framework of BBVA's new strategy the Group has redefined its roadmap around **four fundamental pillars**, on which it has launched various initiatives throughout 2025.

Cultural transformation

Strategic talent planning

Attracting and developing top talent

Create a "love brand"

First, the Group's **cultural transformation** seeks to strengthen employees' connection with customers in order to bring the new Purpose to life. To this end, throughout 2025 this transformation was reinforced through the evolution of processes, work habits and signals of change:

- The Group launched its **internal RCP survey** globally to assess how employees interact and connect across the value chain, with the aim of delivering a radically different customer experience. More than 31,000 employees participated in this edition, providing information to support the definition of improvement plans.
- BBVA also celebrated the eighth edition of **Values Day**, a day dedicated to reflection, learning, and connection under the theme "Radical Edition". This year's edition encouraged employees to look to the future with a radically customer-centric mindset.
- Throughout the year, and in order to continue promoting a radical customer-centric mindset throughout the organization, BBVA has developed various initiatives, including **manager workshops**, which aim to strengthen the connection between employees and customers and contribute to fulfilling the Purpose.
- The process of **evaluating people** has been evolved by incorporating empathy and service excellence as key competencies, which will be assessed annually for all employees.

Secondly, the **strategic talent planning** ensures that the Group has the appropriate organizational structures and teams to successfully execute the strategic plans of each area, in an environment where artificial intelligence is transforming the ways of working:

- BBVA is making progress in integrating **artificial intelligence** into its processes, driving an **organizational evolution** that redefines structures, roles, and collaboration models.
- To ensure the necessary capabilities in this new environment, the Group is strengthening **talent development** through various initiatives such as **reskilling** and **upskilling programs, training** and **leadership development**. To date, BBVA's adoption of artificial intelligence has been remarkable, thanks in part to the Group's commitment to team training, with over 280,000 hours of training in Gen AI and more than 105,000 employees trained through the Gemini Express course.

Third, BBVA is reinforcing its commitment to **attracting and developing top talent**, promoting a meritocratic culture based on leadership and excellence, supporting internal mobility, and developing a diverse and inclusive environment through various initiatives:

- A **personalized value proposition has been defined for sustained outstanding talent**, which includes, among other initiatives, specialized advice and the proposal of exchange and immersion opportunities in other geographies and areas.
- BBVA has made available to all employees a **personalized development plan**, through which each employee has an individualized itinerary adapted to their role, skills and professional context.
- The new plan prioritizes promoting **international mobility** among teams to strengthen a global culture and enhance their development. As a result, 370 employees took part in international mobility programs this year.
- The Group has defined various initiatives to continue promoting gender **diversity** within the Group, which have allowed the strategic indicator of women in the management team to evolve up to 36.1% at year-end, exceeding the 35.4% of 2024 and moving towards the target of 36.8% set for 2026. The measurement and methodology for this indicator are detailed in the "Equal opportunities" section.

Fourth, BBVA is fostering an emotional connection between employees and the company – a "**love brand**" – by promoting work-life balance, supporting social initiatives, and enhancing the employee experience through streamlined internal processes. In this regard, the Group has launched a **new global engagement survey**, which results show a high level of employee engagement with BBVA, with a participation of 79% of staff and a consolidated Group score of 90 out of 100, placing it 15 points above the benchmark of the company Kantar.

The comprehensive management of these four pillars has had a positive effect on the Group's ability to retain top talent, as evidenced by the voluntary turnover rate[43], which stood at 4.3% at the end of 2025.

Impacts on employees

As a result of the double materiality analysis (see chapter "Double materiality analysis"), **four impacts of BBVA on the employee body have been identified:**

1. Employees adopting a robust corporate culture that incorporates a radical customer-centric perspective throughout the organization.
2. Increased employee satisfaction and productivity resulting from a high-quality job offer.
3. Increased employee satisfaction and productivity resulting from competitive compensation.
4. Providing the best environment for talent, with a strong emphasis on promoting and supporting equal opportunities for all employees.

For all of these positive impacts, BBVA has policies, actions and objectives that are detailed below in their respective sections of the document, with specific teams tasked with achieving them.

BBVA also develops employee management plans that help to ensure a better work environment and that consist of guaranteeing compliance with employees' labor rights, expanding perks and benefits, and positively contributing to employee well-being through improvements in their safety, health and physical integrity.

Communication channels

The BBVA Group provides its employees with various communication and interaction channels:

- In one hand, employees have access to the Employee Support Service (hereinafter, SAE, for its acronym in Spanish), which is available in the main banks and companies in the countries where the Group operates (Spain, Mexico, Turkey, Argentina, Colombia, and Peru). This service answers operational, administrative, and management inquiries and is staffed by Group personnel. It utilizes a commercially available technological tool that provides traceability and tracking of the status of each inquiry received (Turkey has a specific tool developed internally for its employees with similar functionalities).
- On the other hand, employees have access to the Advisor Channel, which complements the SAE service by answering employee questions about professional development advice. This service uses the same technological tools as the SAE and covers the same group of employees (in Mexico, it is currently only available to managers, with plans to expand to the rest of the staff).

[43] Several companies are excluded from the calculation perimeter of this KPI for various reasons. Accordingly, the KPI is calculated on 95.0% of the BBVA Group's official workforce as of year-end 2025. The excluded companies are: PSA Finance Argentina Compañía Financiera, Volkswagen Financial Services Compañía Financiera, Openpay Argentina, AFP Prevision, Provivienda, BBVA Colombia/Panamá, Comercializadora, Openpay Colombia, Movistar Consumer Finance Colombia, Adqiura Mexico S.A. de C.V., Oenpay S.A.P.I. de C.V., Opplus Lima, Openpay Perú, Sociedad Peruana de Financiamiento SAC, BBVA Institución Financiera CR, Anidaport Invest Imobiliarios, Op Plus Operaciones y Servicios, Hans Factory, Distrito Castellana Norte (DCN), Gran Jorge Juan, Gestión y Administración de RE, Emprendimiento de Valor, BBVA Distribuidora de Seguros, Garantibank International NV, Garanti Bank (Romania), Ralfi IFN, Motoractive IFN, and Motoractive Multiservices SRL.

Both channels offer service quality metrics, which are evaluated by employees (surveys, NPS), and are available 24/7 online via direct access from the Bank's Intranet.

The remaining geographies and smaller companies have consultation, interaction, and follow-up channels, which are heterogeneous and decentralized, and which address the needs of their employees.

In addition to the above, for those cases in which an employee believes that behavior has occurred that is inconsistent with the principles and values set forth in BBVA's Code of Conduct, or that violates internal regulations or applicable legislation, the Group provides a Whistleblowing Channel, which allows for the confidential and anonymous reporting of such behavior. Further information about the Whistleblowing Channel and how it operates is provided in the chapter "Business conduct", under the "Whistleblowing Channel" section.

Workforce



Note 1: Data as of December 31, 2025.
Note 2: The number of employees is established based on location criteria.

As of December 31, 2025, the BBVA Group's global workforce totaled 127,174 employees located in more than 25 countries, representing a year-on-year increase of 1.0%. The net change in workforce is primarily due to two factors:

- On the one hand, the increase in hiring for profiles associated with the Group's transformation, especially in the strategic areas of Engineering and Retail Client Solutions, as well as hires in the CIB teams and sales networks, to support customer and business growth.
- Furthermore, during the first half of 2025, BBVA Mexico and its subsidiaries in the country carried out a workforce reengineering process that involved an adjustment in the number of employees. This process was conducted in an orderly and responsible manner, strengthening operational efficiency. At the same time, profiles aligned with the strategic plan were incorporated, linked to the promotion of digital businesses and transformation projects.

The official workforce[44] is defined as active employees, regardless of working hours, across all companies within the consolidation perimeter. Any breakdown contained in this chapter refers to this number of employees unless specifically stated otherwise. Non-employees, as defined by the ESRS, are not included in this list due to their insignificant number.

Additional information on workforce composition can be found in the "Workforce characteristics" section of this chapter.

[44] The only members of the Board of Directors who also belong to the Group's official workforce are the Executive Chair and the Chief Executive Officer.

3.1.1 Culture, Purpose and values

Corporate culture is an essential pillar of BBVA's identity and a key tool for implementing its strategy. It defines the values and behaviors that guide the organization's values and actions at all levels and in all the regions where it operates.

BBVA's values and behaviors reflect the essence of the people who make up the Group and guide their decision-making and actions, contributing to the realization of the new Purpose: **"Support your drive to go further"**. They are the core of the corporate culture and serve as a reference point for decision-making and the behavior of the entire organization. They have been fundamental to the success of BBVA's strategy and will continue to be a decisive driver in the new strategic cycle.



The customer comes first

+ We make our customers' needs our own.
+ We are empathetic.
+ We have integrity.



We think big

+ We are ambitious.
+ We are innovators.
+ We exceed customer's expectations.



We are one team

+ I am committed.
+ I trust others.
+ We are BBVA.

The Corporate Culture Guide establishes the framework for fostering and consolidating an organizational culture aligned with the Group's values. Its objective is to promote an ethical work environment that reflects the company's values. It details the necessary standards, roles, responsibilities, and governance mechanisms and is applicable to most of the Group's entities[45].

BBVA's Culture & Engagement Global Head, who reports to the Global Head of Talent & Culture, is responsible for promoting a strong culture consistent with the Group's values, ensuring the achievement of the Purpose and the implementation, monitoring and updating of the corporate culture guide, which is available on the intranet for all employees, in both Spanish and English.

The global culture team, together with its local counterparts in each region, is responsible for defining BBVA's strategic framework and culture initiatives. The most relevant initiatives are shared with the Group's Senior Management. The global culture team fosters active employee participation in the design and monitoring of initiatives through workshops, interviews, and ad hoc surveys, from the design phase (using customer-centric methodologies such as Design Thinking) and testing to continuous improvement after implementation. In parallel, metrics or indicators are defined for each initiative to track its progress.

In October 2025, BBVA celebrated the eighth edition of Values Day under the theme "Radical Edition". This global event, recognizing and promoting the Group's values, reaffirmed its commitment to cultural transformation and BBVA's new Purpose.

[45] The entities to which it is applicable cover 96.3% of the workforce as of year-end 2025. It is not applicable to the following entities: PSA Finance Argentina Compañía Financiera, Volkswagen Financial Services Compañía Financiera, AFP Previsión, Provivienda, Comercializadora, Movistar Consumer Finance Colombia SAS, Adquira México S.A. de C.V., Openpay SAPI de C.V., BBVA Servicios SAU, OP Plus Operaciones y Servicios, Madiva Soluciones SL, Bilbao Vizcaya Investments SAU, Europea de Titulización, Gestión y Administración de RE, DCN, OPPLUS Lima, Openpay Perú S.A., Sociedad Peruana de Financiamientos SAC, Anidaport Invest. Inmobiliarios, Emprendimientos de Valor S.A., and BBVA Distribuidora de Seguros.

More than 53,000 employees (43.5% of the workforce) accessed the internal Values Day website to participate in guided individual reflection through digital activities and to take part in the team workshop. Around 25,000 employees completed their activities, and more than 13,000 teams registered their "radical manifesto", outlining their commitment to radically improving the customer perspective.

In 2025, BBVA took a decisive step in its cultural transformation process with the launch of workshops for managers, designed to consolidate a Radical Client Perspective (RCP) mindset that drives the Group's Purpose and strengthens the connection with customers and teams. With a practical and reflective approach, these workshops promote transformative leadership and active support from managers, integrating into BBVA's global cultural change strategy.

As part of this transformation, BBVA has launched a new internal RCP survey aimed at ensuring that all employees, across the value chain, put the customer at the heart of everything they do. The survey was sent to branch employees and central services team leaders throughout the Group, with over 31,000 employees participating. BBVA's consolidated score for this year was 4.35 (out of 5), although the survey's main objective is to enable each team to identify improvement plans to drive the new strategic priority “Embed a Radical Client Perspective in all we do”.

3.1.2 Quality employment

Professional development

BBVA promotes a high-quality employment model that is reflected in various aspects of employees' professional experience. Professional development stands out in this area, where BBVA has a comprehensive corporate model that empowers employees with the autonomy, information, and tools to manage their growth and career development. This model is based on the principles of trust, empowerment, and transparency that govern the relationship between BBVA and its employees, who are responsible for their own professional development and rely on their manager as their primary support, guiding and supporting them throughout their journey at BBVA.

At BBVA, the manager plays a key role in the Group's organizational transformation. A series of key competencies have been established for this role, defining what makes a good manager. The performance of all these managers is evaluated periodically, allowing for the development and implementation of personalized development plans that enable them to continue growing professionally. This approach fosters inspiring and ethical leaders who achieve business objectives, embody BBVA's values, and develop their teams so they can perform at their best. Managers are a key driver of organizational transformation.

The professional development model has been implemented in most of the Group's companies and is accessible to almost all employees[46]. Across all geographies, Talent & Culture teams are responsible for its regular implementation, monitoring, and subsequent feedback collection, supported by activity metrics shared monthly in internal forums.

[46] The model has been implemented across all BBVA Group banks and certain subsidiaries, which together represent 93.2% of the official workforce as of year-end 2025. It has not been implemented in the following subsidiaries: PSA Finance Argentina Compañía Financiera, Volkswagen Financial Services Compañía Financiera, AFP Previsión, Provivienda, BBVA Colombia/Panamá, Comercializadora, Openpay Colombia, Movistar Consumer Finance Colombia, Anida Proyectos Inmobiliarios, Openpay, S.A.P.I. de C.V., Continental Titulizadora, BBVA Consumer Finance EDPYME, Sociedad Peruana de Financiamiento, Opplus Lima, Openpay Perú, BBVA Institución Financiera CR, Anidaport Invest Imobiliarios, BBVA Servicios, S.A.U., Op Plus Operaciones y Servicios, Contents Area, BBVA Technology, Madiva Soluciones, Europea de Titulización, Distrito Castellana Norte (DCN), Gran Jorge Juan, Gestión y Administración de RE, Emprendimiento de Valor, and BBVA Distribuidora de Seguros.

The professional development model is structured around three complementary axes:

1. Know Yourself. This module provides information on the annual performance review process, offering a comprehensive view of employee performance, highlighting both achievements and areas for improvement to boost professional development. The annual review process takes place over four months, culminating in the delivery in February of a report that integrates competencies, performance, potential, and talent map, along with a personalized growth plan for each employee:



People Assessment

Annual 360° evaluation of collaborators, peers and managers.



Individual Performance

Definition and monitoring of annual objectives.



Talent Map

Categorization of performance, skills and potential.

2. Improvement. Module permanently available to the employees where they can acquire the knowledge they need, either for their current role or as preparation to assume new responsibilities:



Personalized Growth Plan

Individualized recommendations on Learning and Development resources based on annual performance results.



Campus BBVA

Training tool to promote training of staff within the Group.



Open Mentoring

+4,600 mentoring relationships focused on advice and exchange of experiences.



Coaching

+1,300 coaching relationships that allow you to set personalized development goals.

3. Explore. A module that allows employees to explore new paths and responsibilities at any time during the year:



Mobility

Access to new career opportunities and referral program.



Global Mobility

Promoting international mobility to enhance global reach.



Opportunity

Setting new professional goals, actions and a path to achieve them.

Within the framework of this new strategic cycle, BBVA promotes international mobility through a global policy characterized by flexibility, transparency and a focus on professional development, with the aim of strengthening collaboration across geographies and the Group's global perspective. This drive reinforces BBVA's vision as a global organization that fosters cross-geography collaboration, knowledge transfer and cultural diversity as drivers of innovation and growth. In 2025, a total of 370 employees took part in international mobility initiatives[47].

The professional development model is kept up-to-date through a continuous improvement approach and is permanently available on the intranet in both Spanish and English. Updates are communicated through various channels (intranet, employee newsletters, personalized postcards, or emails) depending on the nature and scope of the update. The main advancements of the model in 2025 are as follows:

- The employee assessment process has been refined. To this end, evaluated skills have been updated to align with the new Strategic Plan, incorporating empathy and service excellence as key competencies, phases have been simplified, quality of qualitative feedback has been enhanced and peer recommendations have been incorporated. These improvements strengthen the objectivity and efficiency of the process, promote individual professional development, and consolidate a culture based on meritocracy, continuous learning, and excellence.
- New initiatives have been launched to strengthen differentiation in the development and career paths of employees who have consistently excelled over time. These measures, structured around three areas —compensation, development, and recognition— aim to maximize the impact of sustained high-achieving talent within the organization. The goal is to offer personalized actions that foster commitment, motivation, and excellence, promoting a continuous learning environment, internal mobility, and professional growth as cornerstones of the Group's transformation. For this group, local development experiences have been implemented, consisting of temporary assignments in other areas of interest to them. These experiences promote cross-functional learning of new ways of working, empathy, and the acquisition of essential knowledge for growth within the organization.
- Artificial intelligence solutions have been incorporated to support employees in the annual qualitative feedback process, providing personalized assistance tailored to each employee's context and career path. This innovation reinforces a culture of continuous learning by improving the quality of development conversations, promoting more constructive and consistent evaluations aligned with the Group's values, and strengthening the capacity for reflection, improvement, and professional growth. All of this drives a cultural transformation based on trust, dialogue, and meritocracy, supported by advanced digital tools.

These actions reinforce BBVA's commitment to innovation applied to people development, integrating technology as a strategic ally in professional growth.

The development model incorporates channels for gathering continuous feedback, allowing for the evaluation of the model's implementation and the assessment of potential changes. This includes surveys, metrics, and indicators such as NPS or interviews, which vary depending on the tool and the groups involved in the analysis (front-line teams, core services, employees, etc.). All collected information is analyzed and prioritized to define action plans, either one-off or implemented continuously, with follow-up monitoring of the impact of these improvements.

Feedback is collected throughout the year, both during formal events recorded in the different tools as well as through more informal, day-to-day interactions via the front end. Additionally, there are ongoing channels for actively listening to employees, such as communities of practice.

The entire team participates in the process of determining changes to the annual review process. If these changes impact the core of the model, written approval from the Global Head of Talent & Culture is required.

[47] This calculation takes into account both expatriate employees and those who have changed country in the past two years, excluding short-term international assignments under the International Development Program (IDP), branch network employees, and certain subsidiaries that do not participate in the program.

PERFORMANCE EVALUATION OF EMPLOYEES BY GENDER (BBVA GROUP. PERCENTAGE %)

	2025		2024	
	Male	Female	Male	Female
Employees who have participated in performance evaluations [1]	97 %	97 %	97 %	97 %

[1] Data corresponding to evaluations conducted under the Professional Development Model in the entities where it is implemented, divided by their workforce at year-end. Based on the total workforce at year-end, the figures are 90% for men and 92% for women in 2025, and 89% for men and 91% for women in 2024. Performance evaluations carried out under other models have not been included.

Training

In 2025, the Group's[48] training model (BBVA Campus) was consolidated as a fundamental pillar in talent development.

Personalization has been the central focus of the training strategy, increasing the impact of learning solutions and facilitating the practical application of acquired knowledge in the workplace. The analysis of data from the annual performance review process has enabled the generation of training recommendations that are precisely tailored to the needs, interests, and context of each employee, making development proposals more meaningful and impactful. A Personalized Growth Plan has been created for the entire BBVA Group, which, based on data from each employee's performance review report, offers individualized learning pathways designed to accelerate their growth.

Throughout 2025, sustainability training has been promoted, prioritizing specialization and developing new programs aligned with the strategy, considering both global and local perspectives. To this end, the training catalog has been updated and expanded, enabling teams to integrate environmental, social, and governance (ESG) criteria into their daily operations, building the capabilities to support customers in transitioning to a more sustainable future. This has materialized through training plans tailored to each region, with a total of over 66,000 hours of training delivered. In addition, 287 professionals have completed certification in this area.

Training has also been a key pillar in BBVA's artificial intelligence adoption strategy, promoting knowledge and responsible use of this technology at all levels of the organization. The Bank has established itself as an organization focused on training in generative artificial intelligence, with more than 105,000 employees trained in the Gemini Express initiative—the most successful course in BBVA's history in its first week of launch—in addition to other AI programs that together exceed 280,000 hours of training.

Additionally, a cross-functional program has been developed for all employees, related to the new strategic priority of “Embed a Radical Client Perspective in All We Do”. This program reinforces the need to view customers from a different perspective, fostering a culture of service excellence throughout the organization. Leveraging AI, employees can create an action plan to take the first steps in incorporating this strategic priority into their daily work. This program is complemented by specific, localized training sessions for specialized groups who have accumulated more than 120,000 hours of training.

BASIC TRAINING DATA (BBVA GROUP)

	2025	2024
Investment in training (millions of euros)	63	63
Investment in training per employee (euros) [1]	498	501
Hours of training per employee [2]	57.5	53.4
Employees who have received training (%) [2]	99.6 %	99.1 %

[1] Ratio calculated considering the total workforce of the Group at the end of each financial year.

[2] Ratio calculated by dividing the total training hours for the entire year by the Group's total workforce with access to the training platform at the end of the year.

[48] Campus is available to employees of all banks and most subsidiaries, which together represent 99.8% of the Group’s official workforce at the end of 2025. Employees of the following entities do not have access to Campus: PSA Finance Argentina Compañía Financiera, Volkswagen Financial Services Compañía Financiera, Provivienda, BBVA Consumer Finance Colombia, BBVA Consumer Finance EDPYME, Sociedad Peruana de Financiamiento, Anidaport Invest Inmobiliarios, Madiva Soluciones, Europea de Titulización, and Distrito Castellana Norte (DCN).

AVERAGE HOURS OF TRAINING BY GENDER (BBVA GROUP) [1]

	2025		2024	
	Male	Female	Male	Female
Management team [2]	46	53	53	55
Managers	61	63	64	65
Other employees	54	55	47	47
Average training hours	**56**	**58**	**55**	**53**

[1] Data including the Group's total workforce at the end of the year, with access to the training platform.

[2] The management team includes the highest level of management in the Group.

TRAINING DATA BY PROFESSIONAL CATEGORY AND GENDER (BBVA GROUP 2025) [1] [2]

	Number of employees with training			Training hours (in thousands)		
	Total	Male	Female	Total	Male	Female
Management team [3]	6,184	3,952	2,232	300	180	120
Managers	45,053	23,236	21,817	2,801	1,427	1,374
Other employees	75,079	34,194	40,885	4,144	1,859	2,285
Total	**126,316**	**61,382**	**64,934**	**7,245**	**3,466**	**3,779**

[1] Data includes the Group's total workforce with access to the training platform at the end of the year.

[2] Information provided to comply with explicit requirements of Law 11/2018.

[3] The management team includes the highest level of management in the Group.

TRAINING DATA BY PROFESSIONAL CATEGORY AND GENDER (BBVA GROUP. 2024) [1] [2]

	Number of employees with training			Training hours (in thousands)		
	Total	Male	Female	Total	Male	Female
Management team [3]	5,751	3,711	2,040	308	195	112
Managers	42,864	21,776	21,088	2,779	1,405	1,374
Other employees	75,852	34,861	40,991	3,626	1,672	1,954
Total	**124,467**	**60,348**	**64,119**	**6,713**	**3,272**	**3,441**

[1] Data includes the Group's total workforce with access to the training platform at the end of the year.

[2] Information provided to comply with explicit requirements of Law 11/2018.

[3] The management team includes the highest level of management in the Group.

3.1.3 Competitive remuneration

Remuneration Policies at BBVA

The corporate governance system defined by the Board of Directors, which guarantees sound management and supervision of the Group, includes gender-neutral remuneration policies and practices, compatible with prudent and effective risk management, aimed at encouraging responsible conduct and fair treatment of customers, while helping to avoid conflicts of interest and promoting competitive remuneration.

BBVA has the following remuneration policies in place, designed within the framework of the specific regulations applicable to credit institutions and taking into account best practices and recommendations on matters of remuneration both locally and internationally (the "Remuneration Policies"):

1. The General Remuneration Policy of the BBVA Group, which applies, in general, to all Group employees, including BBVA's Senior Management, with the exception of BBVA's executive directors, (the "General Remuneration Policy of the BBVA Group" or the "Policy") and aims to regulate the remuneration of the Group's employees, establishing the particularities applicable to certain groups of employees, such as personnel who perform control functions, personnel who perform functions related to the sale of products and the provision of services to customers and personnel whose professional activities significantly affect the risk profile (the "Identified Collective").

   This Policy complies with the provisions of Law 10/2014 of June 26, on the regulation, supervision, and solvency of credit institutions ("Law 10/2014") and its implementing regulations, including Circular 2/2016 of February 2, issued by the Bank of Spain to credit institutions on supervision and solvency ("Circular 2/2016"), and is adapted to the Guidelines issued by the European Banking Authority on appropriate remuneration policies of July 2, 2021 ("EBA Guidelines"), which have been adopted by the Bank of Spain.

   The BBVA Group's General Remuneration Policy applicable to the 2025 financial year is that approved by the Board of Directors, on the proposal of the Remuneration Committee, on March 29, 2023. It applies to remuneration for the 2023 financial year and thereafter and is available to all employees on the corporate intranet. This Policy will remain in effect until the Board of Directors agrees to modify it or approve a new policy to replace it.

   This Policy is coordinated at the executive level by BBVA's global Talent & Culture area and constitutes the framework for establishing and developing general policies, rules, procedures, or local or sector-specific compensation models within the Group, in a coherent and consistent manner. Thus, and in accordance with the Internal Regulatory Framework established by the BBVA Group, this Policy is extended to subsidiaries, in general terms, through a transposition process. This allows entities that are part of the BBVA Group to adopt their own compensation policies at the local level, which must be approved by the highest competent body of the subsidiary in a consistent manner and in accordance with the provisions of the BBVA Group's General Compensation Policy, and incorporating the specific requirements of the applicable local or sector-specific regulations, as appropriate.

   The BBVA Group's General Compensation Policy establishes the remuneration model applicable, in general, to all BBVA Group employees, which consists of:

   - A fixed salary that takes into account the level of responsibility, the functions performed, and the professional experience of each employee, as well as principles of internal equity and the market value of the role, constituting a significant part of total compensation. The awarding and amount of the fixed salary are based on predetermined, objective, and non-discretionary criteria.

- Variable compensation consists of payments or benefits, whether monetary or not, that are additional to fixed compensation and are based on variable parameters. This compensation must generally be linked to the achievement of pre-established objectives and will include both the annual variable compensation corresponding to the corporate model (explained in the following section) and, where applicable, other variable incentive schemes and any other variable component that the BBVA Group may grant to its staff or specific groups of employees at any given time.

2. BBVA's Directors' Remuneration Policy applies to all members of the Board of Directors, both executive and non-executive, and aims to regulate their remuneration systems. BBVA's Directors' Remuneration Policy is also fully aligned with applicable regulatory requirements, specifically those established in the Consolidated Text of the Corporate Enterprise Act, approved by Royal Legislative Decree 1/2010 of July 2 ("Capital Companies Act"), which regulates the specific remuneration policy applicable to directors of listed companies.

   BBVA's Directors' Remuneration Policy applicable to the 2025 financial year was approved by BBVA's Annual General Meeting of Shareholders held on March 17, 2023, for the 2023, 2024, 2025, and 2026 financial years, and is available on BBVA's corporate website (www.bbva.com). In accordance with the provisions of Article 529 novodecies of the Spanish Corporate Enterprise Act, once the last financial year for its application had elapsed, the Board of Directors, on the proposal of the Remuneration Committee, has agreed to submit a new BBVA Directors' Remuneration Policy for the 2026 financial year to BBVA's Annual General Meeting of Shareholders for the 2026 financial year, covering the 2026, 2027, 2028, and 2029 financial years.

Both Remuneration Policies are based on the same general principles and are geared towards the recurring generation of value for the Group, the alignment of the interests of its employees and shareholders, prudent risk management, and the development of the defined strategy. BBVA's Remuneration Policies are aligned with the interests of its employees and take into account best market practices and suggestions received from its shareholders, investors, and other stakeholders. Within the framework of constant and constructive dialogue, BBVA fosters a culture of trust and commitment with its stakeholders, while adhering to transparency standards.

The general principles underpinning our Remuneration Policies are as follows:

- Creating long-term value.
- The achievement of results based on prudent and responsible risk-taking.
- Attracting and retaining top talent.
- Ensuring transparency in the remuneration model.
- Rewarding the level of responsibility and career paths.
- Ensuring internal equity, external competitiveness, and equal pay for men and women.
- Promoting responsible conduct and fair treatment of customers, as well as avoiding conflicts of interest.

These principles mean that the Policies:

- Contribute to the BBVA Group's business strategy and the achievement of its objectives, values, and interests, as well as to value creation and long-term sustainability.
- Are compatible with and promote prudent and effective risk management, not offering incentives to assume risks that exceed the level tolerated by the Group, consistent with the BBVA Group's risk strategy and culture.
- Are clear, understandable, and transparent, employing simple language that allows employees to understand the various components of remuneration and the conditions for its granting, consolidation, and payment. To this end, they clearly distinguish between the criteria for establishing fixed and variable compensation and are transparent regarding the setting of objectives and the parameters for calculating them.
- Include a competitive remuneration system, with the aim of attracting and retaining top talent and adequately rewarding performance.
- Are gender-neutral, reflecting equal compensation for the same or equal value of work and not establishing any differences or discrimination based on gender.
- Include measures designed to prevent conflicts of interest, fostering independent judgment among individuals involved in decision-making, management oversight and control, and the establishment of remuneration systems. They incorporate predetermined calculation rules to eliminate discretionary application.
- Seek to ensure that compensation is not based solely or primarily on quantitative criteria, but also takes into account appropriate qualitative criteria that reflect compliance with applicable regulations.

The Board of Directors of BBVA, as the highest body of representation, administration, management and oversight of BBVA, periodically reviews the Remuneration Policies and, both directly and through its Remuneration Committee, which assists it in remuneration matters, supervises their application, based on the information and report received from the Talent & Culture area and the Internal Audit area, thus ensuring that they are applied appropriately and in accordance with BBVA's Corporate Governance System.

In accordance with its Remuneration Policies, the BBVA Group continuously implements global initiatives to ensure compliance with the general principles governing them. The global Talent & Culture team, together with the Talent & Culture teams in each geographic area, is responsible for leading and driving these initiatives, which include:

- Defining fixed compensation ranges and a target variable compensation level, adapted to the specific conditions of each region, to ensure fair and equitable remuneration for the same or equal value functions, preserving internal equity and avoiding any differences or discrimination based on gender.
- Conducting market research in each region to guarantee competitive compensation that takes external competitiveness into account.
- Establishing a minimum entry-level salary for the lowest professional category, which is above the legal minimum wage established in each of the jurisdictions where the BBVA Group operates.
- Conducting salary reviews to maintain employees' purchasing power.
- Monitoring the adjusted gender pay gap, calculated for employees in the same positions, both at the Group level and at the level of each geographic area.

Integration of sustainability into the corporate annual variable remuneration model applicable in 2025

BBVA has a corporate model for annual variable compensation that, in general, applies to all employees, based on their roles, including executive directors, with certain specific provisions arising from their position as directors. This corporate variable compensation model consists of an incentive that reflects performance measured through the achievement of objectives associated with annual financial and non-financial performance indicators at the Group, Area, and Individual levels (except in the case of executive directors, whose annual variable compensation is calculated exclusively based on Group indicators). These indicators take into account the strategic priorities defined by the Group, as well as current and future risks, and allow annual variable compensation to be linked to the degree of achievement of the BBVA Group's strategy.

In fiscal year 2025, the level of achievement of the annual Group-wide indicators, which are shared by the executive directors, the rest of BBVA's Senior Management and the Group's workforce, amounted to 115% (126% in 2024), based on the results achieved for each of the financial and non-financial indicators. The level of achievement of the annual Group-wide indicators for incentive purposes is detailed below:

ANNUAL VARIABLE REMUNERATION 2025 – ANNUAL FINANCIAL AND NON–FINANCIAL INDICATORS (BBVA GROUP) (MEASUREMENT PERIOD 2025)

	2025				2024			
Annual indicator	Weight [1]	Goal	Result [2]	Level of attainment	Weight [1]	Goal	Result [2]	Level of attainment
RORC	35 %	19.36 %	21.13 %	123 %	20 %	19.34%	20.98%	142 %
Net attributable profit	15 %	9,646 mill. €	10,511 mill. €	122 %	20 %	8,957 mill. €	10,054 mill. €	150 %
Enterprise fee income	10 %	2,350 mill. €	2,577 mill. €	110 %	n/a	n/a	n/a	n/a
Efficiency ratio	n/a	n/a	n/a	n/a	20 %	41.13 %	40.00 %	118 %
Net Promoted Score (NPS) [3]	15 %	100	91	91 %	15 %	100	102	102 %
Target customers [3]	15 %	100	112	112 %	15 %	100	97	97 %
Sustainable business channeling	10 %	114,740 mill. €	133,778 mill. €	122 %	10 %	76,349 mill. €	92,737 mill.€	136 %

n/a: not applicable.

[1] Weights set for the annual variable remuneration associated with the corporate model for the 2024 and 2025 financial years for BBVA Group staff, including executive directors.

[2] Results for incentive purposes.

[3] For the NPS and Target customers indicators, targets are at country level. The Group's achievement for these indicators is calculated as the average weighted by the net margin of the achievements obtained by the countries.

In particular, the annual indicators include the sustainable business channeling indicator, which measures the volume of sustainable business channelled by BBVA in the environmental area (which includes climate and natural capital) and in the social area, and is directly related to the Bank's strategic priority of "Boost sustainability as a growth engine". Likewise, these indicators include the NPS, which seeks to assess customers' level of recommendation, as well as the factors that influence this decision, and the Target Customers indicator, which makes it possible to monitor the growth of the group of relevant customers in each country, that is, those customers the Group seeks to grow and retain, across different segments, as they are considered high value.

In the case of the members of the Identified Collective, including the executive directors, their annual variable remuneration under the corporate model includes a short-term incentive, calculated on the basis of the annual indicators described above, and, additionally, a long-term incentive. The long-term incentive will be calculated based on the results of a set of Group-wide, multi-year financial and non-financial indicators, which prioritize value creation and profitability for shareholders and for the Group over the long term, as well as the progressive achievement of the Bank's sustainability goals and objectives.

In particular, the indicators used to calculate the long-term incentive include a portfolio decarbonization indicator, which measures the level of achievement of the decarbonization targets for a number of sectors for which BBVA has set specific objectives and is therefore directly linked to the BBVA Group's strategic priority of "Boost sustainability as a growth engine." In addition, an indicator measuring the evolution of the percentage of women in management positions across the BBVA Group is included, which is fully aligned with the Group's strategic priority of "Strengthen our empathy, succeed as a winning team", guided by BBVA's Purpose and its values and behaviors.

The long-term indicators used to calculate the long-term incentive for the Identified Collective, including the executive directors and the rest of BBVA's Senior Management, which forms part of the annual variable remuneration under the corporate model for fiscal year 2025, and whose achievement will be determined at the end of the corresponding measurement period (at year-end 2028), are detailed below:

LONG-TERM INCENTIVE FOR THE IDENTIFIED GROUP 2025 – LONG–TERM INDICATORS (BBVA GROUP) (MULTI–YEAR MEASUREMENT PERIOD WITH TARGETS FOR 2028)

	Weight	
Long-term indicator	2025	2024
Tangible Book Value per share (TBV per share)	40 %	40 %
Relative Total Shareholder Return (Relative TSR)	40 %	40 %
Decarbonization of the portfolio	15 %	15 %
Percentage of women in management positions	5 %	5 %

Both the short-term incentive and the long-term incentive are calculated by reference to the respective target incentives of each beneficiary, which represent the amount of the incentive in the event that 100% of the pre-established objectives are achieved.

Specifically, regarding the executive directors, their annual variable remuneration consists of a short-term and a long-term incentives, which, in 2025, are weighted at 64% and 36%, respectively.

Taking these weightings into account, together with those assigned to each of the annual and long-term indicators, the non-financial or sustainability-related indicators —NPS, Target Customers, sustainable business channeling, decarbonization of portfolio and the percentage of women in management positions— represent, both in 2025 and 2024, 32.8% of the executive directors' target annual variable remuneration.

On this basis, considering the level of achievement of the short-term incentive generated by the executive directors—which amounted to 115% in 2025 and 126% in 2024—and assuming, in both years, a level of achievement of the long-term incentive of 150% of the target long-term incentive, the percentage of the annual variable remuneration granted to the executive directors that is linked to non-financial or sustainability-related indicators amounts to 38.0% in 2025 and 38.6% in 2024. However, this percentage may be subject to change depending on the final amount of the long-term incentive corresponding to each year, which will depend on the outcome of the long-term indicators at year-end 2028 and 2027, respectively, and which may range between 0% and 150% of achievement.

Lastly, assuming a level of achievement of the long-term incentive of 150% of the target long-term incentive, the amount of the annual variable remuneration for fiscal years 2025 and 2024 of the executive directors associated with the portfolio decarbonization indicator represents 3.9% and 3.7% of the Chair's total remuneration in those respective years, and 3.1% and 3.0% of the Chief Executive Officer's total remuneration in those respective years. Total remuneration includes, in both cases, the fixed and variable components of the executive directors' remuneration corresponding to fiscal years 2025 and 2024. However, as indicated above, the final amount of the long-term incentive will depend on the outcome of the long-term indicators at year-end 2028 and 2027, respectively, and may range between 0% and 150% of achievement.

For further information on the remuneration system applicable to the members of the Board of Directors, the individual remuneration accrued by the directors in fiscal year 2025, and the indicators used to calculate annual variable remuneration, please also refer to the Annual Report on the Remuneration of BBVA Directors (IARC) for fiscal year 2025.

Gross pay gap

The gross pay gap reflects the difference between the pay received by men and the pay received by women. It is calculated as the difference between the gross pay (mean or median) of men minus the gross remuneration (mean or median) of women, expressed as a percentage of the gross pay (mean or median) of men.

The total remuneration considered includes the annual basic remuneration (or base salary), salary supplements (except for mobility, housing and expatriation supplements) and the target variable remuneration (or target bonus). BBVA does not include in its calculation items such as allowances, social benefits, and so forth, the amount of which is very little representative of the total remuneration of employees, and whose granting criteria and amounts are clearly defined, without discriminating between men and women.

The gross gender pay gap at BBVA Group for 2025 is as follows:

GROSS PAY GAP (BBVA GROUP. PERCENTAGE %)[1]

	2025	2024
BBVA Group (Average)	27.0	28.3
BBVA Group (Median)	20.4	23.0

[1] The calculations on the pay gap and average salaries have been carried out on 99.7% of the workforce, as they do not include data from the following entities: Volkswagen Financial Services Compañía Financiera, PSA Finance Compañía Financiera, DCN, Banco Provincial Overseas Curaçao, Openpay Perú, Opplus Lima (Peru), Sociedad Peruana de Financiamientos SAC, AFP Previsión, and Provivienda (Bolivia), BBVA Bancomer Houston Agency.

In recent years, BBVA has strengthened its commitment to diversity, progressively increasing the representation of women in management positions and establishing specific targets in all the geographies where it operates, in pursuit of greater gender balance at all levels of the organization.

It should be noted that the gross gender pay gap does not allow for a comparison of the remuneration of men and women performing similar functions, but rather compares the remuneration of men and women in different roles, and therefore is not representative of gender discrimination.

Adjusted pay gap

BBVA's remuneration policies are gender-neutral, reflecting equal remuneration for the same functions or functions of equal value, and not establishing any difference or discrimination based on gender. The remuneration model rewards the level of responsibility, the functions performed and the track record of each employee, ensuring internal equity and external competitiveness, as well as equal pay between men and women.

This model defines positions around which compensation is based. Each of these positions has a single theoretical value determined by various factors, such as the level of responsibility, the complexity of the role, and the impact on results, among others. Similarly, each position has a unique value linked to the achievement of pre-established objectives.

The adjusted gender pay gap compares the total compensation received by men and women in the same positions within the Group. The total compensation considered includes the same items used to calculate the gross gender pay gap.

For each of the positions described above, BBVA calculates the median total compensation received by all men and women in those positions. Based on this, BBVA calculates the adjusted gender pay gap as the percentage resulting from dividing the difference between the median compensation of men and the median compensation of women by the median compensation of men. The BBVA Group's adjusted gender pay gap is calculated as the weighted average of the gaps obtained for each position.

The adjusted wage gap in the main geographies in which the Group operates for the years 2025 and 2024 is as follows:

ADJUSTED PAY GAP (MEDIAN) [1] (BBVA GROUP, PERCENTAGE %) [2] [3]

	2025	2024
Spain (BBVA,S.A.)	1.0	0.9
Mexico	(0.6)	(0.2)
Turkey	0.9	0.8
Colombia	2.2	2.1
Peru	0.5	0.7
Argentina	3.3	3.3
Venezuela	1.2	1.4
Chile	(3.0)	(3.7)
Uruguay	3.3	3.4
BBVA Group	**0.3**	**0.6**

[1] The median is used for this calculation, since this statistical indicator is less affected by the presence of biases in the distribution of extreme values and better represents the Group's actual situation.

[2] The calculation of the adjusted gap includes 89,4% of the Group's employees. The remaining employees cannot be included in the calculation because they are associated with positions in which there is no representation of both genders.

[3] Information provided to comply with explicit requirements of Law 11/2018.

Average remuneration

The tables below show the average compensation of BBVA Group employees as a whole and individually in the main geographies in which the BBVA Group operates, for the years 2025 and 2024:

AVERAGE REMUNERATION[1] BY PROFESSIONAL CATEGORY, AGE STAGES AND GENDER (BBVA GROUP. EUROS)[2]

	2025			2024		
	Management team [3]	Managers	Other employees	Management team [3]	Managers	Other employees
< 30 years						
Male	70,609	26,293	20,599	67,347	23,989	18,544
Female	57,586	22,743	16,747	59,314	20,486	15,132
30-50 years						
Male	127,998	46,990	23,621	123,640	44,565	24,061
Female	104,615	39,346	21,865	100,672	37,737	21,737
> 50 years						
Male	180,645	61,706	37,358	181,127	59,981	37,117
Female	135,316	53,401	37,534	133,099	51,290	36,149

[1] Includes basic annual compensation (or base salary) and salary supplements (except for mobility, housing and expatriation allowances). This represents 99% of total fixed compensation.

[2] Information provided to comply with explicit requirements of Law 11/2018.

[3] This group excludes BBVA Senior Management.

AVERAGE REMUNERATION [1] BY PROFESSIONAL CATEGORY AND GENDER (EUROS) [2]

	2025			2024		
	Management team [3]	Managers	Other employees	Management team [3]	Managers	Other employees
Spain (BBVA,S.A.)						
Male	143,391	60,185	45,175	140,740	58,578	43,822
Female	116,490	55,342	44,472	115,961	53,623	42,719
Mexico						
Male	130,625	35,388	17,097	126,827	33,640	15,811
Female	103,201	31,478	15,285	96,143	29,938	14,261
Turkey [4]						
Male	152,633	51,489	25,137	152,526	47,419	21,670
Female	119,716	38,186	22,603	116,627	35,500	20,495
Colombia						
Male	117,171	35,746	17,282	111,837	35,109	16,842
Female	78,373	29,398	15,597	71,667	29,718	15,144
Peru						
Male	115,808	29,148	17,206	115,418	28,744	16,776
Female	79,023	24,268	12,278	73,208	22,735	11,806
Argentina						
Male	100,242	38,264	24,064	112,065	45,455	29,794
Female	81,866	31,313	21,592	100,002	38,688	26,417
Venezuela						
Male	66,137	7,550	4,675	52,099	1,397	931
Female	35,213	6,397	3,925	20,591	1,301	859
Chile						
Male	103,263	37,770	16,288	102,164	35,145	13,291
Female	80,151	29,577	12,305	80,106	27,612	10,036
Uruguay						
Male	179,858	96,994	70,734	184,703	93,709	64,877
Female	155,895	81,949	61,985	144,276	80,668	61,182

[1] Includes basic annual compensation (or base salary) and salary supplements (except for mobility, housing and expatriation allowances). This represents 99% of total fixed compensation.

[2] Information provided to comply with explicit requirements of Law 11/2018.

[3] This group excludes BBVA Senior Management.

[4] Turkey considers the entire Garanti Group, including those companies outside the geographical scope of Turkey where Garanti has a presence.

In general, the differences observed in average remuneration across the main geographies where the BBVA Group operates stem from the varied composition of each professional category, as well as other factors, such as seniority within the organization or in the specific position. Furthermore, the average compensation for each professional category is influenced by aspects such as the unequal distribution of men and women in higher-paying positions or the higher proportion of women in countries with lower average compensation.

In particular, the decreases observed in average remuneration for women in the management team under 30 years of age at BBVA Group level, as well as the decreases among men in the management team in Uruguay, are due to the fact that these groups comprise a very small number of individuals. As a result, their composition may vary from one year to another, meaning that any change can have a significant impact, in either direction, on average remuneration.

Likewise, the decrease observed in average remuneration for the category of other employees in the 30 to 50 age group at BBVA Group level reflects the lower relative weight in 2025 of employees from geographies with higher remuneration levels, compared with countries with lower remuneration levels.

Finally, the decreases in average remuneration observed in 2025 (expressed in current euros) in Argentina are due to the depreciation of the Argentine peso against the euro, which has not been offset by the salary increases implemented to compensate for the inflation rate.

For BBVA's executive directors and other senior management members who held such positions as of December 31, 2025, information on their remuneration is included in Note 54 of the BBVA Group's Consolidated Annual Accounts for the 2025 financial year. For BBVA's executive directors, remuneration is presented individually and by compensation category, while for the other members of BBVA's senior management, remuneration is presented in aggregate. The average total remuneration of BBVA's senior management (excluding executive directors) in 2025 was €2,426 thousand for men (€2,442 thousand in 2024) and €2,053 thousand for women (€1,953 thousand in 2024).

Total annual remuneration

BBVA calculates the total annual remuneration ratio for BBVA Group employees as the ratio between the total annual remuneration (fixed remuneration plus accrued variable remuneration and pension contributions) of the highest paid person in each of the geographical areas and the median of the total annual remuneration (fixed remuneration plus accrued variable remuneration and pension contributions) of all employees in the same geographical area, taking the annualized remuneration on a full-time basis and excluding the highest paid person.

The annual total remuneration ratios in the main geographies in which the Group operates for 2025 and 2024 are as follows:

ANNUAL TOTAL REMUNERATION RATIO [1]

	2025 [2]	2024 [3]
Spain (BBVA, S.A.)	119.1	124.5
Mexico	210.9	210.9
Turkey	130.9	142.2
Colombia	80.1	85.4
Peru	118.4	129.0
Argentina	49.7	42.5
Chile	42.3	38.4
Uruguay	5.0	7.7
Venezuela	176.4	186.8

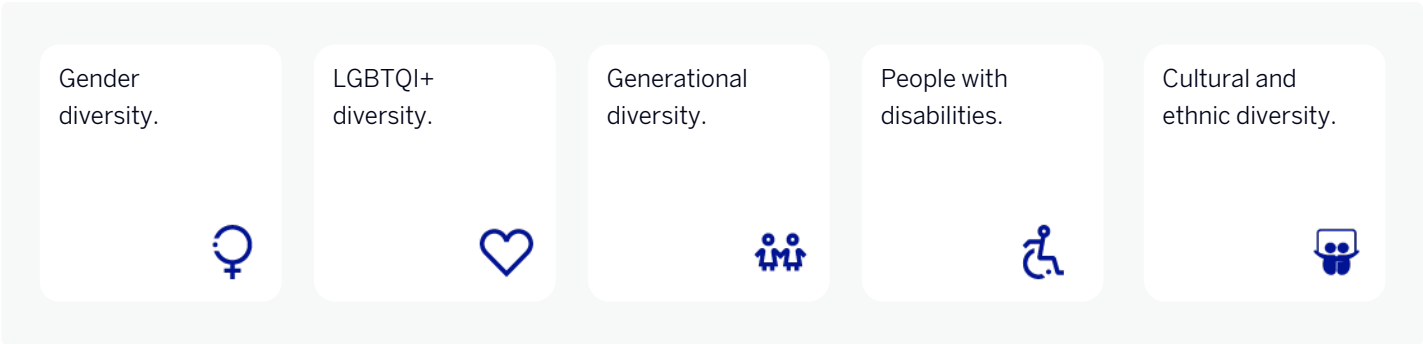
[1] Total remuneration includes annual base remuneration (or base salary), all salary supplements, employer contributions to employee pension plans, and the variable remuneration awarded in each financial year.
[2] The 2025 figure has been obtained using an estimate of the variable remuneration corresponding to 2025, based on the latest information available as of the date of preparation of this report.
[3] The 2024 figures have been updated to take into account the variable remuneration actually awarded, which was not available at the time of publication of the report for the 2024 financial year.

3.1.4 Equal opportunities

BBVA maintains a firm commitment to diversity and inclusion, essential pillars of its mission and values, and promotes equal opportunities for all its employees. The diversity of BBVA's teams is a strength that allows the Group to understand and respond more effectively to the needs of its customers, contributing perspectives that enrich both the organization and society.

BBVA Diversity Guidelines

In 2022, BBVA published its "Diversity Guidelines" a framework document that guides the Group's actions regarding diversity, inclusion and equity. This document, approved by the Global Head of Talent & Culture, is applicable to most of the Group's[49] companies and represents BBVA's institutional commitment to diversity, inclusion, and equity, where respect for difference is an integral part of its strategy. The guidelines explicitly prohibit discrimination based on race, sex, age, or any other grounds and define the five groups with which BBVA works:



BBVA disseminates these Guidelines among its employees through various communication channels —newsletter, Intranet, and BBVA Campus—available in Spanish and English. The diversity teams in the different regions are responsible for ensuring compliance with these guidelines and proposing updates when necessary.

Additionally, other regulations related to equal opportunities include the "BBVA Code of Conduct", which expressly prohibits any type of discrimination based on sex, race, age, or sexual orientation, and the Equality Plan, signed in Spain with employee representatives in 2023. Furthermore, BBVA has prevention and action protocols against sexual harassment in the main geographies where it operates, expressly stating its rejection of any behavior of a sexual nature or connotation that is intended to or has the effect of violating a person's dignity and committing to the application of said protocol as a means of preventing, detecting, correcting, and sanctioning this type of conduct within the company.

In 2025, the sexual harassment protocol was activated on 70 occasions (63 in 2024), with sexual harassment being confirmed in 26 cases (19 in 2024), all of which resulted in the dismissal of the individuals reported. During the same period, the workplace harassment protocol was activated on 111 occasions (54 in 2024), with harassment being confirmed in 1 case. The protocol for harassment based on sexual orientation, sexual identity and gender expression was not activated on any occasion (1 in 2024). During 2025 and 2024, there were no final sanctions or fines imposed for cases of discrimination or harassment[50].

[49] The Diversity Guidelines apply to 98.0% of the BBVA Group's official workforce as of year-end 2025. Due to specific organizational and/or regulatory particularities, employees of the following entities are excluded from their scope of application: BBVA Global Wealth Advisors, Inc., BBVA Bancomer S.A. Houston Agency, BBVA Securities New York, BBVA Red Exterior in the United States and the United Arab Emirates, Comercializadora Colombia, OpenPay Colombia, Movistar Consumer Finance Colombia S.A.S., Adquira México, S.A. de C.V., OpenPay, S.A.P.I. de C.V., Comercializadora Corporativa Perú, Ralfi IFN S.A., Motoractive IFN S.A., Motoractive Multiservices SRL, PSA Argentina Compañía Financiera S.A. and Volkswagen Financial Services Compañía Financiera S.A., Emprendimiento de Valor S.A. y BBVA Distribuidora de Seguros.

[50] The information referred to in this paragraph covers companies that represent 97.3% of the Group's official workforce, as it does not include the companies PSA Finance Argentina Compañía Financiera, Volkswagen Financial Services Compañía Financiera, BBVA Red Exterior de Oficinas, BBVA Brasil Bco Investimiento, BBVA Consumer Finance EDPYME, Anidaport Invest Imobiliarios, Distrito Castellana Norte (DCN), Ralfi Ifn, Motoractive Ifn., Motoractive Multiservices Srl., Garantibank International, NV, Garanti Bank SA (Romania) , Gosas, Garanti Filo Yonetim Hizmetler, Garanti Kultur / SALT.

Employee engagement

BBVA has a network of stakeholder groups called Employee Resource Groups (ERGs). These are employee-driven communities that promote diversity, inclusion, and equity at BBVA, serving as spaces for dialogue, collaboration, and shared, two-way learning. They are made up of employees who voluntarily, without pay, and in their free time, dedicate their knowledge and experience to promoting diversity at BBVA. ERGs have been established in all five areas of diversity (gender, LGBTQ+, generational, people with disabilities, and cultural and ethnic diversity). These groups work in coordination with BBVA's diversity teams, providing them with peer feedback, advice, and specialized support in their areas of expertise, and participating in the various diversity-related events organized by the Group. Representatives from the different ERGs hold regular meetings with the global diversity team and participate in the Group's Community of Practice. The effectiveness of this collaboration with employees and the results achieved are highlighted by the large number of initiatives launched and the significant number of employees impacted by them.

Initiatives to promote diversity

Diversity initiatives are led by the global diversity team, which defines the strategy and coordinates with counterpart teams across different regions through the community of practice, with the aim of defining the initiatives to be implemented across various areas of work. These initiatives pursue the dual objective of promoting equal opportunities for employees and raising awareness of the benefits of being a diverse and inclusive organization. The following initiatives are key for 2025:

- Gender Diversity: With the aim of boosting the professional growth of women at BBVA and moving towards more balanced representation in management positions, a new edition of “I Am Female Talent” has been launched. This program provides various professional development tools to a group of BBVA employees identified for their potential. This annual program has been designed and implemented by the diversity teams in different countries in collaboration with the training teams.

- LGBTQ+ Diversity: Throughout the year, various visibility and awareness-raising initiatives have been carried out. Among these, during Pride Month, the placement of flags at BBVA's regional offices in Spain and the illumination of several corporate buildings stand out as a symbol of BBVA's commitment. In addition, local events have been held to reinforce inclusion and promote a respectful and open culture.

- Generational Diversity: Annual “Added Value” Awards. Talent and contributions to society should not be limited by age, but rather recognized as a valuable asset for the organization. For this reason, BBVA's diversity team, in collaboration with the Transforma Foundation, organized the fourth edition of the annual "Added Value" Awards. These awards promote the recognition of individuals over 55 who have contributed through their work and achievements in the educational, scientific, technical, cultural, social, and business fields to the development of senior talent in Spain. The objective has been to raise awareness among stakeholders of the challenges posed by an aging society.

- Inclusion of people with disabilities: BBVA reaffirms its commitment to the employment inclusion of people with disabilities and has implemented various initiatives to facilitate their integration into the organization, both in Spain and in other geographies of the Group. These initiatives include the hiring of professionals with autism and Asperger's syndrome in technology areas, as well as internship programs for people with Down syndrome. Furthermore, BBVA has signed an agreement in Spain with the ONCE Foundation through which it will integrate people with disabilities into its retail network over the next five years. In Mexico, the bank also has an ambitious program to incorporate people with disabilities into its offices, and throughout 2025, five job fairs were organized specifically for hiring people with disabilities. In 2025, the BBVA Group had a total of 1,169 employees with disabilities (1,046 in 2024), representing 0.9% of its total workforce, a 0.1% more than in 2024.

- Ethnic and cultural diversity: With the aim of promoting the inclusion of people from diverse ethnic backgrounds at BBVA and improving their professional development opportunities, the diversity team in Colombia continues to encourage voluntary self-identification among employees of ethnic origin. In 2025, these employees have been offered the opportunity to participate in a specialized training program focused on AI, inclusive leadership, assertive communication, critical thinking, change management, and sustainability.

Objectives

In terms of equal opportunities, BBVA has made a particular effort to promote gender equality, and in this regard, it has approved minimum representation targets for women at the highest levels of the organization in recent years.

Thus, having already achieved the target of 40% women on the Board of Directors in 2023, another significant milestone was reached in 2024 when the target of 35% women on the management team was surpassed, a goal committed to in 2022 (specifically, 35.4% was achieved).

Following the achievement of these milestones, BBVA remains committed to advancing towards a more balanced representation of women and men at all levels of the organization. In this vein, in February 2024, a new target of 36.8% women in the management team was set for the end of 2026. As this is a strategic objective of Talent & Culture, it is monitored monthly by BBVA's diversity team and reported quarterly to senior management. The Chairman and CEO of the Group regularly review the data on the evolution of this indicator at different levels of the organization to assess whether the measures implemented are yielding positive results. As of year-end 2025, the percentage reached 36.1%, confirming a growth trajectory aligned with the achievement of the 2026 target.

The gender distribution of the Board of Directors and Senior Management in 2025 and 2024 is shown in the following table[51]:

DISTRIBUTION OF MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT BY GENDER (BBVA GROUP. NUMBER)

	2025		2024	
	Male	Female	Male	Female
Board of Directors (number)	8	7	8	7
Board of Directors (%)	53.3 %	46.7 %	53.3 %	46.7 %
Senior Management (number)	14	4	14	4
Senior Management (%)	77.8 %	22.2 %	77.8 %	22.2 %

[51] For the purposes of diversity calculations, executive directors have been included in both the Board of Directors and Senior Management calculations.

3.1.5 Labor rights[52]

Regulatory framework

Working conditions, along with the rights and obligations of the Group's staff, are regulated by rules, agreements and collective and individual agreements, in compliance with the legal provisions in force in each geography where BBVA operates.

In accordance with the above, the regulatory framework governing the conditions of the entire workforce is as follows:

- Labor regulations applicable in each of the geographies where BBVA operates. These consist of laws, regulations, or rules issued by the competent authorities in each geography and apply to all employees in that region.
- Sectoral agreements signed with the corresponding trade unions, which complement and, where appropriate, improve the provisions of applicable labor regulations. For example, in Spain, the Banking Collective Bargaining Agreement is negotiated within the banking sector and applies to its employees; this is the agreement that applies to BBVA, S.A.
- Bilateral agreements between the entity and the unions that may take place in each of the Group's companies. These must comply with the provisions of the regulations or sectoral agreements (points a and b), and may improve upon them.
- Unilateral measures carried out by each entity to improve what is provided for in the previous aspects.

To ensure regulatory compliance, coordinate negotiation processes, and monitor the effectiveness of agreements reached, BBVA has local Labor Relations and Advisory teams in each geography. In companies without dedicated teams, specialized external lawyers are hired. Additionally, a global team with a comprehensive view of labor issues provides guidance and strategic advice to the local teams.

The agreements described are updated as frequently as required by regulations or as determined by the negotiating parties. Employees' working conditions and rights are communicated through standard internal channels —intranet, Talent & Culture portal, electronic communications, corporate forums, employment contracts, and onboarding—, ensuring transparency and accessibility of information. The introduction section on "Own workforce" describes the communication channels available to employees in greater detail.

This labor legislation, which regulates the obligations and rights of workers, covers a wide range of aspects of working conditions, such as working hours, vacations and leave (paid or unpaid), types of contracts, disciplinary procedures, remuneration and benefits, etc. This framework is complemented by internal policies such as the Code of Conduct and the respective reporting channels that allow for the identification and handling of potential incidents, which may be related to the previously described obligations and rights of workers (for more information, see the "Whistleblowing Channel" section).

Within the Group, 42.7% of the workforce is covered by collective bargaining agreements (corresponding to what is described in points two and three of the regulatory framework above), while the remaining 57.3% are governed by conditions individually agreed upon.

[52] The information referred to in this chapter covers companies that represent 98.7% of the Group's official workforce as of year-end 2025, as it does not include the following companies: PSA Finance Argentina Compañía Financiera, Volkswagen Financial Services Compañía Financiera, BBVA Red Exterior de Oficinas, BBVA Brasil Bco Investimiento, BBVA Consumer Finance EDPYME, Anidaport Invest Imobiliarios, Distrito Castellana Norte (DCN), Ralfi Ifn, Motoractive Ifn., Motoractive Multiservices Srl., Garantibank International, NV, Garanti Bank SA (Romania) , Gosas, Garanti Filo Yonetim Hizmetler, Garanti Kultur / SALT.

Unionization and collective bargaining

In all regions where regulations allow, BBVA employees may freely exercise their right to join and participate in union activities.

Group employees in Spain (with the exception of Senior Management) are subject to the provisions of sectoral collective bargaining agreements, which are sometimes supplemented by company-level collective agreements that expand upon and improve upon the provisions of said agreements. These company-level agreements are signed with employee representatives in those companies that have such representation. The negotiating parties are responsible for establishing the duration of these agreements.

In Spain, all BBVA workforce has the recognized right to freely join and participate in union activities, without any discrimination based on membership or participation. Employee representatives are elected every four years by personal, free, direct, and secret ballot.

In Mexico and Peru, the collective bargaining agreement regulates the working conditions of employees who freely choose to unionize, while the working conditions of non-unionized employees are regulated by individual employment contracts and internal company policies.

In Colombia, the collective bargaining agreement, signed between the bank and the labor unions, regulates the conditions of unionized workers, and the Collective Pact, signed between the bank and the workers representing the non-unionized workforce, applies to non-unionized employees. The benefits of both agreements are equivalent, arise from a negotiation process based on social dialogue, and the decision to belong to one group or the other depends on the employee. The law prohibits any conduct that may be interpreted as harassment, discrimination or retaliation for the exercise of trade union or associative activities.

In Argentina, Uruguay, and Venezuela, the collective bargaining agreement applies to 100% of the workforce (except for members of senior management), regardless of whether they are unionized or not. And in Portugal, the collective bargaining agreement applies to 100% of the workforce at BBVA Portugal, while at BBVA Financial Institution CR, the working conditions of employees are governed by the terms agreed upon in employment contracts and internal policies.

In Turkey, the United States, Chile, Switzerland and Bolivia there are no union representatives, so the working conditions of workers are applied according to what is agreed in the employment contracts and the internal policy of each company.

COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE (BBVA GROUP)

	Collective Bargaining Coverage		Social dialogue
Coverage Rate	Employees – EEA [1] (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl)
0-19%		Turkey	
20-39%		Mexico	
40-59%		South America	
60-79%			
80-100%	Spain		Spain

[1] EEA = European Economic Area.

Maternity and paternity-related leave

All BBVA employees are entitled to family-related leave[53].

In Spain (BBVA, S.A.), in order to protect the period of pregnancy and child care, affected workers may shorten their working hours by reducing the time of a midday break or reducing the work day by one hour. The enjoyment of leave for infant care is improved, so that if this is through a reduction in working hours, the time of the reduction is extended from half an hour to one hour, and if it is enjoyed in the form of accumulated leave, the period for taking this leave is extended until the child is twelve months old instead of nine. During maternity or paternity leave, BBVA supplements the economic benefits up to 100% of the usual salary, and upon return, both the mother and the non-gestational parent can convert their split shift day into a continuous one until the child is twelve months old, an option that also extends to cases of adoption of a child up to five years of age. The period to be able to enjoy a reduction in working hours is extended from when the child turns twelve until the end of the school year. And in the event of the birth or adoption of a disabled child, employees may have 22 days' leave, reduce their working hours or have additional flexibility to that which generally exists in working hours.

In BBVA Mexico, parental leave for the birth of a child is extended by 20 working days for fathers and by 28 for mothers. In cases of adoption, parental leave is extended by 70 days for the mother and 30 for the father. In Colombia, parental leave is also extended by 10 working days. In both countries, these days of parental leave are added to the days contemplated in their local legislation.

In Turkey (Garanti Bank), paternity leave is extended by 5 additional days with pay, in addition to the 5 statutory days.

For employees of BBVA Peru, BBVA Argentina and BBVA Switzerland, paternity leave is extended by 20 calendar days, 30 calendar days and 10 working days respectively. At BBVA Banco Argentina, in cases of premature birth, the mother is entitled to paid leave for the same number of days that the birth occurred early. Additionally, in the event of the birth or adoption of a disabled child, paternity and maternity leave is extended by 60 calendar days.

Additionally, BBVA offers its employees the possibility of enjoying certain permits to care for family members for health reasons, with varying degrees of coverage depending on the specifics of local legislation and public systems. In this regard, Spain, Mexico, Colombia, Argentina, Peru, Uruguay, Venezuela, Switzerland and Portugal have a range of licenses/leaves that can be taken for this purpose with different levels of remuneration, as well as specific financial aid.

Digital disconnection

The right to digital disconnect is regulated by the internal laws and policies of each country, and is fundamental for better organization of working time, respect for private and family life, work-life balance, and the occupational health of employees. To promote this right, initiatives have been implemented such as avoiding sending emails or scheduling meetings outside of normal working hours, and dedicating one afternoon a week to planning and individual work.

[53] In the case of the United States, 100% of the workforce has this right, although a minimum of one year of seniority is required.

3.1.6 Occupational health and safety[54]

BBVA considers the positive contribution to the safety, health and physical integrity of its employees as a basic principle for improving the work environment.

Prevention of occupational risks

The Group's occupational risk prevention model is governed by the local regulations, agreements, and conventions in force in the various geographies where BBVA operates. Employees have the right to consultation and participation in these matters, which is exercised and developed through union representation or stakeholder groups on the different existing committees. The percentage of Group employees represented on health and safety committees amounts to 99.2%.

BBVA's Occupational Risk Prevention Management System identifies and assesses risks, establishes the criteria, methods, and resources that ensure the effectiveness of the management system, analyzes the results obtained, and implements actions to improve processes and the system. This system complies with the requirements of the OHSAS 18001:2007 standard. Some geographies are already certified according to ISO 45001 (for example, Argentina), which adopts a proactive approach to risk assessment.

The Group has an Occupational Risk Prevention Plan, integrated into the Safety, Health and Wellbeing Standard, which establishes global principles and is adapted in each country to local regulations and needs. In addition, an occupational risk prevention policy is implemented annually through actions with specific objectives in this area. These preventive actions undertaken by BBVA include: occupational risk assessments (including psychosocial risks); specific assessments for particularly vulnerable personnel and pregnant employees; employee training and information; safety inspections, accident investigation and reporting; actions to coordinate business activities related to works and services; health surveillance through medical examinations; preventive health campaigns; and satisfaction surveys.

BBVA also has an Action Plan for emergency or disaster situations that determines the people who, once organized and trained, are necessary to guarantee speed and effectiveness in the actions to be taken, inform users of the facilities about how they should act and assume coordination with external services.

VOLUME AND TYPE OF EMPLOYEES ABSENTEEISM (BBVA GROUP) (1)

	2025			2024		
	Total	Male	Female	Total	Male	Female
Number of days of absenteeism	586,033	221,889	364,144	585,820	192,369	393,451
Absenteeism rate (%) (2)	1.3	1.0	1.6	1.3	0.9	1.7

(1) Information provided to comply with explicit requirements of Law 11/2018.

(2) Absenteeism rate (%): (Number of calendar days lost due to illness —excluding maternity leave— and occupational accidents (including commuting accidents) / 365 × number of employees) × 100.

[54] Information provided to comply with the explicit requirements of Law 11/2018. The information referred to in this chapter covers companies representing 97.8% of the Group's official workforce, as it does not include the following companies: PSA Finance Argentina Compañía Financiera, Volkswagen Financial Services Compañía Financiera, BBVA Broker, BBVA Red Exterior de oficinas, AFP Previsión Provivienda, BBVA Brasil bco. investimento, BBVA Holding Chile, Continental Bolsa Sociedad Age, BBVA Perú Holding S.A.C., BBVA Consumer Finance EDPYME, Opplus Lima, Openpay Perú, Sociedad Peruana de Financiamiento SAC, Andiaport Invest Imobiliarios, BBVA Seguros, S.A. De Seguros, BBVA Servicios, S.A.U., BBVA Pensiones, S.A. E.G.F.P., Contents Area, Madiva Soluciones, BBVA Asset Management SGIIC, Hans Factory, Bilbao Vizcaya Investments, S.A.U., Europea de Titulizacion, BBVA Broker SA Correduria de s, Gestion Prevision Y Pensiones, Distrito Castellana Norte (DCN), BBVA Re Inhouse Cia. Reaseguro, Gran Jorge Juan, BBVA Mediacion, Op.Banca-Seg., Gestion y Administración de Re, BBVA Global Wealth Advisors, Inc, BBVA Bancomer SA Houston Agenc, BBVA Securities New York, BBVA Distribuidora de Seguros, Ralfi Ifn, Motoractive Ifn, GARANTI Bank G, Motoractive Multiservices SRL.

WORK–RELATED INJURIES BY GENDER (BBVA GROUP) (1)

	2025			2024		
	Total	Male	Female	Total	Male	Female
Number of occupational accidents with medical leave (excluding in itinere)	311	108	203	280	99	181
Frequency rate (2)	1.4	1.0	1.7	1.3	0.9	1.6
Severity rate (2)	0.03	0.03	0.04	0.03	0.02	0.04
Cases of occupational diseases	12	2	10	6	1	5

(1) Information provided to comply with explicit requirements of Law 11/2018.

(2) Occupational accident frequency rate: accidents per million hours worked.
Occupational accident severity rate: lost days per 1,000 hours worked.
In both cases:
* Only accidents resulting in absence are considered.
* Commuting accidents (in itinere) are not included.
* Relapses are not included.
* The number of hours worked is calculated as the average workforce during the year × annual working hours per year.

Health and wellness program

BBVA's Health and Wellbeing Program encompasses employees' mental, physical, social and professional wellbeing. Under the slogan "You Move Us", it promotes a set of initiatives aimed at caring for people by providing them with the empowerment needed to be protagonists of their own health. This program is structured around two pillars:

The "**Work Better**" pillar fosters a culture based on commitment, trust, and respect for others' time to achieve optimal productivity and efficiency, as well as the best use of working time. It promotes digital disconnection, flexible work arrangements, active listening, and effective meetings.

The "**Enjoy Life**" focus is on the holistic health and well-being of employees, in line with the principles of the World Health Organization, and is addressed through two main pillars:

1. Mind (mental health / stress management). Throughout the year, numerous initiatives have been developed, such as informative conferences, workshops, and courses on emotional management, as well as the implementation of a psychological support program for employees and their families living with them. Workshops on emotional management, digital detox, positive psychology, mindfulness, yoga, a book club, knitting, and more remain available to employees. Additionally, good sleep hygiene has been promoted among employees through conferences, courses, workshops, and personalized sleep studies.

2. Body. Cancer prevention campaigns have been carried out (colon, prostate, skin, breast, cervical, lung, etc.), along with initiatives to promote healthy lifestyle habits, preventive campaigns on the control of modifiable cardiovascular risk factors (smoking cessation, hypertension control, prevention of type 2 diabetes, preventive nutritional campaigns, body composition and obesity prevention campaigns, promotion of physical exercise, including interdepartmental sports, etc.), stroke prevention campaigns, prevention of neurodegenerative diseases, migraine management in the workplace, early detection of eye diseases, and vaccination campaigns against influenza, COVID-19, dengue fever, etc. Furthermore, the culture of postural hygiene and prevention of musculoskeletal disorders is being reinforced, with specific training on back health also being conducted. All of this is complemented by courses, workshops, and conferences led by prominent experts in the field. These events have been given greater emphasis when they have coincided with the celebration of the corresponding World Days.

The effectiveness of these initiatives to improve the health and well-being of BBVA employees is evaluated in two ways:

- Through satisfaction surveys or NPS among participants. For example, 94% of respondents considered the preventative screenings implemented in Spain for skin and retina studies to be important.
- In some cases, tangible results can be measured, such as in the obesity prevention campaign targeting individuals with a BMI above 35, which achieved an average weight loss of 8.3 kg and an improvement in body composition among participants within 3 months.

There are two dissemination platforms, both updated in 2025 with new content under the new brand identity:

- The Work Better / Enjoy Life portal, where you can find the latest news on health and well-being: current campaigns, conferences and workshops, upcoming events, most visited resources, etc.
- The Occupational Health Portal, structured into major blocks: a healthy work environment (including remote working); healthy living, with information on nutrition, physical exercise, sleep hygiene, etc.; disease prevention; procedures to be followed in the event of workplace accidents, medical examinations, etc.; road safety; and preventive information specifically for women, including pregnancy and health talks. In addition, it includes information on first aid and emergency response, risk assessments, specific protocols, and the applicable regulations and procedures.

3.1.7 Workforce characteristics[55]

The most significant data regarding the workforce is provided below. The data is based on the number of employees as of December 31, 2025 and 2024, unless otherwise explicitly stated.

The most relevant line item in the BBVA Group's Consolidated Profit and Loss Accounts containing financial data related to its employees is "Personnel expense" which is included within "Administrative costs".

EMPLOYEES BY COUNTRY (BBVA GROUP)

Country	2025	2024
Spain	**29,479**	**28,854**
Mexico	**47,745**	**48,893**
Turkey	**21,725**	**21,126**
South America	**24,511**	**23,773**
Argentina	6,739	6,182
Bolivia	35	58
Brazil	73	34
Colombia [(1)]	6,516	6,554
Chile	862	773
Peru	7,864	7,782
Uruguay	555	553
Venezuela	1,867	1,837
Other	**3,714**	**3,270**
Germany	78	62
Belgium	16	16
China [(2)]	193	154
Cyprus	94	98
South Korea	2	2
United Arab Emirates	3	1
The United States	667	513
France	91	77
India	2	2
Indonesia	3	2
Italy	105	85
Japan	14	8
Malta	14	14
Netherlands	286	249
Portugal	408	421
United Kingdom	375	234
Romania	1,192	1,177
Singapore	24	16
Switzerland	129	125
Taiwan	18	14
Total	**127,174**	**125,916**

[(1)] Includes 5 employees of BBVA Colombia located in Panama.

[(2)] Includes employees of BBVA entities in China and Hong Kong.

[55] With regard to the percentages presented below in certain tables in this section, it should be noted that the percentages relating to the number of employees have been rounded to one decimal place. As a result, their sum may appear not to total exactly one hundred percent.

EMPLOYEES BY GENDER (BBVA GROUP)

Gender	2025	2024
Male	61,749	60,999
Female	65,425	64,917
Other	–	–
Not reported	–	–
Total	**127,174**	**125,916**

EMPLOYEES BY GENDER AND GEOGRAPHICAL AREA (BBVA GROUP)

	2025			2024		
	Number of employees	Male	Female	Number of employees	Male	Female
Spain	29,479	14,844	14,635	28,854	14,575	14,279
Mexico	47,745	23,576	24,169	48,893	24,240	24,653
Turkey	21,725	9,898	11,827	21,126	9,558	11,568
South America	24,511	11,572	12,939	23,773	11,059	12,714
Rest	3,714	1,859	1,855	3,270	1,567	1,703
Total	**127,174**	**61,749**	**65,425**	**125,916**	**60,999**	**64,917**

DISTRIBUTION OF EMPLOYEES BY TYPE OF CONTRACT, GENDER AND GEOGRAPHICAL AREA (BBVA GROUP. PERCENTAGE %) [1]

	2025			2024		
	On the total number of employees	Male	Female	On the total number of employees	Male	Female
Spain						
Permanent employees – Full-time	99.7	50.4	49.6	99.5	50.6	49.5
Permanent employees – Part-time	0.1	19.1	81.0	0.1	15.8	84.2
Temporary employees	0.3	32.0	68.0	0.4	47.9	52.1
Mexico						
Permanent employees – Full-time	95.4	49.3	50.7	94.1	49.5	50.5
Permanent employees – Part-time	—	100.0	—	—	100.0	—
Temporary employees	4.7	50.8	49.2	5.9	51.2	48.8
Turkey						
Permanent employees – Full-time	99.4	45.5	54.5	99.2	45.1	54.9
Permanent employees – Part-time	—	—	—	—	—	—
Temporary employees	0.6	60.8	39.2	0.9	58.1	41.9
South America						
Permanent employees – Full-time	94.2	47.9	52.1	93.8	47.2	52.8
Permanent employees – Part-time	0.6	54.0	46.0	0.7	45.2	54.8
Temporary employees	5.2	34.2	65.8	5.5	34.5	65.5
Other						
Permanent employees – Full-time	96.8	50.1	49.9	96.9	48.2	51.8
Permanent employees – Part-time	0.4	6.3	93.8	0.5	11.8	88.2
Temporary employees	2.8	54.4	45.6	2.6	45.2	54.8
Group average						
Permanent employees – Full-time	96.9	48.7	51.3	96.2	48.5	51.5
Permanent employees – Part-time	0.1	45.7	54.3	0.2	39.7	60.3
Temporary employees	3.0	45.3	54.7	3.7	46.5	53.5

[1] Information provided to comply with explicit requirements of Law 11/2018.

DISTRIBUTION OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER (BBVA GROUP. NUMBER)

	2025					2024				
	Female	Male	Other	Not reported	Total	Female	Male	Other	Not reported	Total
Number of employees										
	65,425	61,749	—	—	127,174	64,917	60,999	—	—	125,916
Number of permanent salaried employees										
	63,342	60,026	—	—	123,368	62,457	58,864	—	—	121,321
Number of temporary salaried employees										
	2,083	1,723	—	—	3,806	2,460	2,135	—	—	4,595
Number of non-guaranteed hourly wage earners										
	—	—	—	—	—	—	—	—	—	—

DISTRIBUTION OF EMPLOYEES BY AGE STAGES AND GEOGRAPHIC AREA (BBVA GROUP. NUMBER)

	2025				2024			
	Average age	<30	30-50	>50	Average age	<30	30-50	>50
Spain	44	2,907	18,166	8,406	44	2,759	18,718	7,377
Mexico	35	13,533	31,229	2,983	35	14,737	30,843	3,313
Turkey	36	5,824	14,702	1,199	35	5,440	14,895	791
South America	38	5,479	15,272	3,760	38	5,626	14,628	3,519
Rest	42	543	2,230	941	42	434	2,010	826
Total	**38.1**	**28,286**	**81,599**	**17,289**	**37.8**	**28,996**	**81,094**	**15,826**

DISTRIBUTION OF EMPLOYEES BY PROFESSIONAL CATEGORY, AGE BRACKET AND GEOGRAPHICAL AREA (BBVA GROUP. PERCENTAGE %) (1)

	2025				2024			
	On the total number of employees	<30	30-50	>50	On the total number of employees	<30	30-50	>50
Spain								
Management team (2)	7.3 %	— %	51.2 %	48.8 %	6.9 %	— %	54.0 %	46.0 %
Managers	40.6 %	1.9 %	70.1 %	28.1 %	36.4 %	1.7 %	73.4 %	24.9 %
Other employees	52.1 %	17.5 %	56.5 %	26.0 %	56.7 %	15.8 %	60.7 %	23.5 %
Mexico								
Management team (2)	3.3 %	0.3 %	74.7 %	25.1 %	3.2 %	0.8 %	72.4 %	26.9 %
Managers	32.3 %	19.3 %	72.8 %	7.9 %	31.3 %	21.1 %	70.3 %	8.6 %
Other employees	64.4 %	34.3 %	61.2 %	4.5 %	65.5 %	35.9 %	59.2 %	4.9 %
Turkey								
Management team (2)	3.5 %	0.1 %	74.8 %	25.1 %	3.5 %	0.1 %	78.7 %	21.1 %
Managers	44.5 %	3.7 %	88.8 %	7.5 %	45.2 %	3.2 %	91.8 %	5.0 %
Other employees	52.0 %	48.4 %	49.1 %	2.5 %	51.3 %	47.3 %	51.2 %	1.5 %
South America								
Management team (2)	4.4 %	0.2 %	69.8 %	30.1 %	4.3 %	— %	70.1 %	29.9 %
Managers	29.1 %	11.2 %	71.6 %	17.2 %	28.8 %	12.5 %	71.1 %	16.4 %
Other employees	66.5 %	28.7 %	57.7 %	13.6 %	66.9 %	30.0 %	56.9 %	13.2 %
Rest								
Management team (2)	16.6 %	0.2 %	58.6 %	41.2 %	15.3 %	0.2 %	57.4 %	42.4 %
Managers	28.8 %	5.8 %	69.1 %	25.1 %	27.3 %	4.0 %	70.5 %	25.5 %
Other employees	54.7 %	23.7 %	55.7 %	20.6 %	57.4 %	21.2 %	58.3 %	20.6 %
Group average								
Management team (2)	4.9 %	0.1 %	64.1 %	35.8 %	4.6 %	0.2 %	65.2 %	34.6 %
Managers	35.6 %	9.8 %	75.2 %	15.0 %	34.2 %	10.7 %	76.0 %	13.4 %
Other employees	59.6 %	31.5 %	57.6 %	10.9 %	61.2 %	31.7 %	57.9 %	10.5 %

(1) Information provided to comply with explicit requirements of Law 11/2018.

(2) The management team includes the highest range of the Group´s management.

DISTRIBUTION OF EMPLOYEES BY PROFESSIONAL CATEGORY AND TYPE OF CONTRACT (BBVA GROUP. NUMBER)[1]

	2025			2024		
	Permanent employees – Full-time	Permanent employee Part-time	Temporary employees	Permanent employees – Full-time	Permanent employee Part-time	Temporary employees
Spain						
Management team[2]	2,154	—	—	1,990	—	1
Managers	11,962	2	1	10,504	1	2
Other employees	15,267	19	74	16,222	18	116
Mexico						
Management team[2]	1,583	—	6	1,562	—	4
Managers	15,042	—	360	14,859	—	460
Other employees	28,898	1	1,855	29,575	1	2,432
Turkey						
Management team[2]	761	—	—	729	—	—
Managers	9,674	—	2	9,558	—	—
Other employees	11,165	—	123	10,660	—	179
South America						
Management team[2]	1,076	—	2	1,023	–	1
Managers	7,129	—	1	6,823	–	13
Other employees	14,887	137	1,279	14,453	157	1,303
Rest						
Management team[2]	622	1	1	498	1	1
Managers	1,059	1	—	892	1	1
Other employees	1,914	14	102	1,779	15	82
Total Group						
Management team[2]	6,196	1	9	5,802	1	7
Managers	44,866	3	364	42,636	2	476
Other employees	72,131	171	3,433	72,689	191	4,112

[1] Information provided to comply with explicit requirements of Law 11/2018.

[2] The management team includes the highest range of the Group´s management.

ANNUAL AVERAGE OF PERMANENT, TEMPORARY, AND PART–TIME CONTRACTS BY GENDER (BBVA GROUP. NUMBER) [1]

	2025			2024		
	Total	Male	Female	Total	Male	Female
At year-end						
Permanent employees – Full-time	123,193	59,946	63,247	121,127	58,787	62,340
Permanent employees – Part-time	175	80	95	194	77	117
Temporary employees	3,806	1,723	2,083	4,595	2,135	2,460
Average						
Permanent employees – Full-time	121,869	59,251	62,618	118,659	57,367	61,292
Permanent employees – Part-time	190	81	109	201	70	131
Temporary employees	4,145	1,904	2,241	4,741	2,318	2,423

[1] Information provided to comply with explicit requirements of Law 11/2018.

ANNUAL AVERAGE OF PERMANENT, TEMPORARY, AND PART–TIME CONTRACTS BY AGE GROUP (BBVA GROUP. NUMBER) (1)

	2025			2024		
	<30	30-50	>50	<30	30-50	>50
At year-end						
Permanent employees – Full-time	25,921	80,056	17,216	26,034	79,353	15,740
Permanent employees – Part-time	26	129	20	48	128	18
Temporary employees	2,339	1,414	53	2,914	1,613	68
Average						
Permanent employees – Full-time	24,279	80,059	17,531	23,760	78,779	16,120
Permanent employees – Part-time	40	130	20	54	129	18
Temporary employees	2,506	1,583	56	2,957	1,718	66

(1) Information provided to comply with explicit requirements of Law 11/2018.

ANNUAL AVERAGE OF PERMANENT, TEMPORARY, AND PART–TIME CONTRACTS BY PROFESSIONAL CATEGORY (BBVA GROUP. NUMBER) (1)

	2025			2024		
	Management team	Managers	Other employees	Management team	Managers	Other employees
At year-end						
Permanent employees – Full-time	6,196	44,866	72,131	5,802	42,636	72,689
Permanent employees – Part-time	1	3	171	1	2	191
Temporary employees	9	364	3,433	7	476	4,112
Average						
Permanent employees – Full-time	6,015	44,128	71,726	5,590	40,885	72,184
Permanent employees – Part-time	1	3	186	1	2	197
Temporary employees	8	441	3,696	11	515	4,214

(1) Information provided to comply with explicit requirements of Law 11/2018.

DISCHARGE OF EMPLOYEES BY DISCHARGE TYPE AND GENDER (BBVA GROUP. NUMBER)

	2025			2024 [1]		
	Total	Male	Female	Total	Male	Female
Spain						
Retirement and early retirement	139	86	53	186	124	62
Voluntary redundancies	20	12	8	19	10	9
Resignations	387	225	162	409	238	171
Dismissals	78	62	16	67	50	17
Other [2]	671	311	360	842	382	460
Mexico						
Retirement and early retirement	625	313	312	366	219	147
Voluntary redundancies	3,213	1,652	1,561	2,031	1,019	1,012
Resignations	2,124	1,064	1,060	2,036	1,027	1,009
Dismissals	613	356	257	567	336	231
Other [2]	528	300	228	631	377	254
Turkey						
Retirement and early retirement	1	—	1	1	1	—
Voluntary redundancies	448	221	227	211	111	100
Resignations	1,081	468	613	1,396	636	760
Dismissals	9	5	4	8	8	—
Other [2]	1,057	467	590	1,079	529	550
South America						
Retirement and early retirement	72	35	37	104	46	58
Voluntary redundancies	29	12	17	65	31	34
Resignations	1,879	770	1,109	1,786	746	1,040
Dismissals	633	276	357	1,032	493	539
Other [2]	912	455	457	1,015	479	536
Rest						
Retirement and early retirement	18	6	12	30	16	14
Voluntary redundancies	42	16	26	65	22	43
Resignations	224	89	135	256	97	159
Dismissals	42	30	12	26	18	8
Other [2]	57	24	33	32	20	12
Total Group	**14,902**	**7,255**	**7,647**	**14,260**	**7,035**	**7,225**
Retirement and early retirement	855	440	415	687	406	281
Voluntary redundancies	3,752	1,913	1,839	2,391	1,193	1,198
Resignations	5,695	2,616	3,079	5,883	2,744	3,139
Dismissals	1,375	729	646	1,700	905	795
Other [2]	3,225	1,557	1,668	3,599	1,787	1,812

[1] In 2025, a reclassification of termination, resignations and voluntary redundancies categories was carried out. In order to facilitate comparability between periods, this change has also been applied retrospectively to 2024; therefore, some figures do not coincide with those presented in the 2024 NFIS.

[2] Other include terminations, death, leaves of absence and changes in the scope of consolidation.

DISCHARGE OF EMPLOYEES BY DISCHARGE TYPE AND AGE STAGES (BBVA GROUP. NUMBER)[1]

	2025				2024[2]			
	Total	<30	30-50	>50	Total	<30	30-50	>50
Spain								
Retirement and early retirement	139	—	2	137	186	—	2	184
Voluntary redundancies	20	—	3	17	19	—	5	14
Resignations	387	144	220	23	409	154	245	10
Dismissals	78	7	44	27	67	8	38	21
Other[3]	671	171	388	112	842	211	518	113
Mexico								
Retirement and early retirement	625	—	—	625	366	—	—	366
Voluntary redundancies	3,213	605	2,336	272	2,031	602	1,361	68
Resignations	2,124	829	1,258	37	2,036	849	1,155	32
Dismissals	613	118	463	32	567	102	401	64
Other[3]	528	251	249	28	631	322	291	18
Turkey								
Retirement and early retirement	1	—	1	—	1	—	1	—
Voluntary redundancies	448	42	270	136	211	23	130	58
Resignations	1,081	549	493	39	1,396	778	568	50
Dismissals	9	2	6	1	8	6	2	—
Other[3]	1,057	564	467	26	1,079	544	508	27
South America								
Retirement and early retirement	72	—	—	72	104	—	2	102
Voluntary redundancies	29	3	15	11	65	5	20	40
Resignations	1,879	718	1,113	48	1,786	767	985	34
Dismissals	633	131	405	97	1,032	186	611	235
Other[3]	912	399	401	112	1,015	355	458	202
Rest								
Retirement and early retirement	18	—	—	18	30	—	—	30
Voluntary redundancies	42	7	26	9	65	16	38	11
Resignations	224	62	138	24	256	51	175	30
Dismissals	42	3	24	15	26	3	12	11
Other[3]	57	11	34	12	32	5	21	6
Total Group	**14,902**	**4,616**	**8,356**	**1,930**	**14,260**	**4,987**	**7,547**	**1,726**
Retirement and early retirement	855	—	3	852	687	—	5	682
Voluntary redundancies	3,752	657	2,650	445	2,391	646	1,554	191
Resignations	5,695	2,302	3,222	171	5,883	2,599	3,128	156
Dismissals	1,375	261	942	172	1,700	305	1,064	331
Other[3]	3,225	1,396	1,539	290	3,599	1,437	1,796	366

[1] Information provided to comply with explicit requirements of Law 11/2018.

[2] In 2025, a reclassification of termination, resignations and voluntary redundancies categories was carried out. In order to facilitate comparability between periods, this change has also been applied retrospectively to 2024; therefore, some figures do not coincide with those presented in the 2024 NFIS.

[3] Other includes permanent departures, death, leaves of absence and changes in the scope of consolidation.

DISMISSALS BY PROFESSIONAL CATEGORY AND AGE BRACKET (BBVA GROUP. NUMBER) [1]

	2025				2024 [2]			
	Total	<30	30-50	>50	Total	<30	30-50	>50
Spain								
Management team [3]	11	—	2	9	6	—	2	4
Managers	30	1	16	13	17	—	14	3
Other employees	37	6	26	5	44	8	22	14
Mexico								
Management team [3]	27	—	21	6	26	—	18	8
Managers	361	61	286	14	289	59	213	17
Other employees	225	57	156	12	252	43	170	39
Turkey								
Management team [3]	—	—	—	—	—	—	—	—
Managers	5	—	4	1	2	—	2	—
Other employees	4	2	2	—	6	6	—	—
South America								
Management team [3]	17	—	12	5	33	—	16	17
Managers	197	18	135	44	382	27	251	104
Other employees	419	113	258	48	617	159	344	114
Rest								
Management team [3]	7	—	3	4	5	—	1	4
Managers	25	1	14	10	6	—	3	3
Other employees	10	2	7	1	15	3	8	4
Total Group	**1,375**	**261**	**942**	**172**	**1,700**	**305**	**1,064**	**331**
Management team [3]	62	—	38	24	70	—	37	33
Managers	618	81	455	82	696	86	483	127
Other employees	695	180	449	66	934	219	544	171

[1] Information provided to comply with explicit requirements of Law 11/2018.

[2] In 2025, a reclassification of termination, resignations and voluntary redundancies categories was carried out. In order to facilitate comparability between periods, this change has also been applied retrospectively to 2024; therefore, some figures do not coincide with those presented in the 2024 NFIS.

[3] The management team includes the highest range of the Group´s management.

TOTAL TURNOVER RATE AND DISTRIBUTION BY GENDER (BBVA GROUP. PERCENTAGE %) [1]

	2025			2024		
	Total employee turnover rate	Male	Female	Total employee turnover rate	Male	Female
Spain	4.4	4.7	4.1	5.4	5.7	5.1
Mexico	14.9	15.6	14.2	11.8	12.6	11.0
Turkey	12.1	11.9	12.2	13.0	13.7	12.4
South America	14.5	13.6	15.4	16.9	16.3	17.4
Rest	10.9	9.5	12.2	13.0	11.5	14.4
Total	**11.8**	**11.9**	**11.8**	**11.5**	**11.8**	**11.3**

[1] Total turnover rate = (total terminations during the year / average year headcount) * 100.

3.2 Consumers and end-users

3.2.1 Customer experience

3.2.2 Complaints channel

3.2.3 Access to services and products

3.2.4 Transparency in the information provided to customers about products and services

3.2.5 Social business channeled

BBVA's new purpose, **"Support your drive to go further"** places the customer squarely at the heart of the matter. In an increasingly complex and unpredictable global landscape, BBVA aims to stand alongside individuals and enterprises, becoming their strongest ally, guiding them, identifying their needs, and offering the best solutions to help them achieve their goals and realize their projects.

To achieve this purpose, the Group places at the heart of its strategy the top priority of all, "**Embed a Radical Client Perspective** (RCP) **in all we do**". Furthermore, the Group reinforces its commitment to the value of **"The customer comes first"**, which guides the actions of its employees.

RCP drives a new way of doing banking in which everything starts with listening to and gaining a deep understanding of the customer. It is not only about offering products and services, but about creating experiences that inspire trust, foster progress and reflect a genuine commitment to customers' wellbeing and financial health. **It represents a new way** of interacting with customers, focused on hyper-personalization and real-time contextualization, leveraging new technologies.

In this regard, **digitalization**, which was the main differentiating driver in the previous strategic cycle, gives way to a **new phase in which innovation** (artificial intelligence and next-generation technologies) **and the responsible use of data** are consolidated as key levers.

Thanks to real-time data analysis and sensing powered by AI, together with feedback obtained through active listening, BBVA turns every customer interaction into a learning opportunity to understand what customers truly need and, in doing so, anticipate their needs and deliver an outstanding, genuinely personalized experience:

- **Information management and transparency** continue to be regarded as a critical aspect of the relationship with customers. Insufficient, ambiguous or inaccurate communication about the products and services offered may give rise to risks, in addition to negatively affecting customer trust and the Group's perception. BBVA reinforces its commitment to clarity, accuracy and accessibility of information, which are essential elements for ensuring trust-based relationships that are fully aligned with RCP.
- **Digital inclusion and access to products and services** play a decisive role in the Group's strategy. Expanding financial services through digital channels and the responsible use of artificial intelligence help **drive financial inclusion and generate a positive social impact** by facilitating equitable and secure access to financial products and services.

Another key element of the 2025-2029 Strategic Plan, designed to support customers, is positioning Sustainability as a driver of growth, with the aim of continuing to lead a transformation that represents a significant opportunity. To this end, the Group supports its customers with expert advice and tailored financing, responding to a growing demand for more efficient, environmentally responsible, and socially conscious energy solutions.

In this way, sustainability is consolidated not only as a **business opportunity**, but also as an **essential pillar of competitiveness and long-term development**, and as a **structural element of the Group's relationship with its customers** and its **contribution to economic and social progress**.

To determine the materiality of the impacts, risks, and opportunities related to consumers and end-users, the methodology described in the chapter "Double materiality analysis" has been applied. The Group has established policies[56], procedures, and, in certain cases, objectives for all of these, which are detailed in their respective sections of this document. Specific teams are responsible for their implementation. Similarly, customer feedback mechanisms (see "Customer experience" section) and customer service channels (see "Complaints channel" section) enable the management of issues related to material impacts and risks.

3.2.1 Customer experience

As evidenced in the new Strategic Plan 2025-2029, BBVA is committed to understanding and radically embedding the client perspective into everything it does (Radical Client Perspective or "RCP"), leveraging **three fundamental pillars** that guide all customer experience management:

- **To enthrall with a differentiated value proposition**, anticipating needs and offering hyper-personalized, simple, and relevant solutions precisely when they are needed.
- **To achieve excellence in every experience**, ensuring that all interactions—regardless of channel and context—are agile, consistent, and empathetic, eliminating friction and exceeding expectations.
- **To foster a new kind of relationship**, based on hyper-personalized and genuine advice, supported by artificial intelligence and the responsible use of data. Three initiatives stand out in this regard, contributing to an improved relationship model and integrated into the roadmap that articulates the Group's AI strategy (see also the strategic priorities included in "BBVA Group strategy" section within "BBVA at a glance"):
    - Initiative 1: Blue, BBVA's digital assistant, is evolving towards a new hyper-personalized service model, providing conversational and multimodal support with 24/7 availability and the ability to advise on and execute transactions.
    - Initiative 2: Sales support tools are being developed with the aim of enhancing the customer relationship model and increasing bankers' proactivity. Relationship managers will benefit from being able to devote more time to customer engagement and, therefore, to building a value proposition that is more closely tailored to their needs.
    - Initiative 3: BBVA is developing risk management assistants that allow for faster response times and greater accuracy in handling customer loan applications.

[56] Since 2018, the BBVA Group has carried out two global Human Rights Due Diligence exercises as part of its commitment to compliance with applicable laws and to respect for internationally recognized Human Rights, taking the United Nations Guiding Principles on Business and Human Rights as its reference framework. Within the scope of these exercises, among other aspects, issues related to customer well-being were addressed, prioritizing elements such as accessibility and service, as well as safety and respect.

To achieve this, BBVA operates on a firm conviction: **deeply understanding the customer** is the first step in realizing this strategic priority of RCP, as it allows BBVA to grasp how customers think, feel, and act when interacting with the bank, and to identify areas for improvement in order to meet their expectations and ensure that every interaction is useful, simple, and memorable. The goal is not simply to offer financial products and services, but to create experiences that inspire trust, drive progress, and reflect a genuine commitment to customers' well-being and financial health. To this end, BBVA has launched a project to sensorize key customer interactions that will enable to understand in real time through, AI customer needs and sentiments, personalizing their experience and making each interaction a moment of added value.

This listening process is led by the RCP and Customer Experience teams in each region, who work in coordination with global teams to gain a comprehensive view. This approach allows BBVA to understand both the level of customer recommendation for its products, channels, and services, as well as more specific aspects of their interactions with the entities of the Group, such as the service received, their experience on digital channels, and the resolution of issues.

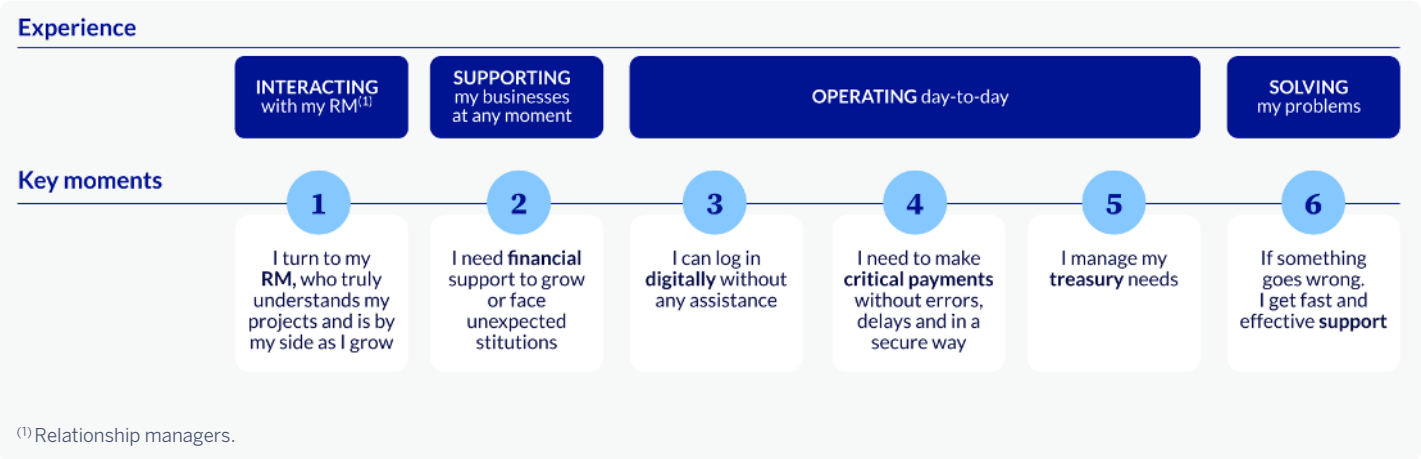
In this area, for more than a decade, BBVA has applied the globally recognized **NPS** methodology, which allows for the comprehensive measurement and management of the experience of customers and non-customers alike by continuously gathering their opinions throughout the year.

In this constantly and rapidly changing environment, and within the framework of RCP, BBVA has evolved its NPS model by complementing it with an advanced, real-time listening model for retail banking customers, which preserves the robustness of the traditional approach while expanding its reach and depth through new tools. This model enables the continuous measurement of positive word of mouth and satisfaction directly through the mobile app. This broadens listening coverage and increases the quality and relevance of the information obtained. This approach makes it possible to reach the entire base of mobile retail customers at least once a year, providing daily and qualitative data on their perceptions, concerns and areas for improvement, as well as a more accurate understanding of the real-time customer experience.

The NPS is part of the Group's strategic indicators, monitored monthly by Senior Management at both the corporate and local levels. Furthermore, they are subject to a global governance model and are integrated into the variable remuneration system for all employees, fostering collective involvement in the continuous improvement of the customer experience.

This methodology enables the systematic analysis of strengths and areas for improvement identified in each channel or product. The results are shared periodically with Management Committees, allowing for the establishment of tactical and strategic action plans that include optimizing relationship processes, simplifying customer journeys, and improving service across all channels. It also allows BBVA to monitor the impact of the improvements made, ensuring a more consistent, secure, and seamless experience.

In the Enterprise segment, the industry is moving toward more advanced and precise measurement models, considering that this type of customer interacts with multiple roles - CEOs, CFOs, treasures, digital users. The new standard focuses on **understanding the customer experience at the moment of interaction,** leveraging analytics, AI, and predictive insights to deliver more actionable and traceable results. For this reason, in 2025 BBVA launched a **Customer Experience** model centered on the customer journey — identifying the Key Moments that define customers' relationship and experience with BBVA. Based on interviews with customers, relationship managers, and product leads, **six Key Moments** have been prioritized — those where BBVA can create the greatest impact.



(1) Relationship managers.

Under the "Projective Support" approach, each Key Moment is translated into three levels of experiences:

- Basic: trust and security.
- Differentiating: active listening and personalization.
- Memorable: inspiration and optimism.

Around this model, which provides a shared, standardized and measurable view based on objective data (Voice of Data), variables are assessed (including customer visits, number of incidents, claims and channel unavailability) that measure basic experiences across the six aforementioned Key Moments.

3.2.2 Complaints channel

As part of the Group's active listening to customers, BBVA maintains a network of **customer service and complaints-handling channels** designed to provide both customers and non-customers with an **effective, accessible and needs-adapted means of communication**. The objective is to ensure that any inquiry, comment or disagreement related to a banking product, service or management process can be addressed in an efficient, transparent and satisfactory manner.

These channels —**onsite, telephone and digital**— are continuously updated and made available on the main page of the online banking platform in each geography. In accordance with the provisions of the **Group's Code of Conduct,** all employees are required to direct users to the official resolution channels, thereby reinforcing the traceability and effectiveness of the process. Furthermore, contracts include a dedicated section detailing the mechanisms available and the procedure to be followed for submitting complaints.

Claims management is carried out by specialized in-house teams operating under a common action framework based on two essential principles: swift resolution and root-cause analysis of the incidents reported. This model, adapted to the local regulatory requirements of each geography, enables not only the individual handling of each case but also the extraction of insights to prevent recurrence, thus contributing to the continuous improvement of the customer experience and reinforcing trust in BBVA.

Claims management is conceived as an extension of the comprehensive listening model promoted by RCP. Each interaction, including the resolution of incidents, represents an opportunity to better understand customer expectations and strengthen the relationship. For this reason, Customer Experience teams and complaints units work in close coordination.

All claims are handled with diligence, impartiality, and respect for privacy, ensuring at all times the protection of personal data, which will be used exclusively for the management of the claim. The Group reaffirms its commitment to the protection of customers' rights, ensuring that no person will be subject to adverse consequences for making use of this complaint mechanism.

BBVA has a Customer Care Service in each geography in which it operates, endowed with the autonomy necessary to ensure that its decisions remain free from conflicts of interest. This service is supported by adequate human and technological resources that guarantee the timely resolution and full traceability of the claims received. Moreover, its management model allows for the systematic identification of opportunities to improve processes, services and customer care, thereby reinforcing quality and consistency across all points of contact.

Information relating to the volume of claims, their root causes, response times and main reasons is reported periodically to the Group's corporate bodies, including the Board of Directors (through the annual report), the Senior Management of each geography and the competent regulators and supervisors, such as the Bank of Spain and the European Central Bank, in compliance with the semi-annual reporting requirements.

Throughout 2025, the Group's claims units continued to strengthen process efficiency and deepening their analysis of the most frequent causes. Joint plans were developed with business areas to eliminate recurring reasons for claims and anticipate emerging scenarios.

MAIN CLAIMS INDICATORS (BBVA GROUP) [1]

	2025	2024
Number of claims submitted to the banking authority for every 10,000 active customers	11.43	10.61
Average time for settling claims (calendar days)	7.43	6.99

[1] Information provided to comply with explicit requirements of Law 11/2018.

The claims submitted to supra-banking authorities (per 10,000 active customers) in 2025 and 2024 are as follows:

CLAIMS SUBMITTED TO THE BANKING AUTHORITY BY COUNTRY (NUMBER FOR EVERY 10,000 ACTIVE CUSTOMERS) [1][2]

	2025	2024
Spain	2.31	2.16
Mexico	9.76	9.91
Turkey	8.24	8.70
Romania	1.55	3.52
Argentina	3.07	1.63
Colombia	139.00	98.24
Peru	1.92	2.25
Venezuela	0.15	0.03
Uruguay	0.00	0.14
Portugal	22.47	16.51

[1] The supra-banking authority refers to the external financial authority body in each country, where a customer can file a claim.
[2] Information provided to comply with explicit requirements of Law 11/2018.

Monitoring resolution times is a key indicator of the effectiveness of the model. In 2025, 96% of the Group's claims were handled in a timely and proper manner, with an average resolution time of 7.43 calendar days. At Group level, this average time increased by 6% (0.4 days) compared to 2024, mainly due to upticks recorded in Turkey and Peru. By contrast, improvements were observed in Uruguay and Romania, which had reported the longest average resolution times in 2024. Overall, these results reflect the maturity of the system and its contribution to a simpler, more transparent and reliable customer experience.

AVERAGE TIME FOR SETTLING CLAIMS BY COUNTRY (CALENDAR DAYS) [1][2]

	2025	2024
Spain	11.06	11.07
Mexico	5.03	4.88
Turkey	4.89	3.45
Romania	5.43	15.11
Argentina	11.00	10.38
Colombia	9.21	8.42
Peru	8.45	5.79
Venezuela	9.89	10.78
Uruguay	11.38	14.00
Portugal	10.24	6.41

[1] The claims considered for the calculation of the average resolution time include those received and resolved during the same financial year.

[2] Information provided to comply with explicit requirements of Law 11/2018.

In 2025, Spain and Peru in particular show improvements in the number of complaints per 10,000 customers, driven by the implementation of process enhancements. These improvements are partially offset by increases mainly in Argentina, due to incidents arising from changes in the account structure, in Colombia, due to a rise in complaints related to certain financial products, including credit cards, and in Mexico due to the increase in the transactionality of customers.

TOTAL VOLUME OF CLAIMS (NUMBER FOR EVERY 10,000 ACTIVE CUSTOMERS) [1]

	2025	2024
Spain	160.06	278.66
Mexico	455.12	415.16
Turkey	148.31	132.42
Romania	177.23	260.88
Argentina	2,499.23	2,287.81
Colombia	571.20	485.29
Peru	537.72	603.70
Venezuela	90.05	56.94
Uruguay	718.28	800.33
Portugal	33.57	24.24

[1] Information provided to comply with explicit requirements of Law 11/2018.

Customer Support Service and Customer Ombudsman in Spain

The activities of the Customer Service Department (hereinafter, SAC, for its Spanish acronym) and the Customer Ombudsman in 2025 were carried out in accordance with the provisions of Article 17 of Ministerial Order (OM) ECO/734/2004, of March 11, of the Ministry of Economy and in compliance with the powers and procedures established in the BBVA Group's Customer Protection Regulations in Spain, approved on July 23, 2004, by the Bank's Board of Directors and subsequent amendments, being replaced by a new Regulation approved on September 30, 2025. Article 5 of these Regulations establishes that the SAC and the Customer Ombudsman shall submit to the BBVA Board of Directors, within the first quarter of each year, a joint or separate explanatory report for all BBVA Group entities included within the scope of these Regulations, containing statistical summaries, the general criteria used in resolving complaints regarding the most frequently complained-about matters, and recommendations and suggestions to improve the service provided to customers and suggestions to improve the bad banking practices.

Based on the aforementioned regulations, the SAC is entrusted with the function of attending to and resolving complaints and claims received from customers in relation to the products and services marketed and contracted in Spanish territory by the entities of the BBVA Group.

Meanwhile, and also based on the aforementioned regulations, the Customer Ombudsman hears and resolves, in the second instance, the complaints and claims, within the quantitative limits established by the Regulation, that customers decided to submit to its consideration after having had their claim rejected by the Customer Service Department.

Activity report of the Customer Support Service in Spain

At BBVA, customer protection is a central pillar of its operations. Although multiple controls and supervisory measures are in place, financial activity is not immune to potential issues. Therefore, it is essential to anticipate possible errors and establish mechanisms that allow for their swift and effective correction, avoiding, whenever possible, the need for a formal complaint.

To this end, the SAC acts as an internal driver of continuous improvement, conveying the criteria and recommendations issued by regulators in their reports to the relevant departments. Its work makes a decisive contribution to compliance with regulations on transparency and customer protection, as well as to maintaining good banking practices and customs within BBVA. To achieve this, the SAC actively participates in various internal communication channels with the sales network and in committees dedicated to the evaluation and approval of new products and services, among other forums.

Furthermore, the SAC is responsible for handling and resolving complaints from BBVA Group customers in Spain within the established timeframes and conditions. This function not only allows BBVA to provide an appropriate response to customers, but also acts as an early detection system for potential shortcomings in product marketing or in the overall customer relationship.

The daily management of these claims leads to actions aimed not only at resolving specific cases, but also at identifying the root causes and preventing their recurrence. The SAC continuously analyzes the information generated by claims management, in order to detect recurring patterns or legal, operational, or behavioral risks.

As a result of this analysis and evaluation work, the SAC leads and coordinates committees and working groups that address the most relevant or potential problems, promoting solutions that reinforce the quality and consistency of the service provided to customers.

In line with BBVA’s values, the SAC provides cohesion and purpose to the organization’s activities, playing a key role in consolidating a relationship of trust and transparency with customers.

Furthermore, BBVA's Customer Service operates in full accordance with the RCP strategy, an approach that represents much more than a strategic priority; it's a shift in mindset that encourages putting customers first, seeing the world through their eyes, and offering an exceptional experience. This vision inspires evolution through empathy, active listening, and agility.

The number of complaints received by BBVA Group customers in Spain in 2025 totaled 159,040 (268,603 in 2024), of which 133,577 were accepted (156,938 in 2024). Meanwhile, 25,861 cases were not accepted for processing because they did not meet the requirements set out in Ministerial Order ECO/734 (including complaints pending at the end of 2024)[57].

During the same period, 132,404 cases were resolved by SAC (including complaints pending as of year-end 2024), while 4,166 cases remained pending review as of December 31, 2025.

The decline in complaints is mainly due to the lower number of complaints received related to mortgage loan arrangement costs. Nevertheless, there has been an increase in complaints received regarding revolving credit cards under the Cards category.

The following provides a breakdown of additional data on claims as of December 31, 2025 and 2024:

COMPLAINTS RECEIVED BY THE SAC BY COMPLAINT TYPE (BBVA IN SPAIN. PERCENTAGE %) (1)

Type	2025	2024 (2)
Lending products	30	59
Cards	21	12
Fraud	14	6
Customer funds	13	10
Insurance	6	4
Quality of service and advice	4	3
Services, receipts	3	2
Fixed and variable income securities	1	0
Other	8	4
Total	**100**	**100**

(1) Information provided to comply with explicit requirements of Law 11/2018.

(2) The 2024 data have been updated to reflect the change in criteria from complaints managed to complaints received and differ from those published in the 2024 Non-Financial Information Statement.

COMPLAINTS MANAGED BY SAC ACCORDING TO RESOLUTION (BBVA IN SPAIN. NUMBER) (1)

	2025	2024
In favor of the claimant	39,953	44,454
Partially in favor of the claimant	3,271	6,081
In favor of BBVA	89,180	113,186
Total	**132,404**	**163,721**

(1) Information provided to comply with explicit requirements of Law 11/2018.

Report on the activity of the Customer Ombudsman

In 2025, a total of 2,814 customer complaints were submitted to the Customer Ombudsman's Office (2,065 in 2024). Of these, 69 were not admitted for processing because they failed to meet the requirements set out in Ministerial Order ECO/734/2004, and 109 remained pending as of December 31, 2025.

Of the total customers who filed a complaint with the Customer Ombudsman in 2025, 41.32% obtained some form of satisfaction, total or partial, from a resolution by the Customer Ombudsman's Office in 2025 (42.39% in 2024). Customers who are not satisfied with the response from the Customer Ombudsman can contact the official supervisory bodies (Bank of Spain, CNMV and Directorate General of Insurances and Pensions Funds). A total of 156 complaints were submitted by customers to the supervisory bodies in 2025 (154 in 2024).

[57] In addition to these claims, there were 3,958 claims related to mortgage floor clauses received during 2025, of which 143 were not admitted and 3,815 were resolved during the year. These claims are handled by the Mortgage Floor Clause Department.

BBVA continues to make progress in implementing the various recommendations and suggestions made by the Customer Ombudsman regarding the suitability of products to the profile of customers and the need for transparent, clear and responsible information. Throughout 2025, due to the type of complaints received, the Ombudsman's suggestions focused on the need to adopt measures to improve customer service protocols, especially in matters such as pension plans and blocking, and, as in previous years, to reinforce and improve the measures that the Bank is adopting to prevent and raise awareness among customers about cyber fraud.

The data on complaints handled by the customer Ombudsman's office by type of complaint, as of the end of 2025 and 2024, are detailed below:

COMPLAINTS HANDLED BY THE CUSTOMER OMBUDSMAN OFFICE BY COMPLAINT TYPE (BBVA IN SPAIN. NUMBER) [1]

Type	2025	2024
Insurance and pension products	1,043	907
Lending transactions	10	28
Investment services	16	31
Deposit-taking transactions	158	128
Other banking products (credit card, ATMs, etc.)	491	316
Collection and payment services	939	492
Other	157	163
Total	**2,814**	**2,065**

[1] Information provided to comply with explicit requirements of Law 11/2018.

The type of complaints handled in the table above follows the criteria established by the Complaints Department of the Bank of Spain in its requests for information.

Meanwhile, data on claims managed by the Office of the Ombudsman according to the decision reached, at the end of 2025 and 2024, are as follows:

COMPLAINTS HANDLED BY THE CUSTOMER OMBUDSMAN OFFICE ACCORDING TO RESOLUTION (BBVA IN SPAIN. NUMBER) [1]

	2025 [2]	2024
Formal resolution	—	—
Upheld (in whole or in part)	1,163	886
Dismissed	1,542	1,135
Customer withdrew complaint	7	—
Total	**2,712**	**2,021**

[1] Information provided to comply with explicit requirements of Law 11/2018.

[2] Complaints recorded during 2025, excluding those that were deemed inadmissible or remained pending at year-end, and additionally including complaints pending from the previous financial year.

3.2.3 Access to services and products

Digitalization as a lever for a more accessible bank

Access to products and services through digitalization is key to fulfilling the ambitions of the BBVA Group's strategic priorities. In 2025, the Bank continued to drive significant progress in this area, improving access to financial products and services for all its customers, regardless of their personal circumstances or location.

In the context of RCP, digitalization and the use of new AI technologies are fundamental to improving the experience and attracting new customers, and therefore constitute key pillars of the business area plans[58] developed over 5 years. The ultimate responsibility for these plans lies with the global head of each area and applies to all geographical areas in which the Group operates.

Digitalization is also emerging as a key driver for promoting financial inclusion in the various regions where the BBVA Group operates, offering a range of digital products and services. For more information on how BBVA promotes inclusion and integration into the financial system, see the "Sustainability as a growth engine" section.

In the Retail segment, digitalization is monitored and driven through various programs, such as Boost Open Market, which principal aim is to acquire customers through a fully digital and personalized onboarding process. These programs not only drive the adoption of digital services but also enhance the user experience by combining technological advancements with human elements, enabling the Group to offer a more personalized and attentive service. Monitoring the objectives set for each program is carried out through regular high-level meetings, where the progress of strategic initiatives related to digitalization is reviewed, thus allowing for the tracking of the Plan's overall development.

During the implementation and development of these initiatives for Retail customers, the Group also ensures that digital solutions are accessible and inclusive, meeting the needs of people with disabilities or technological barriers, guaranteeing that the digital transformation leaves no customer behind.

For Enterprise segment customers, various digitalization initiatives continued to be promoted, with a particular focus on treasury management, financing and international services, which represent key levers in these customers' operating models.

Among the main initiatives implemented, the following stand out:

- BBVA Directa: A service that enables international financial institutions to execute immediate payments to Spain through instant transfers, aimed at corporate customers (and retail customers) that need to manage their treasury increasingly online and require greater immediacy in this type of transaction.
- SAP/BBVA Embedded Banking Agreement: Enables companies to connect with multiple banks to manage financial transactions in an integrated and secure manner within the SAP system.
- Virtual accounts solution: Enables automated reconciliation of collections and payments and provides a real-time view of liquidity positions.
- Virtual cards for travel agencies: Offers greater visibility, liquidity and control over B2B payment flows, enhancing payment strategies.
- Transformation of payment and transfer services for companies: The customer experience has evolved across three key areas:
    - First, payment processing has shifted from predefined processing windows to a much more immediate operation, close to "near real time".

[58] No specific third-party rules or regulations have been taken into account in the development of these plans.

- Second, execution capacity has been increased to reduce volume constraints and enable greater scale within a single operation.
- Finally, traceability has been strengthened, allowing customers to know the status of payments at all times and their position within the process.

Initiatives in both segments are defined and adapted online to the needs and interests of customers, obtained through continuous feedback.

Collaboration with customers on digitalization

For customers within the Retail segment, the process of listening to and collecting feedback and experiences carried out by the BBVA Group in relation to digitalization is primarily based on gathering all information processed through the BBVA mobile application, hereinafter the "App" (interests, opinions, usage habits, etc.), referred to as "feedback", a continuous and direct process conducted through the App and other digital channels. In addition, the App requests customer feedback on ease of use after completing key transactions, such as transfers or the contracting of financial products, providing BBVA with information to continuously improve its digital services so that each digital interaction between the customer and BBVA is an agile, simple, excellent and value-added experience. Furthermore, the BBVA App has been adapted to address the needs of the most vulnerable groups, thereby including them in this process.

For Enterprise segment customers, BBVA maintains an ongoing model of listening and collaboration that enables customer feedback to be systematically incorporated into the design and evolution of digital solutions. This process is articulated through different channels and dynamics, among which the following stand out:

- Workshops, co-creation sessions and meetings with key customers across different geographies, aimed at identifying functional needs, priorities and opportunities for improvement in the digital offering.
- Analysis of the use of digital platforms (such as cash management, payments and financing solutions), which makes it possible to identify behavioral patterns, friction points and value levers for customers and relationship managers, together with the continuous interaction of BBVA teams with customers, channeling specific needs to product and transformation teams.

The information obtained through these mechanisms is used as input for the prioritization of initiatives, the definition of product roadmaps and the continuous improvement of the digital experience for Enterprise customers.

Based on a thorough analysis of customer opinions, behaviors, and feedback, initiatives are established, incorporating improvements based on their needs and expectations, ensuring the effectiveness of the collaboration. This guarantees that every step toward customer digitalization is taken with their interests and needs in mind.

The effectiveness of this collaboration process is measured through KPIs, which are monitored on a regular basis, in some cases even daily. Once again, NPS stands out, enabling BBVA's management to assess the initiatives implemented and provides a comparison of performance with other entities in the sector. Within the framework of the RCP program, NPS is evolving toward an advanced listening model, through the new thermal NPS based on daily measurements from customer surveys conducted in the App. This information also serves as input used to adjust functionalities and optimize access to online services. For further information on NPS, please refer to the previous "Customer experience" section.

Responsibility for carrying out collaboration with customers around digitalization, both through the App and via the annual survey, also lies with the global heads of Retail Client Solutions, as well as with the local managers in the geographic areas where BBVA operates.

The information gathered through these processes, along with market analysis, has served as input for defining the strategic plans indicated above.

Actions in the field of digitalization and the use of the AI

Retail customers

BBVA Group's Plan is developing various initiatives, reinforcing its commitment to the continuous evolution of its App as one of the key drivers for improving the customer experience. The Global Mobile App team is leading this development. Thanks to an intuitive, personalized design adaptable to diverse user types, customers, including vulnerable groups (such as the elderly or people with disabilities), are encouraged to manage their finances simply and securely. As an example, a simplified version of the App has been launched for seniors, improving readability and ease of use for its most frequently used features.

Below are some of the main initiatives carried out within the BBVA Group during fiscal year 2025, which will continue to be implemented throughout fiscal year 2026 and rolled out across the different geographies in which the Group operates, as the App is subject to continuous improvement:

Payment and transaction optimization Simplification and optimization of payment and collection processes in the App, improving clarity, speed and agility in operations such as person-to-person payments, QR payments and card data inquiry.	**Milestones 2025** **Quick payments** Implementation in Spain and Peru and in phase 1 in Mexico and Colombia.
Digitization of customer service Optimization of the relational model through the incorporation of advanced language models, voice solutions, and automated functionalities allows more efficient and rapid resolution of incidents and frequent queries. The objective is to enhance customer satisfaction levels.	**Milestones 2025** **Blue** (Initiative 1) Increasing integration of AI as virtual assistants at all customer touchpoints.
Financial health Recommendations to clients on the most important actions to take to improve their financial situation.	**Milestones 2025** **Digital Coach** Initial deployment of a Digital Coach to help clients diagnose their financial situation, with personalized goals as well as proposals, follow-up and incentives in the App.

Furthermore, to capitalize on the opportunity presented by the growth in the number of customers, the improvement of their engagement, and the increase in their transaction volume through innovation and the development of digital products and services, the BBVA Group launched several initiatives aimed at optimizing the customer experience, boosting operational efficiency, and enhancing its digital offering. These initiatives will continue to be rolled out throughout 2026:

DIGITAL CONTRACTING

Expanding the range of financial products in the App in key geographic areas, promoting digital contracting to reduce in-person processes, improve the conversion of new customers and facilitate their acquisition.

COMMUNICATION CAMPAIGNS

Launching campaigns in digital and traditional media and through owned channels (App) allowing for the sale of digital products and the acquisition of new customers attracted by a convenient, innovative and differentiated value proposition.

Enterprise customers

For customers in the Enterprise and CIB segment, within Initiative 2 ("AI Banker" or "Augmented Banker"), work is underway to provide BBVA's commercial and sales teams with a set of useful AI tools and capabilities to ensure they have access to relevant real-time information, personalized recommendations and support that frees them from repetitive tasks. Thanks to these capabilities, relationship managers will be able to devote more time to customers, enhance the quality of advisory services and, ultimately, deliver a superior value proposition, fully focused on helping customers achieve their objectives.

In this context, within Initiative 2, initiatives currently under development include:

- Account Plan, which introduces a new way of managing the relationship with a sector-focused approach and greater specialization, providing a clear, data-driven view of the customer's end-to-end journey across each key interaction.
- Transaction origination, which aims to ensure that each banker has, through natural language, a personalized interface with unique and reliable customer data, enabling the creation of tailored value propositions.

In this context, progress is made in the use of artificial intelligence as a tool to support the digitalization of the customer value proposition, with the aim of improving internal efficiency, reducing working time and enabling more agile and collaborative decision-making. Generative AI use cases have been developed to analyze and synthesize complex product and value proposition information from different geographies, facilitating the identification of best practices and the definition of global, reusable digital proposals, while supporting teams in the preparation of benchmarks, working documents and structured materials, significantly reducing manual tasks and lead times. Additionally, BBVA is working on making available intelligence solutions (autopitch) to each manager to offer customers precise, consistent proposals aligned with the global cash management strategy, driving growth, improving efficiency in the preparation of commercial offers and delivering excellence in the customer experience.

These initiatives enable greater operating efficiency and help accelerate the development of digital solutions aimed at improving companies' access to financial products and services. The use of these technologies is carried out under the Group's control, validation and responsible AI use frameworks, and will continue to evolve progressively throughout 2026.

Objectives set around customer digitalization

The BBVA Group has established objectives related to digitalization through an approach that integrates internal factors, such as the development of new functionalities and customer growth, and external factors, such as analysis of the macroeconomic environment and competitors' activity.

In fiscal year 2025, the Group set a target of acquiring 11.3 million new customers, a goal that was exceeded by two hundred thousand customers, reaching a total of 11.5 million new customers during the period. In this context, the Group's digital channels played a key role, accounting for 66.2% of new customer acquisitions. In absolute terms, this represents the addition of 7.6 million customers through digital channels in 2025, an increase of close to two hundred thousand customers compared with the previous fiscal year.

Likewise, the Group's digital channels play a key role in the marketing of its financial products. Sales carried out through these channels represent a significant proportion of the total, standing at around 79% in terms of units sold and 57% of the total product relative value. This evolution is consistent with the progress observed in digital customer acquisition and reflects the growing adoption of digital channels by customers, as well as the consolidation of the Group's digital distribution model.

These objectives are measured and monitored through KPIs, which enable BBVA's management to assess progress and make adjustments when necessary. These objectives are established by the directors of BBVA's business lines, taking into account the views and interests of customers. As of the date of preparation of this information, the Group is in the process of defining objectives for future application.

3.2.4 Transparency in information provided to customers about products and services

The BBVA Group places its customers at the heart of its business, aiming to build lasting relationships based on mutual trust and value creation, in accordance with its Code of Conduct.

The principles and guidelines contained in this Code are developed and implemented through various policies, rules, and procedures designed to ensure that customers' interests are properly addressed in the provision of services and in the offering or recommendation of products. These guidelines apply across all distribution channels and encompass the entire lifecycle of each product or service.

Customer Conduct Policy and Product Governance

The Customer Conduct and Product Governance Policy sets out the principles governing BBVA's relationship with its customers:

- **Appropriate and responsible** offering of products and services.
- **Transparency in advertising** and in all information provided to customers about products and services.
- **Effective management** of conflicts of interest that may arise and negatively affect the interests of customers.
- Financial inclusion and **accessibility of customers** to the products and services offered by BBVA, considering their personal circumstances and avoiding unjustified discrimination.
- **Prompt and diligent handling** of customer inquiries, complaints and claims.
- **Adequate training** of personnel involved in manufacturing, distribution and customer service.

The purpose of this Policy is to define and establish the principles and provisions necessary to adequately address customer interests during the provision of services or the offering and recommendation of products, through any distribution channel and considering the full life cycle of the product or service.

These provisions are grouped into two categories:

CUSTOMER CONDUCT PROVISIONS

They establish the guidelines of conduct applicable generally to all BBVA products and services, as well those specific to particular activities related to financing investment, and the management of collective investment schemes.

PRODUCT GOVERNANCE PROVISIONS

They establish the measures to ensure compliance with conduct standards throughout the entire product life cycle: from its design and distribution to the post-contractual phase, including monitoring and after-sales service.

With this Policy, the BBVA Group reaffirms its commitment to full alignment with the regulations and supervisory criteria applicable to the services provided to customers. In the European context, particular note is made of **Directive 2014/65/EU** of the European Parliament and of the Council of May 15, 2014, on Markets in Financial Instruments, and **Directive 2016/97/EU** of the European Parliament and of the Council of January 20, 2016, on Insurance Distribution, together with their delegated directives and implementing regulations, as well as their transposition into the Spanish legal system. Likewise, consideration is given to the European Banking Authority (EBA) Guidelines on Product Oversight and Governance Arrangements for Retail Banking Products, on Internal Governance, and on Loan Origination and Monitoring, as adopted by the Bank of Spain.

The Policy applies to all BBVA Group entities that design or distribute products for customers, provide services, or manage collective investment vehicles. Its implementation is carried out proportionally, taking into account external regulations, the characteristics of customers and products and services, as well as the nature, scale, and complexity of each entity's activities.

Approved on February 9, 2022 and effective from the following day, the Policy is reviewed annually. In 2025, the review introduced no changes. It will remain in force until the Board of Directors decides to amend it or approves a new version.

Responsibility for its implementation lies with the head of the global Regulation & Internal Control area. The Policy has been communicated to personnel involved in product design, distribution, and customer service through its publication, in Spanish and English, on the BBVA Group internal website and on the Internal Regulation Portal. Additionally, the Group has published a public statement on the shareholders' and investors' website, also in both languages, summarizing its content to inform stakeholders.

Actions and indicators in the area of costumer conduct

In order to define and develop the necessary elements to manage and prevent customer conduct-related risks, including those arising from a potential lack of transparency in the information provided about products and services, BBVA Group has developed the **Customer Conduct and Product Governance Program**. This Program establishes a set of **management measures**, which include the following:

- **Annual training and communication plans** designed to ensure that staff involved in the design and marketing of customer products, as well as in service delivery, are fully qualified. These plans, developed under proportionality criteria, are tailored to the needs identified in each area and are delivered through various formats (in-person, online, videos, or brochures), both for new hires and for existing staff.

  Training content is based on the regulations on transparency and customer protection, and includes general and specific aspects, as well as specific issues related to the functions performed by each group.

These training plans include a **corporate online course** on the Policy, launched in 2023, aimed at raising awareness of its content. During this fiscal year, the Group has continued the **progressive incorporation** of this training into local training plans (for example, in Spain and Peru) through the "Campus BBVA" platform, under the leadership and oversight of the local teams.

- In terms of **product governance**, the BBVA Group has specific **provisions** to ensure that conduct provisions are considered during **all phases of the product or service life cycle**. Prior to the **launch or significant modification** of a product or service, these undergo a **systematic analysis and approval procedure**, aimed at ensuring alignment with the **principles and provisions** set out in the Policy, its development rules or procedures, and applicable customer protection legislation and, with the **applicable legislation on customer protection**, which includes, among other things, **transparency obligations** and the **certification and/or training requirements for staff**.

  Meanwhile, the **business units,** local or global, as applicable, are responsible for **monitoring** the distribution and performance of products through **specific indicators** defined at the launch stage, based on their nature and complexity. This monitoring helps identify **relevant changes** in products and assess their **reconsideration or adaptation** when necessary.

- During this fiscal year, the Group has continued the **gradual rollout** across the different geographies of the **Product Governance Policy** approved in 2023.

Additionally, risk monitoring related to **customer conduct**, including those related to a lack of transparency in the information provided about products and services, is carried out in accordance with the **Compliance model** (for more information on this, see "Business conduct" chapter).

Within this model are included **Customer Conduct Indicators** that are generally followed in the banks of the main countries where the Group operates and which, in aggregate, are integrated into the BBVA Group's Risk Appetite Framework. These indicators have been designed to allow for periodic monitoring, on a quarterly basis, of the **risk of failing to protect customers' interests** in the provision of services or the offering of products, from the perspective of **transparency, appropriateness and fair treatment.**

Individually, the indicators allow the **identification of specific situations related to conduct with the customer** (including transparency aspects) on which to act and which, together, provide an aggregate view of the current level of risk.

The **main indicators** are as follows:

Complaints indicators

They enable the monitoring of complaints filed with **Customer Service units** and with **Supervisory Authorities**, including those related to transparency in information and advertising.

Weakness indicators

They reflect the state of open weaknesses in transparency, adequacy and fair treatment **identified in the independent reviews** carried out by the Compliance Testing, Internal Audit, External Audit teams and those carried out by the local Supervisory Bodies.

Early cancellations indicators

They measure the cancellations of **credit cards, insurance policies and consumer loans** within three months of their origination, helping to identify signs of potential improper practices related to transparency, among other risks, which must be analyzed.

Indicators of the degree of coverage of regulatory certifications

To ensure that the provision of services and the offering of financial products are carried out exclusively by **personnel who have the competencies and technical certifications required** under the applicable regulation.

Each of the above indicators has reference thresholds beyond which it is essential to analyze the **origin of any deviations** and define the corresponding action plans. All deviations from these thresholds are subject to analysis.

Additionally, the Group carries out an annual Risk and Control Self-Assessment (RCSA) to update its non-financial risk map, including transparency risk. The objective is to ensure the effectiveness of controls, address identified weaknesses and consolidate an aggregated view of the risk level.

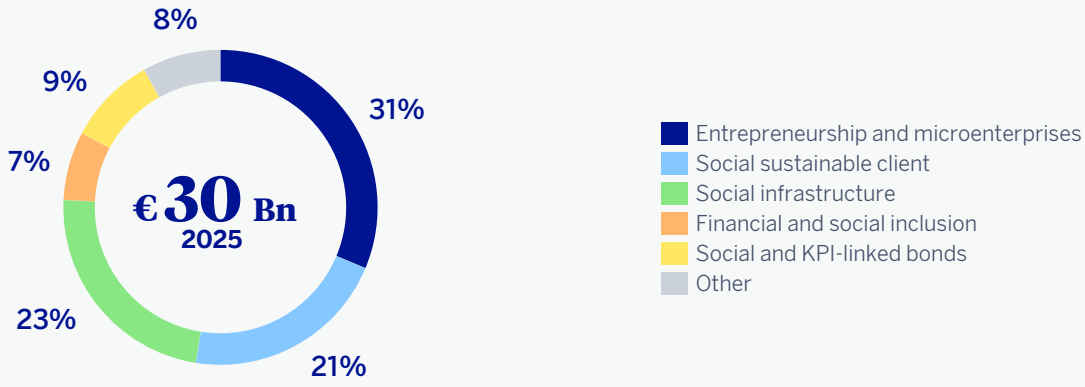
3.2.5 Social business channeled

As mentioned in the chapter "Integrating sustainability into BBVA's business", BBVA addresses sustainability with a holistic vision that includes not only combating climate change and preserving natural capital, but also contributing to the progress and development of the societies in which it operates.

The progress achieved in the social sphere in 2025 - within the objective set by BBVA to mobilize 700 billion in sustainable activities for the period 2025-2029 - has been very significant. This year, BBVA reached a record figure of €134 billion channeled, of which €30 billion was allocated to social activities, representing a 52% growth compared to 2024.

SUSTAINABLE BUSINESS CHANNELLING RELATED TO SOCIAL ACTIVITIES

SOCIAL ACTIVITIES IN 2025



With increasing momentum, social sustainable channeling is becoming firmly established at BBVA as a growth engine and a strategic lever for opening up new markets and attracting new customers. Through the design and offering of sustainable, tailored financial products and services, as well as specialized customer advisory, BBVA generates a tangible and positive social impact, bringing to life its purpose of supporting people and societies in their drive to go further.

This approach is based on active listening and continuous interaction with customers, in line with the RCP model and the BBVA Group's Customer Experience model (see "Customer experience" section), which allows us to identify specific needs and offer financial solutions adapted to different contexts and risk profiles.

In 2025, BBVA strengthened its support to priority segments, facilitating access to financing for entrepreneurs, micro-enterprises and segments with greater barriers to access, and promoted the role of companies and public administrations as key agents in generating positive social impact.

This section delves deeper into the scope of these initiatives and their evolution within BBVA's sustainability strategy.

Sustainable social channeling by customer segment

The range of social sustainable financial products and services is tailored to each customer profile, with the aim of appropriately addressing their needs. As in the environmental sphere, this offering is delivered in accordance with the criteria described in the "Criteria for determining sustainable business channeling" section and, likewise, these activities are subject to specific monitoring by customer segment.

SUSTAINABLE SOCIAL BUSINESS CHANNELING
BREAKDOWN AS OF DECEMBER 2025

SOCIAL ACTIVITIES IN 2025 by customer segment

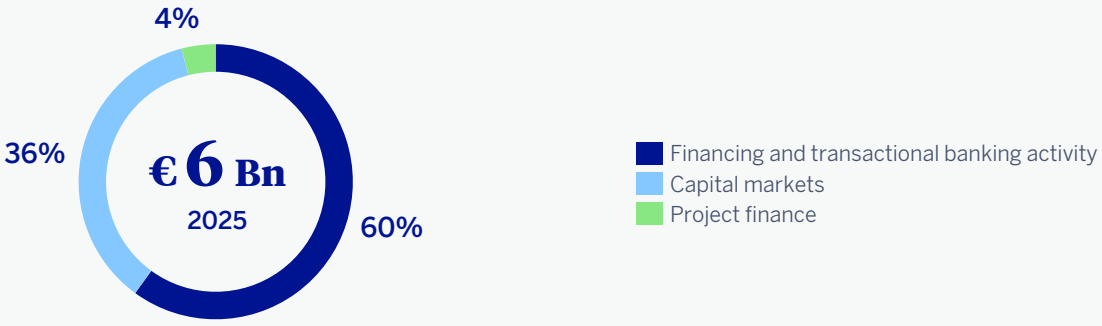
Of the €30 billion, the following has been allocated by customer segment:

Corporate customers	Enterprise customers	Retail customers
€6 Bn	€13 Bn	€11 Bn

1. Corporate customers

In 2025, the channeling of sustainable business related to social activities reached €6 billion, increasing by 6% compared to 2024.

CORPORATE CUSTOMERS



Specifically, in the area of corporate finance and transaction banking, BBVA channeled €3.6 billion to social initiatives, including:

- €3 billion in targeted financing and transactional banking activity, including inclusive infrastructure projects related to health, education, housing, or transport, which facilitates the access to basic goods ans services.
- €600 million in financing and transactional banking activity linked to the performance of social indicators.

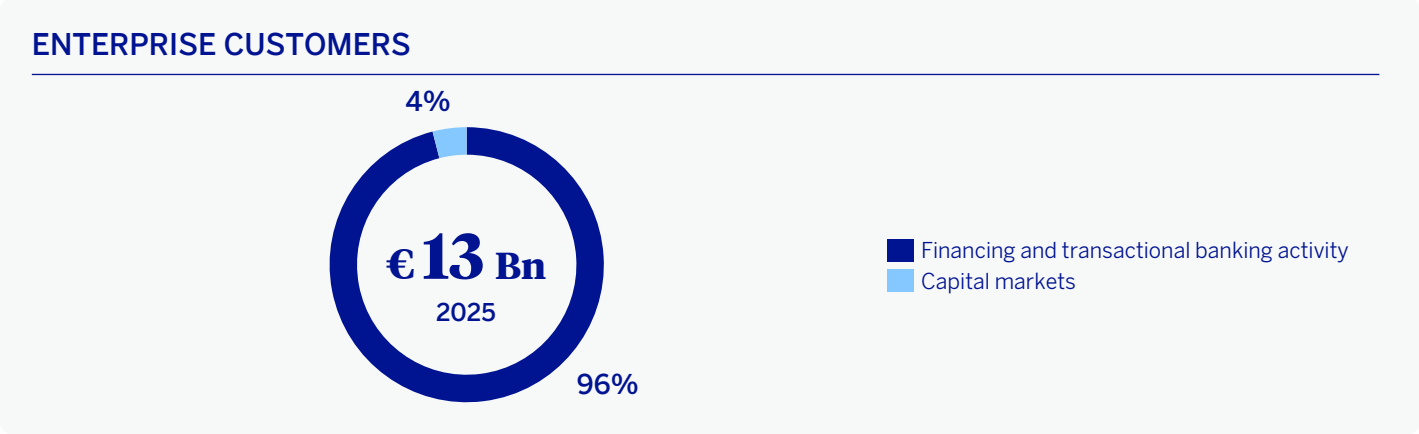
BBVA has placed €2.23 billion in third-party bonds, acting as bookrunner, in relation to:

- Sustainable bonds in which the use of funds has been partially dedicated to the fulfillment of social objectives (€2 billion).
- Social bonds (€200 million).
- Bonds linked to social indicators (€30 million).

Finally, €200 million were allocated to financing social infrastructure projects.

2. Enterprise customers

BBVA Group's new strategic cycle places special emphasis on enterprise customers, through solutions designed to foster the business ecosystem.



In this context, BBVA Group has channeled nearly €13 billion in the social sphere during 2025, representing a 69% growth compared to the previous year, including :

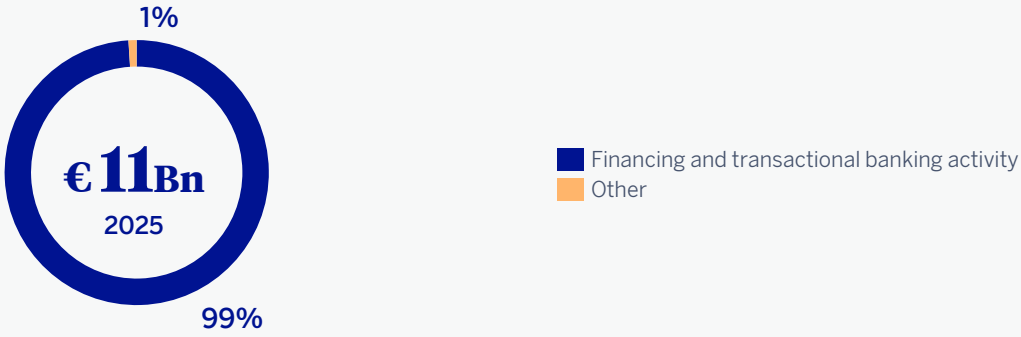
- €6 billion to finance customers whose activity generates social impact, such as public administrations, social enterprises, or large foundations, among others.
- €5 billion allocated to the financing of social infrastructure.
- €700 million in financing to promote entrepreneurship.
- €500 million aimed at financing entities that promote financial and social inclusion.
- €500 million in the placement of sustainable bonds – for the portion where proceeds are allocated to social activities –, social bonds, and bonds linked to social indicators of third parties, with BBVA acting as bookrunner.

To achieve these results, training sessions aimed at relationship managers were delivered across different geographies, highlighting the potential of sustainability-linked products and digitalization-driven solutions. These initiatives have been articulated through structured commercial plans and supported by specialized sustainability advisory services.

3. Retail customers

In 2025, BBVA channeled €11 billion through various products and services aimed at retail customers, entrepreneurs, and SMEs to promote their inclusion or consolidation within the financial system, increasing by 117% compared to 2024.

RETAIL CUSTOMERS (1)



(1) "Other" - Primarily includes insurance policies related to social activities.

Specifically, in 2024, the following was promoted:

- €9 billion allocated to financing entrepreneurs and microenterprises, mainly in Spain and Turkey (of which approximately 58% has been devoted to supporting women entrepreneurs and women-owned businesses in Turkey, Colombia, Mexico, Peru, and Argentina).
- €2 billion allocated to facilitating the financial and social inclusion of vulnerable segments and access to social housing. Some examples include catalog saleswomen and young people in Mexico, as well as subsidized loans for vulnerable customers in Turkey, Argentina, and Colombia.
- Specifically in Mexico, financial inclusion has been fostered for 289,000 unbanked or underbanked individuals and micro-enterprises through various products such as digital accounts, savings accounts, credit cards, and digital payment methods, as well as initiatives to foster customers' financial and digital literacy.

These solutions are complemented by other financing initiatives linked to the financial inclusion of entrepreneurs and SMEs in remote areas, such as solutions for SMEs in rural environments in Spain.

3.3 Contribution to society

3.3.1 Contribution through social programs and initiatives
3.3.2 Contributions to non-profit entities
3.3.3 Volunteer work

Beyond the positive impact generated by its banking activities—the main driver to contribute to the progress and development of the societies in which it operates—, **BBVA complements this effect through robust social and philanthropic activity**. This activity is channeled through social programs developed by the Group and its foundations, as well as through contributions to non-profit organizations and the promotion of a corporate culture committed to social and environmental support, facilitating employee participation in volunteer initiatives.

The following breakdowns of BBVA's philanthropic contributions to society comply with the requirements of Law 11/2018, regarding the impact of its activities on society and its partnership or sponsorship activities. Within the framework of the Group's double materiality analysis (see "Double materiality analysis" chapter), no material impacts, risks, or opportunities have been identified in relation to these topics.

Overall, these activities with a positive impact on society are consistent with BBVA's purpose and strategic priorities, driving growth that empowers individuals and societies to go further.

3.3.1 Contribution through social programs and initiatives

In the area of philanthropic contributions to the development in of the societies where the Group operates, BBVA established the 2025 Community Investment Goal, allocating €550 million to social initiatives to benefit 100 million people between 2021 and 2025. Both targets were met ahead of schedule, on December 31, 2024, with €590.2 million[59] allocated to social programs and nearly 106 million people reached.

This plan was structured around three main areas of action—reducing inequality and supporting entrepreneurship, providing opportunities for all through education, and supporting research and culture—in addition to a fourth, more residual area (miscellaneous programs). All of these were aligned with the Sustainable Development Goals (SDGs).

At the conclusion of the plan and following a thorough strategic review, BBVA has determined that the current philanthropic framework is robust and remains fully aligned with the Group's long-term commitment to promoting the development of the society. For this reason, it was not deemed necessary to launch a new Community Investment Plan.

[59] The 2024 data differ from those presented in the previous report, as the estimates included at the close of the 2024 financial year have been replaced by the actual data filed after the publication of that report.

Instead of redefining this model, the priority is to continue consistently pursuing a strategy that has proven effective, maintaining the same areas of focus, distributed across the following lines of action:



In 2025, the BBVA Group allocated €191.5 million to the development of social programs and initiatives (€178 million in 2024), representing 1.8% of its attributable profit. The programs and initiatives implemented directly benefited 7.7 million people.

BBVA implements this contribution through its local banks and foundations, as well as through support for other foundations, including:

- The BBVA Foundation, focuses its activity on generating knowledge. Expanding the frontiers of knowledge is one of the most effective ways to successfully address the problems affecting today's society, such as the environment, sustainable development, health, demographic change, globalization, social integration, and innovation in the service of creating opportunities for society as a whole.
- The BBVA Mexico Foundation, focuses its activities on education with its benchmark program, "Chavos que Inspiran", which offers 10 years of support that transforms the lives of talented, underprivileged young people across the country. This program enables these scholarship recipients to be the first in their families to graduate from university, lifting them out of poverty and achieving a socioeconomic level that would have taken their families at least 4 generations to reach.
- The BBVA Microfinance Foundation, focuses its activities on supporting vulnerable microentrepreneurs in Colombia, Chile, Panama, Peru, and the Dominican Republic through financial products and services such as microloans, microinsurance, and financial and digital education workshops, among others.

The following shows the contribution through social programs and initiatives in 2025 and 2024 by geographic area and corporate foundations:

CONTRIBUTION THROUGH SOCIAL PROGRAMS AND INITIATIVES (MILLIONS OF EUROS AND PERCENTAGE %)[1]

	2025	%	2024 [2]	%
Spain and corporate areas	30.28	16 %	25.70	15 %
Mexico	116.36	61 %	107.10	60 %
Turkey	7.35	4 %	7.60	4 %
South America [3]	2.75	1 %	3.40	2 %
Foundations [4]	34.77	18 %	34.00	19 %
Total [5]	**191.50**	**100 %**	**177.90**	**100 %**

[1] To calculate the contribution through social programs and initiatives investment figure, BBVA uses the Business for Societal Impact (B4SI) methodology, an international standard that provides a framework for measuring the social and environmental investment that companies make beyond their business. In 2025, this figure is broken down as a contribution in cash (78%), management and personnel costs (16%), time (1%) and in-kind (5%). Likewise, when analyzing the motivation of the cash contribution, the breakdown in 2025 is: (10%) one-time contribution, (87%) social investment and (3%) initiatives aligned with the business.

[2] The data for 2024 differ from those published in the previous Consolidated Non-Financial Information Statement because the estimates included at the end of the 2024 financial year have been replaced by the actual data available after the publication of said report.

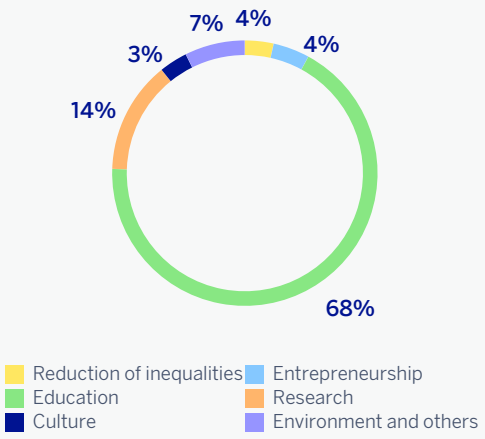
[3] Does not include Uruguay.

[4] Includes the BBVA Foundation and the BBVA Microfinance Foundation, which are not part of the consolidated Group.

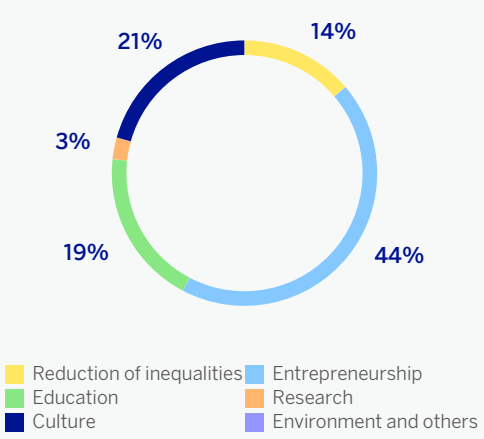
[5] The total figure is an estimate, of which 69% is the actual investment figure as of September 30, 2025 and 31% is an estimate of the investment made in the fourth quarter of 2025.

Below is a breakdown of the investment and direct beneficiaries (as a percentage) of the contribution through social programs and initiatives in 2025 by line of action, as described at the beginning of this section:

CONTRIBUTION THROUGH SOCIAL PROGRAMS AND INITIATIVES (INVESTMENT) BY LINE OF ACTION. 2025



CONTRIBUTION THROUGH SOCIAL PROGRAMS AND INITIATIVES (DIRECT BENEFICIARIES) BY LINE OF ACTION. 2025



3.3.2 Contributions to non-profit entities [60]

Regarding contributions to foundations and non-profit entities[61], the total figure for 2025 was €22.3[62] million (€17.5 million in 2024). In 2025, the BBVA Group made:

- 180 donations to foundations and other non-profit social organizations with a social purpose, totaling €10 million, which include both one-off contributions and those that contribute to social programs (in 2024, 158 donations totaling €5.2 million).
- 197 contributions (not donations) to foundations and other non-profit social organizations totaling €4.6 million (in 2024, 180 contributions totaling €4.6 million), including partnership and sponsorship activities.
- 438 contributions, of a non-social nature (fees, institutional contributions and commercial sponsorships) to foundations, business associations, lobbies, think-tanks and other non-profit entities for an amount of €7.7 million (in 2024, 373 contributions, of a non-social nature for an amount of €7.7 million).

3.3.3 Volunteer work

In its Sustainability General Policy, BBVA expresses its commitment to fostering a corporate culture of social and environmental support by facilitating opportunities for its employees to carry out volunteering activities. This policy applies in all countries where the Group operates.

BBVA's corporate volunteer initiatives encourage employee collaboration to generate a significant social impact, increase sense of pride in belonging, satisfaction, and productivity, and position BBVA as a leading company in corporate volunteering, thereby increasing its attractiveness to both current and potential employees.

Volunteering is a key element in developing the aforementioned approaches as lines of work within the community contribution strategy. Furthermore, volunteering activities are aligned with BBVA's Purpose and values.

In total, more than 14,300 BBVA employees participated in volunteering initiatives during 2025 (around 13,500 in 2024), dedicating more than 94,000 hours (90% during work hours and 10% outside of work hours). The time dedicated by employees in 2025 is equivalent to a contribution of €1.1 million (around €1 million in 2024).

[60] The data for 2024 differ from those published in the previous Consolidated Non-Financial Information Statement because the estimates included at the end of the 2024 financial year have been replaced by the actual data available after the publication of said report.
[61] Information provided in compliance with section IV of article one of Law 11/2018.
[62] The figure for contributions to foundations and non-profit entities is estimated. 88% of the figure corresponds to contributions actually made before November 30, 2025, while 12% is an estimate of contributions expected to be made in December 2025.

4. Governance information

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The BBVA Group is fully **committed to conducting its activities and businesses in compliance with applicable laws and regulations and with the highest standards of ethics and business conduct, both domestically and internationally**. To achieve this, the Group has established a compliance system whose core pillars are the Code of Conduct (published on BBVA's corporate website, www.bbva.com), the internal control framework, and the Compliance function.

The Group has put in place a robust governance framework that integrates corporate policies, rigorous control frameworks and specialized oversight bodies. This approach pursues a **dual objective**: **mitigating risks** and **maximizing the positive impact inherent in a culture of integrity**. In doing so, it strengthens the trust of stakeholders and ensures compliance with the regulatory framework and ethical standards across all geographies in which the Group operates.

In accordance with the 2025 double materiality analysis, the Group has identified the material governance matters that may generate positive impacts on its environment or that represent risks for the entity:

- The **fight against corruption and bribery** through the implementation of zero-tolerance policies and the application of robust preventive controls.
- The **protection of whistleblowers** by guaranteeing the existence of accessible, confidential and secure channels that protect their identity and safeguard them against potential retaliation.
- The **management of relations with suppliers** is considered a key aspect, particularly due to the exposure to technological and security risks inherent in third-party management. Recognizing the nature of the banking sector and its risk profile, the materiality analysis has increased the relevance of certain specific issues that complement the general regulatory framework.
- The **prevention of money laundering and the financing of terrorism** through the maintenance of an advanced control model that reduces the likelihood of illicit use of the financial system.
- **Cybersecurity** and the **responsible use of data**, ensuring both the protection of information and technological resilience against digital threats, while safeguarding privacy and the ethical use of customer data.

Lastly, this section provides a breakdown of information related to transparent and responsible taxation, with the aim of complying with certain requirements of Law 11/2018.

This chapter sets out the management approach, policies, actions and performance metrics associated with these topics, demonstrating how BBVA's compliance and governance system mitigates risks and strengthens the trust of its stakeholders. In addition to the IROs identified as material, the Group's compliance system also covers other matters such as market conduct, the prevention and management of conflicts of interest and the defense of competition.

4.1 Business conduct

4.1.1 Corporate culture and code of conduct
4.1.2 Whistleblowing Channel
4.1.3 Corruption and bribery
4.1.4 Prevention of money laundering and terrorist financing
4.1.5 Management of suppliers and services
4.1.6 Responsible use of data

The role of the supervisory bodies

The Board of Directors approves the BBVA Code of Conduct, last updated in July 2024, to align it with new developments in the business and the environment in which BBVA operates, and to meet the expectations of the societies in which the Group is present.

For the effective performance of its functions related to the control and management of all the Group's financial and non-financial risks, the Board of Directors is supported by the Risk and Compliance Committee, which is composed exclusively of independent directors and whose functions include, among others, overseeing compliance with applicable regulations at both national and international level, including in the area of conduct, as well as promoting the risk culture across the Group, areas in which the Compliance function plays a particularly relevant role.

The Compliance function is integrated into the Regulation and Internal Control area, whose head officer is appointed by the Board of Directors and reports hierarchically to this body. Likewise, it is the responsibility of the Risk and Compliance Committee to supervise the effectiveness of this function, ensuring that it has the necessary material and human resources for the effective performance of its functions, analyzing and, where appropriate, approving its annual work plan and monitoring its execution.

The Head of Regulation & Internal Control reports to the Board of Directors, both directly and through the Risk and Compliance Committee.

In particular, the Head of Regulation & Internal Control reports monthly to the Risk and Compliance Committee and quarterly to the Board of Directors on the activities carried out by their area, as well as on any incidents that may arise and the actions to address them. Likewise, the Risk and Compliance Committee receives periodic information from the Global Head of the Compliance function and, where appropriate, from other Group executives who report to this Committee. All of this is in order for the Committee to be able to properly exercise its functions of ensuring compliance with the applicable regulations in matters related to, among others, conduct with customers, the prevention of money laundering and terrorist financing (hereinafter, AML/CFT), conduct in the securities markets, data protection, and the scope of the Group's actions in matters of competition.

The Board of Directors approves both the Charter of the Compliance Function, as well as the general policies associated with it, following an analysis by the Risk and Compliance Committee, which also supports the Board in supervising its implementation, through the continuous monitoring and follow-up of Compliance activity and programs across the Group.

The strategic aspects and the approval of the internal regulation of the Compliance function are defined and submitted for the consideration to various executive committees, most notably the Regulation and Internal Control Committee, the Global Compliance Committee and the Internal Control Body for AML/CFT matters.

With regard to the experience of the members of the Board of Directors in matters of business conduct, BBVA has been implementing mechanisms to ensure that Board members have the necessary knowledge to address these matters effectively, both within the Board itself and within the different Committees of which they are members.

Accordingly, first and foremost, the members of the Board of Directors have diverse and solid experience in key areas, including the management of both financial and non-financial risks (including compliance risk).

This experience is reflected both in the training of the members of the Board of Directors and in their professional background and track record (generally, in both management and supervisory roles in national and international entities, public and private, among others).

In addition, to reinforce and update the knowledge of the members of the Board of Directors in matters of business conduct, BBVA has a continuous training program specifically designed to address critical topics related to the functions of the Board. This annual program is adapted at any given time to the Bank's needs, with the aim of updating knowledge of matters relevant to the performance of its functions and complementing the directors' existing knowledge and competencies. In designing the Board training program, consideration is given to changes in the business environment or in the regulatory or supervisory sphere that may arise at any time (including those that may affect matters of business conduct), and also to the specific suggestions and requests of directors regarding topics of interest to them.

The Compliance function

Strategy and management model

The Compliance area is a global second line of defense function and is made up of a corporate unit with cross-cutting scope across the entire Group, led by a global head, as well as local units established in each geographic area where BBVA operates. These local units, led by regional heads, head up the Compliance function in the countries in which the Group conducts its activities.

The function includes specialists in the different Compliance matters who, through a common framework and global programs, contribute both to the definition and articulation of the strategy and to the operational management of the function.

These programs are supported by internal governance mechanisms for risk management, specific internal regulations, and a technological and data infrastructure. They also incorporate training and awareness-raising actions, as well as systematic monitoring of activity, both at the global level and across the different geographies in which the Group operates.

Among the technological solutions implemented are the global Internal Regulation portal; specific tools for the registration of gifts, events and conflicts of interest; tools for customer monitoring and the prevention of market abuse; solutions aimed at preventing and managing money laundering and terrorist financing risk; and the Whistleblowing Channel management tool.

Strategy and monitoring model

The strategic aspects of the Compliance area are established and reviewed by key executive committees of the Group, including the Regulation and Internal Control Committee, the Global Compliance Committee, and the Internal Control Body for the AML/CFT. In addition, the area provides periodic reporting to the corporate bodies to support the exercise of their responsibilities in matters that fall within their remit, as described in the "The role of the supervisory bodies" section.

Within this framework, the Compliance model envisages annual cycles of risk identification and assessment, which allow the Group to adjust and strengthen its management strategy, define lines of action and bolster, where appropriate, existing mitigation and control measures.

Among the key indicators of the model, alongside those presented in the "Responsible use of data" and "Transparency in information provided to customers about products and services" sections in the "Consumers and end-users" chapter, the following are included:



Indicators related to the **management of complaints** received.



Integrity-related indicators, including corruption and bribery, subject to periodic monitoring at the executive level.



Indicators of money laundering prevention linked to the monitoring of customer documentation and alerts generated by unusual transactions and application of the international sanctions regime.

Additionally, an annual review process is carried out for the Compliance risk and control map (Risk and Control Self-Assessment – RCSA). The purpose of this exercise is to ensure the relevance and effectiveness of the controls, identify potential weaknesses, and promote their remediation, thereby providing a consolidated and updated view of the risk profile.

During 2025, the documentation and management of these risks were strengthened through various actions across the different areas of the function, among which the following stand out:

- The Group's internal regulatory standards.
- Compliance risk oversight frameworks across the different geographies.
- Running regular checks through internal and external audits and inspections by supervisory authorities, together with Compliance Testing activities.
- Data quality processes in the reporting of compliance information.
- Management of conflicts of interest related to customers, securities markets, and employees.
- Guidelines on the use of instant messaging tools.
- The renewal of AENOR certification for the criminal risk prevention and management model.

- The reinforcement of accessibility frameworks and the incentivization of the sales force.
- Training initiatives, including those related to AML/CFT, Market Conduct, Client Conduct, Personal Data Protection, and competition law compliance, among others.

Additionally, specific actions have been carried out in other material areas, such as the AML/CFT, customer transparency, and data protection, which are further detailed in the corresponding sections.

This approach enables BBVA Group to proactively manage and monitor the aforementioned risks, ensuring compliance with applicable regulations and fostering a culture of integrity throughout the organization.

4.1.1 Corporate culture and Code of Conduct

The Code of Conduct establishes that all members of the BBVA Group must act with integrity and responsibility, respecting applicable laws and regulations, and demonstrating the prudence and professionalism befitting the trust placed in BBVA by its customers and shareholders.

In February 2022, the Board of Directors approved an update to the Code of Conduct to align it with new developments in BBVA's business and operating environment, as well as to meet the expectations of the communities in which the Group operates. The new version was communicated to all employees and made available on the corporate intranet and website, in both Spanish and English. Subsequently, in July 2024, the document was revised to adapt and update certain provisions in accordance with evolving case law and BBVA's internal regulations. Furthermore, regular communication initiatives are undertaken to reinforce awareness of its content.

Additionally, to strengthen awareness and understanding of the Code of Conduct, BBVA offers a mandatory corporate course that all employees complete periodically—generally every three years. This course includes messages from Senior Management, who address various aspects of conduct relevant to employees' daily work, thus reflecting Senior Management's commitment to strengthening the company culture. The Compliance function monitors course completion, establishing mechanisms and reminders for those who have not yet finished.

As of the end of December 2025, 107,365 employees (92,621 in 2024) had completed the Code of Conduct course, achieving completion rates exceeding 99% in most regions[63]. The course includes content on customer conduct, leadership style and harassment, conflict of interest management and supplier relations, as well as the proper use of the Whistleblowing Channel. Additionally, the Group offers various courses on business ethics, notably the Anti-Corruption Policy Training.

In this context, during 2025 the Compliance function delivered continuous advice on the application of the Code of Conduct, formally addressing 939 individual queries of different nature through the Consultation Channel (764 in 2024), relating, among other types, to the offer, delivery or acceptance of gifts and/or personal benefits, as well as the attendance and organization of promotional and leisure events (32.1%), to the treatment of conflicts of interest (14.1%), to the development of other professional activities (12.8%) or to the selection, hiring and promotion of staff (3.5%).

[63] The calculation criterion excludes employees who are still within the period established for completing the training.

4.1.2 Whistleblowing Channel

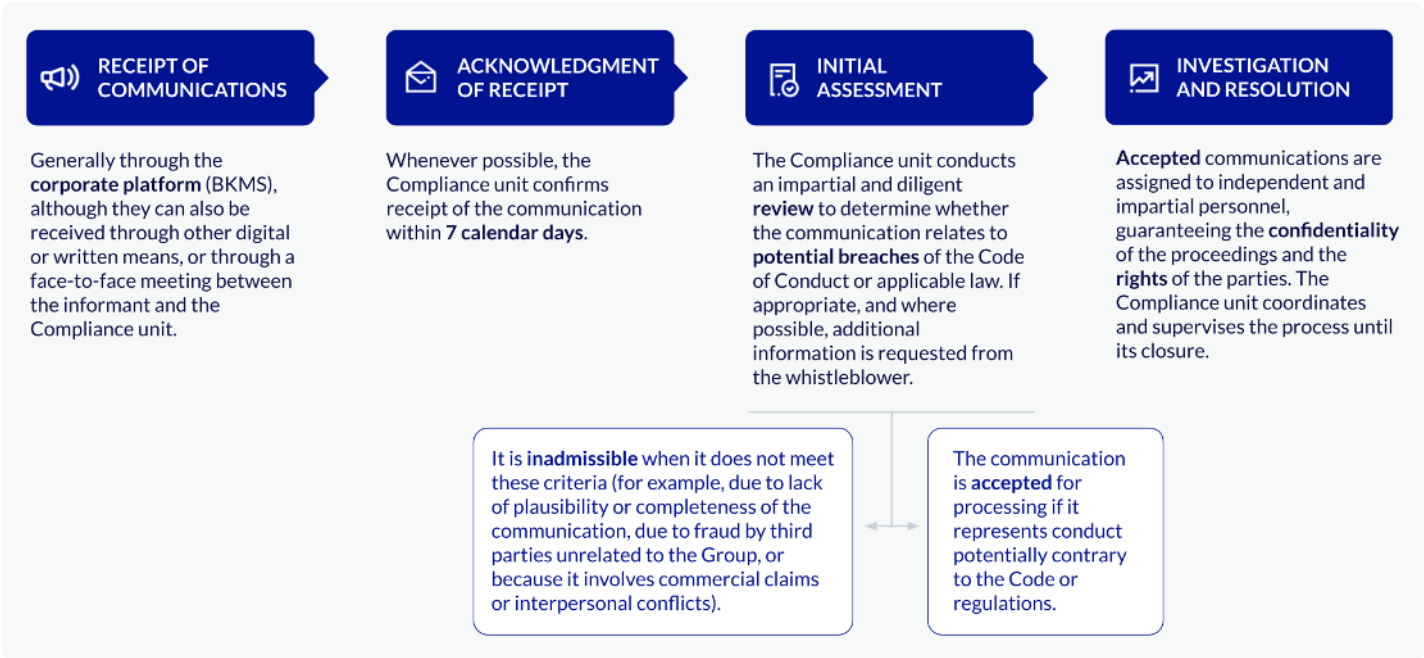
The Whistleblowing Channel is a key mechanism for managing risks associated with corporate conduct, including those related to AML/CFT, corruption and bribery, corporate culture, and whistleblower protection. Through this channel, BBVA employees, as well as customers, suppliers, or members of other stakeholders, can confidentially, and anonymously if they wish, report any behavior that violates the Code of Conduct or applicable law, including human rights abuses.

Furthermore, since 2021, the BBVA Group has had a global Whistleblowing Channel tool, implemented across most of the geographies where it operates and managed by an external provider. The tool is available to employees on the corporate intranet and to third parties via a public link on the Group's website (www.bkms-system.com/bbva). It reinforces security, confidentiality, and whistleblower anonymity standards and is available 24 hours a day, 365 days a year, in Spanish and English.

In 2023, BBVA's Board of Directors approved the General Policy for managing communications in the Whistleblowing Channel and protecting whistleblowers. This policy defines the operating principles of the Channel, the protection measures for both whistleblowers and those affected, and regulates its management in compliance with Law 2/2023 of February 20, on the protection of individuals who report regulatory violations and the fight against corruption in Spain. Within this framework, BBVA has implemented specific measures designed to strengthen confidentiality and prevent retaliation, aligning itself with the requirements of this law.

The Policy also details accessibility, confidentiality guarantees, and ease of use for all users. It was communicated to all employees and implemented across the Group's main companies, both in Spain and in other regions. It is reviewed annually and published on the internal website and the shareholders' and investors' page.

The procedure for managing reports received through the Whistleblowing Channel, administered by the Compliance function, is formalized and structured in the following phases:



Once the investigation has been completed, a reasoned conclusion is issued as to whether or not breaches have occurred, and the corresponding measures are promoted, which may include disciplinary actions adopted by an independent committee. Whistleblowers and affected persons are informed of the resolution of the case in accordance with its nature.

This procedure has been transposed to the main Group companies (both in Spain and in the rest of the geographies), also covering the management of communications related to corruption and bribery, among other types.

In this context, the Compliance function ensures that all reports are handled diligently and promptly, guaranteeing the confidentiality of the process and respect for the fundamental rights of the whistleblower and the persons concerned: the presumption of innocence, protection of personal data, the right to honor, defense, information and to be heard, as well as protection against retaliation or other adverse consequences for reports made in good faith.

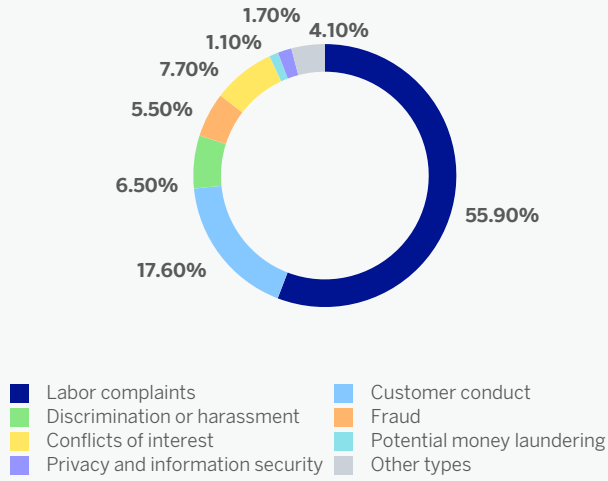
In recent years, BBVA has developed specific harmonization actions to unify the corporate criteria for managing the Whistleblowing Channel across all Group entities, including sessions aimed at Compliance staff in different geographies and the inclusion of specific content on the Channel in the Code of Conduct course, addressed to all employees, to ensure better understanding and application.

Complaints received in 2025

During 2025, the BBVA Group received a total of 2,467 communications (complaints) admitted for processing, representing an 8% increase compared to the previous year (2,283 reports), mainly attributable to the awareness-raising and outreach actions related to the Whistleblowing Channel carried out in recent years. The main categories correspond to labor relations or labor complaints (55.9%), customer conduct (17.6%), conflicts of interest (7.7%), discrimination or harassment (6.5%)[64], fraud (5.5%), privacy and information security (1.7%), potential money laundering (1.1%), and other categories (4.1%).

These reports came from employees (67.7%) and third parties (6%). In the remaining cases (26.3%), the informants did not provide this information.

COMPLAINTS RECEIVED BY TYPE (BBVA GROUP, 2025)



In fiscal year 2025, a total of 2,359 complaints[65] were processed within the Group (2,590 in 2024). Approximately 37.6% of the complaints processed during the year resulted in disciplinary action, which materialized in 169 disciplinary dismissals (same number as in 2024). None of the complaints processed through the Whistleblowing Channel caused significant economic, criminal, reputational, or human rights impacts.

Additionally, 1,093 communications unrelated to breaches of the Code of Conduct or applicable legislation were received; these were rejected and, whenever possible, redirected to the appropriate[66] channels.

[64] For further information on cases of discrimination or harassment that triggered specific action protocols in 2025, please refer to the "Equal opportunities" section.
[65] Some of these communications were received in previous years (mainly in 2024).
[66] According to the data published in the OECD database as of the date of this report, no cases related to BBVA have been handled by the National Contact Points. The National Contact Point for Responsible Business Conduct aims to promote compliance with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and to manage the grievance mechanisms established therein.

4.1.3 Corruption and bribery

The BBVA Group's General Anti-Corruption Policy, the update of which was approved by the Board of Directors in 2023, constitutes a fundamental pillar in the management of Conduct risk at BBVA. This Policy serves as the basis for the Corruption Prevention Program and develops the principles and guidelines set out in 5.3 of the Code of Conduct section.

It aims to establish a framework enabling the prevention and detection of, and encourages the reporting of, corrupt practices or risk situations within the BBVA Group. It also sets out specific behavioral guidelines for sensitive activities or areas, facilitates the identification of scenarios requiring special caution, and ensures that appropriate advice is provided in cases of doubt.

The Policy applies to the entire BBVA Group and to companies in which the Group holds a direct or indirect stake of more than 50%. Accordingly, compliance with the Policy is mandatory for employees, Senior Management and directors of Group companies. In addition, the General Anti-Corruption Policy is aligned with the spirit of national and international anti-corruption standards, taking into account the recommendations of international bodies such as the United Nations Convention against Corruption, as well as the standards established by the International Organization for Standardization (ISO).

The Policy has been communicated to all employees and to all members of the corporate bodies of BBVA and the Group's main subsidiaries. As regards the communication of the Anti-corruption Policy to third parties, the Group has disseminated a public statement summarizing its content on the shareholders and investors website.

The implementation of the Policy is carried out through specific procedures that establish guidelines for action and precautionary measures in situations where corruption risk may materialize. These procedures notably include the Standard on the Procurement or Goods and Services, the Corporate Gifts and Events Standard, and the regulations governing donations and commercial sponsorships, among others. These procedures are particularly applicable in higher-risk areas, such as those related to customers, suppliers, agents, intermediaries and business partners. They also apply to areas that manage donations, sponsorships or contributions; those involved in personnel selection and hiring; and those that participate in the accounting and recording of transactions. Overall, the application of the Policy helps prevent sanctions and litigation arising from potential cases of corruption and mitigates the Group's reputational risk.

In line with the international standards mentioned above, BBVA has, in most of the geographies in which it operates, a corporate tool for the registration of gifts and events, the main purpose of which is to ensure transparency and to record the receipt by employees of benefits such as gifts or invitations to events. The receipt of this type of benefit is subject to strict acceptance criteria. Likewise, as a general rule, BBVA includes in its contracts with suppliers a clause under which they undertake to comply with applicable anti-corruption legislation.

Corruption risk management model

In this context and in accordance with its crime prevention model, BBVA has a Corruption Prevention Program that includes the following elements:

- a risk map;
- a specific governance model;
- a set of mitigating measures aimed at reducing these risks;
- procedures for action in the event of risk situations;
- training and communication programs and plans;
- indicators aimed at understanding the risk situation and its mitigation and control framework;

- a whistleblowing channel[67]; and
- a disciplinary regime.

Regarding the assessment of corruption risk, the BBVA Group has analyzed different types of transactions, obtaining the following results:

231,182 transactions (99.33%)

(175,303 in 2024)

With regard to **AML/CFT risk** (for information on the number of reports submitted to the relevant authorities, see the "Prevention of money laundering and terrorist financing" section).

322,799 transactions (100%)

(264,303 in 2024)

Regarding the risk of **internal fraud**.

5,199 transactions (100%)

(4,348 in 2024)

Assessed within the Group's [(1)] **procurement processes** and from the AML/CFT and corruption risk perspective.

[(1)] Excludes Chile, the United States, and Turkey.

Additionally, in recent years, anti-corruption risk assessments have been conducted at banks in the main geographic areas where the BBVA Group operates. The overall results of this analysis conclude that the BBVA Group's corruption risk control framework is adequate.

Training programs on anti-corruption and anti-bribery matters

BBVA offers a corporate online course available in most of the jurisdictions[68] in which it operates. This course is mandatory and recurring for all members of the Group, including the 100% of those areas identified as having a higher risk of corruption. Employees take this course periodically, generally every three years.

The course provides an introduction to the concept of corruption and addresses the different ways in which it may manifest, providing a set of guidelines aimed at preventing and combating it. Its objective is to teach how to comply with legal requirements and ethical principles, both in the internal performance of duties and in relationships with customers, agents, intermediaries, suppliers, business partners, public or private institutions and other third parties with whom BBVA interacts.

[67] Regarding the mechanisms that ensure that internal investigations of the Whistleblowing Channel are carried out independently and without influence from the areas involved (for further information see Whistleblowing Channel section).
[68] As of the publication date of this Report, work is ongoing to make this corporate course available in Turkey.

At the end of 2025, a total of 93,278 (98.8%) employees had been trained in this subject, with this information broken down as follows:

PARTICIPANTS IN THE ANTI–CORRUPTION COURSE BY GEOGRAPHIC AREA AND OCCUPATIONAL CATEGORY (BBVA GROUP. NUMBER, PERCENTAGE %) (1)

	2025			2024		
	Enrolled	Completed	% Completed	Enrolled	Completed	% Completed
Argentina	**6,595**	**6,581**	**99.8**	**6,141**	**6,132**	**99.85**
Management team	275	274	99.6	264	260	98.48
Managers	1,557	1,557	100.0	1,451	1,450	99.93
Other employees	4,763	4,750	99.7	4,426	4,422	99.91
Chile	**848**	**822**	**96.9**	**753**	**729**	**96.81**
Management team	57	56	98.3	53	52	98.11
Managers	125	122	97.6	113	111	98.23
Other employees	666	644	96.7	587	566	96.42
Colombia	**5,045**	**4,759**	**94.3**	**5,815**	**5,659**	**97.32**
Management team	191	191	100.0	201	201	100.00
Managers	1,762	1,746	99.1	1,858	1,854	99.78
Other employees	3,092	2,822	91.3	3,756	3,604	95.95
Spain	**22,683**	**22,245**	**98.1**	**22,216**	**21,707**	**97.71**
Management team	2,119	2,055	97.0	1,955	1,904	97.39
Managers	10,724	10,573	98.6	10,377	10,239	98.67
Other employees	9,840	9,617	97.7	9,884	9,564	96.76
Mexico	**47,286**	**46,951**	**99.3**	**45,714**	**42,500**	**92.97**
Management team	1,586	1,567	98.8	1,512	1,481	97.95
Managers	15,353	15,207	99.1	14,624	13,495	92.28
Other employees	30,347	30,177	99.4	29,578	27,524	93.06
Peru	**7,713**	**7,704**	**99.9**	**7,447**	**7,382**	**99.13**
Management team	374	373	99.7	362	359	99.17
Managers	2,479	2,475	99.8	2,510	2,475	98.61
Other employees	4,860	4,856	99.9	4,575	4,548	99.41
Switzerland	**127**	**127**	**100.0**	**121**	**121**	**100.00**
Management team	20	20	100.0	20	20	100.00
Managers	75	75	100.0	68	68	100.00
Other employees	32	32	100.0	33	33	100.00
Uruguay	**535**	**529**	**98.9**	**508**	**502**	**98.82**
Management team	52	52	100.0	53	53	100.00
Managers	267	263	98.5	260	258	99.23
Other employees	216	214	99.1	195	191	97.95
Venezuela	**1,863**	**1,863**	**100.0**	**1,819**	**1,780**	**97.86**
Management team	68	68	100.0	65	62	95.38
Managers	581	581	100.0	552	537	97.28
Other employees	1,214	1,214	100.0	1,202	1,181	98.25
Other	**1,719**	**1,697**	**98.7**	**1,250**	**1,192**	**95.36**
Management team	432	426	98.6	292	287	98.29
Managers	701	694	99.0	501	479	95.61
Other employees	586	577	98.5	457	426	93.22
Total general	**94,414**	**93,278**	**98.8**	**91,784**	**87,704**	**95.60**

(1) The calculation criterion excludes those employees who are still within the time limit to complete the training.

In early December 2024, a new corporate course on this subject was launched in the main geographies in which BBVA is present.

On the other hand, the total number and percentage of members of the Boards of Directors of the main entities[69] that make up the BBVA Group who have received anti-corruption training from fiscal year 2022 through the date of publication of this report amount to 97[70] (100%).

Convictions and fines for breaches of anti-corruption and bribery regulations

No final criminal convictions[71] or final fines at a judicial level[72] have been identified in financial year 2025 against entities of the Group under global consolidation, or against their employees[73], for acts classified as corruption or bribery under the laws in force in each jurisdiction. In the 2024 financial year, there were likewise no convictions or fines in these terms.

Notwithstanding the above, and as detailed in the "Corruption risk management model" subsection of this section, BBVA runs an Anti-Corruption Program that includes, among other elements, procedures on how to act in the event of a risk situation.

4.1.4 Prevention of money laundering and terrorist financing

Money laundering and terrorist financing are global phenomena that pose a significant threat to socioeconomic development and societal well-being. Advances in financial information, technology and communications have enabled the instantaneous transfer of money flows on a global scale, making them harder and more complex to control.

BBVA recognizes the essential role that financial institutions must play in preventing these illicit activities and is committed to actively contributing to their eradication by complying with the applicable regulations and standards in each jurisdiction in which it operates.

In this regard, AML/CFT constitutes an essential requirement to preserve BBVA's corporate integrity. It is also critical to maintaining the trust of stakeholders—primarily customers, employees, shareholders and suppliers—in the different jurisdictions where the Group is present, and to contributing to the overall socioeconomic well-being of society.

ML/CFT risk management model

As a global financial group, BBVA conducts its activities in diverse social environments with which it is committed to well-being and sustainable development. In this context, the prevention of money laundering, terrorist financing, and compliance with international sanctions programs are fully integrated into the Group's corporate culture. Its practical application is mainly reflected in the Group's Code of Conduct, the Compliance Function System and Statute, and BBVA's Risk Appetite Framework.

Accordingly, the Group implements the Compliance model described above to manage ML/CFT risk across all branches and subsidiaries of the Group. This model integrates the local regulations of each jurisdiction, international best practices in the financial sector, and the recommendations issued by international bodies, including the Financial Action Task Force (FATF).

The General AML/CFT Policy, approved by the Board of Directors, together with the standards and procedures implementing it, formalize this model and establish a homogeneous framework for ML/CFT risk management throughout the Group, defining common criteria and the general operating framework. BBVA continuously evolves its management model through annual risk assessments that make it possible to strengthen controls and implement additional mitigating measures when necessary.

[69] In reference to the following geographical areas: Argentina, Chile, Colombia, Spain, Mexico, Peru, Switzerland, Turkey, Uruguay and Venezuela.
[70] Number not including alternate directors.
[71] In accordance with the definition of the term "conviction" set out in Regulation (EU) 2019/816. Civil liability arising from the offence is therefore excluded, given its civil nature.
[72] The criterion established by the competent authority that has decided on the non-publication or the deferral of the publication of a sanction shall be applied.
[73] It includes cases of which the entity has become aware by being a party to the proceedings.

In this context, the inherent risk of money laundering is considered high due to the accelerated transformation of the financial business model, the digitalization of the customer relationship, the complexity of the customer base and its legal structures, and the growing cross-border interconnection of transactions and products. In addition, the complex geopolitical situation, increasing regulatory requirements and the growing sophistication of financial crime are continuously transforming the ML/CFT risks to which BBVA is exposed. To mitigate these risks, the Group maintains a rigorous control framework designed to prevent the entity's operations from being used to circumvent sanctions or embargoes issued by international bodies (such as the United Nations or the European Union) and key jurisdictions (such as the United States, through OFAC - Office of Foreign Assets Control).This represents an increasing challenge in obtaining and maintaining adequate and up-to-date knowledge of customers. To address this challenge, in 2024 BBVA launched a specific program covering the Group's main geographies. This program includes, among other measures, the development of global technological solutions—such as those used to segment customers from an AML/CFT perspective—the review of commercial processes, the strengthening of internal awareness, and the creation of new areas aimed at improving customer knowledge. The first deliverables providing value to customers are expected in the first quarter of 2026.

In addition, since 2023 BBVA had already created a global financial crime prevention unit, a pioneer within the Spanish banking industry. With a comprehensive approach that prioritizes prevention and the protection of the customers, this unit aims to strengthen financial crime prevention actions by integrating fraud responsibilities and AML/CFT-related processes, such as the identification and management of alerts, as well as the analysis of suspicious transactions—functions that correspond to the first line of defense.

During 2025, a single, global alert management model was implemented across the main geographies, and the incorporation of Machine Learning models was initiated to reinforce traditional rules and enable more comprehensive and effective coverage of ML/CFT risk.

Technology and data management

In the belief that technology and proper data management are essential elements for implementing an effective and proactive AML/CFT program—one that protects customers, the Group and society—BBVA has prioritized the enhancement of its technological infrastructure and the use of advanced analytics techniques and models.

In terms of technological infrastructure, in 2025 BBVA began the development of a global case management system aimed at providing a comprehensive view of the customer, incorporating artificial intelligence with the objective of improving efficiency and effectiveness in the management of ML/CFT-related cases.

Regarding data utilization, the Group continues to develop applications based on new technologies, such as artificial intelligence and business analytics, with the goal of improving AML/CFT processes. These efforts are focused on:

Enhancing the capabilities for **detecting risk elements**, such as building advanced analytical models to detect suspicious activities linked to shell companies, networks, and mule accounts.

Increasing the **efficiency** of these processes.

Strengthening analytical and **research capabilities**.

In addition, leveraging the creation of a global Compliance data model, further progress was made in 2025 toward the advanced supervision model known as "hawk eye" implemented in 2024 and in the reinforcement of the detection through artificial intelligence and machine learning.

Supervision and Review Model

The Internal Control Body for AML/CFT, established at the corporate level, meets on a regular basis to oversee the implementation and effectiveness of the ML/CFT risk management model across the Group. In turn, the Operational Internal Control Body manages the operational aspects of the model, enabling clearer traceability of the decisions adopted for the day-to-day management of risk.

The ML/CFT risk management model is subject to ongoing independent reviews carried out by Compliance Testing teams, internal and external audits, and local supervisory authorities, both in Spain and in the other jurisdictions in which BBVA operates.

In accordance with Spanish regulations, an external expert conducts an annual review of the AML/CFT program implemented in Spain. In 2025, the external expert concluded that *"in general terms and taking into account the type of deficiencies detected, the BBVA Group's procedures in Spain are in line with current legislation and best market practices, with a positive trend having been observed compared to the previous Annual Report*."

Training programs on money laundering and terrorist financing

In 2025, a corporate procedure was issued to provide the BBVA Group with a global reference framework establishing minimum guidelines for the preparation of the annual training plans for all obligated parties. These plans, defined based on identified needs, include training activities such as in-person or e-learning courses, as well as videos, brochures, etc., for both new hires and existing employees.

The content of each training activity is adapted to the target audience, including general concepts derived from internal and external regulations applicable to AML/CFT, along with specific topics related to the functions performed by each group.

During 2025, a total of 88,560 participants (101,250 in 2024) took part in AML/CFT training activities across the Group's various entities.

Reporting of suspicious transactions to the authorities

In 2025, the BBVA Group resolved 231,182 investigation files (175,303 in 2024) that resulted in 145,119 reports of suspicious transactions (105,867 in 2024) submitted to the relevant authorities in each country. These transactions are primarily concentrated in jurisdictions such as Turkey and Mexico.

Collaborations with international organizations in the field of AML/CFT

BBVA regularly collaborates with the various government bodies and international organizations in this area:

- Participation in various committees of the European Banking Federation (Executive Committee Financial Crime Strategy Group, Anti-Money Laundering & Financial Crime Committee, and Financial Sanctions Expert Group);
- Member of the AML&Financial Crime Group of the European Banking Federation, member of the AML Working Group of the Institute of International Finance (IIF);
- Participation in initiatives and forums aimed at increasing and improving information sharing for AML/CFT purposes, such as the Europol Financial Intelligence Public Private Partnership (EFIPPP), among others.

4.1.5 Management of suppliers and services

Suppliers are a key element of the BBVA Group's value chain, as they contribute to the efficient and secure execution of operations and to the continuous improvement of internal processes. Those linked to the provision of technology services—such as cloud solutions and AI-based tools—are increasingly relevant due to their role in driving innovation and the Group's digital transformation. In this context, BBVA manages its relationships with third parties responsibly and proactively, focusing on security, compliance, and sustainability, which makes it especially important to identify and manage the risks associated with this growing dependency.

BBVA's risk assessment (for more information, see the Risk Assessment subsection described in the "General risk management and control model" section) identifies the risk associated with the upward trend in the scope of exposure to services provided by third parties, stemming from technological progress and the increasing use of cloud services, other information and communication technology (hereinafter, ICT) services, and generative AI solutions. This highlights the importance of maintaining a robust governance and oversight framework in this area.

Relations with suppliers

BBVA considers social, gender equality and environmental issues in its relationships with suppliers, establishing ethical criteria and standards that suppliers must meet and promoting the integration of social and environmental responsibility principles into business relationships. In this way, the Group reinforces its commitment to sustainable and transparent management, fostering responsible practices that contribute to economic, social and environmental development in the territories in which it operates.

In 2025, BBVA joined, as a founding member and the only bank, the Sustainable Procurement Coalition, a global alliance led by the United Nations Global Compact that seeks to integrate sustainability into procurement processes and supply chains at an international level. Through its participation in this initiative, BBVA takes a further step in its focus on the development of value chains that are more transparent, inclusive and aligned with sustainability. The coalition will promote public-private partnership platforms, the development of common tools to assess the social and environmental impact of procurement, and the launch of specific initiatives to consolidate responsible procurement as a market standard.

BBVA provides transparent information to its suppliers in the procurement processes, ensuring compliance with the current legal framework in all areas, including: tax, labor and environmental matters, human rights.

To manage the actual or potential impacts arising from supplier relationships, the Group relies on a series of procedures and standards: the General Procurement Principles, the supplier evaluation process, and the Corporate Standard on the Procurement of Goods and Services.

- Both the General Procurement Principles and the Supplier Code of Ethics establish the core guidelines that all suppliers with whom any company or entity of the Group does business must respect. Among other aspects, they include the duty to ensure compliance with applicable legal requirements regarding human rights, labor rights, freedom of association, and the environment by all parties involved in the procurement process, as well as their participation in the Group's efforts to prevent corruption. They also ensure that supplier selection adheres to current internal regulations and the values of the Group's Code of Conduct (legality, integrity, competition, objectivity, transparency, value creation, confidentiality, continuous improvement, and segregation of duties).
- The Supplier Code of Ethics establishes minimum standards of conduct regarding ethical, social, and environmental behavior that suppliers must respect when providing products and services. Generally, the contract clauses incorporate the supplier's obligation to comply with the BBVA Group's Code of Conduct and Supplier Code of Ethics in force at any given time.

The Procurement function is built on three pillars of the procurement model:

- Service (maximizing quality and the internal customer experience throughout the entire process);
- Risk (limiting the Group's operational risk in contracting, ensuring regulatory compliance and incorporating sustainability criteria);
- Efficiency (contributing to the Group's efficiency through active management of costs and suppliers).

The Group has technological platforms that support all stages of the procurement process, from budgeting to invoice registration and accounting, as well as a supplier portal that facilitates digital interaction with suppliers.

Third party risk management

To ensure the suitability of its suppliers, the BBVA Group has a supplier screening process that reviews key aspects such as financial, legal, labor, and reputational status; anti-corruption and anti-money laundering measures; concentration and country risks; sustainability; and the protection of data and customers. This analysis aims to mitigate risks in third-party contracting, verify compliance with legal obligations, promote civic responsibilities, and ensure alignment with the Group's values in terms of social responsibility.

Within this evaluation, the sustainability module covers: (i) compliance with environmental and social regulations; (ii) management and measurement of environmental impacts; (iii) human rights; (iv) control structures; (v) sustainability reporting; and (vi) ESG assessment of the supply chain.

As of December 31, 2025[74], out of a total of 5,199 active suppliers evaluated during the fiscal year (4,616 in 2024), 4,984 were deemed suitable and 215 unsuitable (4,475 and 141, respectively, in 2024); with the latter, whenever possible, the relationship is terminated or an exit plan is established. On the same date, the percentage of amount awarded to suitably evaluated suppliers stood at 98.1%. Furthermore, 97.5% of BBVA's total number of third parties (equivalent to 85.8% of total revenue) are local third parties. The Group defines a local third party as one whose tax identification number coincides with the country of the company receiving the goods or services.

The supplier screening process described above is one of the inputs to the global third-party risk management process, under which the risks inherent to the services provided by third parties are assessed throughout their life cycle. This assessment is carried out with the aim of identifying the various risks associated with the services received by the Group from third parties and establishing controls for their mitigation, management and monitoring. Particular importance is given to critical services, defined as those that support critical business processes affecting the Group's continuity, financial performance, or the robustness or continuity of its services, or whose interruption or deficient or failed execution would significantly affect the ongoing fulfillment of its obligations. These higher-criticality services are subject to enhanced measures through the implementation of a more robust control framework that includes, among other aspects, contractual clauses fostering strengthened protection against potential threats, as well as, where applicable, the execution of a technological due diligence process.

[74] The data presented below in this paragraph do not include Turkey.

This global third-party risk management model is articulated through the General Policy for the Management of Services Provided by Third Parties, approved by BBVA's Board of Directors, the implementation of which is overseen through the Risk and Compliance Committee. This Policy establishes management and control principles and ensures compliance with the applicable regulatory framework (Royal Decree 84/2015, Bank of Spain Circular 2/2016, Regulation (EU) 2022/2554 —DORA—, among others). This Policy applies to services arranged by the Group from third parties, with the exception of those internal functions reserved to the Bank in its capacity as a credit institution or that are non-delegable by regulatory mandate, and is aligned with the General Risk Management and Control Model described in the "Risk management" section of the consolidated management report. In addition, the aspects contemplated therein are further developed in the Corporate Standard for the Management of Services Provided by Third Parties, as well as in various lower-ranking procedures. This Corporate Standard establishes the life cycle of the relationship with suppliers and, throughout its phases (assessment, supplier selection, contracting and execution, monitoring, renewal or termination), the different risks are identified and assessed—with particular emphasis on critical services—including, among others, regulatory non-compliance risk, concentration risk, country risk, reputational risk, operational risk, technological risk and labor intermediation risk.

During the term of the service, periodic monitoring is carried out to verify that the service provision complies with the terms set out in the contract and that the level of risk remains under control. In the case of service renewals and terminations, and with particular attention to critical services, the same risk analysis and approval process applied to a new engagement is followed.

With the aim of aligning the third-party risk management model with the DORA Regulation, BBVA implemented an Action Plan that included the necessary enhancements, as well as the deployment of a tool that structures the life cycle of risk management in third-party services. This tool, which forms part of the Group's Non-Financial Risks and Internal Control Model tools, constitutes the centralized regulatory register of services provided by third parties and ensures proper coordination with business continuity processes, technological risk management and procurement.

Lastly, in fiscal year 2025, Internal Audit conducted risk-based assessments of the procurement process and of relevant suppliers across different areas and geographies. These reviews are carried out in accordance with the defined methodology, and the weaknesses identified are being addressed in a timely and appropriate manner.

4.1.6 Responsible use of data

The BBVA Group integrates data protection as an essential pillar of its management and is committed to complying with the legislation in this area, notably the General Data Protection Regulation ("GDPR"). This Regulation applies not only to data controllers established in the European Union, but also to those which, although not established in the European Union, process personal data arising from an offer of goods or services directed at citizens of the Union.

In line with the above, the BBVA Group considers the fundamental right to data protection to be one of its priorities in its relationships with customers, shareholders, suppliers, employees and third parties (hereinafter, the Data Subjects, in accordance with the definition set out in the GDPR), who, as owners of their personal data, deserve the effective application of the highest standards of protection and control over such data. This fundamental principle is present in all of the Group's strategic and business decisions and constitutes the basis of the General Data Protection Policy and the Corporate Standard on the protection of personal data that implements it, which describe how Group entities must process the personal data of data subjects in order to ensure their protection.

General Privacy and Data Protection Policy

The General Privacy and Data Protection Policy, approved by the Board of Directors, sets out the general principles and the management and control guidelines to be followed by BBVA Group entities with regard to the protection of personal data. Its purpose is to ensure the proper identification of risks, promote transparency and control mechanisms in the data processing activities carried out, in compliance with the applicable regulations and taking into account the interests, in this area, of the main stakeholders. The Global Head of Data is responsible for promoting awareness of the Policy.

The Corporate Standard on the protection of personal data, which implements the Policy, defines the principles to be followed by processes that impact personal data and assigns responsibilities to the different roles involved in its processing. This Standard sets out the privacy requirements that Group entities must consider from the design or planning stage of any product, service, functionality, etc., identifying the intrinsic risks of each personal data processing activity and defining and incorporating the necessary technical and organizational measures.

Both documents are reviewed annually, are available on the corporate intranet for the awareness of all employees, and have a summary published on the shareholder website, accessible to the general public.

Lastly, BBVA's Code of Conduct, which employees are required to know and comply with, states that the protection of personal data constitutes a fundamental right and establishes employees' obligation to safeguard the data of data subjects and to process such data confidentially.

Transparency in the processing of personal data

In accordance with applicable regulations, as well as with the policy and the Standard described above, the BBVA Group prepares information notices addressed to personal data subjects in order to inform them of the purpose of the processing, the manner in which the data are obtained, and the measures applied to protect them.

These documents are made available to interested parties and are also accessible on the websites of the respective BBVA Group entities. They detail, among other aspects, the identity of the data controller, the purposes of the processing, the lawful basis, any envisaged disclosures to third parties or international data transfers, as well as information relating to the exercise of data subject rights. Likewise, in order for data subjects—either directly or through their legal representatives—to submit inquiries, exercise their rights or lodge complaints in relation to data protection, the Group informs them of the different communication channels available, such as a specific email mailbox.

The operation of these channels is periodically overseen by the Regulation & Internal Control area, with the aim of ensuring the quality and appropriateness of the responses and compliance with the deadlines established by the applicable regulations. Where appropriate, this oversight is coordinated with the Customer Service or Complaints units.

In the event of a data protection incident, the corresponding analysis is carried out and the necessary mitigating measures are adopted in relation to the potential risks to the rights and freedoms of data subjects.

Actions

With the aim of complying with the General Privacy and Data Protection Policy, the Data Protection Unit, which forms part of the second line of defense, has defined and developed specific aspects and management elements making it possible to prevent, detect and manage risks related to the protection of personal data.

These risks include security incidents affecting the protection of personal data or complaints in this area, which could impact the Group's credibility and reputation, as well as give rise to potential litigation or financial penalties for regulatory non-compliance. To address these risks, the intrinsic risks of each personal data processing activity are identified, and the necessary technical and organizational measures are defined and implemented to mitigate them.

During 2025, globally, the Group continued to work toward and promote different management measures, including:

- Having a data protection governance structure that involves all levels of the organization.
- Conducting periodic assessments to ensure compliance with the rules and procedures associated with the management of personal data.
- Providing regular training on personal data protection in order to raise awareness among all Group employees about the importance and value of this matter.

The aforementioned management measures are monitored on a global and continuous basis through data protection indicators that make it possible to identify the degree of compliance with the BBVA Group's corporate personal data protection program and to obtain an aggregated view of the current level of risk.

The main indicators are as follows:



Indicators of **adaptation or transposition** of **internal regulations** and procedures regarding the protection of personal data.



Indicators of **claims** and rights exercised.



Indicators of compulsory **training**.



Indicators of resolution of **recommendations** resulting from **audit activities and reviews** carried out by compliance teams.

A non-financial risk assessment is also carried out on an annual basis, this includes, among other aspects, a review of data protection risks and the controls designed to mitigate them. This process aims to ensure their continued validity, identify weaknesses and promote the necessary measures for their resolution.

4.2 Cybersecurity

Digital transformation and emerging new technologies entail an increase in the threats that organizations must face, as well as an expansion of the risk exposure surface, giving rise to new challenges that affect security, privacy and, more broadly, digital trust. These are key aspects for ensuring the Group's operational resilience and the stability of the digital economy.

In recent years, there has been an increase in the number of cyberattacks, intensified by the presence of organized crime groups specialized in the banking sector and by the use of emerging technologies, such as artificial intelligence, to carry out attacks, fact that has resulted in greater complexity and sophistication of these attacks. At the same time, the scope of social engineering attacks carried out through email, SMS messages, instant messaging systems and social networks continues to grow.

Among the main challenges currently faced by companies are those related to security in remote working, security in cloud environments, the expansion of the risk exposure surface, and the management of risks associated with service providers.

One of BBVA's strategic priorities is to incorporate the customer perspective in a radical way, offering a value proposition centered on customers' needs and ensuring a consistent, seamless and high-quality personalized experience across all channels. In this regard, information security is an essential element to guarantee the availability of the services that BBVA provides to its customers and the confidentiality of the information managed through these services. It also constitutes a central pillar for ensuring the Group's operational resilience, with the aim of operating in a stable manner and guaranteeing an effective response and recovery in the event of any potential disruption.

On this basis, BBVA has designed and implemented a series of procedures, actions, and measures in the field of information security and cybersecurity aimed at ensuring the protection of assets and information, thereby safeguarding the finances of its customers and other stakeholders, as well as maintaining their trust in the Group. Information security is structured around four fundamental areas of action: **(I) Cybersecurity, (II) Data security, (III) Physical security and (IV) Security in business processes and fraud.** Various initiatives are being implemented in each of these areas with the aim of reducing the risks to which the Group is exposed.

General Policy on Operational Resilience

BBVA has developed and implemented an Operational Resilience Policy, which sets out the basic management and control principles and guidelines that the Group must follow to ensure the proper management of digital operational resilience, information security and business continuity. One of its main objectives is to guarantee the confidentiality, availability, integrity and authenticity of the information being processed.

This Policy, approved by BBVA's Board of Directors and applicable to all entities that make up the Group, has been developed taking into consideration the Group's business objectives, the requirements of Regulation (EU) 2022/2554 on digital operational resilience for the financial sector (the "Digital Operational Resilience Act"), the recommendations of the European Banking Authority set out in its Guidelines on ICT and security risk management (EBA/GL/2019/04), the sector best-practices, the expectations and interests of stakeholders and the regulatory requirements of the countries where the Group operates. The Policy is governed by the following general principles:

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The guidelines established in the Operational Resilience Policy in relation to information security management are further developed through a set of security standards and procedures that make up the Information Security Regulatory Framework. The security strategy takes into account best practices and security measures set out in internationally recognized standards such as the NIST Cybersecurity Framework, ISO/IEC 27002 and the ISO 2700 family, as well as COBIT 5.

Both the Policy and the Security Standards that constitute this Security Regulatory Framework are reviewed annually and are published on BBVA's Corporate Intranet, which is accessible to all its employees. Mandatory training courses and periodic awareness-raising actions are carried out to ensure that employees understand their roles and obligations in relation to information security management and are familiar with, and comply with, the guidelines established in the Operational Resilience Policy and the Security Standards.

The BBVA Group's Global Head of Engineering is responsible for ensuring the internal dissemination of the Operational Resilience Policy, monitoring the degree of implementation of the Policy across the Group (with the support of information provided by the relevant area heads), and adopting the necessary measures to ensure compliance. In addition, the Corporate Security area, integrated within the Engineering unit, is responsible for matters related to information security management and cybersecurity, physical security and security in business processes.

Lastly, it should be noted that the Operational Resilience Policy is aligned with the expectations and interests of stakeholders, as it focuses on the adoption of industry best practices, the application of advanced technologies and compliance with applicable regulations in this area, with the aim of strengthening information security.

Cybersecurity actions

In application of the Policy and the Information Security Regulatory Framework, the BBVA Group continuously and globally implements cybersecurity initiatives and measures aimed at ensuring the security of information relating to customers and stakeholders, and at responding to the potential threats to which it is exposed. These measures primarily aim to:

1. **Protect business processes from a comprehensive perspective, considering aspects related to logical and physical security, privacy, and fraud management;**
2. **Ensure compliance with security and privacy principles from the design stage of new services and products;**
3. **Improve access control and customer authentication services associated with the provision of online services, both from a security perspective and from a customer experience perspective;**

During 2025, BBVA continued to strengthen the measures adopted to ensure effective protection of information and of the assets that support the Group's business processes, from a global perspective and with a comprehensive approach, considering both the technological dimension and those related to people, processes and security governance. The actions undertaken are aimed at preventing a **loss of competitiveness in the market due to a potential loss of trust among customers or stakeholders arising from possible cyberattacks and security breaches.**

In line with BBVA's strategic priority related to maximizing the potential of artificial intelligence and innovation through the availability of data and Next Gen technologies, during 2025 work was carried out to reinforce security capabilities through the use of artificial intelligence and Next Gen technologies. These technologies facilitate scalability and the provision of higher-quality and more secure services, and strengthen the protection of the institution against new threats.

Among the most notable actions are the following:

- The Group increased its prevention and monitoring efforts to ensure effective protection of BBVA's assets and customer information as cyberattacks continue to evolve and become increasingly sophisticated. In this context, the Global Computer Emergency Response Team (hereinafter, CERT) is the first line of action for the detection and response to cyberattacks targeting global users and the Group's infrastructure. The Global CERT, based in Madrid, operates 24 hours a day, 7 days a week and provides service in all countries where BBVA operates, under a managed security services scheme, with lines of operation dedicated to fraud and cybersecurity.

  During 2025, system monitoring capabilities continued to increase, paying special attention to critical assets that support business processes. Additionally, incident prevention, detection and response capabilities have continued to be strengthened, through the use of integrated sources of information, improved analytical capabilities and the use of automated platforms. Furthermore, new artificial intelligence and machine learning models are being developed to predict and prevent cyberattacks against banking infrastructure, with the aim of providing a safer experience for customers.

  The measures implemented allow for improved information security management from a predictive and proactive approach, based on the use of digital intelligence services and advanced analytical capabilities. These measures are intended to guarantee an immediate and effective response to any security incident that may occur, in coordination with the different business and support areas of the Group that are involved; to minimize possible negative consequences; and, if necessary, to communicate them in a timely manner to the corresponding supervisory or regulatory entities.

- Additionally, the Threat Intelligence unit continued to be strengthened, adopting measures aimed at transforming detailed technical information into useful intelligence that can be used as a driver for decision-making related to risk management. The Threat Intelligence unit continuously monitors the threats that affect the financial sector and analyzes risk trends, in order to implement measures to minimize the security risks to which BBVA is exposed. Besides, together with the incident detection and response teams, it analyzes the attacks that have occurred and their origin, in order to adopt the necessary action plans. The analyses carried out consider both security trends and the nature of attacks on information systems.

- BBVA continued to review, reinforce and recurrently test its security processes and procedures through simulation exercises in the areas of physical security and digital security. Specialized teams periodically carry out technical security tests in order to detect and correct possible security vulnerabilities. These tests include both technical tests of the technological platforms and simulations of real attacks by malicious users (using the same techniques, tactics and procedures). The results of these tests are essential in the process of continuous improvement of the Group's security strategy. Additionally, measures have been adopted to strengthen the consideration of cybersecurity throughout the entire software development life cycle.

- Other lines of action include the periodic implementation of crisis simulation exercises, both globally and locally, in order to improve the level of training and awareness of key BBVA personnel and ensure an immediate and effective response in the event of a security incident.

Moreover, in order to minimize the risk of **cybersecurity incidents materializing as a result of inadequate security management by ICT service providers and to ensure operational continuity in the event of potential incidents** that may affect them, the BBVA Group has implemented specific measures to strengthen resilience and security across its supply chain. BBVA requires service providers to hold internationally recognized security certifications, includes security clauses in contracts entered into with service providers (to ensure both an adequate level of security in relation to the services provided and compliance with applicable legal requirements), and periodically verifies the effective implementation of these measures by service providers, in line with the requirements of the new regulations entering into force (see the "Management of suppliers and services" section, which includes more detailed information on the measures adopted by the Group in relation to supplier risk management).

Lastly, in order to minimize **financial risk and the potential loss of customers due to fraud situations** arising from limited cybersecurity awareness, and to strengthen the protection of customers and stakeholders against situations that could compromise their financial security, the BBVA Group develops initiatives focused on digital awareness and education. During 2025, BBVA continued to carry out communication and training activities on security and privacy by implementing periodic training and awareness-raising actions addressed to employees, customers and society at large. This reflects the BBVA Group's firm commitment to cybersecurity education.

Among the campaigns, awareness initiatives, and recommendations included in the app, BBVA's online channels, and social media, notable examples include those related to information protection, secure password management, detection of social engineering (phishing, smishing, vishing), device protection (computers, mobile phones, etc.), secure connections, detection of malware and other cyberattacks, detection of cyber scams, online shopping security, and how to respond to a security incident. The topics of the various awareness campaigns are selected based on a risk analysis focused on identifying the behaviors that pose the greatest cybersecurity risk to the Group.

These initiatives improve the protection of BBVA customers, as well as the use of robust customer authentication mechanisms in e-commerce, the possibility of turning cards on and off from the BBVA app, the sending of real-time notifications about payments or transfers made and the reinforcement of card security to prevent possible fraudulent use of card data, such as the use of the Aqua card, which was the first card with a dynamic CVV (without numbering and without a printed CVV).

In parallel, with regard to fraud prevention and anti-money laundering, the Financial Crime Prevention unit continued to carry out joint analyses of transactions as part of its efforts to actively support the deployment of appropriate anti-fraud policies, measures and processes. For further details, see the "Prevention of money laundering and terrorist financing" section.

BBVA has an information security governance model in place to achieve its established security objectives. The main body within this governance model is the Technology and Cybersecurity Committee, whose functions include monitoring the technology and cybersecurity strategy and managing cybersecurity risks. This Committee assists the Board of Directors in monitoring the technological risks to which BBVA is exposed, the main trends in technology and cybersecurity, and any technological security events that may affect the Group.

Additionally, the Corporate Security unit is organized through a scheme of committees and working groups that manage different aspects of information security: operational security, technology security, physical security, business process security, personnel security, and so on. These committees oversee the execution of the security strategy and the effective implementation of the programs designed for each of its four pillars. The Technology and Cybersecurity Committee meets every two months, while the Corporate Security unit's committees and working groups meet monthly.

In order to monitor compliance with the objectives established in the Policy on information security and cybersecurity and in the Security Standards implementing it, BBVA has established a series of indicators that are periodically presented to the corresponding governing bodies.

Among the established security indicators, which are monitored monthly, the following stand out: significant incidents (considering different types of incidents), coverage of technical security tests performed to detect potential vulnerabilities, vulnerabilities detected and remediated, indicators related to the security monitoring of assets, effectiveness of implemented security measures, staff training and awareness, physical security, and follow-up on internal audits, among others. Monitoring indicators have also been established for the security projects that constitute the defined security programs and are being implemented within the framework of continuous information security improvement. Each indicator has thresholds that establish the values above which it is necessary to analyze the source of the deviation in order to implement the corresponding action plans.

In recent years, BBVA has updated its security governance, legal compliance and corporate assurance models to ensure they are adapted to an increasingly demanding and constantly evolving regulatory environment.

BBVA has also obtained several certifications (TIER IV certification, ISAE 3402, etc.) in different countries of the Group. To maintain these certifications, review processes are periodically carried out by external auditors who consider the specific requirements of each certification. The auditors are selected from among the most recognized audit firms in the specific areas of knowledge applicable in each case. Additionally, the annual financial audit includes the review of various areas related to information security and cybersecurity on BBVA's internal platforms.

4.3 Transparent and responsible taxation

In accordance with the Sustainability General Policy, BBVA conducts its activity in compliance with its tax obligations and avoids any practice that entails the unlawful avoidance of tax payments or harm to public finances. To this end, BBVA has established corporate tax principles and a tax strategy that is set out in the General Policy on Tax Strategy. This Policy, the update of which was approved by the Board of Directors in November 2023 and published on its website (www.bbva.com), is based on the principles that guide BBVA in tax matters and sets out its tax strategy.

Principles on fiscal matters

The principles that guide BBVA's tax conduct are not unrelated to its responsible and transparent way of understanding finance and banking. In the tax area, BBVA's actions must also embrace other stakeholders and it is aligned with its Purpose: **"Support your drive to go further"** and the values and commitments that it has undertaken with society.

As such, the principles that guide its actions are:

Integrity
in the observance of the law and in relations with Tax Administrations.

Prudence
in assessing the implications of decisions taken.

Transparency
in the information provided in a clear and accurate manner.

Achieving
a profitable and sustainable long -term business.

Creating
long-term value for its stakeholders.

Compliance
with applicable legislation at all times.

The tax strategy

The tax strategy is aligned with OECD standards and is inspired by the conclusions of the Base Erosion and Profit Shifting (BEPS) Project, promoted by the G20 and the OECD, which is aimed at aligning value creation with appropriate taxation in the jurisdictions where such value is generated. In addition, the strategy responds to the commitment to comply with and respect tax regulations in the jurisdictions in which the Group operates, in accordance with Chapter XI of the OECD Guidelines for Multinational Enterprises. In its decision-making, the tax strategy takes into account legitimate public interests in tax matters and maintains an attitude of compliance and cooperation with tax authorities, based on the conviction that the redistributive action of states is essential for achieving the Sustainable Development Goals and for the promotion, protection and guarantee of Human Rights.

BBVA's tax strategy includes the following aspects:

- Commitment to the payment of taxes and compliance with tax obligations, taking into account any environmental, social and corporate governance impacts of tax decisions.
- Avoidance of artificial investment structures, which do not respond to organizational or business reasons, and/or which do not have an adequate economic substance for the activities.
- The adoption of reasonable interpretations of tax regulations and double-taxation treaties, taking into account in the analysis any prior criteria established by the tax authorities.
- Restrictions on possible participation in structures in non-cooperative jurisdictions as defined in the applicable regulations, which must respond to economic reasons other than tax ones; not to seek to obtain tax advantages, or to undermine BBVA's transparency. In any case, the tax code will be applied to them and they will be subject to special control.
- The establishment of internal transfer pricing rules for all transactions between related parties related entities, governed by the principles of free competition, value creation and assumption of risk and benefits. This excludes any type of circumvention through transfer pricing.
- The promotion of a reciprocal cooperative relationship with the various tax administrations, based on the principles of transparency, mutual trust, good faith and loyalty. In addition, BBVA actively collaborates in clarifying regulations and reducing conflict.
- Adaptation to the new tax environment and challenges posed by the digitalization of the economy.
- The promotion of transparent, clear and responsible reporting of its main tax figures, informing stakeholders of the payment of taxes.
- When preparing any financial product, it takes into account the tax implications for the customers and provides them with the relevant information required to meet their tax obligations.

Within the BBVA Group, the Board of Directors is responsible for approving its tax strategy. Although the strategy is intended to be permanent, it is reviewed annually and will be updated when necessary to better express the Group's tax orientation and commitments in tax matters or upon the occurrence of any event that requires its modification.

The strategy is universal in scope and affects all business units and all BBVA employees, regardless of the geographic area in which they are located. It is developed through a set of internal tax rules that are reviewed annually to ensure that they reflect best market practices and are fully aligned with the Group's strategy.

In addition, the Board establishes in this General Policy the guidelines for monitoring compliance.

In compliance with United Kingdom regulations, BBVA makes its tax strategy public for its branch in that jurisdiction. This strategy reproduces the Group-wide strategy with the adaptations required by United Kingdom regulations.

In addition to the above, it should be noted that BBVA's Code of Conduct requires, in Section 4.6.1, its members to carry out their professional activity in such a way that BBVA adequately complies with its tax obligations, avoids any practices that involve illicit tax evasion or harm to the public treasury. Accordingly, disciplinary and sanctioning procedures are fully applicable in the event of non-compliance. BBVA communicates and trains all staff in this matter.

BBVA is fully committed to transparency in tax matters and voluntarily publishes its overall tax contribution annually in the Tax Policy section of the shareholders and investors website. As a financial entity, BBVA also complies, through the corresponding areas, with reporting obligations to tax authorities arising from the Foreign Account Tax Compliance Act (FATCA), the Common Reporting Standard (CRS), the United States Qualified Intermediary (QI), and the country-by-country report. Furthermore, BBVA Group has internal rules and processes in place to comply with the requirements set forth in Directive 2018/822, of 25 May, 2018, amending Directive 2011/16/EU, as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements (known as DAC6).

Control and management of tax risk

The BBVA Group has created a Tax Control Framework that is integrated with the rest of the BBVA Group's control model, and which complies with the requirements for the improvement of Corporate Governance that Law 31/2014 amending the Spanish Corporations Act introduced in terms of control and management of tax risk for listed companies.

The BBVA Group's Tax Control Framework is based on its tax strategy and is applicable to all the jurisdictions in which BBVA operates and to all the Group's various different areas and businesses. This allows the BBVA Group to carry out an integrated management of its tax positions and risks in a manner consistent and in conjunction with other risks.

The BBVA Group's Tax Control Framework is configured around three fundamental lines of action.

1. Specific plans are carried out annually to identify, mitigate and control tax risk within BBVA Group. The tax function has developed BBVA's General Tax Strategy Policy through a set of internal rules and procedures, in which the tax control mechanisms are established.

   Periodically, the head of the Group's Tax Department informs the Audit Committee of the most relevant tax information, including, among other matters, the Group's tax rate, the total tax risk, the tax situation in the capital, and the transparency report in which the main criteria used and the main tax decisions adopted with an impact on the Group's financial information are included.
2. Controls for tax risk management are subject to the annual cycle of review of internal control areas in order to evaluate their suitability and effectiveness.
3. The Group's Internal Audit area conducts periodic tax compliance reviews.

Additionally, a series of specific tax risk indicators have also been developed, which are integrated into the Group's general risk management and control framework, to help establish and manage the Group's risk profile in tax matters.

BBVA's tax function carries out the process of evaluating and monitoring these indicators, which allows for:

- Properly identifying tax risks.

- Assessing the impact of the materialization of tax risks.
- Developing redirection measures that allow dynamic tax risk management.
- Reporting and generating relevant information on the trend in tax risks for the Group's governing bodies.

Likewise, both the Tax Control Framework and the development and implementation of the strategy and the compliance with tax regulations are grounded on technological tools that enable an adequate degree of automation, which allows mitigating operational risks and ensures connectivity with the tax authorities of the jurisdictions in which it operates.

Finally, the BBVA Group's Control Framework and, in short, the entire tax risk management and control system in the Group, complies with the standards established by the UNE 19602 standard, and is subject to annual review by AENOR. In this regard, and in accordance with the provisions of the General Policy on the Group's tax strategy approved by the Board, and in the sense established by the UNE 19602 standard, the Group has a tax compliance body in charge of ensuring the correct operation and effectiveness of the tax risk management systems, without prejudice to the functions that by Law correspond to the corporate bodies.

During fiscal year 2025, the tax compliance body has held 2 meetings in which it has been addressed various issues related to tax control and tax risk management in the BBVA Group, as well as the progress and status of the various initiatives and action plans carried out.

Cooperation with tax authorities

As established by the Group's tax strategy, BBVA maintains a cooperative relationship with the tax administrations of the countries in which it operates, based on the principles of transparency, mutual trust, good faith, and loyalty.

In particular, and with regard to Spain, BBVA is subject to the Code of Best Tax Practices (*Código de Buenas Prácticas Tributarias*, CBPT) and, in accordance with its principles, the Group has once again voluntarily submitted the Annual Tax Transparency Report for Companies Adhering to the Code of Best Tax Practices and its Corporate Income Tax declaration for the previous year, which included its performance and proposals to strengthen best practices on tax transparency.

In the aforementioned Transparency Report, the most significant criteria used to prepare the Corporate Income Tax Declaration are voluntarily explained to the Central Office for Large Taxpayers, and meetings are subsequently held with the tax authorities in order to further elaborate on any details that may be required. All of the above is before corresponding inspectorate actions commence.

In addition, during this fiscal year 2025 and within the framework of the cooperative relations that BBVA has with the Tax Office, a Self-Assessment Report on the Data Reported in the Country-by-Country Statement corresponding to 2023 was submitted to the Tax Office. In the process of analyzing these data, BBVA Group has evaluated risks of a fiscal nature on the basis of indicators and ratios of a financial character identified by the OECD in its document "OECD (2017), BEPS Action 13 - Country-by-Country Reports: Manual on the effective use for the assessment of tax risk".

BBVA also adopted the Code of Practice on Taxation for Banks, a UK initiative that provides for the approach expected from financial institutions in terms of governance, tax planning and engagement with the British tax authorities, in order to promote the adoption of best practices in this area.

In addition, the Dutch entity of the "GarantiBank BBVA International, NV" Group has a cooperative compliance agreement in force with the tax authorities of that country under the regime known as "Horizontal Monitoring" and which it is based on the Tax Control Framework implemented by that entity.

Furthermore, BBVA is a collaborating financial institution in the collection processes of the geographic areas that request it. BBVA collaborates in the tax compliance of its customers, provides them with the necessary information for tax compliance, requires them to provide the tax compliance tests required by the regulations, and complies with the reporting provisions set forth in the DAC6 regulations. Under no circumstances does it advise or facilitate tax avoidance structures to its customers.

Finally, in order to obtain legal certainty and ensure that its understanding of tax code is in line with the spirit of the law, BBVA consults the tax authorities on any aspects that are controversial or raise doubts, when deemed necessary.

Dialogue with other stakeholders in tax matters and participation in technical tax discussion forums

BBVA is aware of how important taxes are for the progress and sustainability of the societies in which it operates, which is why it maintains mutually constructive dialog with various NGOs, universities, laboratories of ideas (think tanks) and other tax-related forums, in relation to the Group's tax contribution. As a result of this dialogue, BBVA has been incorporating new transparency standards made public in the Total Tax Contribution Report (TTC), and has promoted initiatives that allow its extension to other multinationals, such as the European Business Tax Forum. Likewise, it has reaffirmed its position as the leading bank in tax transparency in Europe, according to the analysis conducted by the Dutch Association of Investors for Sustainable Development (VBDO), for the second consecutive year since that entity included the BBVA Group in its benchmark.

Total tax contribution

BBVA is committed to transparency in the payment of taxes and that is the reason why, for yet another year, it voluntarily discloses the total tax contribution in those countries in which it has a significant presence.

The TTC report includes own and third-party payments for corporate tax, VAT, local taxes and fees, income tax withholdings, Social Security payments, and payments made during the year due to tax litigation in relation to the aforementioned taxes. In other words, this includes both the taxes related to the BBVA Group companies (taxes that represent a cost to said companies and affect their results) and taxes collected on behalf of third parties.

GLOBAL TAX CONTRIBUTION (BBVA GROUP. MILLIONS OF EUROS)

	2025	2024
Own taxes	6,686	8,463
Third-party taxes	10,496	8,977
Total tax contribution	**17,182**	**17,440**

Tax information by country

TAX INFORMATION BY COUNTRY (BBVA GROUP. MILLION EUROS)

	2025				2024			
	CIT payments cash basis	CIT expense consol	Profit (loss) before CIT	Gross margin	CIT payments cash basis	CIT expense consol	Profit (loss) before CIT	Gross margin
Germany	4	13	42	87	8	11	40	75
Argentina	(12)	115	311	1,493	234	76	363	1,707
Belgium	2	2	8	12	2	1	5	9
Bolivia	—	—	—	2	—	—	(1)	2
Brazil	—	(4)	(3)	20	—	—	(8)	3
Chile	15	14	48	173	3	5	23	147
China [1]	3	4	18	87	5	4	26	80
Cyprus	12	14	63	64	7	11	48	49
Colombia	158	89	235	1,144	187	37	125	1,174
Curaçao	—	1	8	10	—	—	7	8
Spain	1,032	1,292	4,138	9,104	1,261	1,207	3,968	9,156
USA	118	123	646	970	81	92	430	550
France	13	10	96	140	24	20	36	128
Italy	72	62	165	199	22	52	158	164
Japan	—	1	1	4	—	—	(3)	2
Malta	2	3	35	38	4	2	28	31
Mexico	1,140	2,067	7,273	15,126	2,284	2,073	7,429	15,153
Netherlands	34	49	167	196	54	39	139	174
Panama	—	—	—	—	—	—	—	—
Peru	153	235	862	1,993	214	143	625	1,892
Portugal	7	14	74	148	15	22	74	161
United Kingdom	18	17	97	300	22	16	117	263
Romania	7	7	36	140	7	7	34	143
Singapore	6	10	53	60	4	6	45	50
Switzerland	3	3	14	67	3	2	10	60
Taiwan	—	(2)	(9)	17	9	1	5	8
Turkey	722	833	1,567	4,780	758	955	1,493	3,811
Uruguay	27	17	83	246	30	17	94	268
Venezuela	3	111	199	311	10	31	95	213
Total	**3,539**	**5,100**	**16,227**	**36,931**	**5,248**	**4,830**	**15,405**	**35,481**

General note: the results of this breakdown of the branches are integrated in the consolidated financial statements of the parent companies on which they depend.

[1] Includes Hong Kong and Shanghai branches.

The amounts of "Corporate income tax cash payments" are highly conditioned and derive fundamentally from the methodology for calculating the installment payments provided for in the regulations governing corporate income tax in the different geographical areas, producing differences between the installment payments made in the current year and the refund of installment payments from previous years that may result once the definitive tax returns have been filed. In this respect, it should also be noted that it is normal for there to be differences between the amounts of "Corporate income tax cash payments" and "Corporate income tax expense", since the tax paid in the year is not necessarily directly related to the pre-tax profit existing in a jurisdiction, but takes into account the tax payments (and refunds) in respect of the profits obtained in previous years, as well as the installment payments made in the current year and the withholding of input taxes. However, the "Corporate income tax expense" for the current year is more directly related to the pre-tax profit for a given year.

In 2025, the BBVA Group has not received any significant public aid to the financial sector aimed at promoting the development of banking activity. This statement is made for the purposes of the provisions of Article 89 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June (on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms) and its transposition into Spanish law through Law 10/2014 on the Regulation, Supervision and Solvency of Credit Institutions of June 26.

Below is a breakdown of tax information for the main countries and geographic areas where the Group operates:

TAX INFORMATION BY COUNTRIES AND GEOGRAPHICAL AREAS IN 2025 (MILLIONS OF EUROS, NUMBER OF EMPLOYEES)

	Gross margin	Profit (loss) before CIT	CIT payments cash basis	CIT expense consol [1]	Nº employees [2]	Tangible assets other than cash
Argentina	1,493	311	(12)	115	6,282	636
Colombia	1,144	235	158	89	6,512	146
Spain	9,104	4,138	1,032	1,292	28,357	5,501
Mexico	15,126	7,273	1,140	2,067	47,743	2,399
Peru	1,993	862	153	235	7,855	373
Turkey	4,780	1,567	722	833	21,725	2,047
Rest of Europe and Asia	1,559	860	183	207	2,997	146
Rest of America	1,732	981	163	262	3,983	250
Total	**36,931**	**16,227**	**3,539**	**5,100**	**125,454**	**11,498**

[1] Regarding the Group's total CIT expense for the year 2025, €4,598 million and €502 million correspond to current tax expense and deferred tax expense, respectively.

[2] Full-time employees. The 93 employees of representative offices are not included in the total number.

TAX INFORMATION BY COUNTRIES AND GEOGRAPHICAL AREAS IN 2024 (MILLIONS OF EUROS, NUMBER OF EMPLOYEES)

	Gross margin	Profit (loss) before CIT	CIT payments cash basis	CIT expense consol [1]	Nº employees [2]	Tangible assets other than cash
Argentina	1,707	363	234	76	5,737	747
Colombia	1,174	125	187	37	6,524	148
Spain	9,156	3,968	1,261	1,207	27,786	5,681
Mexico	15,153	7,429	2,284	2,073	48,892	2,344
Peru	1,892	625	214	143	7,766	404
Turkey	3,811	1,493	758	955	21,126	2,213
Rest of Europe and Asia	1,397	762	186	194	2,708	128
Rest of America	1,191	640	124	145	3,730	221
Total	**35,481**	**15,405**	**5,248**	**4,830**	**124,269**	**11,886**

[1] Regarding the Group's total CIT expense for the year 2024, €3,970 M and €860 M correspond to current tax expense and deferred tax expense, respectively.

[2] Full-time employees. The 49 employees of representative offices are not included in the total number.

Banking activity in Spain is carried out mainly through BBVA, S.A., which is the head of the banking business in Spain and also the parent company or holding company of the BBVA Group. The main business segments developed in Spain include retail banking, commercial banking, as well as insurance activities and corporate and investment banking.

In general terms, Spanish companies are integrated into a tax group, constituting for these purposes a single taxpayer for corporate income tax. The nominal tax rate in Spain is 30%; However, there are certain effects and singularities of a fiscal and accounting nature due to the double dimension mentioned above, which may cause your effective tax rate to be different.

In this regard, in 2025 its effective tax rate is above 30% and is affected, among other factors, by the recognition in the corporate income tax expense of the impact for 2025 of the Tax on Net Interest Income and Fees (IMIC), as well as by the effects arising from the limitation of the exemption for intragroup dividends and the withholding taxes borne at source on those intragroup dividends received from abroad. Notwithstanding the foregoing, in fiscal year 2025 positive effects were generated as a result of the conclusion of the tax audit process of the Group in Spain for fiscal years 2017 to 2020 and the subsequent reassessment of tax risk coverage requirements, as well as from the recognition of certain deferred tax assets of the tax group in Spain that had not previously been recorded in the financial statements.

In Mexico, the BBVA Group's presence is developed through the BBVA Mexico Group, which is the country's leading financial institution and one of the driving forces of the BBVA Group. Its main activity segments include retail banking, commercial banking, insurance activities and corporate and investment banking.

The statutory corporate income tax rate in Mexico is 30% and its effective tax rate is below that level, as certain tax and accounting effects and specific features may cause the effective tax rate to to differ from 30%. In 2025, most significant of these is inflation tax adjustment which contributes to the reduction in the effective tax rate.

In Argentina, the Group's presence is developed through BBVA Argentina Bank, one of the country's main financial institutions. Its main activity segments include retail banking, commercial banking, insurance activities and corporate and investment banking.

The nominal tax rate in Argentina is 35%. The fact of being considered a hyperinflationary economy and the consequent restatement of its financial statements, together with the presence of the inflationary tax adjustment, may cause distortions in the country's fiscal pressure. In fiscal year 2025, the country’s tax burden was moderately above its nominal tax rate; however, the inflation tax adjustment largely neutralized the distortions arising from the application of hyperinflationary accounting.

In Colombia, the presence of the BBVA Group is developed through BBVA Colombia, one of the main financial institutions in the country. Its main activity segments include retail banking, commercial banking, insurance activities and corporate and investment banking.

In fiscal year 2025, the nominal tax rate in Colombia for the financial sector is 40%. The effective tax rate is lower because, among other factors, there are certain tax effects (such as tax-exempt income from the insurance business) and accounting effects that cause the effective tax rate to differ from the nominal rate, also depending on the relative weight of such tax and accounting effects on the geography’s profit before tax. Notwithstanding the foregoing, it should be noted that Colombia’s tax burden has increased due to a tax reform approved in December 2025, which provides for a 50% tax rate for the financial sector in fiscal year 2026, resulting in a certain net negative impact due to the remeasurement of its net deferred tax position.

In Peru, the BBVA Group's operations are conducted through BBVA Peru, one of the country's leading financial institutions. Its main business segments include retail banking, commercial banking and corporate and investment banking..

The nominal tax rate in Peru is 29.5% and in the 2025 financial year its effective tax rate was lower, mainly due to the weight of certain exempt income (i.e. exemption of interest on deposits in the Central Reserve Bank and interest on Treasury bonds).

In Turkey, the Group's activity is mainly conducted through Garanti BBVA Group, of which BBVA is the largest shareholder. Its main business segments include retail banking, commercial banking, insurance activities and corporate and investment banking..

Commencing January 1, 2022, the Group agreed to apply IAS 29 ("Financial Reporting in Hyperinflationary Economies") to the Group's entities in Turkey. This accounting adjustment due to hyperinflation is not tax deductible. Despite Turkey being considered a hyperinflationary economy, Turkish tax legislation does not provide for the application of any inflation adjustment, which leads to significant upward distortions in Turkey’s tax burden.

Therefore, although the tax rate for the financial sector in Turkey is 30%, in fiscal year 2025 the country's effective tax rate was significantly higher than the aforementioned nominal rate of 30%, mainly due to the upward distortion of the tax burden resulting from the restatement of the financial statements under hyperinflationary accounting and the inability to apply a tax inflation adjustment. In this regard, it should also be noted that, as a consequence of a tax reform approved in December 2025, the possibility of fiscally revaluing non-monetary assets has been restricted, which also exerts upward pressure on the country's effective tax rate.

The Group is also present in the United States, Chile, Venezuela, Uruguay, Bolivia, Brazil, Panama, and Curaçao, primarily carrying out, as in the rest of the jurisdictions, retail and commercial banking activities, without prejudice to the fact that the activity of the branch located in New York falls within the scope of commercial, corporate and investment banking. The combined relative weight of these countries in the Group's accounts is very limited, representing approximately 6% of the Group's total consolidated profit before tax in 2025. The average nominal tax rate applicable in 2025 amounted to 25.24%, and the effective tax rate was very closely aligned at 26.71%, with some upward pressure mainly due to the distortions arising from the consideration of Venezuela as a hyperinflationary economy.

Additionally, in the rest of Europe and Asia, particular note should be made of the banking and financial entities located in Switzerland, the Netherlands, and Romania, as well as the branches located in Germany, Brussels, Paris, Milan, London, Portugal, Taipei, Tokyo, Hong Kong, Singapore, Shanghai, Malta and Cyprus, whose main activity falls within the commercial, corporate and investment banking sphere. The combined relative weight of these countries in the Group's accounts is limited, representing approximately 5% of the Group's total consolidated profit before tax generated in 2025. The average statutory tax rate applicable in 2025 amounted to 24.51%, and the effective tax rate was closely aligned, at 24.07%.

The scope of the previously disclosed geographical areas can be found in Annex I to the Consolidated Financial Statements. In addition, the Annual Banking Report – Information for compliance with Article 89 of Directive 2013/36/EU of the European Parliament and its transposition into Spanish law through Law 10/2014 can be found in Note XII to the Consolidated Financial Statements.

5. Complementary information to the Consolidated Non-financial Information Statement

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5.1 Transition plan equivalency table

BBVA has incorporated the elements of a Transition Plan following the guidelines and recommendations for financial institutions published by the Glasgow Financial Alliance for Net Zero (GFANZ) in November 2022. The ESRS also includes the necessary breakdowns to cover it.

Below is a table of equivalences between these GFANZ recommendations and the breakdowns in this report prepared under the premises described in the "General basis for the preparation of the Consolidated Non-Financial Information Statement" section:

TRANSITION PLAN EQUIVALENCE TABLE (BBVA GROUP. 2025)

Transition plan		Section/Chapter Management Report 2025
Fundamentals	Objectives and priorities	NFIS/Environmental Information/Environmental business channeled
		NFIS/Environmental Information/Climate change management / BBVA Group Transition Plan /Financed portfolio
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan /Own operations and other scope 3 emissions
Implementation strategy	Products and services	NFIS/Environmental Information/Environmental business channeled
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan /Financed portfolio
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan /Own operations and other scope 3 emissions
	Activities and decision making	NFIS/General information/Sustainability governance model
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan/Financed portfolio
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan /Own operations and other scope 3 emissions
		NFIS/Environmental Information/Climate change management/ Management of risk associated to climate change
	Policies and conditions	NFIS/General information/Sustainability governance model
		NFIS/Environmental information/Introduction
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan/Financed portfolio
		NFIS/Environmental Information/Climate change management/ Management of risk associated to climate change
Engagement Strategy	Commitment to clients and portfolio companies	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine
		NFIS/Environmental Information/Environmental business channeled
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan/Financed portfolio
	Commitment to the industry	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine/Dialogue with industry and the public
	Commitment to government and the public sector	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine/Dialogue with industry and the public

Metrics and objectives	Metrics and objectives	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine
		NFIS/Environmental Information/Environmental business channeled
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan /Financed portfolio
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan/Own operations and other scope 3 emissions
		NFIS/Environmental Information/Climate change management/ Management of risk associated to climate change
		NFIS/Environmental Information/Natural capital management
Government	Duties, responsibilities and remuneration	NFIS/General information/Sustainability governance model
		NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan
		NFIS/Social information/Own workforce/Competitive remuneration
	Skills and culture	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine
		NFIS/Social information/Own workforce/Quality employment

5.2 ISSB equivalency table

The International Sustainability Standards Board (ISSB) and the European Commission services, together with the European Financial Reporting Advisory Group (EFRAG), have worked together during the development of the European Sustainability Reporting Standards (ESRS) and the IFRS Sustainability Disclosure Standards (ISSB standards) to achieve a high degree of alignment of the respective standards, with a specific focus on climate-related disclosures. Despite certain specific differences, both bodies have fostered harmonization through interoperability guidance.

In addition, since 2024, the ISSB has assumed responsibility for monitoring reports made by companies regarding compliance with the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). Also in 2024, BBVA signed a collaboration agreement with the ISSB to promote the adoption of its sustainability information disclosure standards among its customers.

In this context, and as part of its objective of promoting transparency regarding the disclosure of sustainability information, BBVA has voluntarily carried out an equivalence exercise between the ESRS and the ISSB standards, without the latter being mandatory for the Group.

The following table presents a comparison between both standards and how the Group is responding to their information requirements, including some exceptions[75]:

ESRS-ISSB EQUIVALENCE (BBVA GROUP. 2025)

Specific category	ESRS DR	ISSB	Section of the report 2025
01 Governance			
Governance	Disclosure Requirement GOV-1 – The role of administrative, management and supervisory bodies	IFRS S1.21 b IFRS S2.6 a, b	NFIS/NFIS/General information/Introduction NFIS/General information/Sustainability governance model/ Sustainability governance
	Disclosure requirement GOV-2 - Information provided to the company's management, executive and supervisory bodies and sustainability topics addressed by them	IFRS S2.6 a	NFIS/General information/Double materiality analysis NFIS/General information/Sustainability governance model/ Sustainability governance
	Disclosure requirement related to ESRS 2 GOV-3 Integrating sustainability-related performance into incentive schemes	IFRS S1.21 b IFRS S2.6 a	NFIS/General information/Sustainability governance model/ Sustainability governance NFIS/Social information/Own workforce/Competitive remuneration
02 Strategy			
Climate-Related Risk and Opportunities	Disclosure Requirement BP-2 – Disclosures Regarding Specific Circumstances	IFRS S2.10 d	NFIS/NFIS/General information/Introduction/Information regarding specific circumstances
	Disclosure requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	IFRS S2.10 d IFRS S2.10 b IFRS S2.10 a, c	NFIS/General information/Double materiality analysis/Results and determination of materiality NFIS/Environmental information/Introduction NFIS/Environmental information/Climate change management/ Management of risks associated with climate change/Identification and Assessment of climate risks
	Disclosure requirement related to ESRS 2 IRO-1 – Description of processes for identifying and assessing material climate-related impacts, risks and opportunities	IFRS S2.10 d	NFIS/General information/Double materiality analysis/Results and determination of materiality NFIS/Environmental information/Climate change management/ Management of risks associated with climate change/Identification and Assessment of climate risks NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology

[75] The requirements IFRS S2.14 a, b; IFRS S2.16 a; IFRS S2.17; IFRS S2.15 a, b; IFRS S2.16 a, b, d ; IFRS S2.29 f ; IFRS S2.31; IFRS S2.B65(e); IFRS S2.35 do not form part of this equivalency table; however, some of the requirements may be covered by the requirements established by the ESRS.

Strategy and Decision Making	Disclosure Requirement E1-1 – Climate Change Mitigation Transition Plan	IFRS S2.14 a, c	NFIS/Environmental information/Climate change management/ Transition plan of BBVA Group
	Disclosure Requirement E1-4 – Climate Change Mitigation and Adaptation Targets	IFRS S2.14 a	NFIS/Environmental information/Climate change management/ Transition plan of BBVA Group
	Disclosure Requirement SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	IFRS S2.14 a	NFIS/General information/Double Materiality analysis/Results and determination of materiality NFIS/Environmental information/Introduction NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology
	Minimum Disclosure Requirement – MDR-A Actions – Actions and resources in relation to material sustainability topics	IFRS S2.14 c	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental Information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity

Business Model and Value Chain	Disclosure Requirement SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	IFRS S2.13 a, b	NFIS/General information/Double Materiality analysis/Results and determination of materiality NFIS/Environmental information/Introduction NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology
	ESRS 2 IRO-1: Description of processes for determining and assessing material climate-related impacts, risks and opportunities.	IFRS S1.23 IFRS S1.B42 c IFRS S2.22 a, b	NFIS/General information/Introduction/Double Materiality analysis/ Results and determination of materiality NFIS/Environmental Information/Climate Change management/ Management of risks associated with climate change NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology
Climate Resilience	Disclosure requirement related to ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	IFRS S2.22 a, b	NFIS/General information/Double Materiality analysis/Results and determination of materiality NFIS/Environmental information/Introduction NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental information/Climate change management/ Management of risks associated with climate change NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology

03 Risk management			
	Disclosure Requirement E1-2 – Policies related to climate change mitigation and adaptation	IFRS S2.25 a, b	NFIS/General information/Sustainability governance model/ Sustainability governance NFIS/Environmental information/Introduction NFIS/Environmental information/Climate change management/ Management of risks associated with climate change
	Disclosure Requirement E1-9: Anticipated financial effects of material physical and transition risks and potential climate-related opportunities	IFRS S2.25 b *	Phase-in
	Disclosure Requirement IRO-1: Description of the process for identifying and assessing material impacts, risks and opportunities	IFRS S2.25 a, b, c	NFIS/Environmental Information/Climate change management/ Management of risks associated with climate change NFIS/Environmental Information/Natural capital management / Identification and measurement of risks and opportunities associated with natural capital NFIS/Governance information/Business conduct NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology
	Disclosure requirement related to ESRS 2 IRO-1 Description of processes for identifying and assessing material climate-related impacts, risks and opportunities	IFRS S2.25 a, b	NFIS/General information/Double Materiality analysis/Results and determination of materiality NFIS/Environmental information/Climate change management/ Management of risks associated with climate change NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology
Risk Management	Disclosure requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	IFRS S2.25 b *	NFIS/General information/Double Materiality analysis/Results and determination of materiality NFIS/Environmental information/Introduction NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology
	Minimum Disclosure Requirement – MDR-P Policies – Policies adopted to manage material sustainability topics	IFRS S2.25 a	NFIS/General information/Sustainability governance model/ Sustainability governance NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity

04 Metrics			
	Disclosure Requirement E1-1 – Climate Change Mitigation Transition Plan	IFRS S2.29 e	NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan
	Disclosure Requirement E1-6: Gross Scope 1, 2, 3 and Total GHG Emissions	IFRS S2.29 a IFRS S2.B19 IFRS S2.B30 IFRS S2.B31 IFRS S2.B32 IFRS S2.B34 IFRS S2.B38–B57	NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan
	Disclosure Requirement E1-9: Anticipated financial effects of material physical and transition risks and potential climate-related opportunities	IFRS S2.29 b, c, d IFRS S1.21(b)	Phase-in
	Disclosure requirement related to ESRS 2 GOV-3 Integrating sustainability-related performance into incentive schemes	IFRS S2.29 g	NFIS/General information/Sustainability governance model/ Sustainability governance NFIS/Social information/Own workforce/Competitive remuneration
Metrics	Minimum Disclosure Requirement – MDR-M Metrics – Metrics relating to material sustainability topics	IFRS S1.50 IFRS S2.29 a	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental Information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity
	Minimum disclosure requirement – MDR-T objectives – Monitoring the effectiveness of policies and actions through objectives	IFRS S2.29 a	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental Information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity
05 Objectives			
	Disclosure Requirement E1-4 – Climate Change Mitigation and Adaptation Targets	IFRS S2.33 b, d, e, g IFRS S2.34 a IFRS S2.36 d	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan
	Disclosure Requirement E1-7: GHG Removals and GHG Mitigation Projects Financed Using Carbon Credits	IFRS S2.36 e	NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan/Own operations and other scope 3 emissions
Objectives	Minimum disclosure requirement – MDR-T objectives – Monitoring the effectiveness of policies and actions through objectives	IFRS S2.33 a, b, c, d, e, f, g, h IFRS S2.34 b, c, d IFRS S2.B67	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Environmental information/Environmental business channeled NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan NFIS/Environmental Information/Climate change management/ Management of risks associated with climate change NFIS/Social information/Own workforce NFIS/Social information/Consumers and end-users NFIS/Governance information/Business conduct NFIS/Governance information/Cybersecurity

5.3 Table of contents of the Principles for Responsible Banking UNEP-FI

TABLE OF CONTENTS OF THE UNEP-FI PRINCIPLES FOR RESPONSIBLE BANKING (PRB)

Principle 1: Alignment

Content

Within its **new Strategic Plan 2025-2029**, BBVA is reinforcing **sustainability as a growth engine**, with the ambition to continue leading a transformation that represents a great opportunity and requires significant investments in key industries, productive sectors, and value chains. To this end, the bank supports its customers with specialized advice and facilitates the necessary financing to meet the growing demand for more efficient and environmentally responsible energy solutions, while remaining committed to social responsibility.

The Group will achieve this through **three key levers**:

- Differentiated advice
- Development and financing of innovative solutions
- Integration of sustainability into risk management

Example of progress indicators

For this new strategic cycle, a target of channeling €700 billion into sustainable business has been set from 2025 to 2029, of which €134 billion were channeled in 2025. This new, more ambitious target is set after having channeled a total of €304 billion into sustainable business in the period from 2018 to 2024 (see "Criteria for determining the channeling of sustainable business" within the "Sustainability as a growth engine" section).

Links & references

For more details, see the " BBVA Group Strategy" of the Report as well as "Sustainability as a growth engine", "Environmental business channeled" and "Social business channeled" sections of the NFIS.

Principle 2: Impact and goal setting

Content

In 2025, BBVA conducted a **double materiality analysis (DMA)**, which evaluates two key dimensions considering the Group's operating context. On the one hand, it assesses how the activity may affect society and the environment (**impact materiality**); and on the other, the risks and opportunities that the environment generates for the business **(financial materiality**). In accordance with the ESRS, this report identifies and discloses the topics for which the entity has identified material Impacts, Risks, and Opportunities (hereinafter, IROs), including the stage of the value chain in which they originate.

Finally, the DMA is conceived as a dynamic process subject to periodic reviews. Its evolution responds to updates in strategic priorities, market conditions, dialogue with stakeholders, and the regulatory environment, thus ensuring the continuous improvement of information quality.

Regarding goal setting:

On the one hand, in the **climate field**, BBVA sets intermediate emissions reduction targets for 2030, which guide the evolution of the loan portfolio towards trajectories aligned with decarbonization scenarios and develops a decarbonization strategy for the loan portfolio and investment products.

And on the other hand, in the **social sphere**, in 2025 BBVA has channeled €30 billion destined for social activities, reinforcing support for priority segments, facilitating financing for entrepreneurs, micro- small businesses and segments with greater barriers to access and promoting the role of companies and public sector as key agents in generating positive social impact.

Links & references

For more details, see the "Double Materiality Analysis" section of the NFIS.

Regarding the setting of objectives, for more details in the environmental field see the " BBVA Group Transition Plan" section of the NFIS and in the social field, see the "Social business channeled" of the NFIS.

Principle 3: Customers and users

Content

On the one hand, the Group has launched a **decarbonization strategy** that is focused on sustainability and to promoting a low-carbon economy, both in its own operations and in the activity of its customers.

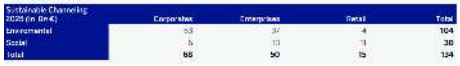
This Plan is based on three interdependent pillars that allow for orderly, measurable, and coherent progress in line with the challenges of the climate transition:

- Objectives and implementation strategy
- Governance and monitoring
- Engagement strategy

On the other hand, **consumers and end-users** are a fundamental part of the Group's business model. This is a material issue and is recognized in the Group's strategy, which is based on offering hyper-personalized experiences and real-time responses through the use of data and AI, as well as a commitment to the environment. In this way, the customer relationship and experience transcends formal requirements, becoming a decisive and radical factor for growth and competitive differentiation.

Example Progress Indicators

BBVA fosters the creation of new sustainable business through **three growth levers**: differentiated advice, development of innovative financing solutions, and risk integration (described in detail in "Sustainability as a growth engine"). These levers encourage the creation of new sustainable business with its customers and users.



Sustainable Channeling 2025 (in Bn€)	Corporates	Enterprises	Retail	Total
Environmental	93	37	4	104
Social	5	13	11	30
Total	98	50	15	134

Links & references

For more details, see the "Sustainability as a growth engine", "BBVA Group Transition Plan" and "Consumers and end-users" sections of the NFIS.

Principle 4: Stakeholders

Content

The BBVA Group maintains an asset dialogue through specific channels with its **main stakeholders** – shareholders and investors, customers, employees, suppliers, regulators and supervisors and society – who can affect and be affected by business activities and relationships throughout the value chain.

This dialogue aims to integrate stakeholder opinions and interests, and this is reflected in the Group 's various policies, especially the **Sustainability General Policy of BBVA**, to advance its purpose through supervisor banking practices. This process of listening to the different stakeholder groups is a key element in the Group 's strategy as it allows the identification of impacts, risks and opportunities associated with the activities it carries out.

Links & references

For more details, see the "The Value Chain and its relationship with stakeholders" section of the NFIS.

Principle 5: Governance and Culture

Content

Within the framework of the Group's overall management and control structure, the **Board of Directors** has approved the **Strategic Plan for 2025-2029**, which includes, as one of its six strategic priorities, "Boost sustainability as a growth engine". In this regard, the Governing Bodies are promoting the integration of Sustainability, encompassing environmental, social, and governance (ESG) aspects, into all of the Group 's small businesses and activities from a global perspective, and ensuring the appropriate management of the material impacts, risks, and opportunities arising from it.

To assist you in the above, the Bank has a **Global Sustainability Area**. Likewise, the various executive areas promote different aspects of Sustainability within their respective areas of competencies.

To monitor the decarbonization strategy for its loan portfolio and its alignment with established objectives, BBVA created the **Sustainability Alignment Steering Group** (SASG) in 2022. This committee is led by the Global Head of Sustainability & Corporate Investment Banking and the Global Heads of Global Risk Management, Commercial Client Solutions, and Strategy & M&A.

BBVA has a corporate model of annual variable remuneration that, in general, applies to all employees, according to their functions, including executive directors, with certain special features derived from their status as directors.

Example Progress Indicators

Specifically, the annual indicators include the **Sustainable Business Channeling indicator (weighted 10%)**, which measures the amount of sustainable business or business that promotes sustainability channeled through BBVA and is aimed at contributing to the fight against climate change and the promotion of inclusive growth. The indicators used to calculate the long-term incentive include a **Portfolio Decarbonization indicator (weighted 15%)**, which will measure the degree of compliance with the decarbonization targets of a number of sectors for which BBVA has published specific objectives. Both are directly related to the BBVA Group's strategic priority of "Boost sustainability as a growth engine".

Also included is an indicator that measures the evolution of the **percentage of women in management positions** in the Group (36.1% as of December 2025), which is fully aligned with the Group 's strategic priority of "Strengthening our empathy, succeeding as a winning team", guided by BBVA's Purpose and its values and behaviors.

Throughout 2025, **sustainability training** has been promoted, prioritizing specialization and developing new programs aligned with the strategy, considering both global and local perspectives. To this end, the training catalog has been updated and expanded, enabling teams to integrate environmental, social, and governance (ESG) criteria into their daily work, building the capabilities to support clients in transitioning to a more sustainable future.

As of the end of December 2025, 107,365 employees (92,621 in 2024) had completed the **Code of Conduct** course, achieving completion rates above 99% in most geographies.

Links & references

For more details, see the "Sustainability Governance Model" as well as "Culture, Purpose and values", "Quality employment" and "Competitive remuneration" sections of the NFIS.

Principle 6: Transparency and Accountability

Content

The information contained in the Non-Financial Information Statement (NFIS) has been subject to a **limited review** by Ernst & Young Auditores, S.L., in its capacity as an independent audit service provider, with the scope indicated in its Audit Report, which is included as an Annex to this Management Report.

BBVA publishes non-financial information considering the regulatory framework in force in Spain as of December 31, 2025, for which it takes as a reference the framework established by the ESRS.

Links & references

For more details, see the "General basis for the preparation of the Consolidated Non-Financial Information Statement" sections as well as the "Independent Verification Report on the NFIS".

6. Appendices to the Consolidated Non-financial Information Statement

6.1 Double materiality analysis: Methodology 249

6.2 Table of contents of Law 11/2018 252

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6.4 Tables of contents of the ESRS 263

6.5 Sustainable financing under Article 8 of the European Taxonomy 279

6.1 Double materiality analysis: Methodology

BBVA Group's DMA is based on the review of previous exercises and on the most accurate and up-to-date information available, integrating both internal tools, standards, and processes, as well as market reference practices.

The methodological framework employed has been structured into the following three stages: context analysis, identification and definition of IROs, and their subsequent assessment.

This process involved the participation of the internal managers responsible for each topic, who contributed their expertise to both the identification and definition, and the assessment of the IROs. This multidisciplinary approach has allowed for a comprehensive vision covering all business segments and the phases of the defined value chain.

The process has been carried out taking into account the control and governance mechanisms established by the Group, including the administrative and supervisory bodies. For more information, see "Sustainability governance model" chapter.

Phase A: Context analysis

At this stage of the exercise, the Group analyzed external contextual information, taking into account market information, public and sector sustainability standards, specialized methodologies such as UNEP-FI (UNEP-FI Impact Analysis Tool), benchmarks, trends and the regulatory framework, among other aspects, in order to identify and understand the Group's ESG environment. In addition, this exercise was strengthened by the information obtained from the review of reports from other companies that also used the CSRD framework for the disclosure of their non-financial information.

At the same time, internal contextual information from the Group has been considered, such as corporate strategy, policies, internal procedures, and action plans developed by various corporate areas, in order to understand the relevance of the topics according to their level and maturity of management.

The main objective of this phase is to carry out a preliminary identification and prioritization of the issues that are most relevant for the Group and its environment. In this way, the efforts and resources of the subsequent phases are focused on those matters of genuine strategic value.

Phase B: Identification and definition of Impacts, Risks and Opportunities (IROs)

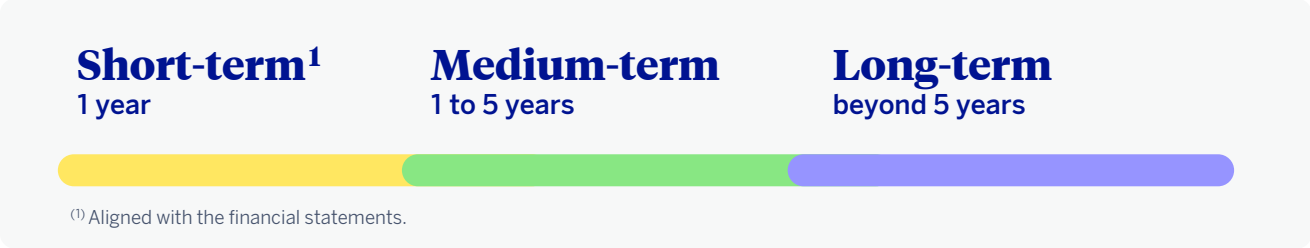
The process of identifying IROs is built on a solid foundation: the context analysis and the results of the previous double materiality exercise. On this basis, the Group incorporates specialized tools and information sources to ensure a structured approach aligned with market best practices. Finally, this technical analysis is complemented and validated by the expert insights of the responsible areas (IRO owners), who approve the final assessment.

The outcome of the Climate Change Risk Assessment in effect at the time of the evaluation has been taken into account. In 2025, some of the risks identified stem from the Non-Financial Risks exercise, which provides a comprehensive perspective for risk identification and assessment.

The identification of IROs also considers a perspective that recognizes and addresses interdependencies among them, such as those linked to investments in carbon-intensive sectors, which generate both greenhouse gas emissions and financial risks (credit risk) associated with the transition to a low-carbon economy.

Once identified and defined, the IROs have been classified according to the following criteria for subsequent evaluation:

- **Current and/or Potential:** Distinguishing between current IROs, future IROs, and those for which the possibility of materialization can occur over different time horizons.
- The **time horizons** applied in the DMA are as follows:



  In 2025, the time horizons have been aligned with those proposed by the ISSB to facilitate comparability between companies and to align with the Group's internal reporting periods.

- Value chain phase: Classification into upstream, own operations, and downstream, according to the value chain identified for BBVA (see "The Value Chain and its relationship with stakeholders" chapter).

The material IROs identified are classified across the different phases of the value chain, with particular relevance in the downstream phase. However, there are also IROs related to the upstream phase, linked to business conduct, as well as to the own operations phase, associated with in-house personnel, and some that originate or materialize across multiple phases.

- ESRS Sub-topics: Each IRO is assigned to the specific sub-topics defined by the ESRS.
- Additionally, entity-specific IROs are identified to complete the analysis.

Phase C: Evaluation

Building on the IROs identified in the previous phase, BBVA has applied an internal methodology following the guidelines set out in the EFRAG Implementation Guidance on Double Materiality Assessment and in ESRS 1. Each of the IROs, depending on its characteristics, has been assessed using specific tools.

Subsequently, the results have been standardized and prioritized using a common scale, establishing a threshold that defines the material topics.

Impact materiality assessment

Impact materiality assesses the positive or negative effects of the Group's activities on its environment, taking into account impacts on people, the environment and society. This assessment is structured around two key dimensions: severity and likelihood.

Severity is defined through three key factors:

- **Scale**: Measures the relevance of the impact, ranging from minimal effects to critical consequences. This approach ensures the most disruptive impacts receive priority in decision-making.
- **Scope**: Establishes the extent of the impact, classifying it according to its geographic scope (local, national or global) or sectoral scope.
- **Irremediability:** Applied exclusively to negative impacts, it assesses the ability to reverse the damage caused.

Probability means the likelihood that a specific event or condition might occur and have a significant effect on an entity, taking into account the time horizons associated with each impact. This dimension is used only for the evaluation of potential impacts, measured on a scale ranging from "unlikely" to "almost certain."

In the case of negative impacts, the protection of and respect for human rights take precedence. For negative impacts, the protection and respect of human rights are a priority. In line with ESRS 1 guidelines, BBVA's applied methodology prioritizes the severity of negative human rights impacts, regardless of their likelihood of occurrence.

Once assessed, those that exceed the established threshold have been considered material. In the case of current impacts, this includes those for which severity reaches values within the medium-to-high range. In the case of potential impacts, those combining medium-to-high severity with a medium-to-high probability are considered material.

Financial materiality assessment

As a new development in the 2025 cycle, the risk and opportunity assessment process has integrated the results of key internal management frameworks, such as the Climate and Environmental Risk Assessment and the Non-Financial Risks (NFR) assessment.

The materiality assessment is based on a hybrid methodology that combines internal quantitative metrics, scenario analysis, and qualitative criteria to determine the likelihood and magnitude of effects. This analysis weighs the impact on both financial statements and operational continuity, classifying results into two axes: sustainability risks (physical, transition, and S&G) and value creation opportunities (channeling, efficiency, and innovation).

BBVA's climate Risk Assessment has enabled the assessment of how climate and environmental risks can affect traditional risks across different time horizons. For the purposes of the DMA, the risk assessment result in effect at the time of the evaluation was taken into account, integrating the conclusions of the Non-Financial Risks exercise. The update of said analysis is detailed in"Management of risks associated with climate change" section.

Regarding opportunities, BBVA has identified growth areas aligned with its strategic priorities, highlighting the channeling of sustainable business and customer digitalization. The latter fosters the transition toward sustainable economic models, maximizing the long-term value of financial products and contributing to the achievement of global sustainability goals. For more information, see "Sustainability as a growth engine" section.

6.2 Table of contents of Law 11/2018 [76]

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		Section/Chapter BBVA's Management Report 2025	ESRS Disclosure Requirement	Page(s)
General information				
Business model	Brief description of the group's business model	BBVA at a glance/About us BBVA at a glance/ BBVA Group strategy NFIS/General Information/Introduction/The Value Chain and its relationship with stakeholders NFIS/General Information/Integrating Sustainability into BBVA's business	ESRS 2-SBM-1 ESRS 2-SBM-2	2-3 6-15 23-28 37-48
	Geographical presence and Organization and Structure	BBVA at a glance/About us NFIS/General information/Integrating sustainability into BBVA's business NFIS/General information/Sustainability governance model/Sustainability governance	ESRS 2-SBM-1 ESRS 2-GOV-1	2-3 37-48 49-58
	Objectives and strategies of the organization	BBVA at a glance/ BBVA Group Strategy NFIS/General information/Double materiality analysis/Results and determination of materiality NFIS/General Information/Integrating sustainability into BBVA's business NFIS/Environmental Information/Environmental business channeled NFIS/Environmental Information/Climate change management NFIS/Environmental Information/Natural capital management NFIS/Social Information/Own workforce NFIS/Social Information/Consumers and end-users NFIS/Social Information/Contribution to Society NFIS/Governance Information/Business conduct NFIS/Governance Information/Cybersecurity NFIS/Governance Information/Transparent and responsible taxation	ESRS 2-SBM-1 ESRS 2-MDR-T ESRS 2-SBM-3 ESRS 2-MDR-A	6-15 31-36 37-48 63-68 69-132 133-141 144-180 181-201 202-205 208-224 225-229 230-238
	Main factors and trends that may affect your future evolution	BBVA at a glance/ BBVA Group Strategy NFIS/General Information/Introduction/General Basis for the Preparation of the Consolidated Non-Financial Information Statement NFIS/General information/Introduction/Double materiality analysis/Results and determination of materiality NFIS/General information/Integrating sustainability into BBVA's business NFIS/Environmental Information/Climate change management/ BBVA Group Transition Plan Financial information/BBVA Group/Macroeconomic and regulatory environment	ESRS 2-SBM-1 ESRS 2-SBM-3	6-15 19-21 31-36 37-48 70-111 309-318
General	Reporting framework	NFIS/General information/Introduction/General basis for the preparation of the Non-Financial Information Statement NFIS/General information/Introduction/Information regarding specific circumstances	ESRS 2-BP-1 ESRS 2-BP-2	19-21 21-22
	Principle of materiality	NFIS/General information/Introduction/General basis for the preparation of the Non-Financial Information Statement NFIS/General information/Introduction/Double materiality analysis/Results and determination of materiality NFIS/Appendices to the Consolidated Non-financial Information Statement/Double Materiality Analysis: Methodology	ESRS 2-BP-1 ESRS 2-IRO-1 ESRS 2-SBM-3	19-21 31-36 249-251

[76] Law 5/2021 once again modifies article 49 of the Commercial Code on social and personnel issues. These modifications are included in this table of contents.

Management approach	Description of the applicable policies	NFIS/General information/Sustainability governance model/Sustainability governance NFIS/Environmental Information/Introduction NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Social information/Own workforce/Culture, Purpose and values NFIS/Social information/Own workforce/Quality employment NFIS/Social information/Own workforce/Competitive remuneration NFIS/Social information/Own workforce/Equal opportunities NFIS/Social information/Own workforce/Labor rights NFIS/Social information/Own workforce/Occupational health and safety NFIS/Social Information/Consumers and end-users/Access to Services and Products NFIS/Social information/Consumers and end-users/Transparency in information provided to customers about products and services NFIS/Social information/Contribution to society/Contribution through social programs and initiatives NFIS/Governance information/Business conduct/Corporate culture and Code of Conduct NFIS/Governance information/Business conduct/Whistleblowing channel NFIS/Governance information/Business conduct/Corruption and bribery NFIS/Governance information/Business conduct/Prevention of money laundering and terrorist financing NFIs/Governance information/Business conduct/Management of suppliers and services NFIS/Governance information/Business conduct/Responsible use of data NFIS/Governance information/Business conduct/Cybersecurity NFIS/Governance information/Transparent and responsible taxation	ESRS 2-MDR-P ESRS E1-E1-2 ESRS S1-S1-1 ESRS S4-S4-1 ESRS G1-G1-1 ESRS G1-G1-3	49-58 62 112-131 133-137 148-149 149-153 154-162 163-165 166-168 169-171 190-194 194-197 202-204 211 212-213 214-217 217-219 220-222 222-224 225-229 230-238

Management approach	The results of these policies	NFIS/General information/Sustainability governance model/Sustainability governance NFIS/Environmental information/Introduction NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Social information/Own workforce/Culture, Purpose and values NFIS/Social information/Own workforce/Quality employment NFIS/Social information/Own workforce/Competitive remuneration NFIS/Social information/Own workforce/Equal opportunities NFIS/Social information/Own workforce/Labor rights NFIS/Social information/Own workforce/Occupational health and safety NFIS/Social information/Consumers and end-users/Access to products and services NFIS/Social information/Consumers and end-users/Transparency in information provided to customers about products and services NFIS/Social information/Contribution to society/Contribution through social programs and initiatives NFIS/Governance information/Business conduct/Corporate culture and Code of Conduct NFIS/Governance information/Business conduct/Whistleblowing channel NFIS/Governance information/Business conduct/Corruption and bribery NFIS/Governance information/Business conduct/Prevention of money laundering and terrorist financing NFIS/Governance information/Business conduct/ Management of suppliers and services NFIS/Governance information/Business conduct/Responsible use of data NFIS/Governance information/Business conduct/Cybersecurity NFIS/Governance information/Transparent and responsible taxation	ESRS 2-SBM-1 ESRS E1-E1-1 ESRS E1-E1-2 ESRS E1-E1-3 ESRS E1-E1-4 ESRS S1-S1-1 ESRS S1-S1-3 ESRS S1-S1-4 ESRS S1-S1-5 ESRS S4-S4-1 ESRS S4-S4-3 ESRS S4-S4-4 ESRS S4-S4-5 ESRS G1-G1-1 ESRS G1-G1-3 MDR-M MDR-T	49-58 62 112-131 133-137 148-149 149-153 154-162 163-165 166-168 169-171 190-194 194-197 202-204 211 212-213 214-217 217-219 220-222 222-224 225-229 230-238
	The main risks related to these issues involving the activities of the group	NFIS/General information/Double materiality analysis/Results and determination of materiality NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Social information/Consumers and end-users/Customer experience NFIS/Social information/Consumers and end-users/Transparency in information provided to customers about products and services NFIS/Governance information/Business conduct/Corporate culture and Code of Conduct NFIS/Governance information/Business conduct/Whistleblowing channel NFIS/Governance information/Business conduct/Corruption and bribery NFIS/Governance information/Business conduct/Prevention of money laundering and terrorist financing NFIS/Governance information/Business conduct/ Management of suppliers and services NFIS/Governance information/Business conduct/Responsible use of data NFIS/Governance information/Business conduct/Cybersecurity	ESRS 2-SBM-3 ESRS E1-SBM-3 ESRS E1-IRO-1 ESRS G1-IRO-1 ESRS S4-SBM-3 ESRS S4-S4-4 ESRS G1-G1-3 ESRS G1-G1-4	31-36 70-111 112-131 133-137 182-184 194-197 211 212-213 214-217 217-219 220-222 222-224 225-229

Environmental questions				
Environmental management	Detailed information on the current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety	NFIS/General information/Introduction/Double materiality analysis/Results and determination of materiality NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-SBM-3 ESRS E1-SBM-3 ESRS E1-E1-1 ESRS E1-E1-6	31-36 63-68 70-111 112-131 133-137 138-141
	Environmental assessment or certification procedures	NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-IRO-1 ESRS E1-IRO-1 ESRS E1-E1-6 ESRS E2-IRO-1 ESRS E3-IRO-1 ESRS E4-IRO-1 ESRS E5-IRO-1	138-141
	Resources dedicated to the prevention of environmental risks	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/General Information/Integration of Sustainability into BBVA's Activity/Integration into the BBVA Group 's own funding structure NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-SBM-1 ESRS 2-MDR-A ESRS E1-E1-3 ESRS E1-E1-7 ESRS E1-E1-8	38-45 47-48 63-68 70-111 112-131 133-137 138-141
	Application of the precautionary principle	NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital	ESRS 2-MDR-P ESRS 2-MDR-A ESRS 2-MDR-M ESRS 2-MDR-T	70-111 112-131 133-137
	Amount of provisions and guarantees for environmental risks	NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-MDR-A ESRS E1-E1-1 ESRS E1-E1-3 ESRS E1-E1-7	63-68 70-111 112-131 133-137 138-141
Pollution	Measures to prevent, reduce or repair emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-MDR-A ESRS E2-IRO-1	138-141
Circular economy and waste prevention and management	Prevention, recycling, reuse, other forms of recovery and types of waste disposal	NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-MDR-A ESRS E5-IRO-1	138-141
	Actions to combat food waste	NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-MDR-A ESRS E5-IRO-1	138-141

Sustainable use of resources	Water consumption and water supply according to local constraints	NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-MDR-A ESRS 2-MDR-M ESRS E3-IRO-1	138-141
	Use of raw materials and measures taken to improve the efficiency of their utilization	NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-MDR-A ESRS 2-MDR-M ESRS E5-IRO-1	138-141
	Energy use, direct and indirect	NFIS/Environmental information/Climate change management/BBVA Group Transition Plan	ESRS E1-E1-5	70-111
	Measures taken to improve energy efficiency	NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management /BBVA Group Transition Plan	ESRS 2-MDR-A ESRS E1-E1-3	63-68 70-111
	Use of renewable energies	NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan	ESRS E1-E1-5	63-68 70-111
Climate change	Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	NFIS/General Information/Integrating Sustainability into BBVA's Business/ BBVA Group Transition Plan NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan	ESRS E1-E1-4 ESRS E1-E1-6 ESRS 2-MDR-M	46 63-68 70-111
	Measures taken to adapt to the consequences of climate change	NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change	ESRS 2-SBM-3 ESRS 2-MDR-A ESRS E1-E1-3	63-68 70-111 112-131
	Reduction goals established voluntarily in the medium and long term to reduce greenhouse gas emissions and measures implemented for that purpose	NFIS/General Information/Integrating Sustainability into BBVA's Business/ BBVA Group Transition Plan NFIS/Environmental Information/Environmental business channeled NFIS/Environmental Information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change	ESRS 2-MDR-T ESRS E1-E1-4	46 63-68 70-111 63-68 112-131
Protection of biodiversity	Measures taken to protect or restore biodiversity	NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts	ESRS 2-MDR-A ESRS 2-MDR-M ESRS E4-IRO-1	63-68 133-137 138-141
	Impacts caused by activities or operations in protected areas	NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Natural capital management/Identification and measurement of risks and opportunities associated with natural capital NFIS/Environmental information/Natural capital management/Management of other direct environmental impacts The operations centers and/or offices owned, leased or managed by BBVA are located in urban areas, so the impacts of the entity's activities on biodiversity are considered insignificant. Although the products and services marketed may potentially have an impact on biodiversity, they are managed according to the regulations and criteria applicable to the nature of the activities financed, and there are currently no defined and comparable metrics available for monitoring and reporting in relation to BBVA's value chain.	ESRS 2-MDR-A ESRS 2-MDR-M ESRS E4-IRO-1	63-68 133-137 138-141

Social and personnel questions				
Employees	Total number and distribution of employees according to country, gender, age, country and professional classification	NFIS/Social information/Own workforce/Workforce characteristics	ESRS 2-MDR-M ESRS S1-S1-6 ESRS S1-S1-9	172-180
	Total number and distribution of work contract modalities	NFIS/Social information/Own workforce/Workforce characteristics	ESRS MDR-M ESRS S1-S1-6	172-180
	Annual average of work contract modalities (permanent, temporary and part-time) by sex, age, and professional classification	NFIS/Social information/Own workforce/Workforce characteristics	ESRS 2-MDR-M ESRS S1-S1-6	172-180
	Number of dismissals by sex, age, and professional classification	NFIS/Social information/Own workforce/Workforce characteristics	ESRS 2-MDR-M ESRS S1-S1-6	172-180
	The average remunerations and their evolution disaggregated by sex, age, and professional classification or equal value	NFIS/Social information/Own workforce/Competitive remuneration	ESRS 2-MDR-M	154-162
	The average remuneration of directors and executives, including variable remuneration, allowances, compensation, payment to long-term forecast savings and any other perception broken down by gender	NFIS/Social information/Own workforce/Competitive remuneration	ESRS 2-MDR-M ESRS 2-GOV-3 ESRS E1-GOV-3	154-162
	Pay gap	NFIS/Social information/Own workforce/Competitive remuneration	The adjusted pay gap is calculated based on the requirements of Law 11/2018 while the gross pay gap is calculated by applying the following ESRS disclosure requirements: ESRS S1-S1-16 ESRS 2-MDR-M	154-162
	Implementation of employment termination policies	NFIS/Social information/Own workforce/Labor rights	ESRS 2-MDR-P ESRS S1-S1-1	166-168
	Employees with disabilities	NFIS/Social information/Own workforce/Equal opportunities	ESRS S1-S1-12 ESRS 2-MDR-M	163-165

Work organization	Work schedule organization	NFIS/Social information/Own workforce/Labor rights	ESRS 2-MDR-A ESRS 2-MDR-P ESRS S1-S1-1 ESRS S1-S1-4 ESRS S1-S1-5	166-168
	Number of hours of absenteeism	NFIS/Social information/Own workforce/Occupational health and safety	No material IRO has been identified in this area; therefore, part of ESRS S1-14 is reported.	169-171
	Measures designed to facilitate access to mediation resources and encourage the responsible use of these by both parents	NFIS/Social information/Own workforce/Labor rights	ESRS 2-MDR-A ESRS S1-S1-4 ESRS S1-S1-15	166-168
Health and safety	Work health and safety conditions	NFIS/Social information/Own workforce/Occupational health and safety	ESRS 2-MDR-A ESRS S1-S1-4 No material IRO has been identified in this area; therefore, part of ESRS S1-14 is reported.	169-171
	Work accidents, in particular their frequency and severity, disaggregated by gender	NFIS/Social information/Own workforce/Occupational health and safety	No material IRO has been identified in this area; therefore, part of ESRS S1-14 is reported.	169-171
	Occupational diseases, disaggregated by gender	NFIS/Social information/Own workforce/Occupational health and safety	No material IRO has been identified in this area; therefore, part of ESRS S1-14 is reported.	169-171

Social relationships	Organization of social dialog, including procedures to inform and consult staff and negotiate with them	NFIS/Social information/Own workforce/Labor rights	ESRS S1-S1-2 No material IRO has been identified in this area; therefore, part of ESRS S1-18 is reported.	166-168
	Mechanisms and procedures that the company has to promote the involvement of workers in the management of the company, in terms of information, consultation and participation	NFIS/Social information/Own workforce/Culture, Purpose and values NFIS/Social information/Own workforce/Labor rights	ESRS S1-SBM-2 ESRS S1-S1-2 ESRS S1-S1-3 No material IRO has been identified in this area; therefore, part of ESRS S1-18 is reported.	148-149 166-168
	Percentage of employees covered by collective agreement by country	NFIS/Social information/Own workforce/Labor rights	ESRS 2-MDR-M No material IRO has been identified in this area; therefore, part of ESRS S1-18 is reported.	166-168
	The balance of collective agreements, particularly in the field of health and safety at work	NFIS/Social information/Own workforce/Occupational health and safety	No material IRO has been identified in this area; therefore, part of ESRS S1-18 is reported.	169-171
Training	Policies implemented for training activities	NFIS/Social information/Own workforce/Quality employment	ESRS 2-MDR-P ESRS S1-S1-1 ESRS S1-S1-13 ESRS G1-G1-1	149-153
	The total amount of training hours by professional category	NFIS/Social information/Own workforce/Quality employment	ESRS 2-MDR-M ESRS S1-S1-13	149-153
Accessibility	Integration and universal accessibility of people with disabilities	NFIS/Social information/Own workforce/Equal opportunities	ESRS 2-MDR-A ESRS S1-S1-4 ESRS S1-S1-12	163-165
Equality	Measures taken to promote equal treatment and opportunities between women and men	NFIS/Social information/Own workforce/Equal opportunities	ESRS 2-MDR-A ESRS S1-S1-1 ESRS S1-S1-4	163-165
	Equality plans (Section III of Organic Law 3/2007, of March 22, for effective equality of women and men)	NFIS/Social information/Own workforce/Equal opportunities	ESRS 2-MDR-A ESRS S1-S1-1 ESRS S1-S1-4	163-165
	Measures adopted to promote employment, protocols against sexual and sex-based harassment.	NFIS/Social information/Own workforce/Equal opportunities	ESRS 2-MDR-P ESRS 2-MDR-A ESRS S1-S1-1 ESRS S1-S1-4	163-165
	Policy against any type of discrimination and, where appropriate, diversity management	NFIS/Social information/Own workforce/Equal opportunities	ESRS 2-MDR-P ESRS S1-S1-1	163-165

Information about the respect for human rights				
Human rights	Application of due diligence procedures in the field of human rights; prevention of the risks of violation of human rights and, where appropriate, measures to mitigate, manage, and repair possible abuses committed	NFIS/Environmental information/Climate change management/Management of risks associated with climate change NFIS/Social information/Own workforce/Equal opportunities NFIS/Social information/Own workforce/Labor rights NFIS/Governance information/Business conduct/Whistleblowing channel NFIS/Governance information/Management of suppliers and services	ESRS 2-GOV-4 ESRS 2-MDR-P ESRS 2-MDR-A	112-131 163-165 166-168 212-213 220-222
	Claims regarding cases of human rights violations	NFIS/Social information/Own workforce/Labor rights NFIS/Governance information/Business conduct/Whistleblowing channel	ESRS 2-MDR-M ESRS S1-S1-17	166-168 212-213
	Promotion and compliance with the provisions contained in the related fundamental Conventions of the International Labor Organization with respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labor; and the effective abolition of child labor	NFIS/Social information/Own workforce/Labor rights	ESRS 2-MDR-P ESRS S1-S1-1	166-168
Information about anti-bribery and anti-corruption measures				
Corruption and bribery	Measures adopted to prevent corruption and bribery	NFIS/Governance information/Business conduct/Corruption and Bribery	ESRS MDR-P ESRS MDR-A ESRS MDR-M ESRS MDR-T ESRS G1-G1-1 ESRS G1-G1-3	214-217
	Measures adopted to fight against anti-money laundering	NFIS/Governance information/Business conduct/Prevention of money laundering and terrorist financing	ESRS MDR-P ESRS MDR-A ESRS MDR-M ESRS MDR-T ESRS G1-G1-1 ESRS G1-G1-3	217-219
	Contributions to foundations and non-profit-making bodies	NFIS/Social information/Contribution to society/Contributions to non-profit entities	ESRS 2-MDR-A ESRS 2 MDR-M	205

Information about the society				
Commitment by the company to sustainable development	Impact of the company's activities on employment and local development	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Social information/Contribution to society	ESRS 2-MDR-A ESRS 2-MDR-M ESRS S1-SBM-3 ESRS S4-SBM-3 ESRS S1-S1-4 ESRS S4-S4-4	38-45 202-205
	The impact of company activity on local populations and on the territory	NFIS/General information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Social information/Contribution to society/Contribution through social programs and initiatives NFIS/Social information/Contribution to society/Volunteer work	ESRS 2-MDR-A ESRS 2-MDR-M ESRS S1-SBM-3 ESRS S4-SBM-3 ESRS S1-S1-4 ESRS S4-S4-4	38-45 202-205 205
	The relationships maintained with representatives of the local communities and the modalities of dialog with these	NFIS/Social information/Contribution to society	ESRS 2-SBM-2 ESRS S1-SBM-2 ESRS S4-SBM-2 ESRS S1-S1-2 ESRS S4-S4-2	202-205
	Actions of association or sponsorship	NFIS/Social information/Contribution to society/Contributions to non-profit entities	ESRS 2-MDR-A ESRS 2-MDR-M	205
Subcontractors and suppliers	The inclusion of social, gender equality and environmental issues in the purchasing policy	NFIS/Governance information/Management of suppliers and services	ESRS 2-MDR-P ESRS 2-G1-G1-2	220-222
	Consideration of social and environmental responsibility in relations with suppliers and subcontractors	NFIS/Governance information/Management of suppliers and services	ESRS 2-MDR-A ESRS G1-G1-2	220-222
	Supervision systems and audits, and their results	NFIS/Governance information/Management of suppliers and services	ESRS 2-MDR-M ESRS G1-G1-2	220-222
Consumers	Customer health and safety measures	NFIS/Social information/Consumers and end-users/Transparency in information provided to customers about products and services	ESRS 2-MDR-A ESRS S4-S4-4	194-197
	Claims systems, complaints received and their resolution	NFIS/Social information/Consumers and end-users/Complaints channel	ESRS S4-S4-3	184-189
Tax information	Benefits obtained by country	NFIS/Governance Information/Transparent and responsible taxation	—	230-238
	Taxes on paid benefits	NFIS/Governance Information/Transparent and responsible taxation	—	230-238
	Public subsidies received	NFIS/Governance Information/Transparent and responsible taxation	—	230-238
Requirements of the Taxonomy regulation		NFIS/Environmental information/Climate change/Sustainable financing under Article 8 of the European Taxonomy NFIS/Appendices to the Consolidated Non-financial Information Statement/Tables relating to Article 8 of the European Taxonomy	ESRS 1	132 279-306

6.3 Table of contents of Law 7/2021

In accordance with the provisions of Law 7/2021, of May 20, on climate change and energy transition (hereinafter, Law 7/2021), BBVA incorporates its Climate Change Report in the Group Management Report, which accompanies the Consolidated Financial Statements for the year 2025 and which includes, among others, the content provided for in article 32 of Law 7/2021 and in its implementing regulations.

Below is the table of equivalences between the aforementioned contents relating to the Climate Change Report provided for in Law 7/2021 and its location within the Group Management Report for the year 2025.

NON–FINANCIAL INFORMATION STATEMENT. CONTENTS OF CONTENTS OF LAW 7/2021, OF MAY 20, ON CLIMATE CHANGE AND ENERGY TRANSITION

Topic	Reporting criteria	Response included in the BBVA Group's Consolidated Management Report
Government	The governance structure of the organization, including the role of its various bodies, in relation to the identification, assessment and management of risks and opportunities related to climate change.	NFIS/General information/Sustainability governance model/Sustainability governance NFIS/Environmental information/Climate change management/BBVA Group Transition Plan
Strategy	The strategic approach, both in terms of adaptation and mitigation, of entities to manage financial risks associated with climate change, taking into account the risks already existing at the time of writing the report, and those that may arise in the future, identifying the actions necessary at that time to mitigate such risks.	NFIS/General information/Integrating Sustainability into BBVA's business NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with the climate change
Impacts	The actual and potential impacts of risks and opportunities associated with climate change on the organization's activities and its strategy, as well as on its financial planning.	NFIS/General information/Integrating Sustainability into BBVA's business NFIS/General information/Double materiality analysis/Results and determination of materiality NFIS/Environmental information/Introduction NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with the climate change
Risk management	The processes for identifying, assessing, controlling and managing climate-related risks and how these are integrated into your overall business risk analysis and their integration into the organization's overall risk management.	NFIS/Environmental information/Climate change management/Management of risks associated with climate change
Metrics and objectives	The metrics, scenarios and targets used to assess and manage the relevant risks and opportunities related to climate change and, where calculated, the scope 1, 2 and 3 of your carbon footprint and how you are addressing its reduction.	NFIS/Environmental Information/Environmental business channeled NFIS/Environmental information/Climate change management/BBVA Group Transition Plan NFIS/Environmental information/Climate change management/Management of risks associated with climate change

6.4 Tables of contents of the ESRS

The NFIS takes into consideration the CSRD and includes this table in accordance with the provisions of ESRS 2. However, this does not necessarily imply that the requirements identified in other legislation are met.

LIST OF DATA POINTS INCLUDED IN CROSS–CUTTING RULES AND IN THEMATIC RULES DERIVED FROM OTHER EU LEGISLATION

Disclosure requirement and related data point	Reference to the Regulation on sustainability-related disclosures in the financial services sector (1)	Pillar 3 Reference (2)	Reference to the Regulation on benchmarks (3)	Reference to European Climate Legislation (4)	Section/Chapter Management Report 2025	Page(s)
ESRS 2: General information						
ESRS 2 GOV-1 Gender diversity of the board of directors section 21, letter d)	Indicator No. 13 of Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		NFIS/General information/Sustainability governance model/Sustainability governance NFIS/Social information/Own workforce/Equal opportunities	49-58 163-165
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 e)			Delegated Regulation (EU) 2020/1816, Annex II		NFIS/General information/Sustainability governance model/Sustainability governance	49-58
ESRS 2 GOV-4 Declaration of due diligence section 30	Indicator No. 10 of Table 3 of Annex 1				NFIS/General information/Sustainability governance model/Due diligence processes	58-60
ESRS 2 SBM-1 Participation in activities related to fossil fuels section 40, letter d), subsection i)	Indicator No. 4 of Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Non material	—
ESRS 2 SBM-1 Participation in activities related to the production of chemical substances section 40, letter d), paragraph ii)	Indicator No. 9 of Table 2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Non material	—
ESRS 2 SBM-1 Participation in activities related to controversial weapons section 40, letter d), subsection iii)	Indicator No. 14 of Table 1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12, paragraph 1 Delegated Regulation (EU) 2020/1816, Annex II		Non material	—

ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco section 40, letter d), subsection iv)			Delegated Regulation (EU) 2020/1818, Article 12, Paragraph 1 Delegated Regulation (EU) 2020/1816, Annex II		Non material	—
ESRS E1: Climate change						
ESRS E1-1 Transition plan to achieve climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	NFIS/Environmental information/Climate change management/ BBVA Group Transition Plan	70-111
ESRS E1-1 Business excluded from the benchmarks harmonized with the Paris Agreement, paragraph 16, letter g		Article 449(a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) Commission Regulation (EC) No 2022/2453, Template 1: Banking portfolio – Climate-related transition risk: asset quality of the Exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12, paragraph 1, points (d) to (g), and Article 12, paragraph 2		—	—
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(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

(2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation, 'CRR') (OJ L 176, 27.6.2013, p. 1).

(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or for measuring the performance of mutual funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European climate Legislation ') (OJ L 243, 9.7.2021, p. 1).

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	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	NFIS/Social information/Consumers and end-users/Complaints channel
	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	NFIS/Social Information/Consumers and end-users/Customer Experience NFIS/Social Information/Consumers and end-users/Complaints Channel NFIS/Social information/Consumers and end-users/Access to products and services NFIS/Social information/Consumers and end-users/Transparency in information to customers about products and services NFIS/Social Information/Consumers and Users/Social business channeled
Metrics and targets	**S4-5**	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	NFIS/General Information/Integrating sustainability into BBVA's business/Sustainability as a growth engine NFIS/Social information/Consumers and end-users/Access to products and services NFIS/Social Information/Consumers and Users/Social business channeled
ESRS G1: Business conduct			
Governance	**GOV-1**	The role of the administrative, supervisory and management bodies	NFIS/Governance information/Business conduct
Impact, risk and opportunity management	**IRO-1**	Description of the processes to identify and assess material impacts, risks and opportunities	NFIS/General information/Introduction/Double Materiality analysis/Results and determination of materiality NFIS/Governance information/Business conduct/Introduction NFIS/Appendices to the Consolidated Non-financial Information Statement/Double materiality analysis: Methodology
	G1-1	Corporate culture and Business conduct policies and corporate culture	NFIS/Governance information/Business conduct/Corporate culture and Code of Conduct NFIS/Governance information/Business conduct/Whistleblowing Channel
	G1-3	Prevention and detection of corruption and bribery	NFIS/Governance information/Business conduct/Corruption and bribery
Metrics and targets	**G1-4**	Confirmed incidents of corruption or bribery	NFIS/Governance information/Business conduct/Corruption and bribery

(1) Selected ESRS 2 disclosure requirements have been applied to the material entity-specific IROs identified in the double materiality analysis.

(2) Given its activity, BBVA does not consider the requirements established in ESRS E1-1, paragraphs 16c, 16e and 16f, ESRS 1-3 (CapEx and OpEx, alignment with the EU Taxonomy and fossil fuel activities), ESRS E1-5, paragraph 38 (on sectors with a high climate impact), and ESRS E1-6, paragraph 50b, (on the separate disclosure of emissions of certain entities) to be material and therefore they are not reported in this report.

6.5 Sustainable financing under Article 8 of the European Taxonomy

6.5.1 Information relating to Article 8 of the European Taxonomy
6.5.2 Tables relating to Article 8 of the European Taxonomy

6.5.1 Information relating to Article 8 of the European Taxonomy

The European Taxonomy regulatory framework

Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 (hereinafter, the Taxonomy Regulation), on the establishment of a framework to facilitate sustainable investment, aims to establish a unified classification system to determine which economic activities can be considered environmentally sustainable. By creating a common language for investors, companies and financial institutions, this framework seeks to channel capital toward projects that contribute tangibly to the objectives of the European Green Deal and to global climate goals.

To achieve this objective, the Taxonomy Regulation is structured around **six key environmental objectives**:

- Climate change Mitigation;
- Climate change Adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control;
- Protection and recovery of biodiversity and ecosystems.

In Article 8, the Regulation establishes a disclosure obligation for financial institutions. They must include in their Non-Financial Information Statement a set of qualitative and quantitative indicators that reflect the extent to which their activities—loans, investments and other assets—finance sustainable projects under this classification.

Based on these objectives, the regulation has also developed technical screening criteria to assess whether an activity is environmentally sustainable.

To correctly interpret the disclosed data, it is essential to understand the fundamental distinction between economic activities considered “eligible” and those that are effectively “aligned” under this regulatory framework. The process is carried out in two sequential phases: eligibility and alignment.

An "eligible" economic activity is one that has the intrinsic potential to contribute positively to one or more of the six environmental objectives. To be considered as such, the activity must be included in the detailed list in the delegated acts that develop the taxonomy. However, eligibility is only the first step and does not automatically imply that the activity is sustainable.

For an “eligible” activity to also be considered “aligned”, it must undergo a more in-depth technical assessment and simultaneously meet the following three technical screening criteria:

- **Substantial Contribution**: The activity must make a significant and demonstrable contribution to at least one of the six environmental objectives defined by the Taxonomy.
- **Do No Significant Harm**: This principle, known as Do No Significant Harm (DNSH), requires that, while contributing to one objective, the activity does not cause significant harm to any of the other five.
- **Minimum Social Safeguards (MSS)**: The activity must be carried out in compliance with minimum social and human rights safeguards. This criterion is based on the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

It is important to note that an activity's failure to meet the taxonomy requirements to be considered aligned does not necessarily mean that it is harmful to the environment. It simply indicates that it does not meet all of the conditions established to be classified as sustainable under this specific framework.

Moreover, within the context of initiatives undertaken by the European Commission to reduce administrative burden while maintaining climate objectives, several initiatives are underway that will affect European Taxonomy disclosures.

Among these initiatives, Regulation (EU) 2026/73 of the European Parliament and of the Council of 4 July 2025 stands out. It introduces specific simplification measures, applicable immediately, for reporting under the Taxonomy, based on experience from the first years of implementation. As a cross-cutting principle, it establishes a materiality threshold of 10%, allowing In the case of financial entities, exclude from the eligibility analysis and alignment with the Taxonomy those assets with known use of proceeds whose cumulative sum does not exceed 10% of the total of this type of exposure. The measures include adjusting the calculation of their indicators by excluding from the denominator exposures to counterparties not required to report (mainly companies outside the European Union and Small and Medium-sized Enterprises, among others), the option of not submitting detailed templates until December 31, 2027, by publishing a standard statement, and postponing disclosures related to Trading Book and Fees and Commission metrics until 2028. Finally, general technical amendments are introduced, simplifying disclosure related to fossil gas and nuclear energy, and some criteria for assessing DNSH (certain substances), significantly reducing the assessment burden for companies.

The Commission has also announced a more structural and in-depth review of the Taxonomy framework, which is expected to reduce the number of entities required to disclose, a substantive analysis of the Delegated Disclosure Regulation, and a comprehensive review of the technical screening criteria, which will focus on improving their clarity, the availability of evidence to demonstrate compliance, the cost of collecting it, and the applicability of the criteria in the international context, with particular emphasis on the "do not significant harm" (DNSH) criteria.

Consequently, the disclosures related to the European Taxonomy contained in this report are made in accordance with the current legal framework. However, given its complexity, this framework is undergoing a thorough review in both the short and medium term with the aim of simplifying it and reducing the administrative burden associated with its compliance. Until a degree of stability is achieved in the disclosure criteria for the companies the Group is financing, the scope of the companies subject to disclosure is clarified, and the technical selection criteria are reviewed, the indicators disclosed by the Group should be considered transitional and not representative of its efforts to promote the transition to a more decarbonized economy.

Economic activities aligned with the environmental objectives

The activities of credit institutions, materialized through customer financing and the management of own investments, is considered aligned with the EU Taxonomy to the extent that the underlying counterparties carry out and report sustainable activities, or where the use of the financing or investments pursues an environmentally sustainable objective in accordance with the European Taxonomy.

The Green Asset Ratio (GAR) is the standardized metric that reflects the degree of alignment of certain assets on the banking balance sheet, establishing the relationship between taxonomy-aligned assets (numerator) and the total eligible assets on the banking balance sheet (denominator).

However, the current calculation methodology presents structural limitations that affect direct comparability among European banking groups. Although recent legislative reforms (as mentioned above) move toward greater technical symmetry between the numerator and the denominator, divergences persist as a result of each institution's specific business model.

Factors such as a significant presence in geographies outside the EU—where energy certification regulations are heterogeneous or non-existent—have a downward impact on the indicator, without necessarily reflecting lower ambition in the sustainability strategy. Even within the EU, a product mix with a greater presence in retail customers (financing other than real estate or vehicles, such as personal loans, credit cards, etc.) also has a downward impact on the indicator.

It should be noted that economic activities that are not within the framework of the EU taxonomy or do not meet all of its requirements are not necessarily harmful or have a negative impact on the environment, but rather do not meet all the conditions to be included in this classification.

Context, scope of assets and activities covered by GAR, and information on data sources and limitations

In accordance with Delegated Regulation 2021/2178, Annex V, Section 1.1.1, credit institutions must disclose the Green Asset Ratio (GAR) based on their prudential consolidation scope, determined in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council (CRR). In this regard, for solvency purposes, the consolidated group will include dependent entities as defined in Article 18 of the CRR.

The prudential consolidation scope differs from the consolidation scope based on accounting criteria, where companies are considered part of the consolidated group when the parent company holds or may hold, directly or indirectly, control over them. Accordingly, for the preparation of the Group's Consolidated financial statements, all subsidiaries and consolidated structured entities have been consolidated using the full consolidation method, while associates and joint ventures (those over which there are joint control agreements) are valued using the equity method. Under the prudential consolidation approach, certain entities, mainly insurance and real estate companies, are consolidated using the equity method, unlike the accounting approach mentioned above, where they are consolidated using the full consolidation method. Furthermore, under the prudential approach, joint ventures are consolidated proportionally.

The prudential perimeter is the same one used for disclosure in the prudential relevance report that the Group periodically publishes. As of December 31, 2025, the total consolidated balance sheet amount for the accounting perimeter is 859,576 million euros, while the prudential perimeter is 827,753 million euros.

With respect to data sources, exclusively publicly available information on EU taxonomy alignment[77] disclosed in the annual reports of counterparties subject to disclosure requirements is used. This information is obtained through external data providers. Counterparty information is unavoidably subject to a one-year time lag, as it corresponds to information published during the year relating to the immediately preceding financial year. In the case of mortgage financing, inclusion within alignment is only considered where actual energy performance certificates are available. Regarding data sources used to assess the energy efficiency of collateral, BBVA, S.A. in Spain has launched several initiatives to periodically capture actual EPC data from official sources, reflecting energy efficiency improvements made to the property after the origination date.

As for limitations, the Group has information on the most significant entities representing 97% of total assets. The financial assets analyzed correspond to the categories of financial instruments valued "At amortized cost", "Fair Value through Other Comprehensive Income (FVOCI)", "Fair Value through Profit and Loss" and "Non-tradable at Fair Value through Profit and Loss". These data represent the best information available as of the reporting date.

[77] General purpose alignment, as indicated in this section.

Description of compliance with the Taxonomy Regulation in the business strategy, product design processes, and engagement with customers and counterparties

BBVA is promoting the development of sustainable products or products that promote sustainability, for which it has established a sustainable business channeling objective. For more information, see section "2.1.1 Environmental business channeled" of this report, which describes the criteria the Group has defined in this regard.

The internal criteria defined are inspired by the European taxonomy, insofar as they consider the element of "substantial contribution" to one or more of the objectives defined therein (i.e., they do not have to meet all the technical screening criteria to be considered aligned with the EU taxonomy). The internal concept of sustainable business seeks, among other things, to promote solutions that support customers in their transition to a decarbonized economy, foster the protection of natural capital, or promote inclusive growth. Therefore, in terms of its purpose and customer profile, it has a broader scope than definitions set out in the taxonomy. Furthermore, the Group's sustainable business is developed in the different geographies in which it operates, incorporating, where appropriate, the corresponding adaptations to reflect local characteristics.

To identify sustainable businesses, it is necessary to consider whether the financing provided to a counterparty serves a general purpose for that counterparty or a specific purpose, in which case it corresponds to products with a particular objective. For compliance with the Taxonomy Regulation and to identify the Group's exposures to activities included in the European taxonomy, the extent to which counterparties are aligned with that taxonomy is verified, where applicable.

General-purpose financing

Financial and non-financial companies subject to the NFRD[78] (Non-Financial Reporting Directive) publish Key Performance Indicators (KPIs)[79] related to environmental objectives in their management reports: (i) Turnover, and (ii) Capital Expenditure (CapEx) and Operating Expenditure (OpEx). This published information is necessary for financial institutions to calculate the eligibility and alignment of certain exposures recorded on their balance sheets. Therefore, financial institutions use the data published by these counterparties to calculate the alignment of general-purpose exposure aligned with the EU taxonomy. The Group has obtained, through an external provider, the data published by certain companies and uses it to calculate the alignment of the general-purpose financing granted to them. Publicly available customer information has also been used to more accurately reflect eligible activities, representing an evolution of granular information from major EU customers.

The KPIs established by the regulation for credit institutions provide a complete breakdown of the bank's exposures to activities covered (eligible) by the EU taxonomy, and additionally those that are not only eligible but also meet all the requirements necessary to be considered sustainable (aligned).

Specific-purpose financing

The alignment with the EU taxonomy of funding intended for a known purpose or destination should be analyzed considering all the requirements set by the technical screening criteria mentioned above: (i) substantial contribution, (ii)do not significant harm (DNSH), and (iii) social safeguards.

[78] NFRD (Non-Financial Reporting Directive) or CSRD (Corporate Sustainability Reporting Directive), as appropriate, since not all countries have transposed CSRD and therefore the former would remain in force.
[79] The template in Annex VI of the Article 8 Delegated Act on Disclosure is the reference for disclosing information on collateral guarantees (GARs): (i) Covered assets (GARs, off balance sheet), (ii) GARs: information by sector, (iii) Balance of GAR key performance indicators (KPIs), (iv) GAR KPI flow, and (v) Financial guarantees, assets, and management. The original EU taxonomy tables and the necessary notes with details on scope and methodology can be found in section "6.5 Tables related to Article 8 of the European Taxonomy" of this report.

To determine that specific financing does not cause significant harm (DNSH), it must be demonstrated that it does not negatively affect other environmental objectives based on guidelines established by the regulation. For example, financing granted to a company contributing substantially to the mitigation of climate change must also ensure compliance with DNSH criteria for the remaining objectives. For instance, concerning the activity "electricity generation using photovoltaic solar technology", a key technology for the EU's renewable energy transition, under the DNSH criterion for the circular economy objective, the expectation is that the availability and, when feasible, the use of highly durable and recyclable components, as well as those that are easy to dismantle and restore, are evaluated, according to the taxonomy regulation. BBVA evaluates the substantial contribution of specific financing; however, the current level of maturity regarding the implementation and usability of the EU taxonomy in the banking industry makes it complex to establish a similar process to ensure compliance with the DNSH and MSS principles. Therefore, part of the specific financing granted by BBVA, which makes a substantial contribution to an environmental objective, is not included in the alignment metrics. BBVA has identified specific financing with a substantial contribution in other specific products such as project financing or other products or activities included in the EU taxonomy that have not been included in the alignment metrics for the reasons described above.

Among the cases of financing with a specific purpose included in the Group's GAR are:

- Financing for vehicles that comply with the criteria of the EU taxonomy on a substantial contribution to the climate change mitigation objective, provided that the vehicle manufacturers have published that they meet the DNSH and MSS criteria.
- Loans granted to households for the purchase of high energy-efficient homes, considering properties that meet the criteria of substantial contribution to climate change mitigation.
- High energy efficiency properties repossessed, considering properties that meet the criteria of substantial contribution to climate change mitigation

For buildings constructed before December 31, 2020, the property is within the top 15% of the national housing stock[80] in terms of energy efficiency.

For new building constructions for which the primary energy demand, which defines the energy efficiency of the resulting building, is at least 10% lower than the threshold established for nearly zero-energy building (NZEB) requirements in national measures implementing European Parliament and Council Directive 2010/31/EU.

The energy performance is certified by a non-inferred Energy Performance Certificate (EPC), obtained from existing public records, provided by an independent certified appraisal company or other processes for obtaining information on the pre-existing portfolio.

The taxonomy requires compliance with the DNSH principle for other environmental objectives. In this regard, the Spanish Technical Building Code (CTE) acts as a set of rules regulating building construction in Spain, transposed from European laws, and sets basic requirements:

- The proper application of the Basic Document HS “Health and Sanitation” which is related to the basic requirement of "Hygiene, Health, and Environmental Protection”.
- The correct application of the Basic Document SI “Security in case of fire” which is related to the basic requirement reflects the building’s adaptation to contingencies related to physical risks.
- The correct application of the Basic Document SE “Structural Safety” which is related to the protection against "dynamic forces produced by wind, a collision, or an earthquake, represented by equivalent static forces", i.e., against physical risks.

[80] The IDAE's “State of the Energy Certification of Buildings” report published in 2023 indicates that the number of cumulative registrations up to letter C at the national level accounts for less than 5% of the total number of certificates.

Regarding the minimum social safeguards (MSS), the correct application of DB SUA "Use Safety and Accessibility" covers part of the social safeguard by allowing access for people with reduced mobility. Although they would not be applicable in the case of the acquisition of residential property between two private individuals, since safeguards would be more relevant for companies engaged in real estate, construction, or development, we understand that social safeguards are included in Spanish and EU legislation.

Nature and objectives of taxonomy-aligned economic activities trend of these economic activities with the taxonomy over time

The new Delegated Regulation (EU) 2026/73 significantly modifies the denominator of the Green Asset Ratio (GAR), meaning its components differ from those established in the previous Taxonomy framework (Delegated Regulation (EU) 2021/2178). The GAR denominator explicitly eliminates several types of exposures that were included in the previous version. In most cases, these are exposures for which eligibility or alignment cannot be assessed, the most relevant portfolio being exposure to entities not subject to reporting obligations under the CSRD (Non-Financial Reporting Directive)—either because they are based outside the EU or because they are SMEs or other EU entities that do not publish information on this matter.

The following is a summary of the main ratios related to the EU taxonomy at the end of 2024 and 2025, and a comparison between the composition of the ratio under the current and previous regulations:

GAR RATIO (BBVA GROUP) [1]

		Turnover		Capex	
		2024	2025	2024	2025
	Exposure to taxonomy-**eligible** assets (M€)	126,617	129,562	127,666	131,210
	Exposure to taxonomy-**aligned** assets (M€)	2,775	4,403	4,088	6,262
Prior disclosure requirements established under Delegated Act 2021/2178	Total GAR assets (M€)	486,378	532,565	486,378	532,565
	% exposure to taxonomy-**eligible** assets	26.03 %	24.33 %	26.25 %	24.64 %
	% exposure to taxonomy-aligned assets	**0.57 %**	**0.83 %**	**0.84 %**	**1.18 %**
New disclosure requirements established under Delegated Act 2026/73.	Total GAR assets (M€)	223,056	245,525	223,056	245,525
	% exposure to taxonomy-**eligible** assets	56.76 %	52.77 %	57.23 %	53.44 %
	% exposure to taxonomy- aligned assets	**1.24 %**	**1.79 %**	**1.83 %**	**2.55 %**

[1] Data includes the objectives of Climate Change Mitigation (CCM), Climate Change Adaptation (CCA); Water and Marine Resources (WTR); Circular Economy (CE); Pollution (PPC); Biodiversity and Ecosystems (BIO), except for exposure to assets that will be adjusted to the 2024 taxonomy, which only includes the objectives of Climate Change Mitigation (CCM) and Climate Change Adaptation (CCA).

The 2025 alignment indicators are improved compared to 2024, mainly due to the following factors:

- Information on EU Taxonomy obtained from counterparties: During this period, the amount of information obtained from corporate reports issued by the Group's customers has increased, contributing to improved alignment and eligibility data.
- The data source for assessing the energy efficiency of guarantees in Spain: Several initiatives have been launched to regularly capture actual EPC data from official sources, resulting in better data on the energy efficiency of buildings and their alignment with the EU Taxonomy.

In the evolution of these ratios there is also a component linked to the denominator which, due to recent changes, has decreased significantly.

Consolidated key performance indicator (KPI) considering different business segments.

The consolidated indicator reflects the alignment with the EU Taxonomy of BBVA Group subsidiaries operating in various business segments related to asset management, banking, investment services, and insurance activities.

Information on the EU Taxonomy for the different business segments, including that relating to asset management entities and insurance companies operating in the European Union, is included in section 6.5 of this report. Activities carried out by investment companies within the Group that may originate from customers or counterparties subject to the taxonomy (Articles 19a and 29a of Directive 2013/34 or NFRD) are not representative.

This indicator is the weighted average of the indicators corresponding to each activity, related to asset management, banking, investment services, or insurance activities, considering the proportion of each activity's revenue relative to the total consolidated revenue. Based on an approximation of the revenue contributed to the Group by banking, insurance, and asset management activities, for which alignment metrics have been calculated in accordance with the EU taxonomy, the Group's consolidated alignment ratio is as follows:

- During 2024, 0.58% and 0.85% when measured by revenue and counterparty capital expenditures (CapEx), respectively.
- In 2025, considering the changes introduced by Delegated Regulation (EU) 2026/73 where there is a major modification in the way the denominator of the Taxonomy KPIs is constructed, the consolidated indicator stands at 1.88% and 2.67% measuring by turnover and CapEx of the counterparties, respectively.

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SUMMARY OF THE KPIs TO BE DISCLOSED BY CREDIT INSTITUTIONS (2025)
(Calculated according to the amendments of Delegated Regulation (EU) 2026/73)

		Total exposure to Taxonomy- aligned activities (currency)		KPI (%)	KPI (%)	% coverage (over total assets) (%)	non assessed exposures (% of covered assets) (%)	non assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	4,403	6,262	1.79%	2.55%	29.65%	—%	—%

		Total exposure to Taxonomy- aligned activities (currency)		KPI (%)	KPI (%)	% coverage (over total assets) (%)	non assessed exposures (% of covered assets) (%)	non assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	1,216	2,166	1.80%	3.21%	8.16%	—%	—%
	Trading book(1)	—	—	—%	—%	—%	—%	—%
	Financial guarantees	960	1,895	17.46%	34.48%	—%	—%	—%
	Assets under management	1,201	1,680	12.78%	17.87%	—%	—%	—%
	Fees and commissions income(1)	—	—	—%	—%	—%	—%	—%

(1) The fees and commission and trading book KPIs shall only apply starting 2028

(2) Data calculated in accordance with Commission Delegated Regulation (EU) 2021/2178 as amended by Commission Delegated Regulation (EU) 2026/73 (ODA). In accordance with the new methodology, the denominator excludes exposures to undertakings that are not subject to Articles 19a and 29a of Directive 2013/34/EU (CSRD), as well as derivatives, cash and other specified items. In financial guarantees, the denominator calculation methodology has been in accordance with Delegated Regulation (EU) 2021/2178

SUMMARY OF THE KPIs TO BE DISCLOSED BY CREDIT INSTITUTIONS (2024)
(Data calculated in accordance with the regulation prior to the amendment by Commission Delegated Regulation (EU) 2026/73)

		Total exposure to Taxonomy- aligned activities (currency)		KPI (%)	KPI (%)	% coverage (over total assets) (%)	non assessed exposures (% of covered assets) (%)	non assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	2,775	4,088	0.57%	0.84%	65.36%	—%	—%

		Total exposure to Taxonomy- aligned activities (currency)		KPI (%)	KPI (%)	% coverage (over total assets) (%)	non assessed exposures (% of covered assets) (%)	non assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	889	1,545	0.50%	0.87%	23.84%	—%	—%
	Trading book[1]	—	—	—%	—%	—%	—%	—%
	Financial guarantees	395	855	1.76%	3.81%	—%	—%	—%
	Assets under management	619	1,138	0.34%	0.63%	—%	—%	—%
	Fees and commissions income[1]	—	—	—%	—%	—%	—%	—%

[1] The fees and commission and trading book KPIs shall only apply starting 2028

[2] Data corresponding to the 2024 financial year, reported as published in the non-financial statement of that year under Commission Delegated Regulation (EU) 2021/2178. Unlike the 2025 data, these figures include in the denominator exposures to undertakings not subject to sustainability reporting obligations, which reduces the direct comparability between both financial. In financial guarantees, the denominator calculation methodology has been in accordance with Delegated Regulation (EU) 2021/2178

SUMMARY OF THE KPIs TO BE DISCLOSED BY CREDIT INSTITUTIONS (2024) (Pro-forma estimate recalculated applying Delegated Regulation (EU) 2026/73)

		Total exposure to Taxonomy-aligned activities (currency)		KPI (%)	KPI (%)	% coverage (over total assets) (%)	non assessed exposures (% of covered assets) (%)	non assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	2,775	4,088	1.24%	1.83%	29.98%	—%	—%

		Total exposure to Taxonomy-aligned activities (currency)		KPI (%)	KPI (%)	% coverage (over total assets) (%)	non assessed exposures (% of covered assets) (%)	non assessed exposures (% of covered assets) (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	889	1,545	1.57%	2.72%	7.64%	—%	—%
	Trading book[1]	—	—	—%	—%	—%	—%	—%
	Financial guarantees	395	855	11.57%	25.06%	—%	—%	—%
	Assets under management	619	1,138	8.15%	14.98%	—%	—%	—%
	Fees and commissions income[1]	—	—	—%	—%	—%	—%	—%

[1] The fees and commission and trading book KPIs shall only apply starting 2028

[2] For comparative purposes only, the figures presented in this table for the 2024 financial year have been recalculated by retrospectively applying the methodology of Commission Delegated Regulation (EU) 2026/73 (ODA) applicable for 2025

ASSETS FOR THE CALCULATION OF GAR (2025) – TURNOVER

Stock/ Flow Million EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed considered non-material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
GAR - Covered assets in both numerator and denominator	245,525	129,562	4,403	4,280	22	2	96	3	—	2,159	369	981	—	—	—	—
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	244,809	128,846	4,401	4,278	22	2	96	3	—	2,157	369	981	—	—	—	—
Financial undertakings	17,103	4,080	475	463	9	—	4	—	—	31	16	163	—	—	—	—
Loans and advances	12,531	3,059	317	306	8	—	2	—	—	—	13	116	—	—	—	—
Debt securities, including UoP	3,210	1,013	162	161	—	—	2	—	—	5	3	48	—	—	—	—
Equity instruments	1,363	8	—	—	—	—	—	—	—		—	—	—	—	—	—
Non-financial undertakings	22,213	8,021	1,872	1,761	13	2	92	3	—	73	353	817	—	—		—
Loans and advances	19,888	7,691	1,703	1,605	13	2	81	3	—	—	348	773	—	—		—
Debt securities, including UoP	990	266	137	136	—	1	—	—	—	73	5	24	—	—		—
Equity instruments	1,335	64	32	21	—	—	11	—	—		—	20	—	—		—
Households	202,118	116,745	2,053	2,053	—		—			2,053	—	—	—	—		—
of which loans collateralised by residential immovable property	101,583	101,583	1,965	1,965	—		—			1,965	—	—	—	—		—
of which building renovation loans	4,544	4,544	—	—	—		—			—	—	—	—	—		—
of which motor vehicle loans	10,618	10,618	88	88						88	—	—	—	—		—
Local governments financing	3,374	—	—	—	—	—	—	—	—	—	—	—	—	—		—
Housing financing	—	—	—	—	—		—			—	—	—	—	—		—
Other local government financing	3,374	—	—	—	—	—	—	—	—	—	—	—	—	—		—
Collateral obtained by taking possession: residential and commercial immovable properties	716	716	2	2	—		—			2	—	—	—	—		—
Exposures included on a voluntary basis (6)	—	—	—	—	—		—			—	—	—	—	—		
Total GAR assets	**245,525**															

Stock/ Flow Million EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed considered non-material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
Assets not covered for GAR calculation	582,456															
Central governments and Supranational issuers	117,853															
Central banks exposure	55,661															
Trading book	121,902															
Undertakings and entities not subject to CSRD	248,809															
SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	91,286															
Loans and advances	86,448															
of which loans collateralised by commercial immovable property	10,053															
of which building renovation loans	588															
Debt securities	3,651															
Equity instruments	1,188															
Non-EU country counterparties not subject to CSRD disclosure obligations	157,522															
Loans and advances	151,329															
Debt securities	3,448															
Equity instruments	2,745															
Derivatives	506															
On demand interbank loans	8,056															
Cash and cash-related assets	8,049															
Other categories of assets (e.g. Goodwill, commodities etc.)	21,621															
Total assets	827,981															

Stock/ Flow Million EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed considered non-material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
Financial guarantees	24,826	1,676	960	853	53	25	25	4	—	—	10	504	—	—	—	—
Assets under management	212,975	4,017	1,201	1,181	4	2	13	1	—	496	38	389	—	—	—	—
Of which debt securities	25,383	2,838	878	872	—	1	4	—	—	496	9	205	—	—	—	—
Of which equity instruments	15,874	1,179	323	310	4	—	9	—	—	—	29	184	—	—	—	—

1. The information presented has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, as amended by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which simplifies the content and presentation of information on environmentally sustainable economic activities. The simplified templates set out in Annex VI of that Regulation have been used, applicable as from 1 January 2026 for the 2025 reporting period.

2. Eligibility and alignment follow the Delegated Acts under Regulation (EU) 2020/852, specifically the Climate Delegated Act (EU) 2021/2139.

3. Fossil gas and nuclear energy activities are now reported on an aggregated basis in Template 2 of Annex VI, following the deletion of Annex XII by Regulation (EU) 2026/73. In addition, the calculation incorporates the denominator exclusions under the revised Article 7.

4. The information covers the Group's prudential balance sheet, detailing the environmental objectives of significant entities (97% of total assets). In accordance with Delegated Regulation (EU) 2021/2178 as amended by Delegated Regulation (EU) 2026/73 (ODA), the denominator excludes exposures to undertakings not subject to the CSRD, as well as derivatives, cash and other specified items.

5. The scope covers counterparties subject to Directive 2013/34/EU. However, given the pending transposition of the CSRD and the ongoing adaptation by data providers, the NFRD identification approach is maintained. Accordingly, counterparties are identified by: (i) reviewing the registered office in an EU country and (ii) verifying that they exceed 500 employees (applying the same criterion at parent level if the client belongs to a group). Pursuant to Article 7(3) of Delegated Regulation (EU) 2026/73, exposures that do not meet these criteria have been excluded from

6. Counterparty eligibility and alignment information, currently based on the NFRD approach, is obtained through a leading external sector data provider, which sources EU Taxonomy KPI information directly from counterparties' corporate reports, non-financial statements (EINF) or equivalent disclosures. For NFRD clients for whom such information is not available through this channel, BBVA captures the information from their corporate reports or analyses the client's main activity to determine eligibility.

7. For exposures to individuals, eligibility is determined using the activity code (NACE) for self-employed individuals and the analysis of the use of proceeds for the rest, thereby covering significant exposures in accordance with the materiality thresholds set out in Article 4(1a) of Delegated Regulation (EU) 2026/73. The main activities considered include: acquisition (CCM 7.7) and renovation (CCM 7.2) of buildings, and transport by motorcycles, passenger cars and light commercial vehicles (CCM 6.5).

ASSETS FOR THE CALCULATION OF GAR (2025) – CAPEX

Stock/ Flow Million EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed considered non-material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
GAR - Covered assets in both numerator and denominator	245,525	131,210	6,262	6,066	12	1	181	3	—	2,159	297	1,700	—	—	—	—
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	244,809	130,494	6,260	6,064	12	1	181	3	—	2,157	297	1,700	—	—	—	—
Financial undertakings	17,103	4,195	785	782	1	—	2	—	—	31	20	394	—	—	—	—
Loans and advances	12,531	3,063	487	486	—	—	—	—	—	—	16	251	—	—	—	—
Debt securities, including UoP	3,210	1,124	297	295	—	—	1	—	—	5	4	144	—	—	—	—
Equity instruments	1,363	8	—	—	—	—	—	—	—		—	—	—	—	—	—
Non-financial undertakings	22,213	9,554	3,422	3,229	11	1	179	3	—	73	277	1,306	—	—		—
Loans and advances	19,888	9,025	3,095	2,978	6	1	107	3	—	—	270	1,252	—	—		—
Debt securities, including UoP	990	430	251	244	5	—	2	—	—	73	7	48	—	—		—
Equity instruments	1,335	98	76	7	—	—	69	—	—		—	6	—	—		—
Households	202,118	116,745	2,053	2,053	—		—			2,053	—	—	—	—		—
of which loans collateralised by residential immovable property	101,583	101,583	1,965	1,965	—		—			1,965	—	—	—	—		—
of which building renovation loans	4,544	4,544	—	—	—		—			—	—	—	—	—		—
of which motor vehicle loans	10,618	10,618	88	88						88	—	—	—	—		—
Local governments financing	3,374	—	—	—	—	—	—	—	—	—	—	—	—	—		—
Housing financing	—	—	—	—	—		—			—	—	—	—	—		—
Other local government financing	3,374	—	—	—	—	—	—	—	—	—	—	—	—	—		—
Collateral obtained by taking possession: residential and commercial immovable properties	716	716	2	2	—		—			2	—	—	—	—		—
Exposures included on a voluntary basis (6)	—	—	—	—	—		—			—	—	—	—	—		
Total GAR assets	**245,525**												—	—	—	—

Stock/ Flow Million EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed considered non-material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
Assets not covered for GAR calculation	582,456															
Central governments and Supranational issuers	117,853															
Central banks exposure	55,661															
Trading book	121,902															
Undertakings and entities not subject to CSRD	248,809															
SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	91,286															
Loans and advances	86,448															
of which loans collateralised by commercial immovable property	10,053															
of which building renovation loans	588															
Debt securities	3,651															
Equity instruments	1,188															
Non-EU country counterparties not subject to CSRD disclosure obligations	157,522															
Loans and advances	151,329															
Debt securities	3,448															
Equity instruments	2,745															
Derivatives	506															
On demand interbank loans	8,056															
Cash and cash-related assets	8,049															
Other categories of assets (e.g. Goodwill, commodities etc.)	21,621															
Total assets	827,981															

Stock/ Flow Million EUR	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed considered non-material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
Financial guarantees	24,826	2,486	1,895	1,820	11	44	15	5	—	—	22	675	—	—	—	—
Assets under management	212,975	4,501	1,680	1,669	1	1	8	1	—	496	72	557	—	—	—	—
Of which debt securities	25,383	3,182	1,185	1,181	1	1	2	1	—	496	26	333	—	—	—	—
Of which equity instruments	15,874	1,320	495	488	—	—	6	1	—	—	46	224	—	—	—	—

1. The information presented has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, as amended by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which simplifies the content and presentation of information on environmentally sustainable economic activities. The simplified templates set out in Annex VI of that Regulation have been used, applicable as from 1 January 2026 for the 2025 reporting period.

2. Eligibility and alignment follow the Delegated Acts under Regulation (EU) 2020/852, specifically the Climate Delegated Act (EU) 2021/2139.

3. Fossil gas and nuclear energy activities are now reported on an aggregated basis in Template 2 of Annex VI, following the deletion of Annex XII by Regulation (EU) 2026/73. In addition, the calculation incorporates the denominator exclusions under the revised Article 7.

4. The information covers the Group's prudential balance sheet, detailing the environmental objectives of significant entities (97% of total assets). In accordance with Delegated Regulation (EU) 2021/2178 as amended by Delegated Regulation (EU) 2026/73 (ODA), the denominator excludes exposures to undertakings not subject to the CSRD, as well as derivatives, cash and other specified items.

5. The scope covers counterparties subject to Directive 2013/34/EU. However, given the pending transposition of the CSRD and the ongoing adaptation by data providers, the NFRD identification approach is maintained. Accordingly, counterparties are identified by: (i) reviewing the registered office in an EU country and (ii) verifying that they exceed 500 employees (applying the same criterion at parent level if the client belongs to a group). Pursuant to Article 7(3) of Delegated Regulation (EU) 2026/73, exposures that do not meet these criteria have been excluded from

6. Counterparty eligibility and alignment information, currently based on the NFRD approach, is obtained through a leading external sector data provider, which sources EU Taxonomy KPI information directly from counterparties' corporate reports, non-financial statements (EINF) or equivalent disclosures. For NFRD clients for whom such information is not available through this channel, BBVA captures the information from their corporate reports or analyses the client's main activity to determine eligibility.

7. For exposures to individuals, eligibility is determined using the activity code (NACE) for self-employed individuals and the analysis of the use of proceeds for the rest, thereby covering significant exposures in accordance with the materiality thresholds set out in Article 4(1a) of Delegated Regulation (EU) 2026/73. The main activities considered include: acquisition (CCM 7.7) and renovation (CCM 7.2) of buildings, and transport by motorcycles, passenger cars and light commercial vehicles (CCM 6.5).

GAR - SECTOR INFORMATION (2025) – TURNOVER

Breakdown by sector - NACE 4 digits level (code and label) (Million EUR)	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
D.35.11 Production of electricity	2,623	1,571	311	305	—	—	6	—	—
H.49.10 Passenger rail transport, interurban	322	268	208	208	—	—	—	—	—
C.29.10 Manufacture of motor vehicles	1,578	1,343	127	103	—	—	24	—	—
D.35.22 Distribution of gaseous fuels through mains	1,451	219	112	111	—	1	—	—	—
F.42.11 Construction of roads and motorways	641	248	103	100	3	—	—	—	—
C.24.10 Manufacture of basic iron and steel and of ferro-alloys	302	90	73	73	—	—	—	—	—
C.30.20 Manufacture of railway locomotives and rolling stock	176	68	66	66	—	—	—	—	—
D.35.13 Distribution of electricity	139	77	62	61	—	—	—	—	—
H.52.29 Other transportation support activities	463	351	51	50	1	—	—	—	—
H.52.23 Service activities incidental to air transportation	302	120	49	49	—	—	—	—	—
Nuclear activities [4]	25	25	25						
Fossil gas activities[4]	125	125	1						
Of which non-assessed exposures[6]	—								

1. Top ten exposures in the banking book towards top ten sectors covered by the Taxonomy using the relevant NACE Codes on the basis of the principal activity of the counterparty.

2. The information presented has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, as amended by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which simplifies the content and presentation of information on environmentally sustainable economic activities. The simplified templates set out in Annex VI of that Regulation have been used, applicable as from 1 January 2026 for the 2025 reporting period.

3. Eligibility and alignment follow the Delegated Acts under Regulation (EU) 2020/852, specifically the Climate Delegated Act (EU) 2021/2139.

4. Fossil gas and nuclear energy activities are now reported on an aggregated basis in Template 2 of Annex VI, following the deletion of Annex XII by Regulation (EU) 2026/73. In addition, the calculation incorporates the denominator exclusions under the revised Article 7.

5. The information covers the Group's prudential balance sheet, detailing the environmental objectives of significant entities (97% of total assets). In accordance with Delegated Regulation (EU) 2021/2178 as amended by Delegated Regulation (EU) 2026/73 (ODA), the denominator excludes exposures to undertakings not subject to the CSRD, as well as derivatives, cash and other specified items.

6. The scope covers counterparties subject to Directive 2013/34/EU. However, given the pending transposition of the CSRD and the ongoing adaptation by data providers, the NFRD identification approach is maintained. Accordingly, counterparties are identified by: (i) reviewing the registered office in an EU country and (ii) verifying that they exceed 500 employees (applying the same criterion at parent level if the client belongs to a group). Pursuant to Article 7(3) of Delegated Regulation (EU) 2026/73, exposures that do not meet these criteria have been excluded from the denominator, except in cases of voluntary reporting or financing for known purposes (Use of Proceeds).

7. Counterparty eligibility and alignment information, currently based on the NFRD approach, is obtained through a leading external sector data provider, which sources EU Taxonomy KPI information directly from counterparties' corporate reports, non-financial statements (EINF) or equivalent disclosures. For NFRD clients for whom such information is not available through this channel, BBVA captures the information from their corporate reports or analyses the client's main activity to determine eligibility.

GAR - SECTOR INFORMATION (2025) – CAPEX

Breakdown by sector - NACE 4 digits level (code and label) (Million EUR)	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
D.35.11 Production of electricity	2,623	1,789	536	533	—	—	3	—	—
D.35.22 Distribution of gaseous fuels through mains	1,451	506	419	419	—	—	—	—	—
C.29.10 Manufacture of motor vehicles	1,578	1,362	282	282	—	—	—	—	—
G.46.71 Wholesale of solid, liquid and gaseous fuels and related products	1,011	354	262	261	—	—	—	—	—
H.49.10 Passenger rail transport, interurban	322	306	248	248	—	—	—	—	—
C.19.20 Manufacture of refined petroleum products	780	257	203	202	—	—	1	—	—
D.35.14 Trade of electricity	136	109	105	105	—	—	—	—	—
D.35.13 Distribution of electricity	139	116	105	105	—	—	—	—	—
J.61.90 Other telecommunications activities	1,384	129	98	6	—	—	93	—	—
F.42.11 Construction of roads and motorways	641	149	76	73	1	—	2	—	—
Nuclear activities [4]	21	21	21						
Fossil gas activities[4]	78	78	1						
Of which non-assessed exposures[6]	—								

1. Top ten exposures in the banking book towards top ten sectors covered by the Taxonomy using the relevant NACE Codes on the basis of the principal activity of the counterparty.

2. The information presented has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, as amended by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which simplifies the content and presentation of information on environmentally sustainable economic activities. The simplified templates set out in Annex VI of that Regulation have been used, applicable as from 1 January 2026 for the 2025 reporting period.

3. Eligibility and alignment follow the Delegated Acts under Regulation (EU) 2020/852, specifically the Climate Delegated Act (EU) 2021/2139. The amendments introduced by Regulation (EU) 2026/73 regarding the simplification of the DNSH criteria have been incorporated.

4. Fossil gas and nuclear energy activities are now reported on an aggregated basis in Template 2 of Annex VI, following the deletion of Annex XII by Regulation (EU) 2026/73. In addition, the calculation incorporates the denominator exclusions under the revised Article 7.

5. The information covers the Group's prudential balance sheet, detailing the environmental objectives of significant entities (97% of total assets). In accordance with Delegated Regulation (EU) 2021/2178 as amended by Delegated Regulation (EU) 2026/73 (ODA), the denominator excludes exposures to undertakings not subject to the CSRD, as well as derivatives, cash and other specified items.

6. The scope covers counterparties subject to Directive 2013/34/EU. However, given the pending transposition of the CSRD and the ongoing adaptation by data providers, the NFRD identification approach is maintained. Accordingly, counterparties are identified by: (i) reviewing the registered office in an EU country and (ii) verifying that they exceed 500 employees (applying the same criterion at parent level if the client belongs to a group). Pursuant to Article 7(3) of Delegated Regulation (EU) 2026/73, exposures that do not meet these criteria have been excluded from the denominator, except in cases of voluntary reporting or financing for known purposes (Use of Proceeds).

7. Counterparty eligibility and alignment information, currently based on the NFRD approach, is obtained through a leading external sector data provider, which sources EU Taxonomy KPI information directly from counterparties' corporate reports, non-financial statements (EINF) or equivalent disclosures. For NFRD clients for whom such information is not available through this channel, BBVA captures the information from their corporate reports or analyses the client's main activity to determine eligibility.

GAR KPI STOCK (2025) – TURNOVER

% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
GAR - Covered assets in both numerator and denominator	52.77%	1.79%	1.74%	0.01%	—%	0.04%	—%	—%	0.88%	0.15%	0.40%	3.40%	—%
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	52.63%	1.80%	1.75%	0.01%	—%	0.04%	—%	—%	0.88%	0.15%	0.40%	3.42%	—%
Financial undertakings	23.86%	2.78%	2.71%	0.05%	—%	0.02%	—%	—%	0.18%	0.09%	0.95%	11.65%	—%
Loans and advances	24.41%	2.53%	2.44%	0.07%	—%	0.02%	—%	—%	—%	0.10%	0.92%	10.36%	—%
Debt securities, including UoP	31.57%	5.05%	5.00%	—%	—%	0.05%	—%	—%	0.15%	0.10%	1.48%	16.00%	—%
Equity instruments	0.60%	0.01%	0.01%	—%	—%	—%	—%	—%		—%	—%	2.20%	—%
Non-financial undertakings	36.11%	8.43%	7.93%	0.06%	0.01%	0.42%	0.01%	—%	0.33%	1.59%	3.68%	23.34%	—%
Loans and advances	38.67%	8.56%	8.07%	0.06%	0.01%	0.41%	0.02%	—%	—%	1.75%	3.89%	22.14%	—%
Debt securities, including UoP	26.84%	13.84%	13.74%	0.01%	0.06%	0.02%	—%	—%	7.32%	0.55%	2.43%	51.57%	—%
Equity instruments	4.83%	2.40%	1.55%	—%	—%	0.84%	—%	—%		—%	1.51%	49.66%	—%
Households	57.76%	1.02%	1.02%	—%		—%			1.02%	—%	—%	1.76%	—%
of which loans collateralised by residential immovable property	100.00%	1.93%	1.93%	—%		—%			1.93%	—%	—%	1.93%	—%
of which building renovation loans	100.00%	—%	—%	—%		—%			—%	—%	—%	—%	—%
of which motor vehicle loans	100.00%	0.83%	0.83%						0.83%	—%	—%	0.83%	—%
Local governments financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Housing financing	—%	—%	—%	—%		—%			—%	—%	—%	—%	—%
Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	0.29%	0.29%	—%		—%			0.29%	—%	—%	0.29%	—%
Exposures included on a voluntary basis (4)	—%	—%	—%	—%		—%			—%	—%	—%	—%	
GAR - Total GAR assets	52.77%	1.79%	1.74%	0.01%	—%	0.04%	—%	—%	0.88%	0.15%	0.40%	3.40%	—%

1. The information presented has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, as amended by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which simplifies the content and presentation of information on environmentally sustainable economic activities. The simplified templates set out in Annex VI of that Regulation have been used, applicable as from 1 January 2026 for the 2025 reporting period.

2. Eligibility and alignment follow the Delegated Acts under Regulation (EU) 2020/852, specifically the Climate Delegated Act (EU) 2021/2139.

3. Fossil gas and nuclear energy activities are now reported on an aggregated basis in Template 2 of Annex VI, following the deletion of Annex XII by Regulation (EU) 2026/73. In addition, the calculation incorporates the denominator exclusions under the revised Article 7.

4. The information covers the Group's prudential balance sheet, detailing the environmental objectives of significant entities (97% of total assets). In accordance with Delegated Regulation (EU) 2021/2178 as amended by Delegated Regulation (EU) 2026/73 (ODA), the denominator excludes exposures to undertakings not subject to the CSRD, as well as derivatives, cash and other specified items.

5. The scope covers counterparties subject to Directive 2013/34/EU. However, given the pending transposition of the CSRD and the ongoing adaptation by data providers, the NFRD identification approach is maintained. Accordingly, counterparties are identified by: (i) reviewing the registered office in an EU country and (ii) verifying that they exceed 500 employees (applying the same criterion at parent level if the client belongs to a group). Pursuant to Article 7(3) of Delegated Regulation (EU) 2026/73, exposures that do not meet these criteria have been

6. Counterparty eligibility and alignment information, currently based on the NFRD approach, is obtained through a leading external sector data provider, which sources EU Taxonomy KPI information directly from counterparties' corporate reports, non-financial statements (EINF) or equivalent disclosures. For NFRD clients for whom such information is not available through this channel, BBVA captures the information from their corporate reports or analyses the client's main activity to determine eligibility.

7. For exposures to individuals, eligibility is determined using the activity code (NACE) for self-employed individuals and the analysis of the use of proceeds for the rest, thereby covering significant exposures in accordance with the materiality thresholds set out in Article 4(1a) of Delegated Regulation (EU) 2026/73. The main activities considered include: acquisition (CCM 7.7) and renovation (CCM 7.2) of buildings, and transport by motorcycles, passenger cars and light commercial vehicles (CCM 6.5).

GAR KPI STOCK (2025) – CAPEX

% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
GAR - Covered assets in both numerator and denominator	53.44%	2.55%	2.47%	—%	—%	0.07%	—%	—%	0.88%	0.12%	0.69%	4.77%	—%
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	53.30%	2.56%	2.48%	—%	—%	0.07%	—%	—%	0.88%	0.12%	0.69%	4.80%	—%
Financial undertakings	24.53%	4.59%	4.57%	—%	—%	0.01%	—%	—%	0.18%	0.12%	2.31%	18.71%	—%
Loans and advances	24.45%	3.89%	3.88%	—%	—%	—%	—%	—%	—%	0.13%	2.00%	15.91%	—%
Debt securities, including UoP	35.00%	9.26%	9.20%	—%	—%	0.05%	—%	—%	0.15%	0.12%	4.48%	26.44%	—%
Equity instruments	0.60%	0.02%	0.02%	—%	—%	—%	—%	—%		—%	—%	3.20%	—%
Non-financial undertakings	43.01%	15.41%	14.53%	0.05%	—%	0.81%	0.01%	—%	0.33%	1.25%	5.88%	35.82%	—%
Loans and advances	45.38%	15.56%	14.97%	0.03%	—%	0.54%	0.01%	—%	—%	1.36%	6.29%	34.29%	—%
Debt securities, including UoP	43.45%	25.38%	24.67%	0.46%	0.01%	0.24%	—%	—%	7.32%	0.69%	4.83%	58.41%	—%
Equity instruments	7.37%	5.72%	0.50%	0.01%	—%	5.21%	—%	—%		—%	0.48%	77.58%	—%
Households	57.76%	1.02%	1.02%	—%		—%			1.02%	—%	—%	1.76%	—%
of which loans collateralised by residential immovable property	100.00%	1.93%	1.93%	—%		—%			1.93%	—%	—%	1.93%	—%
of which building renovation loans	100.00%	—%	—%	—%		—%			—%	—%	—%	—%	—%
of which motor vehicle loans	100.00%	0.83%	0.83%						0.83%	—%	—%	0.83%	—%
Local governments financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Housing financing	—%	—%	—%	—%		—%			—%	—%	—%	—%	—%
Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	0.29%	0.29%	—%		—%			0.29%	—%	—%	0.29%	—%
Exposures included on a voluntary basis (4)	—%	—%	—%	—%		—%			—%	—%	—%	—%	
GAR - Total GAR assets	53.44%	2.55%	2.47%	—%	—%	0.07%	—%	—%	0.88%	0.12%	0.69%	4.77%	—%

1. The information presented has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, as amended by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which simplifies the content and presentation of information on environmentally sustainable economic activities. The simplified templates set out in Annex VI of that Regulation have been used, applicable as from 1 January 2026 for the 2025 reporting period.

2. Eligibility and alignment follow the Delegated Acts under Regulation (EU) 2020/852, specifically the Climate Delegated Act (EU) 2021/2139.

3. Fossil gas and nuclear energy activities are now reported on an aggregated basis in Template 2 of Annex VI, following the deletion of Annex XII by Regulation (EU) 2026/73. In addition, the calculation incorporates the denominator exclusions under the revised Article 7.

4. The information covers the Group's prudential balance sheet, detailing the environmental objectives of significant entities (97% of total assets). In accordance with Delegated Regulation (EU) 2021/2178 as amended by Delegated Regulation (EU) 2026/73 (ODA), the denominator excludes exposures to undertakings not subject to the CSRD, as well as derivatives, cash and other specified items.

5. The scope covers counterparties subject to Directive 2013/34/EU. However, given the pending transposition of the CSRD and the ongoing adaptation by data providers, the NFRD identification approach is maintained. Accordingly, counterparties are identified by: (i) reviewing the registered office in an EU country and (ii) verifying that they exceed 500 employees (applying the same criterion at parent level if the client belongs to a group). Pursuant to Article 7(3) of Delegated Regulation (EU) 2026/73, exposures that do not meet these criteria have been

6. Counterparty eligibility and alignment information, currently based on the NFRD approach, is obtained through a leading external sector data provider, which sources EU Taxonomy KPI information directly from counterparties' corporate reports, non-financial statements (EINF) or equivalent disclosures. For NFRD clients for whom such information is not available through this channel, BBVA captures the information from their corporate reports or analyses the client's main activity to determine eligibility.

7. For exposures to individuals, eligibility is determined using the activity code (NACE) for self-employed individuals and the analysis of the use of proceeds for the rest, thereby covering significant exposures in accordance with the materiality thresholds set out in Article 4(1a) of Delegated Regulation (EU) 2026/73. The main activities considered include: acquisition (CCM 7.7) and renovation (CCM 7.2) of buildings, and transport by motorcycles, passenger cars and light commercial vehicles (CCM 6.5).

GAR KPI FLOW (2025) – TURNOVER

% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
GAR - Covered assets in both numerator and denominator	39.34%	1.80%	1.70%	0.02%	—%	0.08%	—%	—%	0.47%	0.10%	0.69%	4.57%	—%
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	39.25%	1.80%	1.70%	0.02%	—%	0.08%	—%	—%	0.47%	0.10%	0.69%	4.59%	—%
Financial undertakings	35.03%	3.33%	3.17%	0.12%	—%	0.04%	—%	—%	0.29%	0.06%	1.89%	9.49%	—%
Loans and advances	32.16%	2.83%	2.66%	0.13%	—%	0.04%	—%	—%	—%	0.07%	1.73%	8.80%	—%
Debt securities, including UoP	56.14%	6.97%	6.93%	—%	—%	0.04%	—%	—%	—%	0.01%	3.07%	12.41%	—%
Equity instruments	—%	—%	—%	—%	—%	—%	—%	—%		—%	—%	—%	—%
Non-financial undertakings	34.57%	6.96%	6.42%	0.04%	0.01%	0.50%	0.01%	—%	0.24%	0.60%	3.28%	20.15%	—%
Loans and advances	38.55%	7.22%	6.71%	0.04%	0.01%	0.46%	0.01%	—%	—%	0.64%	3.52%	18.73%	—%
Debt securities, including UoP	17.17%	9.91%	9.90%	—%	—%	—%	—%	—%	5.13%	1.02%	1.50%	57.70%	—%
Equity instruments	6.24%	3.07%	1.93%	—%	—%	1.13%	—%	—%		—%	1.93%	49.10%	—%
Households	41.15%	0.54%	0.54%	—%		—%			0.54%	—%	—%	1.31%	—%
of which loans collateralised by residential immovable property	100.00%	1.54%	1.54%	—%		—%			1.54%	—%	—%	1.54%	—%
of which building renovation loans	100.00%	—%	—%	—%		—%			—%	—%	—%	—%	—%
of which motor vehicle loans	100.00%	0.93%	0.93%						0.93%	—%	—%	0.93%	—%
Local governments financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Housing financing	—%	—%	—%	—%		—%			—%	—%	—%	—%	—%
Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	0.09%	0.09%	—%		—%			0.09%	—%	—%	0.09%	—%
Exposures included on a voluntary basis (4)	—%	—%	—%	—%		—%			—%	—%	—%	—%	
GAR - Total GAR assets	39.34%	1.80%	1.70%	0.02%	—%	0.08%	—%	—%	0.47%	0.10%	0.69%	4.57%	—%

1. The information presented has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, as amended by Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, which simplifies the content and presentation of information on environmentally sustainable economic activities. The simplified templates set out in Annex VI of that Regulation have been used, applicable as from 1 January 2026 for the 2025 reporting period.

2. Eligibility and alignment follow the Delegated Acts under Regulation (EU) 2020/852, specifically the Climate Delegated Act (EU) 2021/2139.

3. Fossil gas and nuclear energy activities are now reported on an aggregated basis in Template 2 of Annex VI, following the deletion of Annex XII by Regulation (EU) 2026/73. In addition, the calculation incorporates the denominator exclusions under the revised Article 7.

4. The information covers the Group's prudential balance sheet, detailing the environmental objectives of significant entities (97% of total assets). In accordance with Delegated Regulation (EU) 2021/2178 as amended by Delegated Regulation (EU) 2026/73 (ODA), the denominator excludes exposures to undertakings not subject to the CSRD, as well as derivatives, cash and other specified items.

5. The scope covers counterparties subject to Directive 2013/34/EU. However, given the pending transposition of the CSRD and the ongoing adaptation by data providers, the NFRD identification approach is maintained. Accordingly, counterparties are identified by: (i) reviewing the registered office in an EU country and (ii) verifying that they exceed 500 employees (applying the same criterion at parent level if the client belongs to a group). Pursuant to Article 7(3) of Delegated Regulation (EU) 2026/73, exposures that do not meet these criteria have been

6. Counterparty eligibility and alignment information, currently based on the NFRD approach, is obtained through a leading external sector data provider, which sources EU Taxonomy KPI information directly from counterparties' corporate reports, non-financial statements (EINF) or equivalent disclosures. For NFRD clients for whom such information is not available through this channel, BBVA captures the information from their corporate reports or analyses the client's main activity to determine eligibility.

7. For exposures to individuals, eligibility is determined using the activity code (NACE) for self-employed individuals and the analysis of the use of proceeds for the rest, thereby covering significant exposures in accordance with the materiality thresholds set out in Article 4(1a) of Delegated Regulation (EU) 2026/73. The main activities considered include: acquisition (CCM 7.7) and renovation (CCM 7.2) of buildings, and transport by motorcycles, passenger cars and light commercial vehicles (CCM 6.5).

GAR KPI FLOW (2025) – CAPEX

% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
GAR - Covered assets in both numerator and denominator	40.61%	3.21%	3.06%	—%	—%	0.14%	—%	—%	0.47%	0.14%	1.25%	7.90%	—%
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	40.52%	3.21%	3.07%	—%	—%	0.14%	—%	—%	0.47%	0.14%	1.25%	7.93%	—%
Financial undertakings	36.87%	6.50%	6.48%	0.01%	—%	0.01%	—%	—%	0.29%	0.07%	4.88%	17.63%	—%
Loans and advances	32.90%	5.10%	5.08%	0.01%	—%	0.01%	—%	—%	—%	0.07%	4.04%	15.49%	—%
Debt securities, including UoP	66.01%	16.79%	16.77%	—%	—%	0.02%	—%	—%	—%	0.06%	11.05%	25.43%	—%
Equity instruments	—%	—%	—%	—%	—%	—%	—%	—%		—%	—%	—%	—%
Non-financial undertakings	41.51%	14.07%	13.18%	0.02%	—%	0.86%	0.01%	—%	0.24%	0.83%	5.21%	33.88%	—%
Loans and advances	45.23%	14.47%	14.19%	0.02%	—%	0.25%	0.01%	—%	—%	0.89%	5.83%	32.00%	—%
Debt securities, including UoP	35.87%	19.55%	19.46%	—%	—%	0.09%	—%	—%	5.13%	1.25%	3.33%	54.52%	—%
Equity instruments	9.57%	7.42%	0.43%	—%	—%	6.99%	—%	—%		—%	0.43%	77.50%	—%
Households	41.15%	0.54%	0.54%	—%		—%			0.54%	—%	—%	1.31%	—%
of which loans collateralised by residential immovable property	100.00%	1.54%	1.54%	—%		—%			1.54%	—%	—%	1.54%	—%
of which building renovation loans	100.00%	—%	—%	—%		—%			—%	—%	—%	—%	—%
of which motor vehicle loans	100.00%	0.93%	0.93%						0.93%	—%	—%	0.93%	—%
Local governments financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Housing financing	—%	—%	—%	—%		—%			—%	—%	—%	—%	—%
Other local government financing	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	0.09%	0.09%	—%		—%			0.09%	—%	—%	0.09%	—%
Exposures included on a voluntary basis (4)	—%	—%	—%	—%		—%			—%	—%	—%	—%	
GAR - Total GAR assets	40.61%	3.21%	3.06%	—%	—%	0.14%	—%	—%	0.47%	0.14%	1.25%	7.90%	—%

(1) The present information has been prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, of July 6, 2021, which supplements Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and the presentation of information on environmentally sustainable economic activities

(2) Customers' economic activities are classified as eligible or aligned in accordance with the Delegated Acts supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council. Specifically, the economic activities covered by Delegated Regulations (EU) 2021/2139 on mitigation and adaptation to climate change have been taken into consideration.

(3) Clients' economic activities are classified as eligible or aligned taking into account the modifications implemented by Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022, which includes economic activities in certain energy sectors, and Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 establishing additional technical criteria.

(4)The information includes the BBVA Group total prudential balance. In terms of breakdown of environmental objectives, the most significant entities are included and correspond to 96% of the total assets. The financial assets analyzed correspond to the categories of financial instruments valued "At amortized cost", "Fair Value with Changes in Other Comprehensive Income (FVOCI)", "Fair Value with Changes in P&L" and "Non-negotiable at Fair Value with changes in result.

(5) NFRD counterparties are those subject to Directive 2014/95/EU (the Non-Financial Reporting Directive or NFRD), such as large listed companies, banks and insurance companies, with more than 500 employees. BBVA identifies NFRD counterparties mainly in two ways: i) review of the registered office in a country of the European Union and ii) more than 500 employees. In the event that the previous criterion is not met and if the client belongs to a business group, the same review is carried out at the parent company level.

6) Eligibility information for NFRD counterparties is obtained through an external reference provider in the sector, which obtains EU taxonomy KPI information directly from their corporate reports, EINF or equivalent. In the case of NFRD clients for whom the information has not been provided through the previous means, the information from their corporate reports is captured by BBVA or the client's main activity is analyzed to establish their eligibility.

(7) Exposure to individuals includes self-employed workers, in which case the activity code (NACE) is reviewed to determine eligibility. The rest of the exposure corresponding to the individual segment is reviewed for the use of funds to be considered eligible, for example, in the case of housing loans. EU Taxonomy activity 7.7 Acquisition and ownership of buildings, EU Taxonomy activity 7.2 Renovation of independently existing buildings, or Cars: EUT 6.5 Transport by motorcycles, passenger cars and light commercial vehicles)

(8) While exposures to governments and central banks are excluded from the GAR calculation symmetrically, from the numerator and denominator, financing to small and medium-sized enterprises that do not fall within the scope of the NFRD or financing outside EU (even if they meet the taxonomy criteria requirements) cannot qualify as aligned with the taxonomy. Furthermore, activities not covered by the EU taxonomy will be excluded from the numerator, but not from the denominator of GAR.

KPI OFF-BALANCE SHEET EXPOSURES STOCK (2025) – TURNOVER

% (compared to corresponding total off-balance sheet assets)	Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
Financial guarantees (FinGuar KPI)	30.49%	17.46%	15.51%	0.96%	0.46%	0.45%	0.08%	—%	—%	0.18%	9.17%	—%
Assets under management (AuM KPI)	42.72%	12.78%	12.56%	0.05%	0.02%	0.14%	0.01%	—%	5.28%	0.40%	4.14%	—%

1. Off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template. In financial guarantees, the denominator calculation methodology has been in accordance with Delegated Regulation (EU) 2021/2178

KPI OFF-BALANCE SHEET EXPOSURES STOCK (2025) – CAPEX

% (compared to corresponding total off-balance sheet assets)	Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
Financial guarantees (FinGuar KPI)	45.23%	34.48%	33.12%	0.20%	0.79%	0.28%	0.09%	—%	—%	0.39%	12.29%	—%
Assets under management (AuM KPI)	47.87%	17.87%	17.75%	0.01%	0.01%	0.08%	0.02%	—%	5.28%	0.77%	5.92%	—%

1. Off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template. In financial guarantees, the denominator calculation methodology has been in accordance with Delegated Regulation (EU) 2021/2178

KPI OFF-BALANCE SHEET EXPOSURES FLOW (2025) – TURNOVER

% (compared to corresponding total off-balance sheet assets)	Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
Financial guarantees (FinGuar KPI)	39.68%	22.86%	22.43%	0.15%	0.06%	0.16%	0.06%	—%	—%	0.25%	12.29%	—%
Assets under management (AuM KPI)	44.04%	12.33%	12.21%	0.01%	0.04%	0.06%	0.01%	—%	5.16%	0.13%	3.82%	—%

1. Off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template. In financial guarantees and assets under management, the denominator calculation methodology has been in accordance with Delegated Regulation (EU) 2021/2178

KPI OFF-BALANCE SHEET EXPOSURES FLOW (2025) – CAPEX

% (compared to corresponding total off-balance sheet assets)	Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
Financial guarantees (FinGuar KPI)	56.96%	45.15%	44.38%	0.47%	0.04%	0.17%	0.09%	—%	—%	0.44%	15.97%	—%
Assets under management (AuM KPI)	50.29%	17.04%	16.98%	0.01%	0.01%	0.03%	0.01%	—%	5.16%	0.62%	5.80%	—%

1. Off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template. In financial guarantees and assets under management, the denominator calculation methodology has been in accordance with Delegated Regulation (EU) 2021/2178

TEMPLATE FOR THE KPIs OF INSURANCE AND REINSURANCE UNDERTAKINGS (INVESTMENTS) – 2025

	Exposures	%	Million EUR
1	**Total AUM**	**100%**	**12,474**
2	**Assets covered by the KPI**	**27.98%**	**3,490**
	% of covered assets	**% Turnover based**	**% CapEx based**
3	**Taxonomy eligible**	8.48%	9.12%
4	Nuclear activities(1)	0.11%	0.11%
5	Fossil gas activities(2)	0.11%	0.06%
6	**Taxonomy aligned**	2.85%	4.55%
7	Undertakings subject to Article 19a and 29a of Directive 2013/34/EU	2.85%	4.55%
8	of which Non-financial undertakings	0.56%	1.17%
9	of which Financial undertakings	2.30%	3.38%
10	Other covered counterparties and real estate assets	—%	—%
11	Investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders	2.85%	4.54%
12	Exposures included on a voluntary basis	—%	—%
13	Transitional activities	2.00%	2.01%
14	Enabling activities	0.40%	0.67%
15	Nuclear activities(1)	0.11%	0.11%
16	Fossil gas activities(2)	—%	—%
	Taxonomy aligned per objective	**% Turnover based**	**% CapEx based**
17	Climate Change Mitigation (CCM)	2.85%	4.54%
18	Climate Change Adaptation (CCA)	—%	0.01%
19	Water and marine resources (WTR)	—%	—%
20	Circular economy (CE)	—%	—%
21	Pollution (PPC)	—%	—%
22	Biodiversity and Ecosystems (BIO)	—%	—%
23	**Non-assessed exposures**	—%	—%
24	Exposures financing non-assessed non-material activities of counterparties	—%	—%
25	Exposures financing counterparties reporting in accordance with Article 7(9) to this Regulation	—%	—%
26	Non-assessed exposures considered non-material by the reporting entity	—%	—%
	Breakdown of covered assets	**%**	**Million EUR**
27	Undertakings subject to Article 19a and 29a of Directive 2013/34/EU	21.74%	759
28	of which Non-financial undertakings	3.54%	123
29	of which Financial undertakings	18.20%	635
30	Other covered counterparties and real estate assets	78.26%	2,732
31	Investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders	98.19%	3,427
32	Exposures included on a voluntary basis	—%	—

(1) referred to in Sections 4.26, 4,27, and 4.28 of Annexes I and II to Delegated Regulation 2021/2139

(2) referred to in Sections 4.29, 4.30, and 4.31 of Annexes I and II to Delegated Regulation 2021/2139

TEMPLATE FOR THE KPIs OF INSURANCE AND REINSURANCE UNDERTAKINGS (INVESTMENTS) – 2024

	Exposures	%	Million EUR
1	**Total AUM**	**100%**	**13,832**
2	**Assets covered by the KPI**	**25.90%**	**3,583**
	% of covered assets	**% Turnover based**	**% CapEx based**
3	**Taxonomy eligible**	12.57%	14.51%
4	Nuclear activities(1)	0.04%	0.05%
5	Fossil gas activities(2)	0.19%	0.07%
6	**Taxonomy aligned**	2.47%	4.41%
7	Undertakings subject to Article 19a and 29a of Directive 2013/34/EU	2.47%	4.41%
8	of which Non-financial undertakings	1.98%	3.76%
9	of which Financial undertakings	0.49%	0.65%
10	Other covered counterparties and real estate assets	—%	—%
11	Investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders	2.42%	4.30%
12	Exposures included on a voluntary basis	—%	—%
13	Transitional activities	0.12%	0.29%
14	Enabling activities	2.13%	2.78%
15	Nuclear activities(1)	0.04%	0.05%
16	Fossil gas activities(2)	—%	—%
	Taxonomy aligned per objective	**% Turnover based**	**% CapEx based**
17	Climate Change Mitigation (CCM)	2.41%	4.33%
18	Climate Change Adaptation (CCA)	0.02%	0.03%
19	Water and marine resources (WTR)	0.02%	0.04%
20	Circular economy (CE)	0.01%	0.01%
21	Pollution (PPC)	—%	—%
22	Biodiversity and Ecosystems (BIO)	0.01%	0.01%
23	**Non-assessed exposures**	—%	—%
24	Exposures financing non-assessed non-material activities of counterparties	—%	—%
25	Exposures financing counterparties reporting in accordance with Article 7(9) to this Regulation	—%	—%
26	Non-assessed exposures considered non-material by the reporting entity	—%	—%
	Breakdown of covered assets	**%**	**Million EUR**
27	Undertakings subject to Article 19a and 29a of Directive 2013/34/EU	48.80%	1,748
28	of which Non-financial undertakings	16.33%	585
29	of which Financial undertakings	32.47%	1,163
30	Other covered counterparties and real estate assets	51.20%	1,834
31	Investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders	96.81%	3,468
32	Exposures included on a voluntary basis	—%	—

(1) referred to in Sections 4.26, 4,27, and 4.28 of Annexes I and II to Delegated Regulation 2021/2139

(2) referred to in Sections 4.29, 4.30, and 4.31 of Annexes I and II to Delegated Regulation 2021/2139

TEMPLATE FOR THE KPI OF ASSET MANAGERS – 2025

	Disclosure reference date		
	Exposures	**%**	**Million EUR**
1	**Total AUM**	**100%**	**241,529**
2	**Assets covered by the KPI**	**3.89%**	**9,403**
	% of covered assets	**% Turnover based**	**% CapEx based**
3	**Taxonomy eligible**	42.72%	47.87%
4	Nuclear activities(1)	0.10%	0.08%
5	Fossil gas activities(2)	0.50%	0.25%
6	**Taxonomy aligned**	12.78%	17.87%
7	Undertakings subject to Article 19a and 29a of Directive 2013/34/EU	12.78%	17.87%
8	of which Non-financial undertakings	7.72%	11.28%
9	of which Financial undertakings	5.05%	6.59%
10	Other covered counterparties and real estate assets	—%	—%
11	Exposures included on a voluntary basis(3)	—%	—%
12	Transitional activities	0.40%	0.77%
13	Enabling activities	4.14%	5.92%
14	Nuclear activities(1)	0.10%	0.08%
15	Fossil gas activities(2)	0.10%	0.08%
	Taxonomy aligned per objective	**% Turnover based**	**% CapEx based**
16	Climate Change Mitigation (CCM)	12.56%	17.75%
17	Climate Change Adaptation (CCA)	0.05%	0.01%
18	Water and marine resources (WTR)	0.02%	0.01%
19	Circular economy (CE)	0.14%	0.08%
20	Pollution (PPC)	0.01%	0.02%
21	Biodiversity and Ecosystems (BIO)	—%	—%
22	**Non-assessed exposures**	—%	—%
23	Exposures financing non-assessed non-material activities of counterparties	—%	—%
24	Non-assessed exposures considered non-material by the reporting entity	—%	—%
25	Exposures to counterparties reporting in accordance with Article 7(9) of this Regulation	—%	—%
	Breakdown of covered assets	**%**	**Million EUR**
26	Undertakings subject to Article 19a and 29a of Directive 2013/34/EU	100.00%	9,403
27	of which Non-financial undertakings	44.64%	4,197
28	of which Financial undertakings	55.36%	5,205
29	Other covered counterparties and real estate assets	—%	—
30	Exposures included on a voluntary basis	—%	—

(1) Activities included in sections 4.26, 4.27, and 4.28 of Annexes I and II to Delegated Regulation 2021/2139

(2) Activities included in sections 4.29, 4.30, and 4.31 of Annexes I and II to Delegated Regulation 2021/2139

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1. BBVA Group

1.1 Main data

BBVA GROUP MAIN DATA (CONSOLIDATED FIGURES)

	31-12-25	Δ %	31-12-24	31-12-23
Balance sheet (millions of euros)				
Total assets	859,576	11.3	772,402	775,558
Loans and advances to customers (gross)	472,697	11.5	424,087	388,912
Deposits from customers	502,501	12.3	447,646	413,487
Total customer funds	726,884	13.5	640,250	577,853
Total equity	61,798	3.0	60,014	55,265
Income statement (millions of euros)				
Net interest income	26,280	4.0	25,267	23,089
Gross income	36,931	4.1	35,481	29,542
Operating income	22,599	6.2	21,288	17,233
Net attributable profit (loss)	10,511	4.5	10,054	8,019
The BBVA share and share performance ratios				
Number of shares outstanding (million)	5,709	(0.9)	5,763	5,838
Share price (euros)	20.05	112.2	9.45	8.23
Adjusted earnings (loss) per share (euros) (1)	1.78	5.8	1.68	1.32
Earnings (loss) per share (euros) (1)	1.76	5.0	1.68	1.29
Book value per share (euros) (1)	10.19	5.4	9.67	8.86
Tangible book value per share (euros) (1)	9.69	4.9	9.24	8.46
Market capitalization (millions of euros)	114,465	110.2	54,463	48,023
Profitability and efficiency ratios (%)				
ROE (net attributable profit (loss)/average shareholders' funds +/- average accumulated other comprehensive income) (1)	18.4		18.9	16.2
ROTE (net attributable profit (loss)/average shareholders' funds excluding average intangible assets +/- average accumulated other comprehensive income) (1)	19.3		19.7	17.0
RORC (net attributable profit (loss)/average regulatory capital) (1)	21.13		20.98	18.06
ROA (profit (loss) for the period / average total assets - ATA) (1)	1.36		1.36	1.12
RORWA (profit (loss) for the period / average risk-weighted assets - RWA) (1)	2.80		2.76	2.38
Efficiency ratio (1)	38.8		40.0	41.7
Credit risk indicators				
Cost of risk (1)	1.39		1.43	1.15
NPL ratio (1)	2.7		3.0	3.4
NPL coverage ratio (1)	85		80	77
Capital adequacy ratios (%) (2)				
CET1 ratio	12.70		12.88	12.67
Tier 1 ratio	14.08		14.40	14.33
Total capital ratio	17.21		16.90	16.58
Other information				
Number of active customers (million) (3)	81.2	5.6	76.9	72.3
Number of shareholders (4)	657,193	(8.0)	714,069	742,194
Number of employees	127,174	1.0	125,916	121,486
Number of branches	5,642	(1.9)	5,749	5,949
Number of ATMs	31,015	2.1	30,391	30,301

(1) For more information, see Alternative Performance Measures at this report.
(2) Preliminary data as of 31-12-2025.
(3) 2023 and 2024 data have been revised due to the homogenization of computation criteria in the different countries or changes in the origin of information provisioning, which would include the reorganization of the active client databases.
(4) See footnote to table of structural distribution of shareholders in "The BBVA share" chapter of this report.

1.2 Macroeconomic and regulatory environment

Macroeconomic and sectoral environment and outlook

The global economy has shown greater strength than expected during 2025 given the high levels of uncertainty, trade and geopolitical tensions, and the United States administration's immigration restrictions. The negative effects of protectionist policies have been mitigated by lower effective tariffs than initially announced, fiscal stimulus and the strong growth in investment in artificial intelligence, particularly in the United States. Low financial volatility, supported by the Federal Reserve's (hereinafter, Fed) expansionary monetary policy, has also supported global activity.

Overall, BBVA Research anticipates that global growth will reach 3.2% in 2025, two tenths above the previous scenario, and will stand at 3.1% in 2026. For the United States, better than expected performance in recent months raises the growth forecast for 2025 to 2.0% (three tenths higher the previous forecast) and 1.9% for 2026 (one tenth higher). In the case of the Eurozone, the expectation of a gradual slowdown in activity remains: compared to GDP growth of 1.4% in 2025 (one tenth higher than the previous forecast), in 2026 it could be 1.1%, in a context where the impact of tariffs and political instability in some countries in the bloc could be partially offset by increased spending on defense and infrastructure. In China, the economic growth could close 2025 with an increase of 5%, equal to that of 2024 and two tenths higher than previously forecast. For 2026, BBVA Research maintains its expectations of moderation, with annual growth of 4.5%.

The tariff increase is expected to push inflation in the United States to around 3% by the end of 2026, limiting the Fed's scope for interest rate cuts. Following the cuts in 2025, which brought the benchmark rate to 3.75%, BBVA Research forecasts two additional rate cuts to 3.25%. In the Eurozone, the ECB is expected to keep the deposit facility interest rate unchanged (at 2%) if inflationary pressures remain contained (the headline rate closed 2025 at 2.0% and could remain around this level at the end of 2026) and downside risks to growth do not intensify. In China, monetary conditions are likely to continue to ease given the current context of very low inflation.

The balance of risks for the global economy remains weighted to the downside, but somewhat more balanced than in the previous scenario. In addition to protectionist measures in trade and immigration, and the structural challenges facing Europe and China, other negative factors include increased geopolitical tensions (potential interventions of the United States in Latin America, the Middle East or the Arctic) and uncertainty about the Fed's independence and its potential impact on financial markets. On a positive note, however it is worth mentioning the boost in investment in artificial intelligence and its medium-term effect on the productivity of economies that promote its adoption.

REAL GDP GROWTH AND INFLATION (REAL PERCENTAGE GROWTH) IN 2025 AND ESTIMATES FOR 2026

	2025		2026	
	GDP	INFLATION	GDP	INFLATION
World	3.2	4.5	3.1	4.1
Eurozone	1.4	2.0	1.1	1.9
Spain	2.9	2.9	2.4	2.6
The United States	2.0	3.0	1.9	2.9
Mexico	0.7	3.7	1.2	3.8
South America [1]	2.7	8.4	2.3	6.4
Turkey	3.7	30.9	4.0	25.0
China	5.0	0.3	4.5	1.0

Source: BBVA Research estimates. Inflation end of period.

[1] It includes Argentina, Brazil, Chile, Colombia, Paraguay, Peru and Uruguay.

Exchange rate evolution

During 2025, the U.S. dollar depreciated significantly against the euro (-11.6%). This depreciation was concentrated in the first half of the year, when the aggressiveness of U.S. tariff policy generated a climate of distrust towards the U.S. dollar. Among emerging market currencies, the Mexican peso stood out with an appreciation (+2.0% against the euro), supported by the perception of Mexico as a relative winner of the trade war. The Turkish lira was heavily penalized in 2025 (-27.2%), reflecting high inflation, which is nevertheless gradually declining. Regarding the performance of South American currencies, the Peruvian sol weakened against the euro (-1.2%), the Colombian peso showed a notable appreciation (+3.8%), while the Chilean peso depreciated by -2.9%. Finally, the Argentine peso experienced a very significant depreciation (-37.4%), in an environment still marked by macroeconomic adjustments and high financial volatility, despite progress in the economic stabilization process.

For information on the BBVA Group's exchange rate risk management policies, see the "Risk Management" chapter of this report.

EXCHANGE RATES

	Period-end exchange rates			Average exchange rates	
	Currency/Euro	Δ % of the currency against	Δ % of the currency against	Currency/Euro	Δ % of the currency against
	31-12-25	31-12-24	30-09-25	2025	2024
U.S. dollar	1.1750	(11.6)	(0.1)	1.1302	(4.3)
Mexican peso	21.1180	2.0	2.0	21.6743	(8.5)
Turkish lira [1]	50.4838	(27.2)	(3.3)	—	—
Peruvian sol	3.9486	(1.2)	3.4	4.0249	0.7
Argentine peso [1]	1,714.81	(37.4)	(8.2)	—	—
Chilean peso	1,065.88	(2.9)	5.9	1,074.74	(5.0)
Colombian peso	4,414.57	3.8	3.8	4,575.55	(3.7)

[1] According to IAS 21 "The effects of changes in foreign exchange rates", the year-end exchange rate is used for the conversion of the Turkey and Argentina income statement.

Regulatory environment 2025: Entry into force of CRR III, strategy for the Savings and Investment Union, regulation of stable coins and artificial intelligence

2025 has been a period of regulatory transition and consolidation, both in the European Union and globally. Europe has been focused on implementing previous regulations and on a new political cycle that is aiming for economic growth and competitiveness through regulatory simplification. This year has been key for the final implementation of the Basel III reforms, with the entry into force of CRR III and the revised GL/RTS by the European Banking Authority (hereinafter, EBA). In addition, digitization remains a priority with a strong focus on crypto-assets and Artificial Intelligence with proposals such as the Digital Omnibus, which affects various regulations on data, cybersecurity, artificial intelligence and digital identity. In ESG regulation, the work on the Omnibus regulatory simplification package stands out. Additionally, 2025 was crucial for the operational launch of the new Anti-Money Laundering and Counter-Terrorist Financing Authority (hereinafter, AMLA) and for financial institutions to begin the transformation necessary to comply with the ambitious legal framework against money laundering.

Internationally, the United Kingdom has delayed the implementation of Basel to January 2027 and has set the simplification of its regulatory framework as one of its objectives. In the United States, there has been a change in leadership at the main US financial regulatory agencies this year, in which a strategy of limiting regulation to the minimum necessary is usually applied, making the outlook for the Basel reforms uncertain.

1. Prudential framework: final implementation of Basel III (CRR III/CRD VI)

In the prudential sphere, the most notable development in 2025 was the implementation of the global framework of post-crisis Basel III reforms in Europe.

At an international level, the implementation of the disclosure and prudential treatment framework for exposures related to crypto-assets is still pending. It will come into force in January 2026 following its publication by the Base Committee on Banking Supervision (hereinafter BCBS) in July 2024. In addition, in April 2025, the BCBS published guidelines with revised principles for credit risk management.

With regard to this implementation of the Basel III framework reform in Europe, most of the provisions of the banking package, entered into force on January 1, 2025, containing the reform of the Capital Requirements Regulation (CRR III) and the Capital Requirements Directive (CRD VI), published on June 9, 2024. However, the provisions relating to the new market risk framework (FRTB) have been postponed until January 2027. As for CRD VI, European Union (hereinafter EU) member states have 18 months to transpose the Directive into their national legislation (expiring in January 2026) and, once this transposition is complete, CRD VI will enter into force the following day.

Of the 140 mandates granted to the EBA by CRR III and CRD VI, progress has been made in various technical developments during 2025: final versions of both guidelines and Regulatory Technical Standards (RTS) and Implementing Technical Standards (ITS) have been published. Some of the most relevant ones include those relating to credit risk (e.g., the RTS on credit conversion factors for off-balance sheet exposures or the Guidelines on exposures to real estate purchases, construction, and development (ADC)), operational risk (RTS on loss taxonomy and RTS on business indicator components), as well as on ESG management and crypto-assets (RTS on the transitional prudential treatment introduced in CRR III for these exposures). For its part, the EBA Guide on ESG scenario analysis, initially scheduled for January 2026, has been published as final, delaying its application until January 2027. Lastly, the EBA also published various consultations (Guidelines on the definition of default, Guidelines on internal governance, RTS on material changes to internal models, etc.), for which the final text is expected in 2026.

With regard to Level 1 legislative proposals, the reform of the securitization framework was presented by the European Commission (hereinafter EC) in June 2025 and is currently under negotiation, while the legislative proposal on the permanent capital treatment of exposures to crypto-assets, scheduled for the first half of 2025, has not yet been published.

Finally, with regard to the progress of these reforms in other jurisdictions, it should be noted that in the United Kingdom, where the final Basel rules were published in September 2024, their implementation (initially planned for July 2025 and then for January 2026) was further delayed until January 2027, although the end date of the transition period was kept at January 1, 2030. It was also announced that the FRTB framework for internal models would be postponed until January 2028 and that the standard model would come into force in January 2027. On the other hand, in the United States, the outlook for the Basel reforms remains uncertain. All that is known is the authorities' intention to present a new proposal (to be submitted for consultation) in early 2026.

Meanwhile, in 2025, in the EU, more work related to prudential arena is expected, in this case by the European Central Bank (hereinafter ECB): updating the Internal Models Guide to include adjustments on market risk, credit risk, and counterparty risk, as well as a new section on machine learning; and the revision of the Guide to Options and Discretion, which details how it will exercise the supervisory powers granted to it by CRR III on certain issues.

Finally, in Spain, work continues to complete the transposition of CRD VI (the deadline is January 2026, as indicated above), and in July the Bank of Spain (hereinafter BoS), published a draft circular amending Circular 4/2017 of November 27 to credit institutions on public and confidential financial reporting standards and financial statement models, and Circular 1/2013 of May 24 on the risk information center, with the aim of incorporating the latest changes in the International Financial Reporting Standards adopted by the European Union and modifying confidential financial statements, adding or removing certain information, and reviewing the thresholds defined for their submission. The publication in the BOE of the final text of the aforementioned Circular took place on 29th December and its entry into force occurred the following day.

2. The crisis management framework

At the global level, the Financial Stability Board (FSB) continued to support bank resolution authorities on issues related to the operationalization and implementation of bail-in and other tools, as well as the exchange of knowledge and practices related to public liquidity mechanisms. In November, the FSB published guidelines for the application of the key elements of the framework in the insurance sector.

In Europe, the Single Resolution Board (SRB) updated its operational guidelines on: i) operational continuity in resolution (OCIR), ii) orderly liquidation of the trading book (SWD), iii) self-assessment of resolvability, and iv) assessment of resolvability. It also announced that no additional contributions to the Single Resolution Fund were necessary (as it had reached its target level). It also launched consultations on: i) the valuation of banks in resolution, and ii) its approach to transferability and separability. Meanwhile, the EBA published an ITS on resolution planning, a manual on simulation exercises for resolution authorities, a consultation to simplify resolution plans and the functioning of resolution colleges, and an ITS on the framework for reporting MREL decisions by resolution authorities.

Finally, the European Council and the European Parliament reached a political agreement on the main points of the crisis management and deposit insurance framework (CMDI) reform package. The package is expected to be finally published and approved in 2026.

3. Macroprudential Framework

At the European level, in December 2024 the ECB published a new methodology for systemic risk buffers for domestic systemic institutions (DSIBs) that incorporates the perspective of the Banking Union. The methodology will be fully implemented as of January 1, 2028.

In Spain, in October, the Bank of Spain approved an increase in the countercyclical capital buffer (CCA) requirement from 0.5% to 1%, which will be required of institutions for their exposures located in Spain as of October 1, 2026.

4. ESG regulation: Omnibus simplification proposal and other sustainability topics

In the area of ESG (Environmental, Social and Governance), and at a global level, the publication in June 2025 by the BCBS of the final version of its framework for the disclosure of climate-related financial risks stands out.

In February 2025, the Commission announced the Omnibus regulatory simplification package on Environmental, Social, and Governance (ESG) issues, which includes the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), the Taxonomy Regulation, and the Carbon Border Adjustment Mechanism Regulation (CBAM).

The main changes proposed are a reduction in the number of companies affected, a postponement of reporting deadlines and entry into force, and a reduction in the data reporting.

The postponement of maturities or “Stop the Clock” was approved in April and published in the Official Journal of the European Union (OJEU) and the Simplification Directive, which affects the content of the CSRD and the CSDDD, was finally approved on December 16 in Parliament.

Companies that exceed 1,000 employees and €450 million in net turnover for two consecutive financial years will be required to provide sustainability information under the CSRD, starting January 1, 2027. For the CSDDD, companies that exceed 5,000 employees and €1.5 billion in net turnover for two consecutive financial years will be subject to this requirement. Member States will have until July 2028 to transpose the CSDD, and, in general, the obligations will enter into force for all companies from July 26, 2029.

Regarding the content of the CSRD, it is maintained that the verification of information has a limited scope, the information that companies subject to the CSRD can require from companies in their value chain is limited, and civil liability at the European level and climate transition plans are eliminated, among other issues.

With regard to taxonomy, a materiality threshold for disclosure is introduced, and adjusting the green asset ratio (GAR) to exclude from the denominator those companies that are not subject to the CSRD. The Delegated Act was published in January 2026. This Delegated Act includes the possibility of suspending the GAR report, subject to the publication of a statement in the sustainability report.

The Carbon Border Adjustment Mechanism Regulation seeks to exempt smaller companies from the obligations of the Regulation by establishing a broader de minimis exemption. The amendment was published in the OJEU in October.

As part of this simplification process, EFRAG submitted its technical report on December 3 with its proposal for simplifying reporting standards.

In November 2025, the European Commission presented the review of the Regulation on sustainability-related disclosures in the financial services sector (SFDR), with the aim of simplifying the current framework and harmonizing sustainability disclosure requirements in the financial sector.

In relation to the prudential framework, the EBA published its guidelines for ESG risk management in January, in response to the mandate of Article 87a of the CRD. The guidelines set out requirements for internal processes and ESG risk management to ensure the resilience of institutions' business models and risk profiles in the short, medium, and long term. The guidelines will come into force in January 2026.

From the disclosure framework perspective, the EBA consulted the amendment to the ESG reporting requirements in Pillar 3, aims to simplify sustainability reporting by deprioritising the publication of certain ESG templates. The deprioritisation was endorsed in August with the publication of a non-action letter, which will cease to be valid when the final version of the ESG disclosure requirements comes into force.

Finally, Spain established the Sustainable Finance Council, strengthening the public-private commitment to decarbonizing the economy. In March, the Royal Decree creating the carbon footprint, compensation, and carbon dioxide absorption projects registry was published, thus continuing the Registry that has been in operation since 2014, expanding its scope to accommodate new types of absorption projects, introducing additional clarifications to improve its operation, introducing improvements in processing, and strengthening coordination with equivalent regional registries.

5. Boosting capital markets

In March 2025, the EC launched the Savings and Investment Union (SIU) to mobilize citizen savings towards productive investments that finance EU priorities such as innovation and the green and digital transitions. To achieve these objectives, the SIU includes measures for retail investors and enterprises. The EC published a recommendation to Member States on the creation of a Savings and Investment Account (SIA) model that is simple, accessible, low-cost, and offers tax benefits to encourage long-term investment.

As mentioned in section 1, in June 2025, the EC published a package of measures aimed at simplifying the EU securitization framework, revitalizing the market, and protecting financial stability. The reform introduces far-reaching changes and amends several regulations: the EU Securitization Regulation (SECR), the Capital Requirements Regulation (CRR), the Delegated Regulation on the Liquidity Coverage Ratio (LCR) and the Solvency II Delegated Regulation for insurers.

In addition, the Competitiveness Lab was created in Europe, a voluntary initiative by EU finance ministers to promote economic integration. A key project was the "Finance Europe" label, presented by Spain, France, Estonia, Germany, Luxembourg, the Netherlands, and Portugal, which is similar to the Savings and Investment Account. Its aim is to help savers identify investment products that channel capital towards European companies, thereby promoting the financing of the EU's strategic priorities and competitiveness.

At the legislative level in the EU, a political agreement was reached in December in the trilogues for the approval of the Retail Investment Strategy (RIS). Discussions focused on the regulation of incentives, customer categorization, and the information to be provided to customers. A political agreement has also been reached to transition to the T+1 settlement cycle in the EU in October 2027. This transition will be carried out in sync with the United Kingdom and Switzerland.

In 2025, progress has been made in implementing the amendment of several directives and regulations approved in the last two years (e.g., MiFIR/MiFID, EMIR, Index Regulation). Of particular note are the application of the new active account requirement, the latest amendment to EMIR, and the changes to transparency requirements in the MiFIR amendment.

European regulators also have published several consultations with the aim of improving the integration and development of European capital markets (the EC consultation on the integration of European capital markets), encouraging retail investment in capital markets (ESMA's Retail Investor Journey), and simplifying operational burdens (ESMA's call for evidence on simplifying financial transaction disclosure).

In Spain, an order has been published regulating the lending of securities and financial instruments by collective investment institutions. Furthermore, in December, MinECO published a consultation on the creation of the Savings and Investment Account and the "Finance Europe" label.

Meanwhile, the United Kingdom continues to work on transposing the financial regulations inherited from the EU into its own regulatory framework. Of particular note is the new regulatory framework for clearing houses, which is decoupled from EMIR. The FCA (Financial Conduct Authority) is modifying the transparency requirements for financial transactions, in parallel with the modifications being made in the EU, but creating some divergence between them. In addition, consideration is being given to replacing the PRIIPs Regulation (packaged retail investment products or insurance-based investment products) with a new framework, called Consumer Composite Investments (CCI), which will allow for greater flexibility in disclosure requirements, including costs. The FCA has set itself the goal of simplifying its regulatory framework, and one of the first measures will be a proposal to amend the Consumer Duty. Another objective is to make the UK capital market more attractive. To achieve this, it is amending the regulations on public offerings and public admission of securities, developing the PISCES (Private Intermittent Securities and Capital Exchange System) market, and amending the regulations on analysts' reports on listed companies.

In the United States, there has been a change in leadership at the main financial regulatory agencies (the SEC and the CFTC) this year. The SEC stands out in particular, with the repeal of 14 proposals from the previous administration and a clear focus on deregulation and innovation. The SEC is maintaining the reform of the Securities Exchange Act, which establishes mandatory clearing of cash transactions and repos in US government bonds for all member entities of a Covered Clearing Agency (CCA); However, it has delayed the compliance dates to facilitate implementation.

6. Digital regulation of the financial sector: Artificial Intelligence, data, payments, digital identity, central bank digital currency, crypto-assets, and operational resilience

Digitalization has continued to be one of the priorities of various authorities globally, with significant advances in areas such as crypto-assets, data and artificial intelligence.

The regulation of crypto-assets is becoming increasingly important, and 2025 has been marked by the full implementation of the MiCA (Markets in Crypto-Assets) Regulation in Europe and by legislative momentum in the United States, with the approval of the Genius Act, which regulates stablecoins, and progress on the Digital Asset Market Clarity Act, which addresses the structure of the digital asset market and is still pending approval in the Senate Negotiations for this approval are expected to begin in January, which is when the first draft is anticipated to be presented. In the United Kingdom, work is also beginning on a crypto-asset regime, which the government hopes to finalize in 2026, and on which it has launched three public consultations.

The Genius Act defines payment stablecoins as digital assets linked to the US dollar and establishes requirements for authorized issuers, the obligation to maintain equivalent reserves in liquid assets, and a prohibition on the payment of interest to holders by stablecoin issuers. However, unlike MiCA, there is no strict prohibition affecting affiliates of issuers or stablecoin exchange services.

At the international level, in October 2025, the FSB published a report assessing progress in implementing its 2023 recommendations for regulating crypto-asset activities and global stablecoins. The FSB has concluded that the implementation of its recommendations is incomplete, uneven, and inconsistent across jurisdictions, increasing the risk of regulatory arbitrage and complicating the oversight of the global cryptoasset market.

On the other hand, the G20 initiative to improve cross-border payments continues to move forward. The FSB published its latest progress report in October, which shows that many of the actions outlined in the project roadmap have been completed, such as the publication of FSB recommendations to equalize the regulatory treatment of bank and non-bank payment providers and the revision of the Financial Action Task Force (FATF) standards on information accompanying cross-border payments. However, despite this progress, there have been no tangible improvements in the four parameters of the project (access, cost, speed, and transparency), and the FSB therefore considers it unlikely that the targets set for 2027 will be met.

In the EU, the digital strategy remains a priority for 2025, and in the area of simplification, the Commission published in November an omnibus package of digital regulations focused on five key pillars: data rules, rules on cookies and other elements of the ePrivacy Directive, cybersecurity incident notification systems, the practical application of the AI Regulation, and the Digital Identity framework. Of particular note in the data field is the proposed amendment to the GDPR, a regulation that, due to its complexity, the Commission had previously avoided changing. Furthermore, the Commission also announced and published in November a consultation to conduct an in-depth review of regulations (digital fitness check) to assess the interaction between different rules, their cumulative impact on businesses, and how effectively they support EU competitiveness, values, and fundamental rights.

Among the regulations currently being implemented, the Artificial Intelligence Regulation, approved in 2024, stands out. It has begun to be implemented in stages, while the European Commission has published various guides to help companies apply the regulation. In February 2025, the first obligations of the regulation, on literacy and prohibited practices, came into force, and the EC published guidelines on this subject and on the definition of AI systems under the regulation. In August 2025, the obligations of general-purpose AI model providers came into force, and the Commission previously published the corresponding guidelines and a code of good practice for these providers.

The efforts of EU Member States are focusing on adapting national legal frameworks to European regulations and designating or creating competent authorities for supervision. In Spain, the government presented in March the Draft Bill for the Proper Use and Governance of AI, which designates the Spanish Artificial Intelligence Supervisory Agency (AESIA) as the main market surveillance authority for most AI systems. Other sectoral authorities assume oversight in their specific areas of competence, such as the Bank of Spain and the National Securities Market Commission (CNMV), in the area of competence that each holds in relation to the financial supervision of financial institutions, for systems in the field of solvency assessment or credit rating, respectively.

Additionally, as part of the simplification package discussed above, the Commission has proposed a series of amendments to the AI Regulation to reduce the compliance burden and delay the entry into force of the requirements on high-risk AI systems until 2 December 2027 at the latest.

In the area of competition in digital markets, the European Digital Markets Act (DMA) has continued to be implemented. In 2025, the European Commission has been monitoring compliance with obligations by large platforms designated as gatekeepers. In July 2025, it launched the first public consultation to gather information on the degree of compliance by gatekeepers and the implications of the DMA for the AI sector, with a Commission report expected in May 2026.

With regard to digital identity, the eIDAS Regulation, which requires Member States to offer digital identity wallets (EUDIW)) by December 2026, has seen substantial progress with the completion by the EC of multiple implementing acts introducing the technical specifications necessary for the launch of the wallets.

In addition, the Commission announced in November 2025 the "European Business Wallet" initiative. Through a new legislative proposal, the Commission is introducing EU Business Wallets as a tool for business-to-business (B2B), business-to-government (B2G), and government-to-government (G2G) interactions. This means that identity wallets will no longer be applicable only to individuals. The aim is for Business Wallets to be based on existing rules, developed for EUDIW, in order to facilitate the adoption of both European wallets and their interoperability.

In the field of digital assets, the EBA published the final technical standards (RTS) for the capital treatment of exposures to crypto-assets under the EU transitional framework and its adoption by the European Commission is still pending.

The Instant Payments Regulation completed its two implementation phases in 2025 (January and October), allowing consumers and businesses to make instant payments in euros under the same conditions as traditional transfers. It has also strengthened the security of all types of transfers (immediate or otherwise) with a new beneficiary verification service that checks the name and account number match. Also in December, the Council and the EU Parliament reached a political agreement on the revision of PSD2, which includes new rules for combating fraud, reimbursing victims of payment provider impersonation scams, and combating fraud and compensating for losses by digital platforms and communications providers. This agreement will be formally ratified by lawmakers in the first half of 2026 and will enter into force at the end of 2027 or the beginning of 2028.

Meanwhile, the ECB's project for the possible issuance of a digital euro—a retail CBDC—continues to move forward. Negotiations on the legal framework necessary for its issuance have continued in the Council of the European Union, while the Parliament also began its negotiations in the latter part of the year.

For its part, the ECB announced in October the start of a new preparatory phase in which it will continue to advance the technical design of the digital euro. Throughout 2025, the ECB consulted on different versions of the rulebook, which is the single set of rules, standards, and procedures that supervised intermediaries will have to follow for the distribution of the digital euro. In addition, the ECB selected service providers for five components of the digital euro, presented the findings of an innovation platform, and announced a second round of experimentation.

In addition to the digital euro, other regulations are still under negotiation and have been progressing this year. In the area of payment services, the revision of the PSD2 Directive, which will be replaced by the third Payment Services Directive (PSD3) and the Payment Services Regulation (PSR), has entered the trilogue phase. The main objective of this revision is to strengthen the ability of payment service providers to combat fraud and reduce losses suffered by consumers who have been victims of banking scams.

The new Financial Data Access Regulation (FiDA) is still subject to interinstitutional negotiations, with the trilogue phase set to begin in 2025. The aim of this regulation is to create a data sharing framework ("open finance") for a wide range of savings, credit, and investment product data, which will extend the data sharing obligations of financial institutions beyond payment accounts.

7. Other regulatory areas: Operational launch of the AMLA

The year 2025 marks the operational launch of the Anti-Money Laundering and Counter-Terrorist Financing Authority (hereinafter, AMLA). The creation of this new authority is part of a broader regulatory package, known as the AML (Anti-Money Laundering) package, which was published in 2024 and includes the creation of AMLA, the publication of the new European AML Regulation, and the 6th AML Directive.

The new AML Regulation, applicable from July 10, 2027, harmonizes anti-money laundering rules across the EU, extending its scope to new obliged entities. This regulation establishes stricter due diligence requirements and elaborates in more detail on beneficial ownership.

The AMLA's operating regulations came into force on July 1, 2025, when it officially began operations. This authority has direct and indirect supervisory powers over high-risk entities in the financial sector, implementing an integrated mechanism with national supervisors to ensure compliance with AML obligations. In addition, the AMLA provides support to non-financial regulated entities and coordinates financial intelligence units (FIU). Among its functions, it also has the power to impose financial penalties on certain regulated entities and is required to issue a series of Technical Regulatory Standards, which develop and clarify the content of the legislative package. To avoid duplication and coordinate supervision in the EU, the AMLA signed a memorandum of understanding (MoU) with the ECB and the European Supervisory Authorities (ESA) in 2025.

The 6th AML Directive sets out guidelines for collaboration between FIU in different countries and supervisors, and requires EU Member States to facilitate access to information from centralized beneficial ownership registers through a single access point. The deadline for transposition is July 10, 2027, but Member States are required to have transposed certain provisions of the new directive by July 2025 (Article 74) in relation to national prevention mechanisms.

Finally, Regulation (EU) 2023/113, known as the Travel Rule, which regulates measures to detect and manage transfers of funds or crypto-assets, has been applicable since December 30, 2024.

In addition to the aforementioned package, it should be noted that during 2025, the EBA has published several relevant documents related to AML. These focus mainly on the transition to the new regulatory framework (with the entry into force of AMLA) and risk management in emerging sectors. These include the report on the Functioning of AML/CFT Colleges (2024-2025), the report on Money Laundering Risks in Cryptoasset Services, and it has published certain technical standards (RTS/ITS) relating to the AML Package for consultation.

1.3 Results

The BBVA Group achieved a cumulative result of €10,511m, by the end of December 2025, representing an increase of 4.5% over the previous year, supported by the strong performance of recurring revenues from the banking business. If the exchange rates variation is excluded, this growth increases to 19.2%, mainly due to the depreciation of the Mexican peso against the euro during the year.

CONSOLIDATED INCOME STATEMENT (MILLIONS OF EUROS)

	2025	Δ %	Δ % at constant exchange rates	2024
Net interest income	**26,280**	**4.0**	**13.9**	**25,267**
Net fees and commissions	8,215	2.8	14.6	7,988
Net trading income	2,656	(32.1)	(23.7)	3,913
Other operating income and expenses	(221)	(86.9)	(88.8)	(1,686)
Gross income	**36,931**	**4.1**	**16.3**	**35,481**
Operating expenses	(14,332)	1.0	10.5	(14,193)
Personnel expenses	*(7,773)*	*1.5*	*11.2*	*(7,659)*
Other administrative expenses	*(5,038)*	*0.7*	*11.2*	*(5,001)*
Depreciation	*(1,521)*	*(0.8)*	*4.6*	*(1,533)*
Operating income	**22,599**	**6.2**	**20.4**	**21,288**
Impairment on financial assets not measured at fair value through profit or loss	(6,073)	5.7	15.5	(5,745)
Provisions or reversal of provisions	(373)	88.8	85.9	(198)
Other gains (losses)	74	21.3	27.3	61
Profit (loss) before tax	**16,227**	**5.3**	**21.3**	**15,405**
Income tax	(5,100)	5.6	20.5	(4,830)
Profit (loss) for the period	**11,126**	**5.2**	**21.7**	**10,575**
Non-controlling interests	(615)	18.1	88.6	(521)
Net attributable profit (loss)	**10,511**	**4.5**	**19.2**	**10,054**
Adjusted earnings (loss) per share (euros) (1)	**1.78**			**1.68**
Earnings (loss) per share (euros) (1)	**1.76**			**1.68**

(1) For more information, see Alternative Performance Measures at this report.

CONSOLIDATED INCOME STATEMENT: QUARTERLY EVOLUTION (MILLIONS OF EUROS)

	2025				2024			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Net interest income	**7,034**	**6,640**	**6,208**	**6,398**	**6,406**	**5,868**	**6,481**	**6,512**
Net fees and commissions	2,145	2,060	1,951	2,060	2,234	1,912	1,955	1,887
Net trading income	694	531	484	948	983	1,044	1,114	772
Other operating income and expenses	(78)	(128)	67	(82)	(303)	(107)	(324)	(952)
Gross income	**9,795**	**9,102**	**8,710**	**9,324**	**9,320**	**8,716**	**9,227**	**8,218**
Operating expenses	(3,971)	(3,574)	(3,224)	(3,562)	(4,004)	(3,330)	(3,477)	(3,383)
Personnel expenses	*(2,181)*	*(1,899)*	*(1,792)*	*(1,901)*	*(2,216)*	*(1,810)*	*(1,855)*	*(1,778)*
Other administrative expenses	*(1,398)*	*(1,296)*	*(1,062)*	*(1,283)*	*(1,380)*	*(1,154)*	*(1,238)*	*(1,229)*
Depreciation	*(393)*	*(379)*	*(370)*	*(378)*	*(408)*	*(366)*	*(384)*	*(375)*
Operating income	**5,823**	**5,528**	**5,485**	**5,762**	**5,316**	**5,386**	**5,751**	**4,835**
Impairment on financial assets not measured at fair value through profit or loss	(1,745)	(1,567)	(1,377)	(1,385)	(1,466)	(1,440)	(1,479)	(1,361)
Provisions or reversal of provisions	(140)	(99)	(82)	(51)	(99)	(61)	19	(57)
Other gains (losses)	(4)	6	50	22	8	(19)	31	40
Profit (loss) before tax	**3,934**	**3,868**	**4,076**	**4,348**	**3,759**	**3,867**	**4,322**	**3,458**
Income tax	(1,269)	(1,206)	(1,160)	(1,466)	(1,171)	(1,135)	(1,374)	(1,151)
Profit (loss) for the period	**2,665**	**2,662**	**2,916**	**2,882**	**2,588**	**2,732**	**2,949**	**2,307**
Non-controlling interests	(132)	(132)	(167)	(184)	(155)	(105)	(154)	(107)
Net attributable profit (loss)	**2,533**	**2,531**	**2,749**	**2,698**	**2,433**	**2,627**	**2,794**	**2,200**
Adjusted earnings (loss) per share (euros) [1]	**0.43**	**0.42**	**0.46**	**0.45**	**0.40**	**0.44**	**0.47**	**0.37**
Earnings (loss) per share (euros) [1]	**0.42**	**0.42**	**0.46**	**0.45**	**0.40**	**0.44**	**0.47**	**0.36**

[1] For more information, see Alternative Performance Measures at this report.

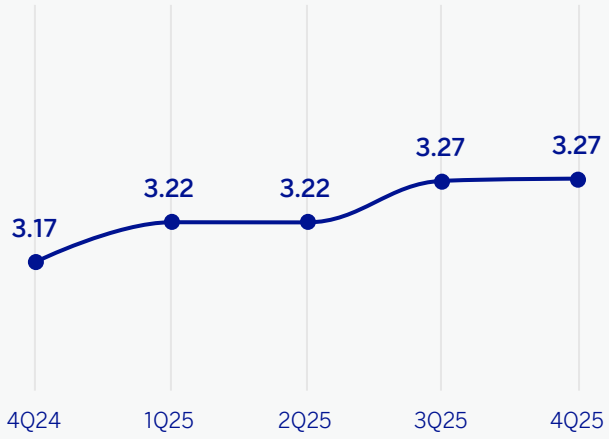
Unless expressly indicated otherwise, for a better understanding of the changes under the main headings of the Group's income statement, the rates of change provided below refer to constant exchange rates. When comparing two dates or periods presented in this report, the impact of changes in the exchange rates against the euro of the currencies of the countries in which BBVA operates is sometimes excluded, assuming that exchange rates remain constant. For this purpose, the average exchange rate of the currency of each geographical area of the most recent period is used for both periods, except for those countries whose economies have been considered hyperinflationary, for which the closing exchange rate of the most recent period is used.

The accumulated net interest income as of December 31, 2025 was 13.9% higher than in the same period of the previous year, mainly driven by the evolution in Turkey and Mexico, and, to a lesser extent, Spain, Rest of Business and South America. Moreover, net interest income over average total assets has shown a favorable evolution over the last few quarters, reflecting greater efficiency in the management of the traditional banking business. The growing trend shown by this indicator in 2025 is evidence of the bank's capacity to generate solid interest income.

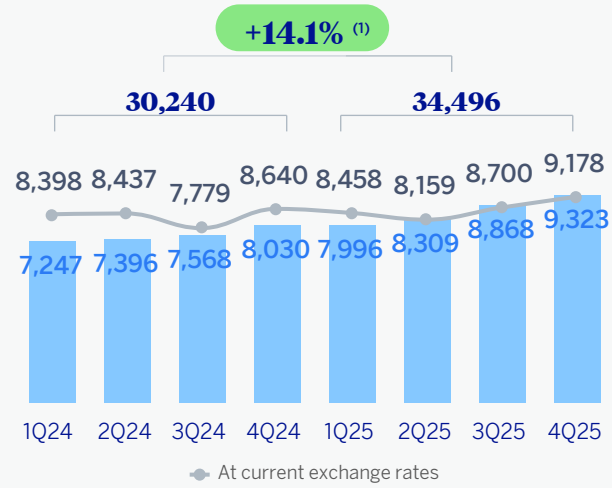
Likewise, net fees and commissions experienced a year-on-year growth of 14.6%, with growth in all business areas. By type, the performance of fees from payment methods stood out, and to a lesser extent, asset management net fees and commissions.

As a result of this favorable evolution of the net interest income and net fees and commissions, overall recurring banking business revenues grew by 14.1% compared to 2024.

NET INTEREST INCOME / AVERAGE TOTAL ASSETS (PERCENTAGE AT CONSTANT EXCHANGE RATES)



NET INTEREST INCOME PLUS NET FEES AND COMMISSIONS (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)

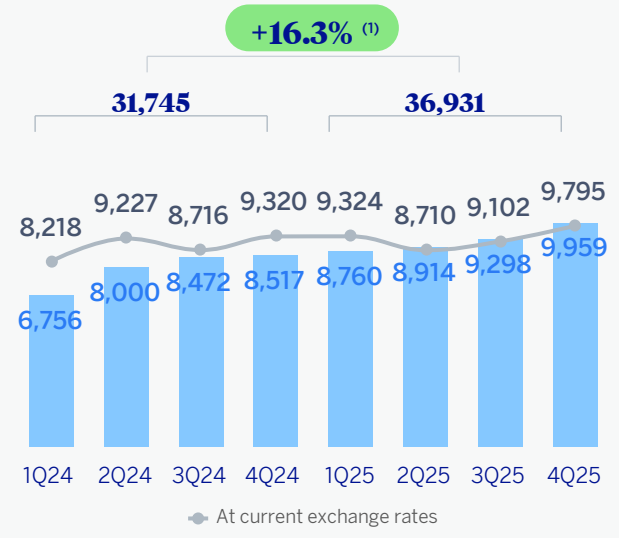


(1) At current exchange rates: +3.7%.

The NTI showed a 23.7% year-on-year decrease at the end of December 2025, mainly due to the lower results of Turkey and the Corporate Center.

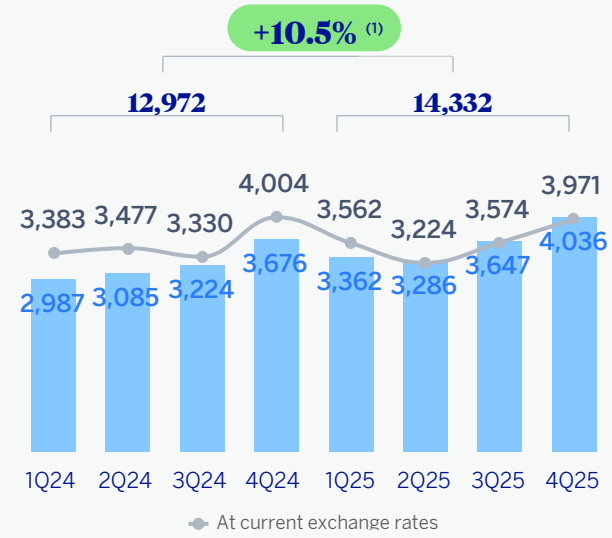
The other operating income and expenses line accumulated, as of December 31, 2025, a significantly improved result compared to the same period of the previous year. This is due to a lower negative impact in 2025 derived from the hyperinflation in Argentina and Turkey compared with the same period of 2024, as well as to the recording in Spain in the first quarter of 2024 of the total annual amount of the temporary tax on credit institutions and financial credit establishments for €285m. On the other hand, the results of the insurance business, also included in this line, had a positive evolution.

GROSS INCOME (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +4.1%.

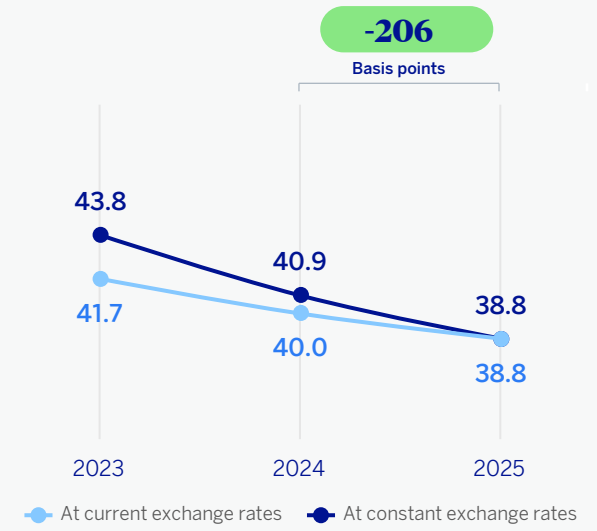
OPERATING EXPENSES (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



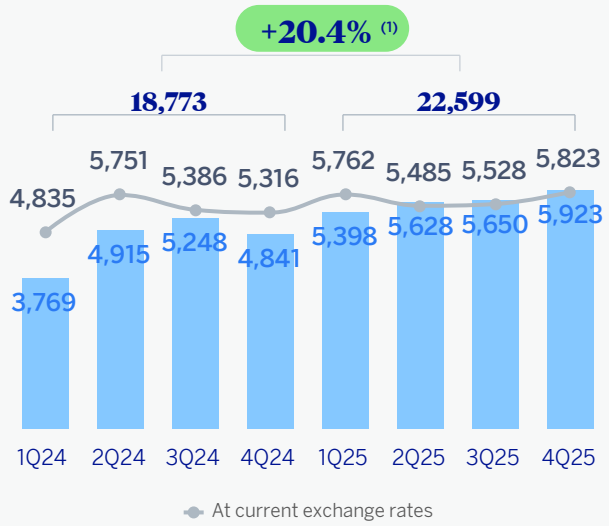
(1) At current exchange rates: +1.0%.

Thanks to the solid evolution in gross income, which increased by 16.3%, well above the rate of growth in operating expenses, (+10.5%), the efficiency ratio stood at 38.8% as of December 31, 2025, which represents an improvement of 206 basis points compared to the ratio as of December 31, 2024, at constant exchange rates. Within the growth in operating expenses, the increase in fixed remuneration to the staff and expenses in technology and advertising stand out.

EFFICIENCY RATIO (PERCENTAGE)



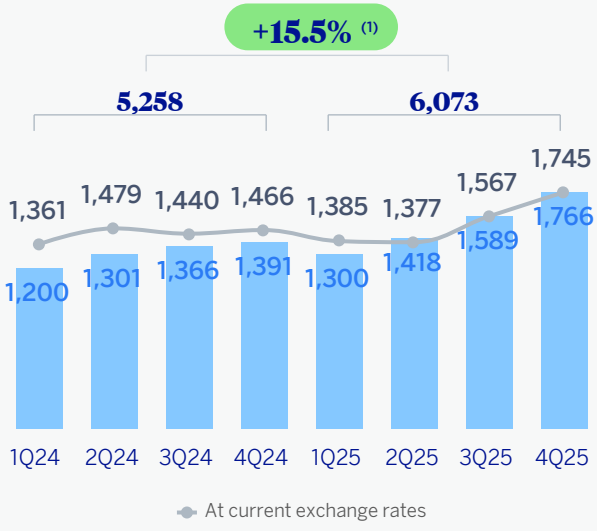
OPERATING INCOME (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +6.2%.

The impairment on financial assets not measured at fair value through profit or loss (impairment on financial assets) stood at 15.5% at the end of December 2025 higher than in the same period of the previous year, which is partly explained by the higher volume of retail portfolios. Turkey and Mexico were the main business areas that required an increase in the level of provisions, which was partially offset by lower needs in South America and, to a lesser extent, in Spain.

IMPAIRMENT ON FINANCIAL ASSETS (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +5.7%.

The provisions or reversal of provisions line (hereinafter provisions) registered at the end of December 31, 2025 higher provisions (+85.9% year-on-year), with growth mainly in Turkey and Mexico.

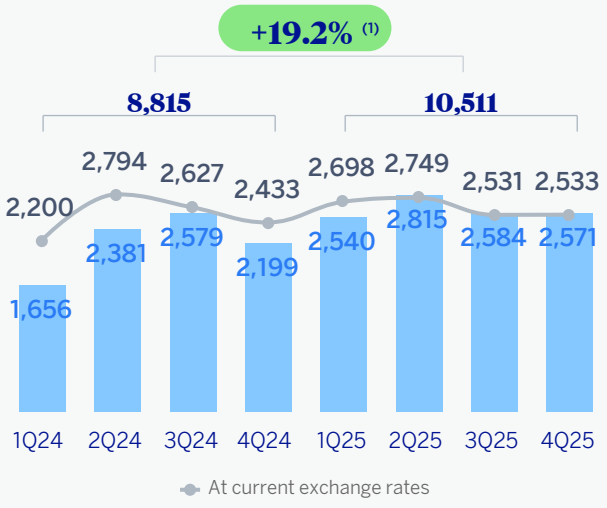
On the other hand, the other gains (losses) line ended December 2025, 27.3% higher than 2024, partly due to improved performance in the real estate assets.

Income tax[81] amounted to €5,100m at the end of December 2025, representing a variation of +20.5% compared to the same period of the previous year. This amount includes the new tax on interest margins and fees in Spain for 2025, which amounted to €318 million.

As a result of the above, the BBVA Group reached a net attributable profit of €10,511m accumulated during 2025, showing a significant growth of 19.2% compared to the previous year. This solid result is supported by the positive evolution of the recurring banking business revenues, which have been able to offset the increase in operating expenses and in the provisions for impairment losses on financial assets. In addition, there was a less negative hyperinflation impact compared to one in 2024.

The net attributable profits, in millions of euros and accumulated at the end of December 2025 for the business areas that compose the Group were as follows: 4,175 in Spain, 5,264 in Mexico, 805 in Turkey, 726 in South America and 627 in Rest of Business.

NET ATTRIBUTABLE PROFIT (LOSS) (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +4.5%.

[81] For more information on the overall tax contribution and other tax matters of the BBVA Group, please refer to "Transparent and responsible taxation".

The Group's excellent performance has also allowed it to continue generating value, as is reflected in the growth of the tangible book value per share and dividends, which at the end of December 2025 was 12.8% higher than at the same period of the previous year.

TANGIBLE BOOK VALUE PER SHARE AND DIVIDENDS (EUROS)



General note: Replenishing dividends paid in the period. For more information, see Alternative Performance Measures at this report.

EARNINGS (LOSS) PER SHARE (EUROS)

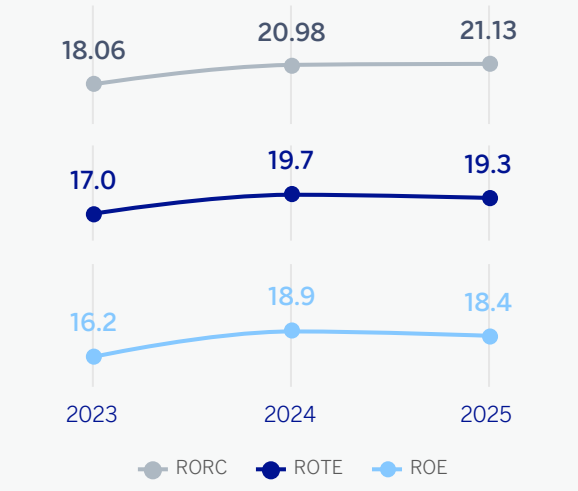


General note: Adjusted by additional Tier 1 instrument remuneration. For more information, see Alternative Performance Measures at this report.

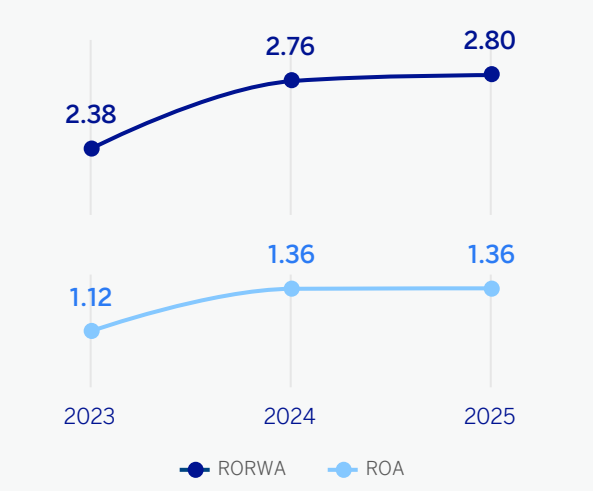
(1) The year-on-year variation of adjusted EPS stands at 5.8%.

Lastly, the Group's profitability indicators show BBVA's ability to combine higher growth rates and profitability ratios at high levels in a way that differentiates it from the market.

ROE, ROTE AND RORC (PERCENTAGE)



ROA AND RORWA (PERCENTAGE)



1.4 Balance sheet and business activity

During 2025, loans and advances to customers increased by 11.6%, driven by the dynamism of the wholesale segment. Of particular note within this segment was the higher volume of loans to business, which grew by 14.2% at the Group level. Loans to individuals increased by 8.3%, with consumer and mortgage loans showing greater dynamism (14.0% and 5.4%, respectively). All business areas performed well, with Rest of Business standing out.

Customer funds grew by 13.5% during the year, boosted by both customer deposits, which increased by 12.3% at Group level, and by mutual funds and customer portfolios, which grew by 17.2%.

CONSOLIDATED BALANCE SHEET (MILLIONS OF EUROS)

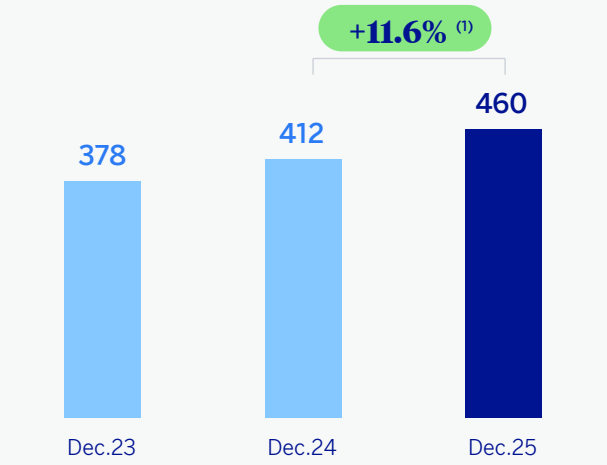
	31-12-25	Δ %	31-12-24
Cash, cash balances at central banks and other demand deposits	58,837	15.0	51,145
Financial assets held for trading	123,185	13.1	108,948
Non-trading financial assets mandatorily at fair value through profit or loss	11,272	6.9	10,546
Financial assets designated at fair value through profit or loss	1,006	20.4	836
Financial assets at fair value through accumulated other comprehensive income	58,809	(0.3)	59,002
Financial assets at amortized cost	568,893	13.2	502,400
Loans and advances to central banks and credit institutions	*35,113*	*13.6*	*30,909*
Loans and advances to customers	*460,401*	*11.6*	*412,477*
Debt securities	*73,379*	*24.3*	*59,014*
Investments in joint ventures and associates	994	0.4	989
Tangible assets	9,482	(2.8)	9,759
Intangible assets	2,856	14.7	2,490
Other assets	24,243	(7.8)	26,287
Total assets	**859,576**	**11.3**	**772,402**
Financial liabilities held for trading	91,917	6.2	86,591
Other financial liabilities designated at fair value through profit or loss	18,417	23.2	14,952
Financial liabilities at amortized cost	658,599	12.7	584,339
Deposits from central banks and credit institutions	*53,997*	*10.0*	*49,074*
Deposits from customers	*502,501*	*12.3*	*447,646*
Debt certificates	*81,842*	*17.1*	*69,867*
Other financial liabilities	*20,258*	*14.1*	*17,753*
Liabilities under insurance and reinsurance contracts	12,760	16.2	10,981
Other liabilities	16,084	3.6	15,525
Total liabilities	**797,778**	**12.0**	**712,388**
Non-controlling interests	4,441	1.9	4,359
Accumulated other comprehensive income	(18,871)	9.6	(17,220)
Shareholders' funds	76,228	4.6	72,875
Total equity	**61,798**	**3.0**	**60,014**
Total liabilities and equity	**859,576**	**11.3**	**772,402**
Memorandum item:			
Guarantees given	74,022	15.2	64,257

LOANS AND ADVANCES TO CUSTOMERS (MILLIONS OF EUROS)

	31-12-25	Δ %	31-12-24
Public sector	**25,905**	**17.2**	**22,108**
Individuals	**192,524**	**8.3**	**177,751**
Mortgages	*99,668*	*5.4*	*94,577*
Consumer	*51,938*	*14.0*	*45,562*
Credit cards	*28,753*	*10.3*	*26,067*
Other loans	*12,166*	*5.4*	*11,544*
Business	**239,922**	**14.2**	**210,017**
Non-performing loans	**14,346**	**1.0**	**14,211**
Loans and advances to customers (gross)	**472,697**	**11.5**	**424,087**
Allowances [1]	(12,297)	5.9	(11,611)
Loans and advances to customers	**460,401**	**11.6**	**412,477**

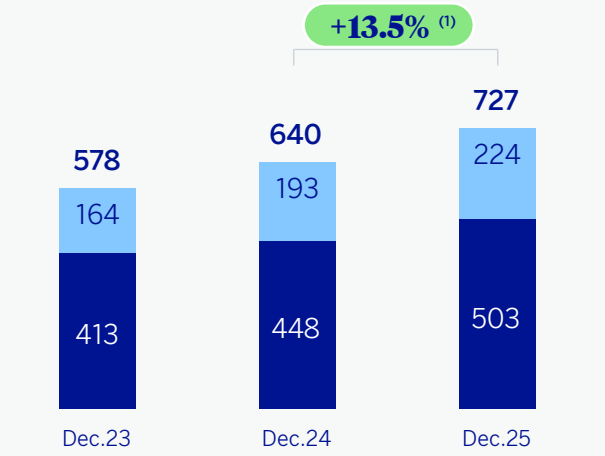
[1] Allowances include valuation adjustments for credit risk throughout the expected residual life in those financial instruments that have been acquired (mainly originating from the acquisition of Catalunya Banc, S.A.). As of December 31, 2025 and December 31, 2024 the remaining amount was €76m y €107m respectively.

LOANS AND ADVANCES TO CUSTOMERS (BILLIONS OF EUROS)



[1] At constant exchange rates: +16.0%.

CUSTOMER FUNDS (BILLIONS OF EUROS)



[1] At constant exchange rates: +17.7%.

CUSTOMER FUNDS (MILLIONS OF EUROS)

	31-12-25	Δ %	31-12-24
Deposits from customers	**502,501**	**12.3**	**447,646**
Current accounts	*360,682*	*8.7*	*331,780*
Time deposits	*126,938*	*19.3*	*106,362*
Other deposits	*14,881*	*56.6*	*9,503*
Other customer funds	**224,383**	**16.5**	**192,604**
Mutual funds and investment companies and customer portfolios [1]	*183,201*	*17.2*	*156,265*
Pension funds	*34,306*	*8.5*	*31,614*
Other off-balance sheet funds	*6,876*	*45.5*	*4,726*
Total customer funds	**726,884**	**13.5**	**640,250**

[1] Includes the customer portfolios in Spain, Mexico, Peru and Colombia (preliminary data as of 31-12-2025).

1.5 Solvency

Capital base

The entry into force of Regulation (EU) 2024/1623 (commonly referred to as 'CRR3') on January 1, 2025 brought about substantial changes in the calculation of minimum capital requirements. The impact of these changes on the Group's CET1 ratio was not significant at that date.

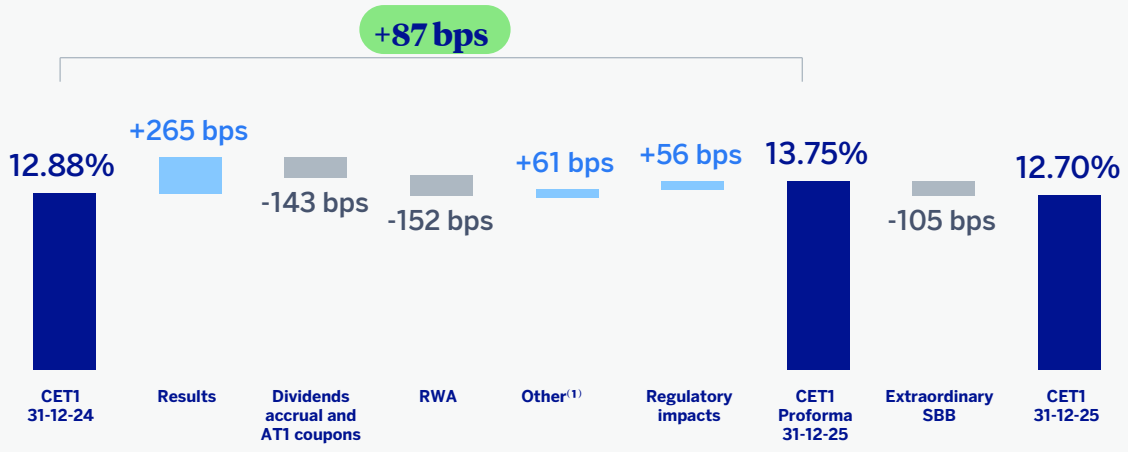
The strength of the BBVA Group's earnings has contributed to achieving a consolidated CET1 ratio of 12.70% as of December 31, 2025, which allows it to maintain a large management buffer over the Group's CET1 requirement as of that date (9.28%[82]), which is also above the Group's target management range of 11.5 - 12.0% CET1.

The CET1 ratio decreased by -18 basis points, mainly explained by the impact of -105 basis points from the extraordinary share buyback program (SBB). Among the recurring impacts, there has been a great generation of earnings in the year (+265 basis points) which, net of shareholder remuneration and payment of convertible contingent instrument coupons (CoCos), generated a positive contribution of 122 basis points.

Meanwhile, the growth in risk-weighted assets (RWA) derived from the organic growth of the business in constant terms, mainly as a result of the increase in the loan portfolio, and, to a lesser extent, debt securities, as well as risk transfer initiatives drained the ratio by -152 basis points.

Finally, the other elements that make up CET1 had a positive contribution of 61 basis points; these include the calculation of minority interests and the positive impact in Other Comprehensive Income (OCI) equivalent to the net monetary position value loss in hyperinflationary economies, as well as the portfolio recorded in fair value through other comprehensive income (corresponding to assets classified as Held to Collect and Sell) HTC&S. In addition, the negative effects of market evolution are also included, particularly the variation of the foreign exchange, mainly represented by the variation of Turkish lira and, to a lesser extent, the Mexican peso, partially offset by the depreciation of US dollar, throughout the year.

ANNUAL EVOLUTION OF THE CET1 RATIO



(1) Includes, among others, FX, mark to market of HTC&S portfolios, minority interests, and a positive impact in OCI equivalent to the loss on the net monetary position in hyperinflationary economies registered in results.

82 Considering the latest official updates to the countercyclical capital buffer and the buffer against systemic risks, applied on the basis of exposure as of September 30, 2025, and incorporating the increase in the percentage of the countercyclical capital buffer applicable to exposures located in Spain approved by the Bank of Spain and published on October 1, 2025, applied on said exposure basis.

Consolidated Additional Tier 1 (AT1) capital fully loaded stood at 1.38% as of December 31, 2025, -15 basis points lower than in 2024. In January 2025, BBVA, S.A. issued contingent convertible instruments (CoCos) worth USD 1 billion, as well as another issuance in November 2025, worth €1 billion. On the other hand, in March 2025, a call was made to redeem another issuance of contingent convertible bonds for a nominal amount of USD 1 billion. Additionally, in December 2025, the early redemption of a CoCo issuance with a nominal value of €1 billion was announced, which took place in January 2026.

The Tier 2 fully stood at 3.13% which represents an increase of +63 basis points compared to 2024, mainly due to the issuance of a subordinated bond in Spain €1 billion in February 2025 and, to a lesser extent, the issuance in Mexico, also in February 2025 of subordinated debt for amount of USD 1 billion, in addition to the issuances in July and October of USD 500 million and USD 700 million of subordinated debt in Turkey, respectively.

As a result of the above, the total capital ratio stood at 17.21% as of December 31, 2025.

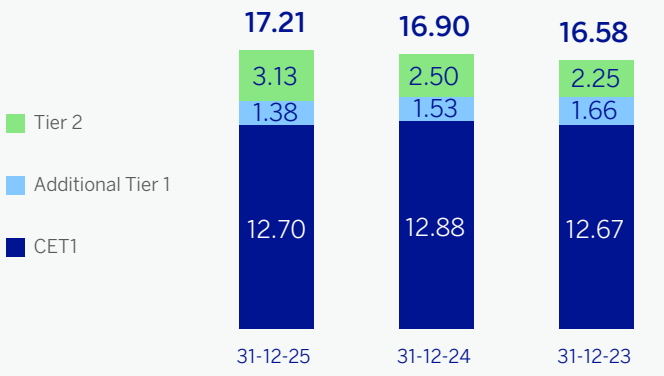
As of December 31, 2025 there is no difference between fully loaded and phased in ratios given that the impact associated with the transitional provisions is zero.

Following the latest SREP (Supervisory Review and Evaluation Process) decision, the ECB has informed the Group that, effective on January 1, 2026, BBVA Group must maintain at consolidated level a total capital ratio of 13.13%[83] and a CET1 capital ratio of 8.97%[83], including a Pillar 2 requirement at consolidated level of 1.62% (a minimum of 0.96% must be satisfied with CET1), of which 0.18% is determined on the basis of the ECB's prudential provisioning expectations, and must be satisfied by CET1.

In November 2015 (with effect from 1 January 2017) BBVA ceased to be part of the list of Global Systemically Important Banks (G-SIBs). This list is drawn up annually by the Financial Stability Board (FSB) on the basis of a set of quantitative indicators which are available, together with the assessment methodology, at www.bis.org/bcbs/gsib/.

In November 2021, BBVA, at consolidated level, was again identified as an Other Systemically Important Institution (hereinafter referred to as O-SII) by the Bank of Spain, which imposes on BBVA the obligation to maintain Common Equity Tier 1 items as a buffer for O-SII for an amount equal to 0,75% of the total amount of its risk exposure on a consolidated basis. In January 2024, the Bank of Spain increased this requirement to 1%, although by 2026 this requirement will fall back to 0.75%

CAPITAL RATIOS (PERCENTAGE)



[83] Considering the latest official updates to the countercyclical capital buffer and the systemic risk buffer, applied on the basis of exposure as of September 30, 2025, and incorporating the increase in the percentage of the countercyclical capital buffer applicable to exposures located in Spain approved by the Bank of Spain and published on October 1, 2025, applied on that exposure basis.

CAPITAL BASE (MILLIONS OF EUROS)

	31-12-25 (1)	31-12-24	31-12-23
Common Equity Tier 1 (CET1)	50,446	50,799	46,116
Tier 1	55,934	56,822	52,150
Tier 2	12,431	9,858	8,182
Total capital (Tier 1 + Tier 2)	**68,365**	**66,680**	**60,332**
Risk-weighted assets	**397,241**	**394,468**	**363,915**
CET1 ratio (%)	12.70	12.88	12.67
Tier 1 ratio (%)	14.08	14.40	14.33
Tier 2 ratio (%)	3.13	2.50	2.25
Total capital ratio (%)	**17.21**	**16.90**	**16.58**

General note: The data and ratios for 2025 have been calculated applying the regulatory requirements of CRR3. For previous periods, they are presented under the requirements of CRR2.

(1) Preliminary data.

As for the leverage ratio, as of December 31, 2025, the ratio stood at 6.15%, above the minimum required ratio of 3.00 %.

LEVERAGE RATIO

	31-12-25 (1)	31-12-24	31-12-23
Exposure to Leverage Ratio (million euros)	908,869	834,488	797,888
Leverage ratio (%)	**6.15**	**6.81**	**6.54**

General note: The data and ratios for 2025 have been calculated applying the regulatory requirements of CRR3. For previous periods, they are presented under the requirements of CRR2.

(1) Preliminary data.

With respect to the MREL (Minimum Requirement for own funds and Eligible Liabilities) ratios[84] achieved as of December 31, 2025, these were 28.89% and 10.21%, respectively for MREL in RWA and MREL in LR, reaching the subordinated ratios of both 24.67% and 8.72%, respectively. A summarizing table is shown below:

MREL

	31-12-25 (1)	31-12-24	31-12-23
Total own funds and eligible liabilities (million euros)	**59,277**	**63,887**	**56,603**
Total RWA of the resolution group (million euros)	205,154	228,796	214,757
RWA ratio (%)	**28.89**	**27.92**	**26.36**
Total exposure for the Leverage calculation (million euros)	580,788	527,804	517,470
Leverage ratio (%)	**10.21**	**12.10**	**10.94**

General note: The data and ratios for 2025 have been calculated applying the regulatory requirements of CRR3. For previous periods, they are presented under the requirements of CRR2.

(1) Preliminary data.

On June 12, 2025 the Group made public that it had received a communication from the Bank of Spain regarding its MREL requirement, established by the Single Resolution Board ("SRB"). According to this communication, BBVA must maintain, as from June 12, 2025, an MREL in RWA of 23.13%[85], not taking into account the current[86] combined buffer requirement (CBR) of 3.97%. In addition, BBVA must keep, also as from June 12, 2025, a volume of own funds and eligible liabilities in terms of total exposure considered for purposes of calculating the leverage ratio of 8.59% (the "MREL in LR")[87].

[84] Calculated at subconsolidated level according to the resolution strategy MPE ("Multiple Point of Entry") of the BBVA Group, established by the SRB ("Single Resolution Board"). The resolution group is made up of Banco Bilbao Vizcaya Argentaria, S.A. and subsidiaries that belong to the same European resolution group. That implies the ratios are calculated under the subconsolidated perimeter of the resolution group. Preliminary MREL ratios as of the date of publication.
[85] The subordinated requirement in RWA is 13.50%.
[86] Considering the latest official updates to the countercyclical capital buffer and the systemic risk buffer, applied on the basis of exposure as of September 30, 2025, and incorporating the increase in the percentage of the countercyclical capital buffer applicable to exposures located in Spain approved by the Bank of Spain and published on October 1, 2025, applied on that exposure basis.
[87] The subordinated requirement in LR is 5.66%.

Given the structure of the resolution group's own funds and eligible liabilities, as of December 31, 2025, the Group meets the aforementioned requirements.

Similarly, with the aim of strengthening compliance with these requirements, BBVA has carried out several debt issues throughout 2025. For more information on the issues carried out, see the section on "Structural risks" in the chapter on "Risk management."

Ratings

Several rating agencies have recognized the favorable evolution of BBVA's fundamentals. Towards the end of the year, the three main international rating agencies (S&P, Moody's, and Fitch) upgraded BBVA's rating, reflecting their positive view of the Group's sound financial profile supported by strong profitability and resilient asset quality. In September, S&P raised BBVA's rating from A to A+, maintaining a stable outlook and highlighting the robustness of returns and BBVA's financial strength. In October, Moody's upgraded the rating from A3 to A2, shifting the outlook from "Rating Watch Positive" to stable, and noted the improvement in the bank's credit profile, particularly in terms of profitability. Fitch also upgraded BBVA's rating in October, including senior preferred debt, from A- to A. The outlook was changed to stable, following an earlier revision from stable to positive in February and the placement on "Rating Watch Positive" in May. DBRS confirmed its rating of A (high) with a stable outlook in February. The following table shows the credit ratings and outlooks assigned by the agencies:

RATINGS

Rating agency	Long term [1]	Short term	Outlook
DBRS	A (high)	R-1 (middle)	Stable
Fitch	A	F-1	Stable
Moody's	A2	P-1	Stable
Standard & Poor's	A+	A-1	Stable

[1] Ratings assigned to long term senior preferred debt. Additionally, Moody's, Fitch and DBRS assign A1, A and A (high) rating, respectively, to BBVA's long term deposits.

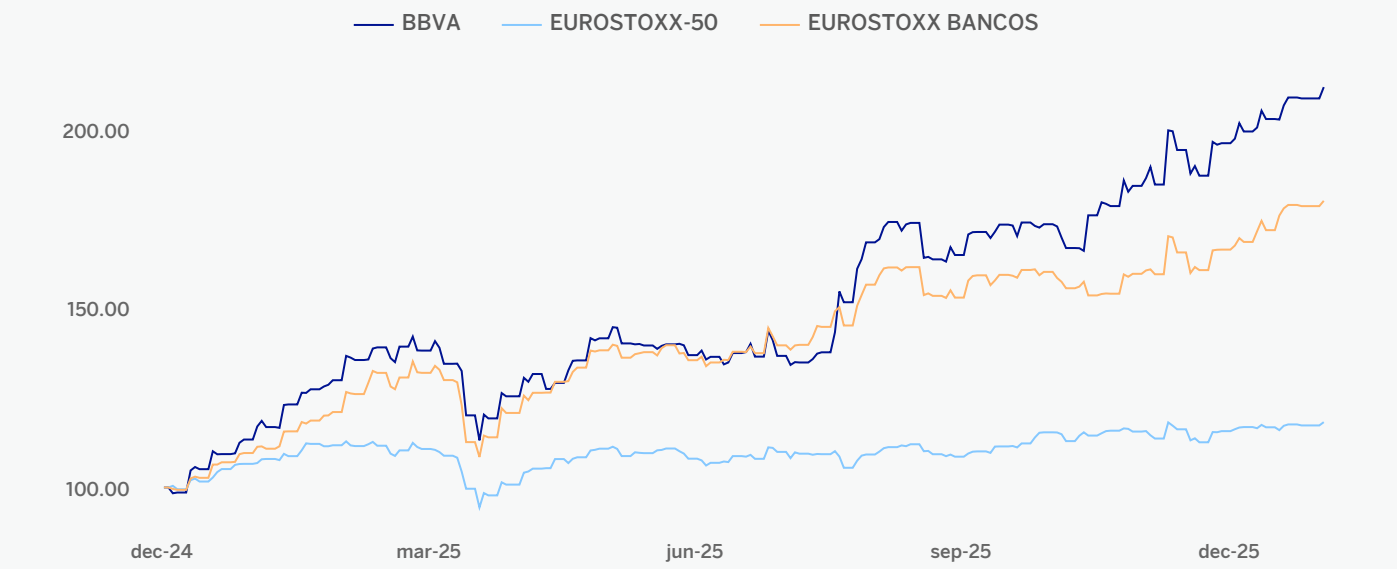
1.6 The BBVA share

The main indices have shown a positive behavior in the year 2024. In Europe, the Stoxx Europe 600 index rose by 16.7% compared to the end of 2023, and in Spain, the Ibex 35 was revalued a 49.3% in the same time frame, showing a better relative performance. In the United States, the S&P 500 index also rose by 16.4%.

With regard to the banking sector indices, their evolution in the year 2024 has been better than of general indices in Europe. The Stoxx Europe 600 Banks, which includes the banks of the United Kingdom, and the Euro Stoxx Banks, Eurozone´s banks index, rose by 66.9% and 80.3% respectively, while in the United States, the S&P Regional Banks sector index grew by 7.4% in the period.

For its part, the price of the BBVA share grew by 112.1% in the year, closing the 2024 year at €20.05.

BBVA SHARE EVOLUTION COMPARED WITH EUROPEAN INDEXES (Base index 100=31-12-24)



The BBVA share and share performance ratios

THE BBVA SHARE AND SHARE PERFORMANCE RATIOS

	31-12-25	31-12-24
Number of shareholders (1)	657,193	714,069
Number of shares outstanding	5,708,968,700	5,763,285,465
Daily average number of shares traded	10,290,550	11,780,124
Daily average trading (millions of euros)	148	113
Maximum price (euros)	20.13	11.28
Minimum price (euros)	8.97	7.97
Variation of the maximum share price with respect to the minimum (%)	124.4	41.4
Closing price (euros)	20.05	9.45
Book value per share (euros)	10.19	9.67
Tangible book value per share (euros)	9.69	9.24
Market capitalization (millions of euros)	114,465	54,463

(1) In the case of shares held by investors operating through a custodian entity located outside Spain, only the custodian is counted as a shareholder, as it is the entity registered in the corresponding book-entry register. Therefore, the reported number of shareholders does not include these underlying holders.

Stock market indexes

BBVA's shares are included in the main stock market indexes. At the closing of December 2024, the weighting of BBVA shares in the Ibex 35, Euro Stoxx 50 and the Stoxx Europe 600 index, were 13.4%, 2.7% and 0.9%, respectively. They are also included in several sector indexes, including Stoxx Europe 600 Banks, which includes the United Kingdom, with a weighting of 6.5% and the Euro Stoxx Banks index for the Eurozone with a weighting of 10.5%.

In addition to these indexes, BBVA is part of the main sustainability indexes, such as the MSCI ESG or the FTSE4Good indexes. For more detailed information on analysts and ESG rating , please see the Sustainability Indices and Ratings section on the BBVA shareholders and investors website.

Shareholders and investors

Shareholder structure

As of December 31, 2025, the Group had 5,708,968,700 shares outstanding (as of December 31, 2024 the figure was 5,763,285,465 shares), 67.79% of which were held by institutional investors and the remaining 32.21% by minority shareholders, all with the same voting and economic rights, with no differences in voting rights between shareholders.

SHAREHOLDER STRUCTURE (31-12-25)

	Shareholders		Shares outstanding	
Number of shares	Number	%	Number	%
Up to 500	294,156	44.8	52,659,523	0.9
501 to 5,000	285,778	43.5	504,575,092	8.8
5,001 to 10,000	41,527	6.3	290,781,745	5.1
10,001 to 50,000	32,226	4.9	617,369,007	10.8
50,001 to 100,000	2,266	0.3	154,417,277	2.7
100,001 to 500,000	988	0.2	176,416,931	3.1
More than 500,001	252	0.04	3,912,749,125	68.5
Total	**657,193**	**100**	**5,708,968,700**	**100**

Note: in the case of shares held by investors operating through a custodian entity located outside Spain, only the custodian is counted as a shareholder, as it is the entity registered in the corresponding book-entry register. Therefore, the reported number of shareholders does not include these underlying holders.

Shareholder remuneration

Cash distributions

During the 2025 financial year, the Annual General Shareholders' Meeting and the Board of Directors approved the payment of the following cash amounts:

- The Annual General Shareholders' Meeting of BBVA held on March 21, 2025, approved, under item 1.3 of the Agenda, such cash distribution against the 2024 results as a final dividend for the 2024 financial year, for an amount equal to €0.41 gross (€0.3321 net of withholding tax) per outstanding BBVA share entitled to participate in this distribution, which was paid on April 10, 2025. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €2,357 million.

– By means of an inside information notice (*información privilegiada*) dated September 29, 2025, BBVA announced that the Board of Directors had approved the payment of a cash interim dividend of €0.32 gross (€0.2592 net of withholding tax) per each outstanding BBVA share entitled to participate in this distribution, which was paid on November 7, 2025. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €1,840 million.

A cash gross distribution in the amount of €0.60 per share for each of the outstanding shares entitled to receive said distribution, to be paid presumably on April as final dividend of 2025 is expected to be submitted to the relevant governing bodies for consideration. Thus, the total distribution for the 2025 financial year will be 50% of the attributable profit, with a cash distribution of €0.92 per share, taking into account that in November 2025, €0.32 gross was distributed in cash for each of the outstanding shares entitled to receive said distribution as an interim dividend for the year.

Share buyback programs

On January 30, 2025, BBVA announced, among other matters, the execution of a share buyback program of BBVA shares, with the purpose of reducing BBVA's share capital, for a monetary amount of €993 million, subject to obtaining the corresponding regulatory authorizations and to the communication of the specific terms and conditions of the share buyback program before its execution.

On October 30, 2025, after receiving the required authorization from the ECB, BBVA announced by means of an Inside Information notice the execution of a time-scheduled buyback program for the repurchase of own shares, with the purpose of reducing BBVA's share capital, all in accordance with the Regulations, for a maximum monetary amount of €993 million. The execution was carried out externally by Citigroup Global Markets Europe AG.[88] By means of an Other Relevant Information notice dated December 10, 2025, BBVA announced the completion of the share buyback program upon reaching the maximum monetary amount, having acquired a total of 54,316,765 BBVA shares, between October 31 and December 10, 2025, representing, approximately, 0.93% of BBVA's share capital as of such date. On December 23, 2025, BBVA notified through an Other Relevant Information notice the partial execution of the share capital reduction resolution adopted by the Annual General Shareholders' Meeting of BBVA held on March 21, 2025, under item 3 of the Agenda, through the reduction of BBVA's share capital in a nominal amount of €26,615,214.85 and the consequent redemption, charged to unrestricted reserves, of the 54,316,765 BBVA shares of €0.49 par value each acquired derivatively by BBVA in execution of the aforementioned BBVA share buyback program and which were held as treasury shares.

On December 19, 2025, and after receiving the required authorization from the ECB, BBVA announced, by means of an Inside Information notice, that the Board of Directors of BBVA, at its meeting on December 18, 2025, had agreed to carry out the execution of a framework share buyback program for the repurchase of BBVA shares, all in accordance with the Regulations. This program will be executed in several tranches for a maximum monetary amount of €3,960 million, with the purpose of reducing BBVA's share capital (the "Framework Program"), without prejudice to the possibility of suspending or terminating the Framework Program early if circumstances warrant. It also announced that the Board of Directors agreed to execute a first tranche of the Framework Program in compliance with the Regulations, for the purpose of reducing BBVA's share capital for a maximum monetary amount of €1,500 million. The execution of this tranche started on December 22, 2025, and is carried out externally by J.P. Morgan SE. Between December 22, 2025 and January 30, 2026, J.P. Morgan SE has acquired 31,242,848 BBVA shares within this program.

[88] The Regulations refers to the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and Commission Delegated Regulation (EU) No. 2016/1052 of March 8, 2016.

EXECUTION OF THE PROGRAMS FOR THE BUYBACK OF SHARES IN 2025

	Start date	Completion date	Redemption date	Number of shares	% of share capital*	Disbursement (millions of euros)
First program	October 31	December 10	December 23	54,316,765	0.93	993
Second program - 1st Tranche [1]	December 22			7,333,560		146
Total				**61,650,325**		**1,139**

*As of the date of the program closure.

[1] Includes the number of shares acquired between the start date, December 22, 2025, and December 31, 2026.

Finally, it should be noted that shareholder remuneration, measured through TSR (Total Shareholder Return), which considers both the evolution of the share price and the payment of dividends has been 124.2% in 2025. Since January 2021, BBVA's TSR has been 610.4% higher than that of the Stoxx Banks index (362.0%).

General Shareholders' Meeting

In 2025, BBVA held its General Shareholders' Meeting on March 21 at the Euskalduna Palace in Bilbao and set up the corresponding channels for remote attendance, as well as to follow it through streaming, with free access from the corporate website.

The General Shareholders' Meeting had a quorum of 72.9%, approving by a large majority all the items on the agenda, including those relating to the annual financial statements, the management of the Company for the year, the proposal for shareholder remuneration and those relating to the appointment and re-election of directors. Among others, the re-election of the president, Carlos Torres Vila, and the CEO, Onur Genç, as board members was approved.

BBVA is committed to achieving carbon neutrality, minimizing negative environmental impacts and generating a benefit for the host community and all those involved in the process. Aligned with these objectives, the General Meeting was certified as a sustainable event by AENOR, according to the UNE-ISO 201221 standard, and offset the carbon emissions generated at the event.

Lastly, on the occasion of the General Shareholders' Meeting, and in order to contribute to inclusive and sustainable growth, BBVA for the fourth year in a row made a solidarity contribution in Spain of €300,000 to various NGOs to finance projects in the areas of inclusive growth and the environment. The distribution of the funds was put to the vote of the shareholders in each of the four established purposes.

Shareholder and investor relations

Shareholders and investors, both national and international, represent a very relevant stakeholder group for BBVA. For this reason, the Group is in constant communication with them in order to keep them informed of the performance of the company and of all relevant issues that may be necessary for the proper exercise of their voting and decision-making rights.

BBVA's Policy on Communication and Contact with Shareholders and Investors, aims to promote the transparency of the Bank's public information, and to do so on an ongoing basis. The Shareholder and Investor Relations area offers shareholders a wide variety of communication, participation and dialogue channels, including the following:

Conferences and meetings with shareholders and investors

The Shareholder and Investor Relations team periodically organizes and attends to informative meetings (meetings, conferences and other events), in person and online, in which representatives of the Bank meet with analysts, shareholders and investors to inform them of the Group's financial and strategic performance and other aspects of interest and to answer their comments and questions in a personalized way.

Shareholders and investors web page

BBVA has a web page especially aimed at its shareholders and investors (www.accionistaseinversores.bbva.com), which offers institutional and economic-financial information on the Group's activity, as well as other contents of interest to them. This information is also available on the Group's corporate website (www.bbva.com).

Webcasts and conference-calls

BBVA has a live broadcast channel for quarterly earnings presentations and other market-relevant communications, which allows shareholders, investors, analysts and anyone else who wishes to access them. This channel is also available on a delayed broadcast basis and is accessible through the shareholders' and investors' website.

Inquiry service and Shareholders Office

In order to facilitate open and transparent communication with shareholders, the Bank maintains permanent communication channels (a telephone line and specific electronic mailboxes), through which requests for information, clarifications or questions and their corresponding answers are channeled.

Lastly, BBVA offers its shareholders and other stakeholders (analysts, rating agencies, etc.), a subscription service that allows them to know in real time any news published on the corporate website, in relation to financial reports, relevant facts or economic-financial presentations. (accionistaseinversores.bbva.com/suscripcion).

2. Business areas

This section presents the most relevant aspects of the Group's different business areas. Specifically, for each one of them, it shows a summary of the income statements and balance sheets, the business activity figures and the most significant ratios.

The structure of the business areas reported by the BBVA Group on December 31, 2025 is the same as the one presented at the end of 2024.

The composition of BBVA Group's business areas is summarized below:

- Spain mainly includes the banking, insurance and asset management activities that the Group carries out in this country.
- Mexico includes banking, insurance and asset management activities in this country, as well as the activity that BBVA Mexico carries out through its Houston agency.
- Turkey reports the activity of the group Garanti BBVA that is mainly carried out in this country and, to a lesser extent, in Romania and the Netherlands.
- South America includes banking, financial, insurance and asset management activities conducted, mainly, in Argentina, Chile, Colombia, Peru, Uruguay and Venezuela.
- Rest of Business mainly incorporates the wholesale activity carried out in Europe (excluding Spain), the United States, BBVA's branches in Asia, as well as the digital banks of the Group in Italy and Germany.

The Corporate Center contains the centralized functions of the Group, including: the costs of the head offices with a corporate function for the consolidated BBVA Group; structural exchange rate positions management; certain portfolios, such as financial and industrial holdings; stakes in Funds & Investment Vehicles in tech companies; certain tax assets and liabilities; funds due to commitments to employees; goodwill and other intangible assets as well as portfolios and assets' funding. Finally, in the description of this aggregate, it is worth mentioning that the Corporate Center's tax expense includes for each interim period the difference between the effective tax rate in the period of each business area and the expected tax rate of the Group for the year as a whole.

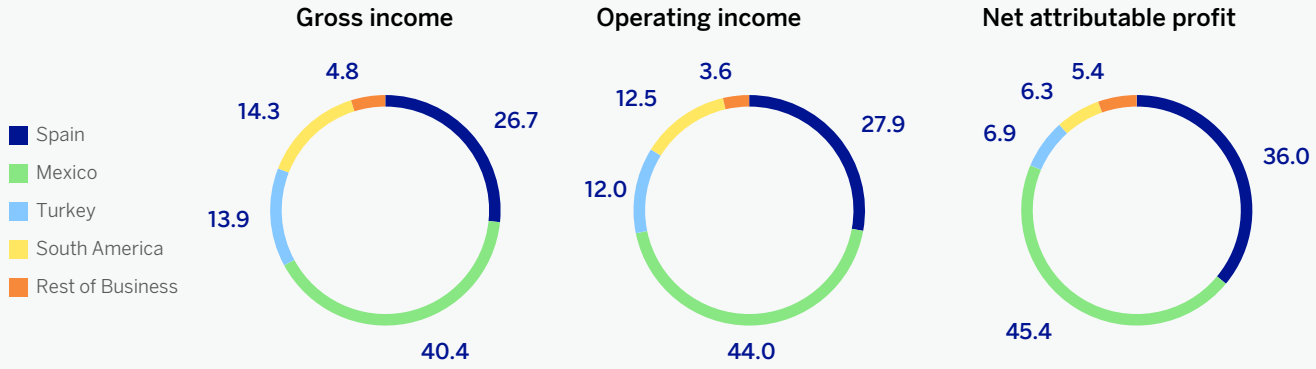
In addition to these geographical breakdowns, supplementary pro forma information is provided for the wholesale business, Corporate & Investment Banking (CIB), carried out by BBVA in the countries where it operates. This business is relevant to have a broader understanding of the Group's activity and results due to the important features of the type of customers served, products offered and risks assumed, even if this is a pro forma information that does not include the wholesale business of the Group in Venezuela nor the application of the hyperinflation accounting.

To prepare the information by business areas, which is presented under management criteria based on the financial information used in the preparation of the financial statements, in general, the lowest level units and/or companies that make up the Group are taken and assigned to the different areas according to the main region or company group in which they carry out their activity. In relation to the information related to the business areas, in the first quarter of 2025 the Group carried out the reassignment of certain activities, which has affected Spain, Rest of Business and the Corporate Center, as well as CIB's pro forma supplementary information. Therefore, in order to make those year-on-year comparisons homogeneous, the figures for year 2024 have been revised, which has not affected the consolidated financial information of the Group.

Regarding the shareholders' funds allocation in the business areas, a capital allocation system based on the consumed regulatory capital is used.

Finally, it should be noted that, as usual, in the case of the different business areas of Mexico, Turkey, South America and Rest of Business, and, additionally, CIB, in addition to the year-on-year variations applying current exchange rates, the variations at constant exchange rates are also disclosed.

GROSS INCOME [1], OPERATING INCOME [1] AND NET ATTRIBUTABLE PROFIT [1] BREAKDOWN (PERCENTAGE. 2025)



[1] Excludes the Corporate Center.

MAIN INCOME STATEMENT LINE ITEMS BY BUSINESS AREA (MILLIONS OF EUROS)

	BBVA Group	Business areas					∑ Business areas	Corporate Center
		Spain	Mexico	Turkey	South America	Rest of Business		
2025								
Net interest income	26,280	6,588	11,424	3,079	4,830	828	26,749	(469)
Gross income	36,931	10,027	15,198	5,213	5,363	1,807	37,608	(678)
Operating income	22,599	6,704	10,576	2,898	3,007	878	24,063	(1,464)
Profit (loss) before tax	16,227	5,933	7,341	1,863	1,758	772	17,667	(1,440)
Net attributable profit (loss)	10,511	4,175	5,264	805	726	627	11,597	(1,086)
2024 [1]								
Net interest income	25,267	6,384	11,556	1,492	5,589	742	25,762	(495)
Gross income	35,481	9,443	15,337	4,212	5,405	1,472	35,869	(388)
Operating income	21,288	6,097	10,689	2,101	2,838	730	22,455	(1,168)
Profit (loss) before tax	15,405	5,263	7,522	1,741	1,342	648	16,515	(1,110)
Net attributable profit (loss)	10,054	3,752	5,447	611	635	511	10,956	(901)

[1] Revised balances in Spain, Rest of Business and Corporate Center.

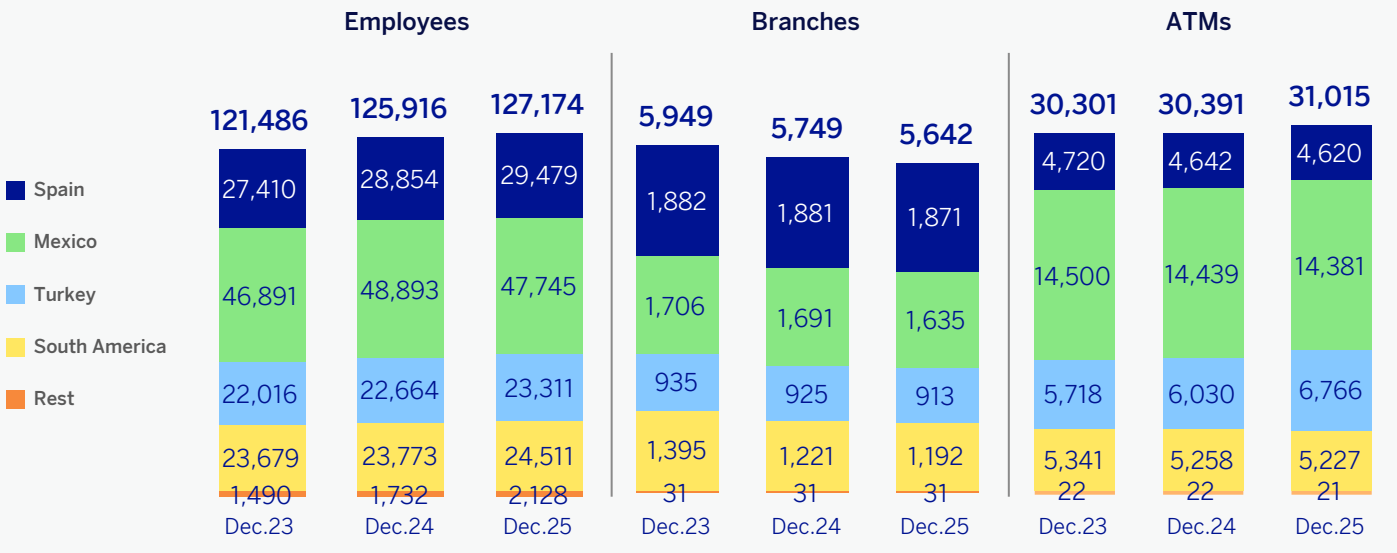
MAIN BALANCE-SHEET ITEMS AND RISK-WEIGHTED ASSETS BY BUSINESS AREA (MILLIONS OF EUROS)

	BBVA Group	Business areas					∑ Business areas	Corporate Center [1]	Deletions
		Spain	Mexico	Turkey	South America	Rest of Business			
31-12-25									
Loans and advances to customers	460,401	192,958	97,259	53,745	51,151	66,502	461,616	360	(1,576)
Deposits from customers	502,501	251,430	93,855	62,984	53,375	40,932	502,576	2,001	(2,077)
Off-balance sheet funds	224,383	119,535	69,533	26,290	8,289	736	224,383	—	—
Total assets/liabilities and equity	859,576	456,419	182,525	90,702	76,648	88,638	894,931	28,745	(64,100)
RWAs	397,241	119,608	82,286	71,398	55,178	46,633	375,102	22,138	—
31-12-24									
Loans and advances to customers	412,477	179,667	88,725	48,299	46,846	50,392	413,930	297	(1,750)
Deposits from customers	447,646	226,391	84,949	58,095	50,738	27,432	447,605	2,057	(2,016)
Off-balance sheet funds	192,604	108,694	57,253	18,076	7,936	645	192,604	1	—
Total assets/liabilities and equity	772,402	411,620	168,470	82,782	73,997	66,534	803,404	30,777	(61,779)
RWAs	394,468	120,661	92,925	64,821	56,489	44,407	379,304	15,164	—

General note: Balances highlighted in grey have been revised.

[1] Excluding deletions.

NUMBER OF EMPLOYEES, BRANCHES AND ATMS

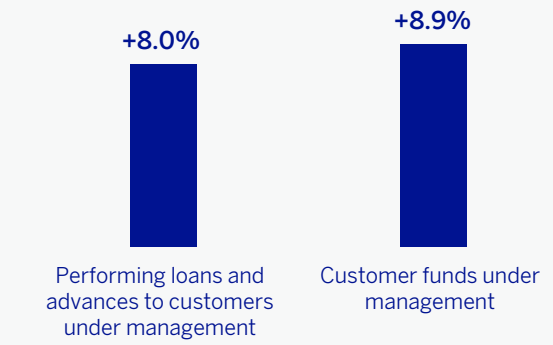


2.1 Spain

Highlights for the period January - December 2025

- Increase in lending, with more dynamic growth of wholesale portfolio
- Sustained growth in recurring revenues throughout the year
- Good performance of the risk indicators
- Double-digit year-on-year growth in the area's net attributable profit

BUSINESS ACTIVITY (1) (VARIATION COMPARED TO 31-12-24)



(1) Excluding repos.

NET INTEREST INCOME / AVERAGE TOTAL ASSETS (PERCENTAGE)



OPERATING INCOME (MILLIONS OF EUROS)



NET ATTRIBUTABLE PROFIT (LOSS) (MILLIONS OF EUROS)



FINANCIAL STATEMENTS AND RELEVANT BUSINESS INDICATORS (MILLIONS OF EUROS AND PERCENTAGE)

Income statement	2025	Δ %	2024 (1)
Net interest income	**6,588**	**3.2**	**6,384**
Net fees and commissions	2,364	3.7	2,281
Net trading income	723	(0.7)	728
Other operating income and expenses	351	n.s.	50
Of which: Insurance activities	*387*	*2.1*	*379*
Gross income	**10,027**	**6.2**	**9,443**
Operating expenses	(3,323)	(0.7)	(3,346)
Personnel expenses	*(1,856)*	*3.2*	*(1,798)*
Other administrative expenses	*(1,081)*	*(8.5)*	*(1,182)*
Depreciation	*(386)*	*5.4*	*(366)*
Operating income	**6,704**	**10.0**	**6,097**
Impairment on financial assets not measured at fair value through profit or loss	(649)	(5.1)	(684)
Provisions or reversal of provisions and other results	(121)	(19.0)	(150)
Profit (loss) before tax	**5,933**	**12.7**	**5,263**
Income tax	(1,755)	16.4	(1,508)
Profit (loss) for the period	**4,178**	**11.3**	**3,755**
Non-controlling interests	(3)	3.7	(3)
Net attributable profit (loss) excluding non-recurring impacts	**4,175**	**11.3**	**3,752**

Balance sheets	31-12-25	Δ %	31-12-24 (1)
Cash, cash balances at central banks and other demand deposits	19,928	56.5	12,734
Financial assets designated at fair value	119,919	9.4	109,569
Of which: Loans and advances	*43,346*	*21.9*	*35,564*
Financial assets at amortized cost	263,566	11.1	237,279
Of which: Loans and advances to customers	*192,958*	*7.4*	*179,667*
Inter-area positions	46,479	4.5	44,464
Tangible assets	2,718	(2.3)	2,781
Other assets	3,809	(20.5)	4,793
Total assets/liabilities and equity	**456,419**	**10.9**	**411,620**
Financial liabilities held for trading and designated at fair value through profit or loss	82,785	10.2	75,143
Deposits from central banks and credit institutions	34,582	23.2	28,067
Deposits from customers	251,430	11.1	226,391
Debt certificates	53,173	12.1	47,424
Inter-area positions	—	—	—
Other liabilities	19,275	(0.9)	19,448
Allocated regulatory capital	15,173	0.2	15,145

Relevant business indicators	31-12-25	Δ %	31-12-24
Performing loans and advances to customers under management (2)	190,942	8.0	176,720
Non-performing loans	6,759	(12.2)	7,700
Customer deposits under management (1)(2)	238,447	8.4	219,923
Off-balance sheet funds (1)(3)	119,535	10.0	108,694
Risk-weighted assets (1)	119,608	(0.9)	120,661
RORWA (4)	3.45		3.13
Efficiency ratio (%)	33.1		35.4
NPL ratio (%)	3.0		3.7
NPL coverage ratio (%)	67		59
Cost of risk (%)	0.34		0.38

(1) Revised balances. For more information, please refer to the "Business Areas" section.

(2) Excluding repos.

(3) Includes mutual funds, customer portfolios and pension funds.

(4) For more information on the calculation methodology, as well as the calculation of the metric at the consolidated Group level, see Alternative Performance Measures at this report.

Macro and industry trends

Economic growth remained solid during the third quarter of 2025 and the outlook going forward remains relatively positive. Activity is expected to continue to be supported by resilient services exports, a recovery in construction investment, and growth of private consumption, in the context of accommodative monetary conditions and rising wages. The acceleration of European Recovery Funds and the boost in defense spending could also help support demand and economic growth in the coming months. According to BBVA research, GDP growth is very likely to stand at 2.9% in 2025, one tenth lower than the previous forecast. By 2026, growth is expected to gradually moderate to rates of 2.4% due to factors such as global protectionism, reduced fiscal support, limited productivity gains and supply constraints in sectors such as housing. Meanwhile, headline inflation remained around 3% during the last quarter of 2025, closing the year at 2.9%. For 2026, a slight reduction in the overall rate is expected, reaching 2.6% by the end of the year.

As for the banking system, with data at the end of November 2025, the volume of credit to the private sector grew by 3.2% year-on-year, with higher growth in the portfolios of credit to households (+4.1%) than in credit to non-financial companies (+2.5%). System credit grew in 2024 for the first time since 2009 (with the exception of 2020 due to COVID support measures), a trend that is confirmed in 2025. Customer deposits grew by 4.9% year-on-year in November 2025, due to an 7.0% increase in demand deposits, which amply offset the reduction of 6.6% in time deposits. The NPL ratio stood at 2.84% in October 2025, 57 basis points lower than in October of last year. It should also be noted that the system maintains comfortable levels of solvency and liquidity.

Activity

The most relevant aspects related to the area's activity during 2025 were:

- Lending balances were 8.0% higher than at the end of December 2024, mainly driven by the performance of the wholesale segments. Thus, lending to large-sized companies (which includes corporate banking and CIB portfolios) grew by 18.3%, lending to the public sector by 15.6%, and lending to medium-sized companies by 10.7%. Meanwhile, in the retail segment, mortgage and consumer loans (including credit cards) increased at rates of 2.5% and 9.0% respectively.
- Total customer funds grew by 8.9%, with an increase in off-balance sheet funds (mutual and pension funds and customer portfolios) of 10.0%, driven by net contributions made throughout the year and a very positive market effect and an increase of 8.4% in customer deposits.
- With regard to asset quality, the NPL ratio fell by 68 basis points over the year and stood at 3.0%, mainly due to strong business activity, the evolution of the non-performing mortgage portfolio and the sales of non-performing loans made throughout the year. For its part, the NPL coverage ratio increased by 805 basis points to 67% at the end of December 2025, mainly aided by the reduction in the balances of non-performing loans in the mortgage portfolio.

Results

Spain generated a net attributable profit of €4,175m in 2025, which is 11.3% above the result achieved in the same period of 2024, driven by the evolution of the recurring revenue from the banking business.

The most relevant aspects of the year-on-year evolution of the area's income statement at the end of December 2025 were:

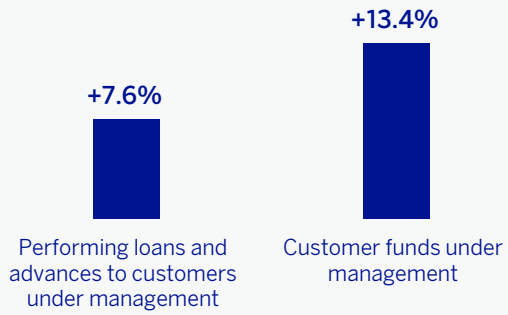
- Net interest income grew by 3.2%, supported by the higher contribution from the securities portfolio, increased lending activity and contained cost of liabilities, which offset the lower returns on loans associated with lower interest rates.
- Net fees and commissions increased by 3.7% compared to the same period of the previous year, mainly boosted by the performance of asset management fees and, to a lesser extent, those associated with insurance products.
- Net Trading Income (NTI) was in line with the previous year (-0.7%) influenced by the evolution of the Global Markets unit, which was partially offset in the last quarter of the year by the positive impact of capital gains of the insurance portfolio.
- The year-on-year comparison of the aggregate other operating income and expenses is conditioned by the recording in 2024 of the annual amount of the temporary tax on credit institutions and financial credit institutions for a total of €285m.
- Operating expenses remained stable (-0.7%) compared to the end of the previous year, mainly due to the reduction in general expenses, as they include a positive effect from the recognition of a lower Value Added Tax (VAT) expense following the upward re-estimation of its applied pro-rata, which was offset by the increase in personnel expenses. As a result of the evolution of the area's income and expenses, the gross income grew by 6.2% and, in addition, the efficiency ratio improved.
- Impairment on financial assets decreased by 5.1%, mainly as a result of improved dynamics in the mortgage portfolio. On the other hand, the cumulative cost of risk at the end of December 2025 remained stable compared to September 2025, that is, 0.34%, with a reduction of 4 basis points in the year.
- Finally, the income tax line includes the accrual, for 2025, of the tax on net interest income and net fees and commissions that have amounted to approximately €318m, of which €94m correspond to the fourth quarter of the year.

2.2 Mexico

Highlights for the period January - December 2025

- Dynamism of retail lending
- Sustained growth in recurring revenues quarter after quarter
- Good performance of the insurance business
- Favorable evolution of the net attributable profit

BUSINESS ACTIVITY (1) (VARIATION AT CONSTANT EXCHANGE RATE COMPARED TO 31-12-24)

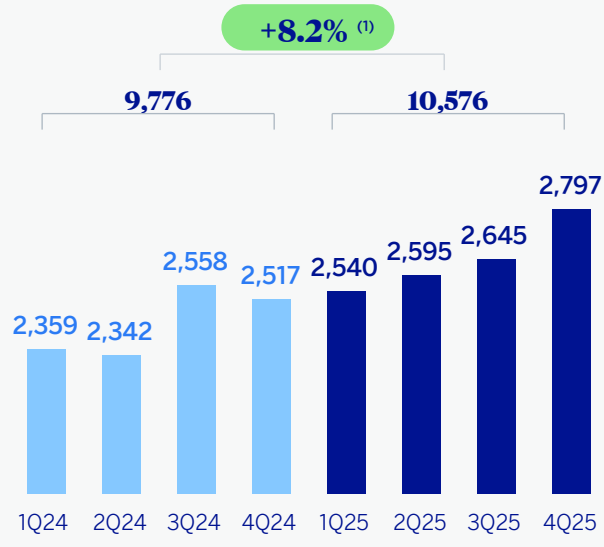


(1) Excluding repos.

NET INTEREST INCOME / AVERAGE TOTAL ASSETS (PERCENTAGE AT CONSTANT EXCHANGE RATE)

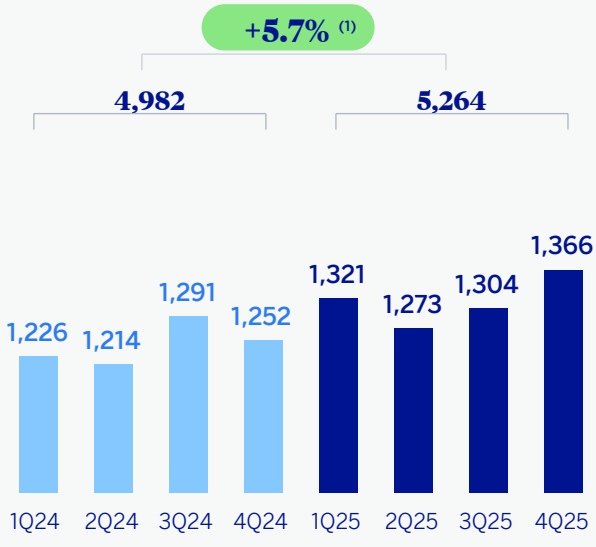


OPERATING INCOME (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATE)



(1) At current exchange rate: -1.1%.

NET ATTRIBUTABLE PROFIT (LOSS) (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATE)



(1) At current exchange rate: -3.4%.

FINANCIAL STATEMENTS AND RELEVANT BUSINESS INDICATORS (MILLIONS OF EUROS AND PERCENTAGE)

Income statement	2025	Δ %	Δ % (1)	2024
Net interest income	**11,424**	**(1.1)**	**8.1**	**11,556**
Net fees and commissions	2,367	(3.1)	6.0	2,443
Net trading income	788	2.7	12.3	767
Other operating income and expenses	619	8.5	18.7	571
Gross income	**15,198**	**(0.9)**	**8.4**	**15,337**
Operating expenses	(4,622)	(0.5)	8.7	(4,648)
Personnel expenses	*(2,176)*	*(3.9)*	*5.1*	*(2,264)*
Other administrative expenses	*(2,005)*	*5.2*	*15.0*	*(1,906)*
Depreciation	*(440)*	*(7.7)*	*0.9*	*(477)*
Operating income	**10,576**	**(1.1)**	**8.2**	**10,689**
Impairment on financial assets not measured at fair value through profit or loss	(3,130)	1.0	10.5	(3,098)
Provisions or reversal of provisions and other results	(105)	52.6	66.8	(69)
Profit (loss) before tax	**7,341**	**(2.4)**	**6.7**	**7,522**
Income tax	(2,076)	0.1	9.5	(2,074)
Profit (loss) for the period	**5,265**	**(3.4)**	**5.7**	**5,448**
Non-controlling interests	(1)	(2.6)	6.5	(1)
Net attributable profit (loss)	**5,264**	**(3.4)**	**5.7**	**5,447**

Balance sheets	31-12-25	Δ %	Δ % (1)	31-12-24
Cash, cash balances at central banks and other demand deposits	10,417	(17.1)	(18.7)	12,564
Financial assets designated at fair value	59,528	9.1	6.9	54,547
Of which: Loans and advances	*5,915*	*183.3*	*177.6*	*2,088*
Financial assets at amortized cost	105,972	12.0	9.8	94,595
Of which: Loans and advances to customers	*97,259*	*9.6*	*7.4*	*88,725*
Tangible assets	2,081	2.1	0.1	2,038
Other assets	4,525	(4.2)	(6.2)	4,726
Total assets/liabilities and equity	**182,525**	**8.3**	**6.2**	**168,470**
Financial liabilities held for trading and designated at fair value through profit or loss	32,406	4.9	2.8	30,885
Deposits from central banks and credit institutions	6,206	(32.2)	(33.5)	9,149
Deposits from customers	93,855	10.5	8.3	84,949
Debt certificates	11,257	5.0	2.9	10,717
Other liabilities	27,787	32.0	29.4	21,043
Allocated regulatory capital	11,014	(6.1)	(8.0)	11,727

Relevant business indicators	31-12-25	Δ %	Δ % (1)	31-12-24
Performing loans and advances to customers under management (2)	97,744	9.8	7.6	89,044
Non-performing loans	2,817	11.9	9.7	2,517
Customer deposits under management (2)	93,817	11.7	9.5	83,962
Off-balance sheet funds (3)	69,533	21.4	19.0	57,253
Risk-weighted assets	82,286	(11.4)	(13.2)	92,925
RORWA (1)(4)	5.84			5.70
Efficiency ratio (%)	30.4			30.3
NPL ratio (%)	2.7			2.7
NPL coverage ratio (%)	124			121
Cost of risk (%)	3.31			3.39

(1) At constant exchange rate.

(2) Excluding repos.

(3) Includes mutual funds, customer portfolios and other off-balance sheet funds.

(4) For more information on the calculation methodology, as well as the calculation of the metric at the consolidated Group level, see Alternative Performance Measures at this report.

Macro and industry trends

Weakness in investment and the industrial sector have limited economic growth during the second half of 2025, with machinery exports and services being the main drivers of activity. BBVA Research maintains its growth forecast at 0.7% for 2025 and estimates the increase for 2026 at 1.2% (two tenths above the previous scenario), in the context of lower fiscal consolidation, looser monetary conditions, and some uncertainty associated with the revision of the United States, Mexico and Canada (USMCA) free trade agreement. Inflation stabilized at around 3.7% during the last quarter of 2025, closing the year at this rate, and is expected to remain at similar levels throughout 2026 (3.8% is the expected figure for the year-end). Following the December cut, interest rates ended 2025 at 7%, and the expected price and activity environment anticipates gradual cuts, with 6.5% set as the target level for 2026.

Regarding the banking system, with data at the end of November 2025, the volume of credit to the non-financial private sector increased by 7.2% year-on-year, with growth in all the main portfolios: consumer loans (+12.2%), mortgage loans (+5.3%) and corporate loans (+5.6%). The growth of total deposits (demand and time deposits) remained slightly below than the credit growth (+5.2% year-on-year in November 2025), with demand deposits (+6.5%) growing more strongly than time deposits (+2.9%). Meanwhile, the system's NPL ratio worsened slightly to 2.46% in November 2025 and the capital indicators remained comfortable.

Unless expressly stated otherwise, all the comments below on rates of variation, for both activity and results, will be given at constant exchange rate. These rates, together with variations at current exchange rates, can be found in the attached tables of financial statements and relevant business indicators.

Activity

The most relevant aspects related to the area's activity during 2025 were:

- Lending activity (performing loans under management) grew by 7.6% during 2025, supported by the evolution of the retail portfolio, which grew by 11.9%, with a favorable performance of all the portfolios, where the dynamism of consumer loans stands out, registering an increase of 13.8%. In the wholesale portfolio, growth stood at 2.9%, boosted by the performance of corporate banking. As a result of this evolution, the loan portfolio continued showing a high degree of diversification, with 46% of the total portfolio corresponding to wholesale credit and the remaining 54% to retail credit.

- Customer deposits under management increased by 13.4% in 2025, with a notable growth in off-balance sheet funds of 19.0% and 9.5% in customer deposits.

- With regard to asset quality, the NPL ratio increased by 6 basis points in the year and stood at 2.7%, mainly due to increase in non-performing loans in the retail portfolio. For its part, the NPL coverage ratio increased by 223 basis points to 124% at the end of December 2025, as a result of the increase in provisions derived from the update of the macroeconomic scenario.

Results

BBVA Mexico achieved a cumulative net attributable profit of €5,264m at the end of December 2025, which represents a year-on-year growth of 5.7%, explained mainly by the favorable evolution of the net interest income.

The most relevant aspects of the year-on-year evolution in the income statement as of the end of December 2025 are summarized below:

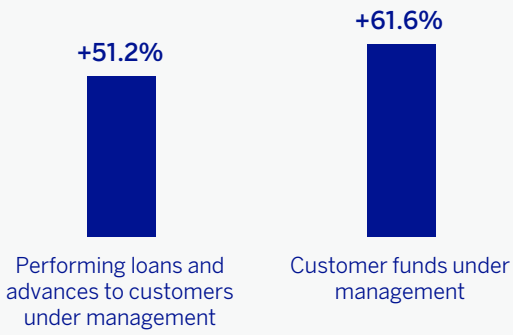
- Net interest income increased by 8.1%, driven by higher retail lending volumes and lower cost of funds, in an environment of falling reference rates, further boosted by wholesale issuances carried out by BBVA Mexico.
- Net fees and commissions grew by 6.0%, mainly as a result of the higher revenues from asset management, mostly investment and pension funds, related to growth in activity and to a lesser extent, one-off fees associated with investment banking transactions.
- The contribution from NTI increased by 12.3% mainly due to the good performance of the ALCO portfolio.
- The other operating income and expenses line item recorded an increase of 18.7%, supported by the strong performance of the insurance business, which more than offset the increase in contributions to the deposit guarantee fund.
- Operating expenses grew by 8.7%, mainly due to the increase in overhead costs (technology expenses) and, to a lesser extent, higher personnel expenses.
- Loan-loss provisions increased by 10.5%, with higher requirements for the retail portfolio as a result of growth in activity. Thus, the cumulative cost of risk at the end of December 2025 increased to 3.31%, which is an increase of 8 basis points below the end of 2024.

2.3 Turkey

Highlights for the period January - December 2025

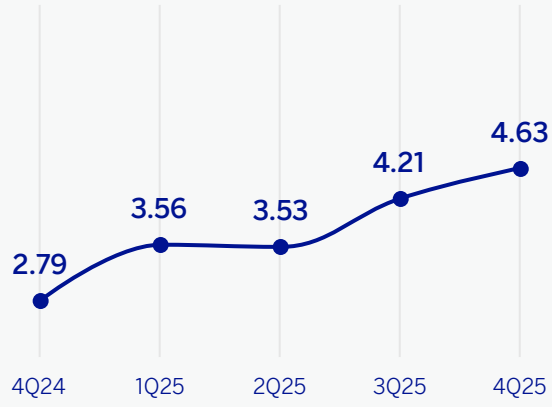
- Growth in customer funds under management exceeds growth in lending activity for the year
- Improvement in net interest income thanks to dynamism of the business and greater contribution from the Turkish lira customer spread
- Lower negative hyperinflation adjustment
- Favorable evolution of the net attributable profit in the year

BUSINESS ACTIVITY (1) (VARIATION AT CONSTANT EXCHANGE RATE COMPARED TO 31-12-24)

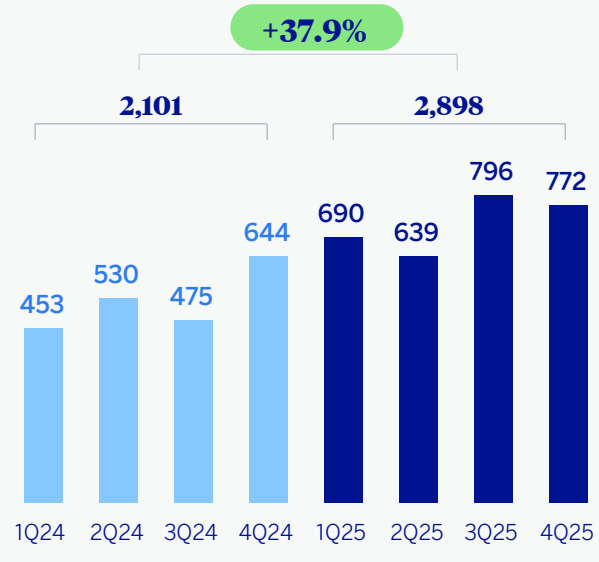


(1) Excluding repos.

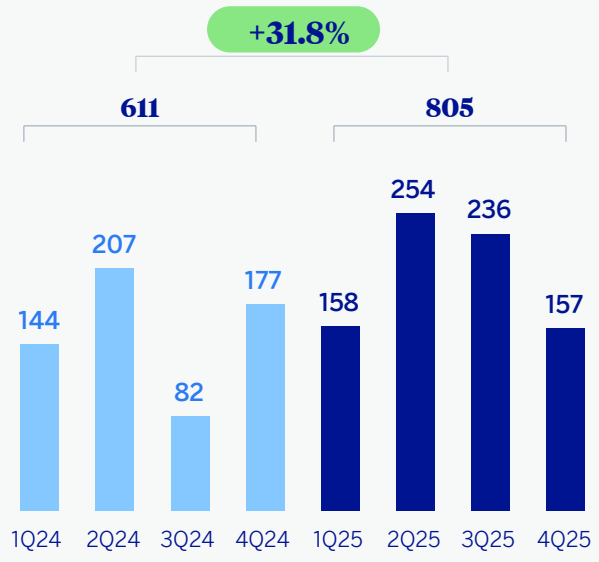
NET INTEREST INCOME / AVERAGE TOTAL ASSETS (PERCENTAGE AT CONSTANT EXCHANGE RATE)



OPERATING INCOME (MILLIONS OF EUROS AT CURRENT EXCHANGE RATE)



NET ATTRIBUTABLE PROFIT (LOSS) (MILLIONS OF EUROS AT CURRENT EXCHANGE RATE)



FINANCIAL STATEMENTS AND RELEVANT BUSINESS INDICATORS (MILLIONS OF EUROS AND PERCENTAGE)

Income statement	2025	Δ %	Δ % (1)	2024
Net interest income	**3,079**	**106.4**	**169.5**	**1,492**
Net fees and commissions	2,123	0.6	32.3	2,111
Net trading income	394	(65.6)	(55.4)	1,145
Other operating income and expenses	(384)	(28.3)	(56.2)	(535)
Gross income	**5,213**	**23.8**	**89.3**	**4,212**
Operating expenses	(2,315)	9.7	41.8	(2,111)
Personnel expenses	*(1,311)*	*6.4*	*39.7*	*(1,232)*
Other administrative expenses	*(773)*	*16.6*	*52.9*	*(663)*
Depreciation	*(231)*	*7.1*	*22.5*	*(216)*
Operating income	**2,898**	**37.9**	**158.7**	**2,101**
Impairment on financial assets not measured at fair value through profit or loss	(1,000)	90.1	150.9	(526)
Provisions or reversal of provisions and other results	(34)	n.s.	n.s.	165
Profit (loss) before tax	**1,863**	**7.1**	**115.6**	**1,741**
Income tax	(904)	(10.8)	18.5	(1,014)
Profit (loss) for the period	**959**	**31.9**	**n.s.**	**727**
Non-controlling interests	(154)	32.5	n.s.	(116)
Net attributable profit (loss)	**805**	**31.8**	**n.s.**	**611**

Balance sheets	31-12-25	Δ %	Δ % (1)	31-12-24
Cash, cash balances at central banks and other demand deposits	9,061	2.6	41.0	8,828
Financial assets designated at fair value	5,010	11.2	52.9	4,503
Of which: Loans and advances	*18*	*n.s.*	*n.s.*	*2*
Financial assets at amortized cost	72,047	11.0	52.6	64,893
Of which: Loans and advances to customers	*53,745*	*11.3*	*52.9*	*48,299*
Tangible assets	1,905	(7.7)	12.5	2,064
Other assets	2,680	7.5	45.3	2,494
Total assets/liabilities and equity	**90,702**	**9.6**	**50.0**	**82,782**
Financial liabilities held for trading and designated at fair value through profit or loss	1,690	(13.1)	19.5	1,943
Deposits from central banks and credit institutions	3,565	(16.5)	14.8	4,267
Deposits from customers	62,984	8.4	49.0	58,095
Debt certificates	7,501	66.0	128.2	4,517
Other liabilities	5,727	0.2	31.1	5,714
Allocated regulatory capital	9,235	12.0	53.6	8,245

Relevant business indicators	31-12-25	Δ %	Δ % (1)	31-12-24
Performing loans and advances to customers under management (2)	53,080	10.0	51.2	48,242
Non-performing loans	2,793	38.5	90.4	2,016
Customer deposits under management (2)	62,535	8.9	49.6	57,443
Off-balance sheet funds (3)	26,290	45.4	99.9	18,076
Risk-weighted assets	71,398	10.1	50.8	64,821
RORWA (4)	1.36			1.17
Efficiency ratio (%)	44.4			50.1
NPL ratio (%)	3.9			3.1
NPL coverage ratio (%)	76			96
Cost of risk (%)	1.94			1.27

(1) At constant exchange rate.

(2) Excluding repos.

(3) Includes mutual funds and pension funds.

(4) For more information on the calculation methodology, as well as the calculation of the metric at the consolidated Group level, see Alternative Performance Measures at this report.

Macro and industry trends

Economic activity maintained its dynamism during the third quarter of 2025 thanks to strong domestic demand, which, combined with looser monetary conditions, a relatively more favorable global environment, and neutral fiscal policy, keeps growth expectations positive for the coming quarters. According to BBVA Research, GDP growth could reach 3.7% in 2025, in line with the previous scenario, and reach 4% in 2026. Meanwhile, inflation has continued to moderate during the last months of 2025 at a slightly higher pace than anticipated, standing at 30.9% in December. This has allowed the central bank to continue with gradual interest rate cuts to 38% by the end of 2025. By 2026, inflation and interest rates are expected to continue falling, ending the year at 25% and 32%, respectively.

The Turkish banking system continues to be affected by the impact of inflation. The total volume of credit in the system increased by 42.2% year-on-year at the end of November 2025, similar to the previous months. The stock of credit continues to be driven by consumer credit and credit card portfolios (+48.0% year-on-year) and by corporate lending (+40.3% year-on-year). Total deposits maintained the strength of recent months and grew by 41.8% year-on-year at the end of November 2025, with greater growth in dollar deposits (+53.0%) than in lira deposits (+35.9%). Dollarization of the system increased slightly to 37.3% in November 2025, from 34.6% a year earlier. The system's NPL ratio remains well under control and stood at 2.63% in November 2025. The capital indicators remained at comfortable levels at the same date.

Unless expressly stated otherwise, all comments below on rates of changes for both activity and results will be presented at constant exchange rates. These rates, together with changes at current exchange rates, can be observed in the attached tables of the financial statements and relevant business indicators. For the conversion of these figures, the end of period exchange rate as of December 31, 2025 is used, reflecting the considerable depreciation by the Turkish lira in the last twelve months. Likewise, the balance sheet, Risk-Weighted Assets (RWA) and the equity are affected.

Activity[89]

The most relevant aspects related to the area's activity during 2025 were:

- Lending activity (performing loans under management) recorded an increase of 51.2% between January and December 2025, mainly driven by the growth in Turkish lira loans (+44.5%). This growth was mainly driven by the performance of credit cards and consumer loans and, to a lesser extent, loans to businesses. Foreign currency loans (in U.S. dollars) increased by 18.1%, boosted by the increase in activity with customers focused on foreign trade (with natural hedging of exchange rate risk).
- Customer deposits (69.4% of the area's total liabilities as of December 31, 2025) remained the main source of funding for the balance sheet and increased by 49.6% favored by the positive performance of Turkish lira time deposits (+36.4%), which represent a 82.2% of total customer deposits in local currency. Balances deposited in foreign currency (in U.S. dollars) increased by 34.8%, driven by the demand deposits +26.6%. Thus, as of December 31, 2025, Turkish lira deposits accounted for 62.6% of total customer deposits in the area. For its part, off-balance sheet funds grew by 99.9%.
- With regard to asset quality, the NPL ratio increased by 78 basis points during the year and stood at 3.9%, mainly due to the increase in non-performing loans in the retail portfolio. For its part, the NPL coverage ratio fell by 20 percentage points to 76% at the end of December 2025, as a result of the aforementioned additions to non-performing loans and the reduction in the coverage for certain wholesale customers.

[89] The variation rates of loans in Turkish lira and loans in foreign currency (U.S. dollars) are calculated based on local activity data and refer only refer to Garanti Bank and therefore exclude the subsidiaries of Garanti BBVA, mainly in Romania and Netherlands.

Results

Turkey reached a net attributable profit of €805m during 2025, which compares very favorably with the result achieved in the same period of the previous year, as a result of the good performance of recurring revenues in banking business (net interest income and net fees and commissions) and a less negative hyperinflation impact.

As mentioned above, the year-on-year comparison of the accumulated income statement at the end of December 2025 at current exchange rate is affected by the depreciation of the Turkish lira in the last year (-27.2%), with a less pronounced drop in the fourth quarter (-3.3%). To isolate this effect, the highlights of the results of 2025 at constant exchange rates are summarized below:

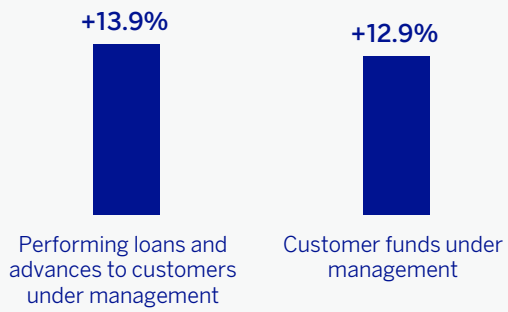
- Net interest income grew year-on-year, mainly driven by the dynamism of lending activity and by the improvement of the Turkish lira customer spread. In addition, the central bank has increased the remuneration of certain Turkish lira reserves since February 2024. The aforementioned was partially offset by the higher wholesale-funding costs issued by Garanti BBVA in financial year 2025.
- Net fees and commissions recorded a significant increase, driven by the solid performance in fees and commissions associated with payment methods, followed by those related to asset management, insurances, guarantees and brokerage activity, which compensated the increase in fees paid for payroll acquisitions.
- Lower NTI, due to the currency positions maintained in the area.
- The other operating income and expenses line had a balance of €-384m, which compares favorably with the previous year. This line incorporates, among others, the loss on the net monetary position, together with its partial offset by the income derived from inflation-linked bonds (CPI linkers). The net impact of both effects was less negative at the end of December 2025, compared with the same period of 2024. This line also includes results from certain subsidiaries of Garanti BBVA and the evolution of the insurance business, whose contribution was increased in both cases compared to the cumulative total at the end of December 2024.
- Operating expenses continued growing, mainly due to higher personnel expenses, linked to the growth in the workforce and a salary review in the context of high inflation. On the other hand, operating expenses also increased, highlighting the higher advertising expenditures and technology expenses.
- Regarding the impairment on financial assets, higher provisions were recorded, which is explained by the growth of the activity and higher requirements in retail portfolios. Meanwhile, the cumulative cost of risk as of December 31, 2025 stood at 1.94%, with an increase of 67 basis points in the year.
- The provisions and other results line closed December 2025 at €-34m, reflecting an unfavorable evolution compared with the releases recorded in the same period of the previous year (€165m), which in 2024 were mainly associated with significant recoveries from wholesale clients and the revaluation of real estate assets.

2.4 South America

Highlights for the period January - December 2025

- Balanced growth in lending activity and customer funds
- Cumulative hyperinflation adjustment in Argentina at the end of 2025 was significantly lower than in 2024
- Peru and Colombia continue showing good performance in terms of asset quality
- Year-on-year increase in the net attributable profit of this business area

BUSINESS ACTIVITY (1) (VARIATION AT CONSTANT EXCHANGE RATES COMPARED TO 31-12-24)



(1) Excluding repos.

NET INTEREST INCOME / AVERAGE TOTAL ASSETS (PERCENTAGE AT CONSTANT EXCHANGE RATES)

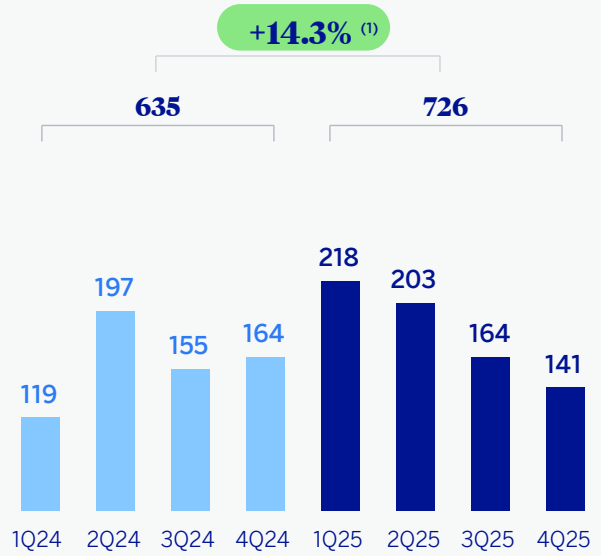


OPERATING INCOME (MILLIONS OF EUROS AT CURRENT EXCHANGE RATES)



(1) At constant exchange rates: +33.5%.

NET ATTRIBUTABLE PROFIT (LOSS) (MILLIONS OF EUROS AT CURRENT EXCHANGE RATES)



(1) At constant exchange rates: +71.5%

FINANCIAL STATEMENTS AND RELEVANT BUSINESS INDICATORS (MILLIONS OF EUROS AND PERCENTAGE)

Income statement	2025	Δ %	Δ % (1)	2024
Net interest income	**4,830**	**(13.6)**	**1.6**	**5,589**
Net fees and commissions	897	7.6	20.7	834
Net trading income	568	(28.8)	(20.4)	798
Other operating income and expenses	(932)	(48.6)	(45.6)	(1,815)
Gross income	**5,363**	**(0.8)**	**19.3**	**5,405**
Operating expenses	(2,356)	(8.2)	5.0	(2,567)
Personnel expenses	*(1,064)*	*(10.4)*	*3.9*	*(1,188)*
Other administrative expenses	*(1,082)*	*(6.2)*	*7.9*	*(1,153)*
Depreciation	*(210)*	*(7.2)*	*(3.7)*	*(226)*
Operating income	**3,007**	**6.0**	**33.5**	**2,838**
Impairment on financial assets not measured at fair value through profit or loss	(1,208)	(11.8)	(5.2)	(1,369)
Provisions or reversal of provisions and other results	(42)	(67.1)	(64.4)	(127)
Profit (loss) before tax	**1,758**	**31.0**	**104.1**	**1,342**
Income tax	(582)	86.1	296.8	(313)
Profit (loss) for the period	**1,176**	**14.3**	**64.5**	**1,029**
Non-controlling interests	(450)	14.2	54.4	(394)
Net attributable profit (loss)	**726**	**14.3**	**71.5**	**635**

Balance sheets	31-12-25	Δ %	Δ % (1)	31-12-24
Cash, cash balances at central banks and other demand deposits	8,075	(9.3)	1.2	8,906
Financial assets designated at fair value	10,499	(3.5)	4.6	10,884
Of which: Loans and advances	*297*	*44.9*	*39.6*	*205*
Financial assets at amortized cost	54,336	8.7	14.4	49,983
Of which: Loans and advances to customers	*51,151*	*9.2*	*14.8*	*46,846*
Tangible assets	1,146	(10.2)	(7.3)	1,277
Other assets	2,592	(12.1)	(6.7)	2,948
Total assets/liabilities and equity	**76,648**	**3.6**	**10.2**	**73,997**
Financial liabilities held for trading and designated at fair value through profit or loss	2,428	17.9	14.4	2,060
Deposits from central banks and credit institutions	4,011	(6.6)	(4.1)	4,292
Deposits from customers	53,375	5.2	11.9	50,738
Debt certificates	4,010	6.9	12.1	3,752
Other liabilities	5,567	(8.2)	4.5	6,066
Allocated regulatory capital	7,257	2.3	9.4	7,090

Relevant business indicators	31-12-25	Δ %	Δ % (1)	31-12-24
Performing loans and advances to customers under management (2)	50,480	8.2	13.9	46,663
Non-performing loans	2,314	(3.1)	(2.3)	2,387
Customer deposits under management (3)	53,375	5.2	11.9	50,738
Off-balance sheet funds (4)	8,289	4.5	19.5	7,936
Risk-weighted assets	55,178	(2.3)	3.9	56,489
RORWA (5)	2.12			1.94
Efficiency ratio (%)	43.9			47.5
NPL ratio (%)	4.0			4.5
NPL coverage ratio (%)	92			88
Cost of risk (%)	2.50			2.87

(1) At constant exchange rate.

(2) Excluding repos.

(3) Excluding repos and including specific marketable debt securities.

(4) Includes mutual funds and customer portfolios in Colombia and Peru.

(5) For more information on the calculation methodology, as well as the calculation of the metric at the consolidated Group level, see Alternative Performance Measures at this report.

SOUTH AMERICA. DATA PER COUNTRY (MILLIONS OF EUROS)

	Operating income				Net attributable profit (loss)			
Country	2025	Δ %	Δ % (1)	2024	2025	Δ %	Δ % (1)	2024
Argentina	728	5.3	n.s.	691	133	(27.1)	n.s.	182
Colombia	609	(2.0)	1.8	622	143	58.5	64.7	90
Peru	1,219	1.8	1.0	1,198	295	29.9	29.0	227
Other countries (2)	451	37.7	42.8	327	155	14.5	19.5	136
Total	**3,007**	**6.0**	**33.5**	**2,838**	**726**	**14.3**	**71.5**	**635**

(1) At constant exchange rates.

(2) Chile (Forum), Uruguay and Venezuela. Additionally, it includes eliminations and other charges.

SOUTH AMERICA. RELEVANT BUSINESS INDICATORS PER COUNTRY (MILLIONS OF EUROS)

	Argentina		Colombia		Peru	
	31-12-25	31-12-24	31-12-25	31-12-24	31-12-25	31-12-24
Performing loans and advances to customers under management (1)(2)	8,159	4,392	17,345	16,196	19,787	18,946
Non-performing loans (1)	428	64	795	1,002	913	1,118
Customer deposits under management (1)(3)	10,088	5,767	18,614	17,824	20,822	20,102
Off-balance sheet funds (1)(4)	2,085	1,777	3,003	2,635	3,200	2,525
Risk-weighted assets	10,195	11,037	18,829	18,868	20,069	20,384
RORWA (5)	1.81	3.65	0.80	0.46	3.13	2.40
Efficiency ratio (%)	51.5	59.5	46.3	46.9	38.6	36.5
NPL ratio (%)	4.9	1.4	4.3	5.7	3.7	4.9
NPL coverage ratio (%)	84	145	88	82	99	90
Cost of risk (%)	5.67	4.48	2.19	2.83	1.67	2.83

(1) Figures at constant exchange rates.

(2) Excluding repos.

(3) Excluding repos and including specific marketable debt securities.

(4) Includes mutual funds and customer portfolios (in Colombia preliminary data as of December 31, 2025).

(5) For more information on the calculation methodology, as well as the calculation of the metric at the consolidated Group level, see Alternative Performance Measures at this report.

Unless expressly stated otherwise, all the comments below on rates of change, for both activity and results, will be given at constant exchange rates. These rates, together with the changes at current exchange rates, can be found in the attached tables of the financial statements and relevant business indicators.

Activity and results

The most relevant aspects related to the area's activity during 2025 were:

- Lending activity (performing loans under management) recorded an increase of +13.9%, with a more dynamic growth in the wholesale portfolio that grew at a rate of 14.5%, above the growth of the retail portfolio (+13.1%).
- Customer funds under management grew by 12.9% compared to the closing balances at the end of 2024, with an 11.9% increase in customer base deposits, where the evolution of demand deposits stands out (+13.3%), and a 19.5% growth in off-balance sheet funds.
- With regard to asset quality, the NPL ratio fell by 50 basis points in the year and stood at 4.0%, mainly due to the reduction in non-performing loans in Colombia and Peru. As a result, the NPL coverage ratio increased by 373 basis points to 92% at the end of December 2025.

South America generated a net attributable profit of €726m at the end of 2025, which represents a year-on-year growth of 14.3% at current exchange rates, favored by an improved net attributable profit in Peru and Colombia and a less negative hyperinflation adjustment in Argentina.

Meanwhile, the impact of the adjustment for hyperinflation of subsidiaries domiciled in Argentina stands out, which implies, among other effects, the recording of the loss on the monetary position in the item "Other operating income and expenses" in the income statement. This impact amounted to €356m in the period January - December 2025, significantly lower than the €1,419m recorded in the period January - December 2024.

More detailed information on the most representative countries of the business area is provided below.

Argentina

Macro and industry trends

The third quarter of 2025 has ended with a recovery in economic activity, amid declining political instability and lower exchange rate tensions. BBVA Research maintains its GDP growth forecast for 2025 at 4.5%, in line with the previous scenario, and expects a gradual moderation in growth to rates of 3% by 2026. Inflation has maintained the downward trend observed throughout 2025 standing at 31.5% in December. For 2026, inflationary pressures are expected to continue easing, with the overall rate reaching 20% by the end of the year.

The banking system continues to grow at a high pace, although the inflation control entails that the credit and deposit volume growth is more moderate than in previous quarters. With data at the end of December 2025, total lending increased by 81.3% compared to December 2024, favored by consumer, corporate and, above all, mortgage portfolios, which grew by 70.1%, 81.0% and 245% year-on-year, respectively. For their part, deposits continue to decelerate, and at the end of December recorded a year-on-year growth of 41.3%. Finally, the NPL ratio has rebounded due to the growth in household credit defaults, standing at 4.54% at the end of October 2025.

Activity and results

- In 2025, performing loans under management grew by 85.8% (+16.0% in the fourth quarter), driven mainly by the growth in corporate loans and all the loans to individuals, highlighting growth in terms of volume of consumer loans (+75.8%) and credit cards (+52.4%) and the dynamism of mortgage loans (+174.2%)

- On balance sheet funds recorded a 74.9% growth in 2025 (+10.6% in the fourth quarter), with growth in time deposits (+116.2%) higher than demand deposits (+53.2%). For its part, mutual funds (off-balance sheet funds) also had a good performance in the year (+17.3%).

- With regard to asset quality, the NPL ratio increased by 350 basis points during the year and stood at 4.9%, mainly due to an increase in non-performing loans in the retail portfolio, in line with the trend observed in the financial system; This in turn affecting the NPL coverage ratio which fell by 61 percentage points to 84% at the end of December 2025.

- Regarding the evolution of the income statement[90], the cumulative net attributable profit at the end of December 2025 stood at €133m, showing a lower impact from hyperinflation compared to the end of December 2024. Net interest income continues to be affected, among other factors, by price effect and the higher cost of funds due to the growth in customer balances, which was not offset by the higher lending volume. Net fees and commissions grew by 13.4% year-on-year, driven by payment methods activity. On the other hand, a significantly lower negative adjustment for hyperinflation was recorded (mainly reflected in the "Other operating income and expenses" line) and higher operating expenses, both in personnel (mainly due to fixed compensation to staff) and in other operating expenses. With regard to loan-loss provisions, there was an increase in requirements in the retail portfolio, partly affected by a higher portfolio volume.

[90] At current rates, that is, the impact of exchange rate fluctuations on the profit and loss account is not excluded.

Colombia

Macro and industry trends

Private consumption and fiscal expenditure have continued to contribute to the dynamism of economic activity during the second half of 2025. BBVA Research expects growth for the year as a whole to reach 2.7%, two tenths of a percentage point above the previous scenario; growth in 2026 could be similar, standing at 2.8%. The boost in domestic demand has also limited the correction in inflation, which closed December at 5.1%, and has led the central bank to keep interests rates unchanged at 9.25%. The announced increase in the minimum wage anticipates additional inflationary pressures for 2026. The overall inflation rate could end the year at 6.5%, two percentage points higher than expected in the previous scenario, and the central bank could respond by tightening its monetary policy with interest rate hikes to 12.25%.

Total credit growth in the banking system stood at 6.6% year-on-year in October 2025, with growth across all portfolios. Thus, corporate lending, mortgage lending, and consumer lending portfolios showed year-on-year growth rates of 5.6%, 11.8% and 5.5%, respectively in October 2025. On the other hand, total deposits grew by 9.1% year-on-year at the end of October 2025, with a more balanced evolution by portfolios than in previous quarters. Thus, demand and time deposits grew by 9.1% and 9.2% year-on-year respectively. The system's NPL ratio has improved in the last few months, standing at 4.01% in October 2025, 101 basis points below the figure for the same month of the previous year.

Activity and results

- Lending activity grew at a rate of 7.1% compared to the end of 2024.
- Customer funds grew by 5.7% compared to the end of 2024, mainly thanks to the growth of demand deposits (+5.8%) and, to a lesser extent, off-balance sheet funds (+14.0%) and time deposits (+3.0%).
- In terms of asset quality indicators, they improved with respect to the end of 2024: the NPL ratio stood at 4.3%, a decrease of 140 basis points with respect to the previous year, as a result of the containment of new non-performing loans, and the strong recovery trend during the year, as well as write-offs mainly in the retail portfolio. On the other hand, coverage stood at 88% an increase of 7 percentage points compared to the previous year supported by the reduction in non-performing loans.
- The cumulative net attributable profit at the end of December 2025 stood at €143m, that is, 58.5% higher than at the end of the same period of the previous year (at current exchange rates), favored by the increase in recurring revenues, a more efficient cost management, and particularly, a lower level of provisions for impairment on financial assets associated with lower requirements in the retail portfolio as a result of lower entries into NPLs. Meanwhile, the cumulative cost of risk at December 31, 2025 stood at 2.19%, down 4 basis points in the quarter.

Peru

Macro and industry trends

Economic activity has continued a relatively favorable performance during the second half of 2025, thanks to the boost from private consumption, withdrawals from private pension funds, and relatively positive developments in foreign trade prices. According to BBVA Research, GDP growth could stand at 3.3% in 2025, two tenths above the previous forecast, and reach 3.1% in 2026 amid growing domestic political uncertainty and the calling of elections. Controlled inflation, which ended at 1.5% in December and is expected to rise gradually to 2.5% by the end of 2026, and low interest rates, which could remain unchanged at the current 4.25%, support growth expectations going forward.

Total lending in the Peruvian banking system continued the trend of recent quarters and increased 4.9% year-on-year in November 2025, with growth in all portfolios. Thus, the consumer credit portfolio grew by 10.9% year-on-year, the mortgage portfolio increased by 6.6% and the corporate loan portfolio by 2.4% year-on-year. For their part, the system's total deposits

registered a year-on-year growth of 3.4% in October 2025, due to the contraction in time deposits (-4.8% year-on-year), which was partially offset by 7.9% growth in demand deposits. Finally, the system's NPL ratio continued on a downward trend, reaching a rate of 3.26% in November 2025.

Activity and results

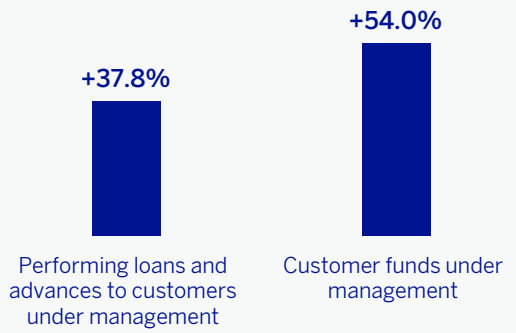
- Lending activity grew by 4.4% compared to the end of December 2024, focused on the retail portfolios, mainly consumer loans (+19.3%) and mortgages (+9.2%), which more than offset the deleveraging in the wholesale portfolios (-0.7%).
- Customers funds under management increased during 2025 (+6.2%), thanks to the favorable performance of demand deposits (+12.2%) and off-balance sheet funds (+26.7%).
- With regard to asset quality, the NPL ratio fell by 116 basis points over the year and stood at 3.7%, mainly due to the reduction in non-performing loans, as a result of more contained additions to non-performing payments and a good recovery dynamic during the year, contributing to the improvement in the NPL coverage ratio, which increased by 10 percentage points to 99% at the end of December 2025.
- BBVA Peru's cumulative attributable profit stood at the end of December 2025 at €295m, which represents a year-on-year increase of 29.9% at current exchange rates, originated in lower provisions for impairment on financial assets, which were significantly lower than in the same period of 2024 (-38.1% at current exchange rates) due, among other factors, to a lower requirement for retail products as a result of the improved asset quality of the portfolio in the last quarters. Apart from the above, good performance of recurring revenues.

2.5 Rest of Business

Highlights for the period January - December 2025

- Dynamism of lending activity and high fund gathering in all geographical areas in 2025
- Favorable performance of recurring revenues
- Positive evolution of risk indicators
- Excellent growth in cumulative net attributable profit in 2025

BUSINESS ACTIVITY (1) (VARIATION AT CONSTANT EXCHANGE RATES COMPARED TO 31-12-24)

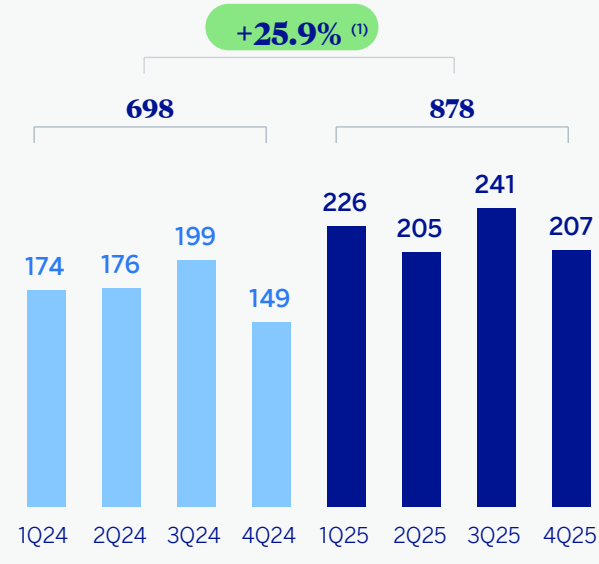


(1) Excluding repos.

NET INTEREST INCOME / AVERAGE TOTAL ASSETS (PERCENTAGE AT CONSTANT EXCHANGE RATES)

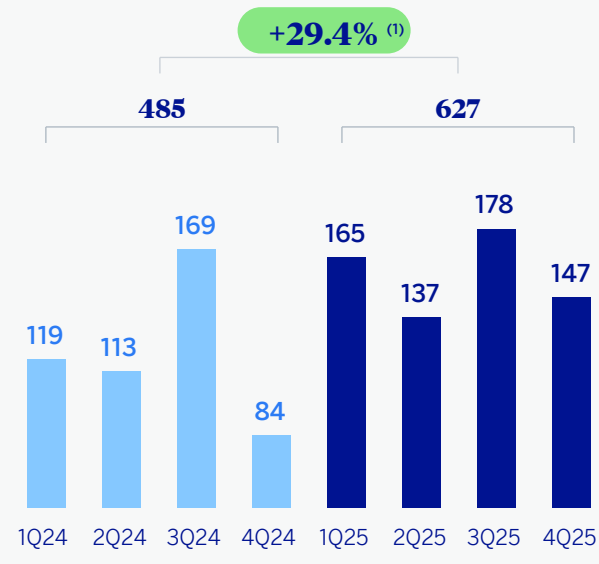


OPERATING INCOME (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +20.3%.

NET ATTRIBUTABLE PROFIT (LOSS) (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +22.9%

FINANCIAL STATEMENTS AND RELEVANT BUSINESS INDICATORS (MILLIONS OF EUROS AND PERCENTAGE)

Income statement	2025	Δ %	Δ % [1]	2024 [2]
Net interest income	**828**	**11.6**	**15.9**	**742**
Net fees and commissions	591	51.3	56.0	390
Net trading income	382	13.6	19.4	337
Other operating income and expenses	7	87.5	234.8	4
Gross income	**1,807**	**22.8**	**27.8**	**1,472**
Operating expenses	(929)	25.1	29.5	(743)
Personnel expenses	*(497)*	*23.6*	*28.6*	*(402)*
Other administrative expenses	*(392)*	*27.5*	*31.1*	*(308)*
Depreciation	*(40)*	*22.2*	*26.2*	*(33)*
Operating income	**878**	**20.3**	**25.9**	**730**
Impairment on financial assets not measured at fair value through profit or loss	(85)	19.5	19.6	(71)
Provisions or reversal of provisions and other results	(22)	98.3	115.3	(11)
Profit (loss) before tax	**772**	**19.1**	**25.2**	**648**
Income tax	(145)	5.2	9.6	(138)
Profit (loss) for the period	**627**	**22.9**	**29.4**	**511**
Non-controlling interests	—	—	—	—
Net attributable profit (loss)	**627**	**22.9**	**29.4**	**511**

Balance sheets	31-12-25	Δ %	Δ % [1]	31-12-24
Cash, cash balances at central banks and other demand deposits	11,564	38.5	55.7	8,348
Financial assets designated at fair value	2,032	24.9	32.7	1,627
Of which: Loans and advances	*1,354*	*48.1*	*60.4*	*914*
Financial assets at amortized cost	74,448	32.9	38.5	56,013
Of which: Loans and advances to customers	*66,502*	*32.0*	*37.7*	*50,392*
Inter-area positions	—	—	—	—
Tangible assets	264	28.4	39.4	206
Other assets	329	(3.5)	1.1	341
Total assets/liabilities and equity	**88,638**	**33.2**	**40.2**	**66,534**
Financial liabilities held for trading and designated at fair value through profit or loss	766	19.3	34.0	642
Deposits from central banks and credit institutions	5,182	158.8	172.5	2,002
Deposits from customers	40,932	49.2	55.0	27,432
Debt certificates	1,828	6.2	11.4	1,721
Inter-area positions [3]	33,056	17.7	25.2	28,091
Other liabilities [3]	1,656	2.7	10.0	1,613
Allocated regulatory capital	5,217	3.7	8.7	5,033

Relevant business indicators	31-12-25	Δ %	Δ % [1]	31-12-24
Performing loans and advances to customers under management [4]	66,543	32.0	37.8	50,393
Non-performing loans	153	(28.5)	(28.5)	213
Customer deposits under management [4]	40,932	49.2	55.0	27,432
Off-balance sheet funds [5]	736	14.2	14.2	645
Risk-weighted assets	46,633	5.0	10.3	44,407
RORWA [1][6]	1.61			1.27
Efficiency ratio (%)	51.4			50.4
NPL ratio (%)	0.2			0.3
NPL coverage ratio (%)	173			102
Cost of risk (%)	0.16			0.17

[1] At constant exchange rate.

[2] Revised balances. For more information, please refer to the "Business Areas" section.

[3] Revised balances in 2024.

[4] Excluding repos.

[5] Includes pension funds.

[6] For more information on the calculation methodology, as well as the calculation of the metric at the consolidated Group level, see Alternative Performance Measures at this report.

Unless expressly stated otherwise, all the comments below on rates of change, for both activity and results, will be given at constant exchange rates. These rates, together with the changes at current exchange rates, can be found in the attached tables of the financial statements and relevant business indicators. Comments that refer to Europe exclude Spain.

Activity

The most relevant aspects of the evolution of BBVA Group's Rest of Business activity during 2025 were:

- Lending activity (performing loans under management) grew by 37.8%. The CIB business is driving this growth, particularly in Europe and the United States, with significant transactions in project finance and corporate loans, as well as in Asia, benefiting from increased volumes.
- Customer funds under management recorded an increase of 54.0%, driven by customer deposits in Europe, supported by the performance of the digital bank in Germany, and, to a lesser extent, Asia (CIB).
- With regard to asset quality, the NPL ratio fell by 14 basis points over the year and stood at 0.2%, mainly due to increased activity and a reduction in non-performing loans in Europe. For its part, the NPL coverage ratio increased by 71 percentage points to 173% at the end of December 2025, as a result of the reduction in non-performing loans and increased coverage for certain customers.

Results

Rest of Business achieved an accumulated net attributable profit of €627m during 2025, 29.4% higher than in the same period of the previous year, favored by the evolution of the recurring revenues and the NTI, which more than offset the increase in operating expenses.

In the year-on-year evolution of the main lines of the area's income statement at the end of December 2025, the following was particularly noteworthy:

- Net interest income grew by 15.9% as a result of increased activity volume, particularly in investment banking, as well as transactional business. By geographical areas, growth was particularly strong in New York and, to a lesser extent, in Asia.
- Net fees and commissions had an excellent performance and increased by 56.0%, thanks to issuance activity in the primary debt market and relevant operations in project finance and corporate loans. By geographical area, commissions originating in Europe and the United States stood out.
- The NTI grew by 19.4%, benefiting from global markets, where commercial activity in interests rates, lending and equities stand out. By geographical area, the United States and Asia performed well.
- Increase in operating expenses of 29.5% mainly explained by higher expenses in Europe and, to a lesser extent, in the United States due to new hires and investment in strategic projects.
- The impairment on financial assets line at the end of December 2025 recorded a balance of €-85m, a figure which is higher than in the same period of the previous year, mainly originated in higher provisions in the United States, although the accumulated cost of risk remained virtually stable over the year.

2.6 Corporate Center

FINANCIAL STATEMENTS (MILLIONS OF EUROS AND PERCENTAGE)

Income statement	2025	Δ %	2024 (1)
Net interest income	**(469)**	**(5.3)**	**(495)**
Net fees and commissions	(127)	80.4	(71)
Net trading income	(200)	n.s.	138
Other operating income and expenses	118	201.7	39
Gross income	**(678)**	**74.5**	**(388)**
Operating expenses	(786)	0.9	(779)
Personnel expenses	*(869)*	*12.0*	*(776)*
Other administrative expenses	*296*	*39.7*	*212*
Depreciation	*(213)*	*(0.9)*	*(215)*
Operating income	**(1,464)**	**25.4**	**(1,168)**
Impairment on financial assets not measured at fair value through profit or loss	(1)	n.s.	3
Provisions or reversal of provisions and other results	25	(54.3)	54
Profit (loss) before tax	**(1,440)**	**29.8**	**(1,110)**
Income tax	361	68.1	215
Profit (loss) for the period	**(1,079)**	**20.6**	**(895)**
Non-controlling interests	(7)	5.9	(7)
Net attributable profit (loss)	**(1,086)**	**20.5**	**(901)**

Balance sheets (1)	31-12-25	Δ %	31-12-24 (2)
Cash, cash balances at central banks and other demand deposits	510	(14.2)	594
Financial assets designated at fair value	6,729	(16.0)	8,007
Of which: Loans and advances	—	—	—
Financial assets at amortized cost	3,935	(3.9)	4,095
Of which: Loans and advances to customers	*360*	*21.1*	*297*
Inter-area positions	—	—	—
Tangible assets	1,855	(3.0)	1,912
Other assets	15,716	(2.8)	16,168
Total assets/liabilities and equity	**28,745**	**(6.6)**	**30,777**
Financial liabilities held for trading and designated at fair value through profit or loss	139	70.9	82
Deposits from central banks and credit institutions	3,793	(19.7)	4,721
Deposits from customers	2,001	(2.7)	2,057
Debt certificates	4,074	134.8	1,735
Inter-area positions	106	(98.2)	5,871
Other liabilities	4,730	33.7	3,539
Allocated regulatory capital	(47,897)	1.4	(47,242)
Total equity	61,798	3.0	60,014

(1) Excluding deletions.

(2) Revised balances. For more information, please refer to the "Business Areas" section.

Results

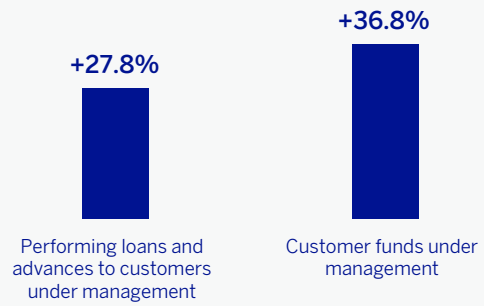
The Corporate Center recorded in 2025 a net attributable loss of €-1,086m, representing a deterioration of 20.5% compared to the €-901m recorded in the previous year. The evolution of this aggregate is largely explained by the negative NTI registered at the end of December 2025, originating from exchange rate hedges, which contrast with the gains obtained in 2024 for the same reason.

2.7 Other pro forma information: Corporate & Investment Banking

Highlights for the period January - December 2025

- Sustained growth in lending continues
- Favorable performance of recurring revenues
- Solid gross income in all business divisions
- Growth in net attributable profit in the year

BUSINESS ACTIVITY (1) (VARIATION AT CONSTANT EXCHANGE RATES COMPARED TO 31-12-24)

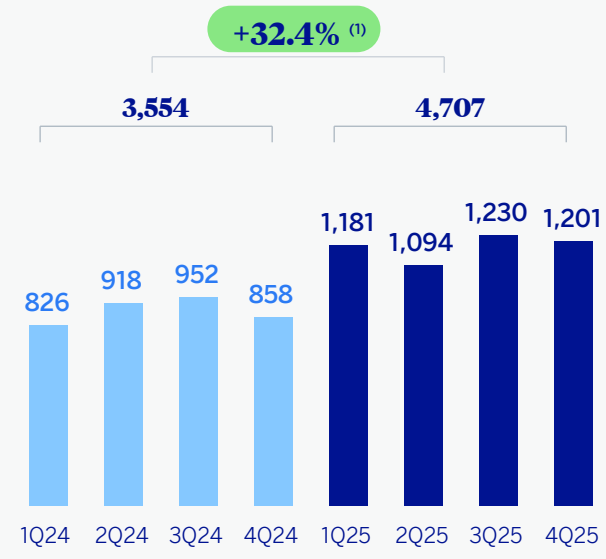


(1) Excluding repos.

RECURRING REVENUES / AVERAGE TOTAL ASSETS (PERCENTAGE AT CONSTANT EXCHANGE RATES)

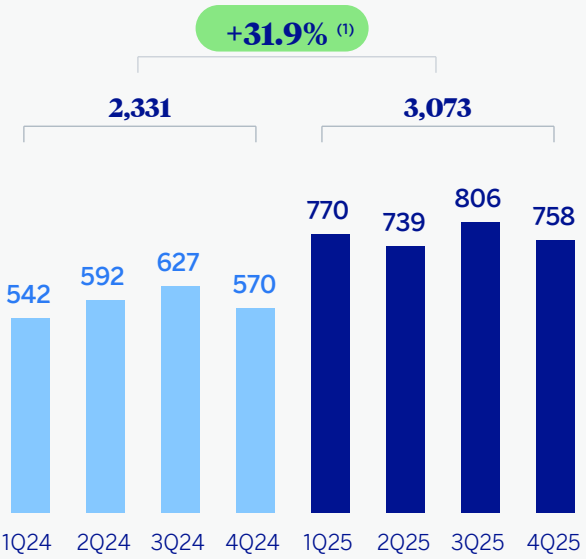


OPERATING INCOME (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +13.8%.

NET ATTRIBUTABLE PROFIT (LOSS) (MILLIONS OF EUROS AT CONSTANT EXCHANGE RATES)



(1) At current exchange rates: +13.5%.

The additional pro forma information from CIB excludes the application of hyperinflation accounting and the Group's wholesale business in Venezuela.

FINANCIAL STATEMENTS AND RELEVANT BUSINESS INDICATORS (MILLIONS OF EUROS AND PERCENTAGE)

Income statement	2025	Δ %	Δ % (1)	2024 (2)
Net interest income	**3,276**	**25.8**	**48.5**	**2,604**
Net fees and commissions	1,381	16.5	26.8	1,185
Net trading income	1,948	(5.4)	4.9	2,060
Other operating income and expenses	(47)	(17.4)	(8.6)	(56)
Gross income	**6,558**	**13.2**	**28.6**	**5,792**
Operating expenses	(1,851)	11.9	19.7	(1,654)
Personnel expenses	*(899)*	*17.3*	*24.0*	*(767)*
Other administrative expenses	*(822)*	*6.4*	*15.9*	*(773)*
Depreciation	*(130)*	*13.0*	*16.4*	*(115)*
Operating income	**4,707**	**13.8**	**32.4**	**4,138**
Impairment on financial assets not measured at fair value through profit or loss	70	(36.4)	(0.1)	111
Provisions or reversal of provisions and other results	(21)	93.1	109.3	(11)
Profit (loss) before tax	**4,756**	**12.2**	**31.6**	**4,237**
Income tax	(1,353)	13.3	34.3	(1,194)
Profit (loss) for the period	**3,402**	**11.8**	**30.5**	**3,043**
Non-controlling interests	(329)	(2.1)	19.2	(336)
Net attributable profit (loss)	**3,073**	**13.5**	**31.9**	**2,707**

General note: For the translation of the income statement in those countries where hyperinflation accounting is applied, the punctual exchange rate as of December 31, 2025.

Balance sheets	31-12-25	Δ %	Δ % (1)	31-12-24 (2)
Cash, cash balances at central banks and other demand deposits	11,935	27.9	41.1	9,333
Financial assets designated at fair value	131,968	17.6	17.5	112,237
Of which: Loans and advances	*48,177*	*31.0*	*31.2*	*36,785*
Financial assets at amortized cost	138,015	20.4	25.1	114,620
Of which: Loans and advances to customers	*113,937*	*22.6*	*27.9*	*92,966*
Inter-area positions	—	—	—	—
Tangible assets	251	29.0	40.8	194
Other assets	4,210	(73.9)	(74.2)	16,111
Total assets/liabilities and equity	**286,378**	**13.4**	**15.7**	**252,495**
Financial liabilities held for trading and designated at fair value through profit or loss	97,375	21.0	21.0	80,460
Deposits from central banks and credit institutions	40,956	18.4	18.5	34,589
Deposits from customers	90,591	32.5	39.7	68,346
Debt certificates	10,084	54.8	54.9	6,516
Inter-area positions	25,719	(40.4)	(39.8)	43,188
Other liabilities	8,858	28.9	36.2	6,872
Allocated regulatory capital	12,795	2.2	6.8	12,523

Relevant business indicators	31-12-25	Δ %	Δ % (1)	31-12-24 (2)
Performing loans and advances to customers under management (3)	113,835	22.5	27.8	92,914
Non-performing loans	594	(0.9)	25.4	599
Customer deposits under management (3)	83,407	30.0	37.7	64,174
Off-balance sheet funds (4)	4,346	13.1	21.6	3,844
Efficiency ratio (%)	28.2			28.6

(1) At constant exchange rates.

(2) Revised balances. For more information, please refer to the "Business Areas" section.

(3) Excluding repos.

(4) Includes mutual funds, customer portfolios and other off-balance sheet funds.

Unless expressly stated otherwise, all the comments below on rates of change, for both activity and results, will be given at constant exchange rates. For the conversion of these figures in those countries in which accounting for hyperinflation is applied, the end of period exchange rate as of December 31, 2025 is used. These rates, together with changes at current exchange rates, can be found in the attached tables of financial statements and relevant business indicators. When making comments referring to Europe in this area, Spain is excluded.

Activity

The most relevant aspects related to the area's activity in 2025 were:

- Growth in lending activity in the Group's wholesale businesses stood at 27.8% compared to the end of 2024; Rest of Business (the United States, Asia and Europe) and Spain driving this growth, with significant operations in project finance and corporate loans, and strong performance in transactional banking.
- Customer funds increased by 36.8%, boosted in particularly by the growth in customer deposits in Spain and in Rest of Business.

Results

CIB generated a net attributable profit of €3,073m in 2025[91]. Excluding the impact of currency fluctuations, this result represents a 31.9% increase over the previous year, which reflects again the strength of the Group's wholesale businesses, with the aim of offering a value proposition focused on the needs of its customers.

All business divisions posted double-digit revenue growth: Global Markets with good behavior in all its products, particularly in currency, interest rates and equities; Global Transaction Banking (GTB), thanks to the positive evolution of recurring revenues, mainly net interest income; excellent results in IB&F, with singular operations that have generated commission income and a positive evolution of net interest income.

The most relevant aspects of the year-on-year income statement evolution of this aggregate as of end of December 2025 are summarized below:

- Net interest income increased by 48.5%, thanks to the continued growth of the portfolio in both 2024 and in 2025, as well as effective price management. By geographical areas, the performance of Spain, the United States, Turkey and Mexico stands out.
- Net fees and commissions grew by 26.8%, with significant activity in almost all the geographical areas, particularly Rest of Business and Mexico. All business lines have been boosted by significant agreements throughout the year, with IB&F's operations standing out.
- Year-on-year increase in the NTI (+4.9%), with a particularly strong performance in the United States thanks to the commercial activity in interest rates, credit, and equities.
- Operating expenses grew by 19.7%. Higher personnel expenses were recorded, associated with strategic plans and new capacities. There were also higher overheads due to higher technological expenses resulting from the execution of strategic projects for the area. However, the efficiency ratio stood at 28.2% at the end of December, a significant improvement of 209 basis points compared to 2024, thanks to the strong boost in gross income.
- Provisions for impairment on financial assets line recorded a release of €70m, mainly originating from customers in the real estate sector in Turkey.

[91] The additional pro forma information from CIB excludes the application of hyperinflation accounting and the Group's wholesale business in Venezuela.

Risk management

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1. General Risk management and control Model

The BBVA Group has implemented a comprehensive Risk Management and Control Model (the "Model") tailored to its business model, organizational structure, countries of operation, and corporate governance system. The Model enables the Group to operate in alignment with the risk strategy and policy defined by BBVA's governing bodies, providing both those bodies and the highest executive levels with a holistic view of all risks to which the Group is exposed.

The Model is applied across the entire Group and consists of the following core elements:

- a governance model, both at the level of the corporate bodies and the executive domain;
- a Risk Appetite Framework;
- a set of processes for risk assessment, monitoring, and reporting;
- a set of internal regulations, resources, and infrastructure; and
- a risk culture led by senior management (tone from the top).

The Model also incorporates the regulatory environment applicable to the Bank, supervisory expectations, and the evolving economic and regulatory landscape in which the Group operates.

1.1 General principles

Risk management and control within the BBVA Group shall be carried out in accordance with the provisions of the General Policies (including the Model) and the decisions adopted by the corporate bodies (including the Risk Appetite Framework), and in compliance with the following general principles:

- Prudence: risk management at BBVA is guided by a prudent approach, aiming to ensure the Group's preparedness to address risks, even under highly adverse scenarios.
- Proactivity and foresight: BBVA adopts a proactive and forward-looking approach to risk management, enabling the swift implementation of measures in response to any early signs of undesired risk increases.
- Comprehensive Management (end-to-end): BBVA manages risk throughout its entire lifecycle: origination and/or identification, measurement, monitoring, and management (including mitigation and/or prevention, as applicable). This requires proper coordination among all relevant executive areas.
- Critical thinking: risk management and control at BBVA shall be carried out in an environment that enables and encourages constructive challenge, critical thinking, and diversity of perspectives to enrich the decision-making process.
- Integrity, ethical conduct, and regulatory compliance: the effectiveness of BBVA's risk management and control model requires maintaining the highest standards of corporate integrity and ethical conduct by all its members, in accordance with the BBVA Group's Code of Conduct, the Group's purpose and values, and in full compliance with all laws and regulations applicable to the Bank in the course of its activities.

- Well-defined organizational responsibilities: risk management relies on a governance framework that must include clearly defined organizational responsibilities, commonly referred to as the «three lines of defense»:
  - the business line;
  - an independent risk management and compliance function, separate from the first line of defense; and
  - an internal audit function, independent from both the first and second lines of defense.
- Accountability: the effectiveness of BBVA's risk management and control model depends on each employee fulfilling and taking responsibility for the functions assigned to them under the three lines of defense model.

1.2 Risk Governance model within the corporate bodies

The BBVA Group's risk governance model is characterized by the active involvement of its corporate bodies, both in setting the risk strategy and in continuously overseeing its implementation. This provides them with a holistic view of all the risks to which the Group is exposed.

In accordance with BBVA's corporate governance system, the Board of Directors reserves certain responsibilities related both to management—by adopting the most significant decisions—and to oversight and control—by monitoring and supervising decisions taken and the Bank's management.

To ensure the effective performance of these management and supervisory responsibilities, the corporate governance system provides for various committees that support the Board of Directors in matters within its remit, as defined by the specific regulations governing each committee. A coordinated working structure among these governing bodies has been established.

The following sections outline the roles of BBVA's corporate bodies in the Group's risk management and control framework:

Board of Directors

The Board of Directors is responsible for setting the Group's risk strategy and, in carrying out this function, defines the risk management and control policy, which is embodied in:

- the Group's Risk Appetite Framework, as defined in the Model;
- the set of General Risk Management Policies for the various risk types to which the Bank is or may be exposed, which establish the core principles for managing and controlling risks in a consistent and uniform manner across the Group, and in alignment with the Model and the Risk Appetite Framework; and
- the Model.

These responsibilities are carried out in coordination with the Bank's other strategic and forward-looking decisions, including the Strategic Plan, the Annual Budget, the Capital Plan, and the Liquidity and Funding Plan, as well as other management objectives, all of which are also subject to the approval of the Board of Directors.

In addition to defining the risk strategy, the Board of Directors exercises oversight and control functions related to risk by monitoring the evolution of risks at the Group level and across its main business areas, to ensure alignment with the Group's Risk Appetite Framework. The Board also oversees the internal information and control systems.

In discharging all of these responsibilities, the Board of Directors is supported by its Committees, in accordance with the roles set out in their respective regulations and as described below.

The Risk and Compliance Committee

The Risk and Compliance Committee ("RCC") is a committee of the Board composed of non-executive directors. Its primary role is to assist the Board of Directors in defining and monitoring the Group's risk management and control policy.

In line with the responsibilities assigned under its regulations, the Committee supports the Board of Directors by performing, among others, the following functions:

- It reviews, based on the strategic foundations set by the Board of Directors (or, where applicable, by the Executive Committee), proposals related to the Group's risk strategy, control, and management—such as the Risk Appetite Framework and the Model—and submits them to the Board for consideration and, where appropriate, approval;
- It proposes, in alignment with the Group's Risk Appetite Framework and the Model, the General Risk Management Policies for the Group's various risk types and supervises the internal control and information systems;
- It monitors the evolution of both financial and non-financial risks and their alignment with the Risk Appetite Framework and the general policies, providing more detailed and frequent oversight than that performed by the Board of Directors or the Executive Committee;
- It preliminarily assesses risk mitigation measures that fall under the authority of the Executive Committee or the Board of Directors;
- It oversees the procedures, tools, and indicators used for Group-wide risk measurement and ensures compliance with regulatory and supervisory requirements in risk-related matters;
- It analyzes the risks associated with projects deemed strategic for the Group or corporate transactions to be submitted to the Board of Directors or the Executive Committee, within its scope of competence;
- It participates in the design of the remuneration policy, ensuring that it is consistent with sound and effective risk management and does not encourage risk-taking that exceeds the Group's risk tolerance; and
- It promotes the risk culture throughout the Group.

In 2025, the CRC has held 22 meetings.

Executive Committee

In order to maintain a comprehensive and integrated view of the Group's overall business performance and that of its business units, the Executive Committee monitors the evolution of the Group's risk profile and the key metrics defined by the Board of Directors. It is informed of any deviations or breaches of the metrics established in the Risk Appetite Framework and, where appropriate, adopts the necessary measures, as outlined in this Model.

In addition, the Executive Committee supports the Board of Directors in the development of the foundations for the Risk Appetite Framework, ensuring alignment and coherence with the Bank's broader strategic and forward-looking decisions, as well as with its management objectives.

Lastly, the Executive Committee assists the Board of Directors in decision-making related to business risk and reputational risk, in accordance with its own regulations.

Other Committees

In addition to the functions carried out by the Risk and Compliance Committee and the Executive Committee, the Board of Directors is also supported by other specialized committees in overseeing certain non-financial risks that fall within the purview of the Risk and Compliance Committee. These include the Audit Committee, which is responsible for the supervision of accounting, tax, and public reporting risks, in addition to its oversight function regarding the independent review activities performed by the Internal Audit Area; and the Technology and Cybersecurity Committee, which oversees risks related to technology and cybersecurity.

1.3 Risk Governance model within the executive domain

To carry out the Group's risk management and control activities, BBVA's corporate bodies rely on the executive areas, which perform the functions assigned to them under the general policies (including the Model) and the remaining internal regulations. These functions must be carried out in accordance with the Group's Risk Appetite Framework and the management objectives established by the corporate bodies.

Accordingly, the Board of Directors has defined a model for the management and control of financial and non-financial risks across the Group, based on the three lines of defense model, with clearly defined and independent roles:

Lines of defense	Responsible Area	Functions
First line of defense	Executive areas, depending on the type of risk	Manage and control financial and/or non-financial risks to which the Bank and its Group entities are exposed during the development of their duties including risk identification, measurement, monitoring, and reporting. Risk management and control shall be conducted in accordance with external and internal regulations, while incorporating the challenge function performed by the second and third lines of defense within their respective areas of responsibility.
Second line of defense	Global Risk Management (GRM) Regulation & Internal Control (R&IC)	Acting independently from the first line of defense, it shall be responsible for identifying, measuring, monitoring, and reporting the risks affecting the Group. Establish (or submit to the corporate bodies for approval) the financial and/or non-financial risk management and control frameworks across all executive areas of the Bank, within their respective scopes. Challenge how the executive areas manage and/or control their respective risks throughout their life cycles; and Conduct reviews of the Group's risk management and control practices.
Third line of defense	Internal Audit	Conduct independent reviews of how the other executive areas fulfill their first and second line risk management and control responsibilities.

The following section outlines, at a general level, the roles and responsibilities of the various executive areas involved in risk management and control under this three lines of defense model, without prejudice to the specific functions assigned to them under other applicable internal and external regulations in force at any given time.

Enterprise Risk Management Committee

To ensure a holistic view of all risks—both financial and non-financial—within key risk planning processes, the BBVA Group has established the Enterprise Risk Management Committee (ERMC). This is a high-level executive committee responsible for the comprehensive management and control of risks.

The committee is co-chaired by the Group Heads of Global Risk Management (GRM) and Regulation & Internal Control (R&IC), and includes other senior executives responsible for financial and non-financial risks across the Group, all of whom perform second line of defense functions. Among its key responsibilities:

- It reviews and endorses the final proposals for the Group's Risk Appetite Framework and the Model, prior to their submission to BBVA's corporate bodies for consideration and, where appropriate, approval. It also monitors compliance with these frameworks throughout the year;
- It promotes a holistic risk management across the BBVA Group, integrating both financial and non-financial risks into the Group's planning processes and into the most relevant regulatory processes (e.g., ICAAP, ILAAP, or the Recovery Plan); and
- It fosters a strong risk culture across the Group, encouraging informed and responsible decision-making aligned with BBVA's Purpose and values, and tracks its evolution over time.

Financial risk domain

BBVA has a Global Risk Management (GRM) area, which is responsible for:

- safeguarding the solvency of the Group and its constituent entities;
- supporting the definition of the Group's strategy in relation to financial risk; and
- supporting the business development through independent and comprehensive financial risk management.

In this context, the GRM area ensures the consistent integration and application of the financial risk strategy across the Group, as well as a uniform regulatory framework, infrastructure, and control environment for this type of risk. To this end, GRM is supported by a committee structure that includes both first and second lines of defense units.

Head of Global Risk Management (GRM)

The Chief Risk Officer (CRO), who leads the Global Risk Management function, is appointed by BBVA's Board of Directors and reports to the Board on the evolution of the Group's financial risks. Functionally, the CRO reports to the Chief Executive Officer and is assigned the responsibilities defined in the General Policy on executive decision-making, as approved by the Board. Specifically, the CRO performs the second line of defense function for financial risks and is granted the independence, authority, seniority, experience, expertise, and resources necessary to perform this role effectively.

To better fulfill its responsibilities, the CRO relies, on the one hand, on an organizational structure composed of financial risk units at the corporate level and the Internal Risk Control Unit. On the other hand, risk units are also embedded within the business units, performing first line of defense functions.

Additionally, the CRO relies on a governance structure composed of various specialized committees, depending on the nature of the risks under his/her responsibility. These culminate in the Global Risk Management Committee (GRMC), which serves as the main executive-level committee for financial risks. Its objective is to develop the strategies, internal regulations, and infrastructure necessary to identify, assess, measure, and manage the risks within its scope of responsibility that the Group faces in the course of its business activities. In some cases, these may be subject to approval by BBVA's corporate governing bodies.

The GRMC carries out its functions assisted by various support committees which include:

- Global Credit Risk Management Committee: It is responsible for analyzing and decision-making related to wholesale credit risk admission.

- Work Out Committee: Its purpose is to analyze and make decisions regarding the admission of wholesale credit risks of customers classified as Watch List, "non-performing" or write-offs in accordance with the criteria established in the Group, as well as to be informed of the decisions adopted by the Head in GRM WR of the Portfolio Surveillance & Work Out function within its area of responsibility; it will also include the approval of proposals related to changes in the classification of risks within its scope of responsibility; as well as the approval of other proposals that must be seen in this Committee according to the established thresholds and criteria.

- Wholesale & Sustainability Risk Committee: Its purpose is the analysis, discussion and support for decision-making on all those matters of wholesale credit risk management that impact or potentially impact the corporate practices, processes and metrics established in the Policies, Standards and Frameworks for Action. In addition, it serves as a basis for the development of the risk management model and its monitoring of the BBVA Group's insurance companies. Finally, it is the main area of decision and monitoring of the lines of action for the integration of climate and environmental risk into the Group's risk management framework.

- Portfolio Management Committee: it is the executive body responsible for ensuring a holistic view of all risks and promoting the optimal mix and composition of portfolios under the constraints imposed by the Risk Appetite Framework ("RAF"). In this way, the aim is to obtain an adequate return for the risks incurred through the cycle and to maintain a robust financial position, reflected in the sufficiency of liquidity and capital to face stress situations.

- Risk Models Management Committee: It ensures an appropriate decision-making process regarding the planning, development, implementation, use, validation and monitoring of the models required to achieve an appropriate management of the Model Risk in the BBVA Group.

- Retail Credit Risk Committee: it ensures for the analysis, discussion and decision support on all issues regarding the retail credit risk management that impact or potentially do in the practices, processes and corporate metrics established in the General Policies, Rules and Operating Frameworks.

Also:

- Global Credit Committee of CIB: its purpose is to analyze and make decisions related to wholesale credit risk admission from certain segments of BBVA Group's customer base in addition to receiving information about relevant decisions adopted in this area.
- Global Operational Market and Counterparty Risk Committee: is the executive body responsible for ensuring adequate operational management of these risks in all the group's units, through the design, approval and supervision of the processes necessary for said management, including decision-making with respect to the most relevant operations.
- GRM Continuity Committee: as established by the Corporate Continuity Committee for the different areas, this Committee is dedicated to analyzing and taking decisions in response to exceptional crisis situations, with a view to managing the continuity and restoration of critical GRM processes, with a view to ensuring its operations have a minimum impact through the Continuity Plan, which addresses crisis management and Recovery Plans.

- The Corporate Committee for Admission of Operational Risk and Product Governance aims to ensure the adequate evaluation of initiatives with significant risk (new business, product, outsourcing, process transformation, new systems, etc.) from the perspective of operational risk and reputational as well as the approval of the proposed control frameworks.

Corporate GRM units

The GRM units at the corporate level, as part of the second line of defense for financial risks, support the CRO in the development of the elements used to define the proposal for the Group's Risk Appetite Framework, general policies, internal regulations, and global infrastructures—within the action framework approved by BBVA's corporate governing bodies. They also ensure the implementation of these elements and report—either directly or through the CRO—to BBVA's corporate governing bodies.

Heads of Risk in business units

Each business unit is headed by a Local Head of Risk, who, within the scope of their first line of defense responsibilities, performs risk management and control functions. This role is responsible for managing and controlling the financial risks of the corresponding business area through the consistent application of the Group's Risk Model, general policies, and other internal regulations approved at Group level—adapting them, where necessary, to local requirements—and reporting accordingly to the local corporate governing bodies.

The CRO shall be responsible for ensuring that local Risk units operate with full independence from the units directly linked to the business and are guided by their own risk management criteria. To this end, the CRO assumes the following responsibilities:

- Set the performance objectives for the local Heads of Risk.
- Validate, or if necessary, adjust the performance evaluation of the local Heads of Risk conducted by their hierarchical managers. In the event of a discrepancy, the opinion of the CRO shall prevail.
- Approve the appointment of local Heads of Risk, with the right to veto such appointments, as well as the authority to unilaterally remove them from their position.

In addition, the CRO has access to forums—such as the Global Risk Management Committee (GRMC)—to ensure appropriate coordination with the local Heads of Risk in the execution of their financial risk management and control responsibilities.

Internal Risk Control

The Group has a dedicated Internal Risk Control Unit, whose Group-level head reports directly to the Group CRO. This unit acts as a control function over the activities carried out by the GRM area and the Local Risk areas.

Specifically, the Internal Risk Control Unit is responsible for:

- verifying that the normative framework, models, processes, and measures established by GRM are appropriate and sufficient for each type of financial risk;
- overseeing their implementation and performance, ensuring proper segregation of duties among units;
- challenging decisions made in GRM's most relevant committees, applying an independent and expert perspective;
- conducting validation of risk models; and

– supporting the Risk and Compliance Committee in carrying out its responsibilities related to financial risks.

The Internal Risk Control function operates on a global and cross-cutting basis under a unified methodological framework that covers the full lifecycle of financial risk management. It promotes a critical and analytical perspective, and actively fosters the Group's risk culture.

Non-financial risk domain

BBVA has a Regulation & Internal Control (R&IC) area, which, as a cross-functional unit serving all BBVA Group businesses, is responsible for:

– supporting the definition of its strategy regarding non-financial risks; and

– assisting business areas in operating with integrity and in compliance with applicable laws, regulations, and self-regulatory standards.

To this end, it defines the Group's internal control model for non-financial risks, supervises its effectiveness, and ensures that non-financial risks are managed and controlled by the executive areas in line with the guidelines approved by the corporate bodies and by the R&IC area itself. This includes applying appropriate independent challenge by R&IC.

This area includes, among others, the Non-Financial Risk and Compliance units, as well as Risk Control Specialists, all of whom perform second line of defense functions in the domain of other non-financial risks.

Group head of Regulation & Internal Control

The Group Head of Regulation & Internal Control (R&IC) is appointed by BBVA's Board of Directors, upon proposal by the Risk and Compliance Committee. This executive reports directly to the corporate bodies on the performance of their duties, which reinforces their independence from the rest of the Group's executive areas. The role is endowed with the authority, seniority, experience, expertise, and resources necessary to carry out their responsibilities effectively.

As the person responsible for the second line of defense for non-financial risks, the Head of R&IC ensures that such risks within the Group are managed and controlled in accordance with this Model and with the general policies for the various types of non-financial risk. This executive informs the corporate bodies about the status and evolution of the non-financial risks and internal control framework and, where appropriate, proposes the adoption of corrective measures deemed necessary at any given time, promoting a culture of integrity and compliance across the Group, and acting, in accordance with the BBVA Group's Compliance System and Statute, as the Chief Compliance Officer (the most senior executive responsible for the Compliance function).

To support decision-making, the Head of R&IC is backed by the Regulation & Internal Control Leadership Committee, the Group's primary executive forum for non-financial risk. This forum is responsible for:

– supporting the Head of R&IC in developing strategies, programs, projects, plans, internal regulations, and infrastructure necessary to appropriately identify, assess, measure, manage, and control non-financial risks arising from the Group's activities;

– coordinating the implementation of the above in the areas responsible for managing and controlling material non-financial risks; and

– monitoring, supervising, and controlling the main non-financial risks faced by the Group in the course of its activities; and

– proposing the inclusion of non-financial risks in the Risk Appetite Framework.

Non-Financial Risk, Compliance, and Risk Control Specialists Units

Within the Regulation & Internal Control (R&IC) area, the second line of defense for non-financial risks is composed of the following units, whose heads report directly to the Group Head of R&IC:

- Non-Financial Risk unit, responsible, among other functions, for:
  - submitting proposals to the corporate bodies regarding general policies for non-financial risk management, as well as developing, implementing and supervising the application of the internal regulations that operationalize those policies;
  - defining a common methodology and shared tools to enable executive areas to manage and control the non-financial risks within their remit, including the admission of operational risk within the Group;
  - coordinating the transversal processes related to the management of non-financial risks.
- Compliance unit, responsible, in accordance with the Compliance Function System and Statute, among other duties, for:
  - supporting the business areas in assessing the compliance risks inherent to BBVA Group activities by promoting, prioritizing, and, where appropriate, defining and implementing plans and actions for their prevention and management;
  - establishing and/or proposing internal regulations, as well as the systems, tools, procedures, indicators, and controls necessary for the management, control, and mitigation of compliance risk—including the management of certain related processes;
  - supervising and verifying the management of compliance risks in accordance with the internal regulations within its scope of responsibility;
  - conducting training and awareness programs for employees to foster a strong compliance culture; and
  - reporting relevant compliance risk information to Senior Management and the corporate bodies.
- Risk Control Specialists , responsible, among other functions, for:
  - defining a general, homogeneous framework across the Group for mitigating, controlling, and monitoring the most relevant non-financial risks within each area's scope of responsibility;
  - participating in the definition of metrics, indicators, and limits that establish risk tolerance thresholds—both at the Group and business unit level—and performing periodic follow-ups to ensure that the non-financial risk profile remains within the defined parameters;
  - challenging how executive areas manage their respective non-financial risks and promoting a consistent management approach across the Group.

To support decision-making in the non-financial risk domain, the R&IC area has a governance model that enables the identification and prioritization of relevant situations from a control and risk management perspective, and facilitates proper evaluation of initiatives involving significant non-financial risks, including approval of their associated control environments.

This governance model is structured through, among others, the Regulation & Internal Control Leadership, the Operational Risk Admission and Product Governance Committees, the Corporate Assurance Committees, the Internal Control Body for AML or the Criminal Responsibility Committee.

Executive areas

All of the Group's executive areas are responsible, as the first line of defense, for managing non-financial risks within their processes, activities, products, systems, and third-party relationships, including activities relying on outsourced services.

To ensure proper management and control of non-financial risks, each area is supported by a Risk Control Assurer (RCA) function, composed of individuals with the appropriate experience, expertise, and organizational standing. The RCA supports the area's most senior executive—and the area as a whole—in ensuring that non-financial risks are managed and controlled in line with the general mitigation, control, and monitoring frameworks established by the Risk Control Specialists, within the defined management parameters and applicable internal regulations.

Parent-Subsidiary risk management relationship model

In accordance with the BBVA Group's General Corporate Governance Policy, the Group operates under a common risk management and control framework that ensures integrated oversight. This framework consists of high-level guidelines—such as the Risk Appetite Framework—and general policies, including the Model, which are approved by BBVA's corporate bodies for the entire Group.

To ensure that the risk strategy and risk management model are effectively implemented at the subsidiary level, a parent-subsidiary governance model has been defined. This model includes a minimum catalog of decisions that must be adopted by the corporate bodies of subsidiaries. These decisions provide for a governance structure that is aligned with and coordinated by the parent company. Depending on the area of competence, it is the responsibility of the GRM or R&IC head of the respective business unit to formulate the relevant proposals for submission to the subsidiary's governing body for consideration and, if appropriate, approval.

The approval of such decisions by the subsidiary's corporate bodies entails the design and execution of a corresponding risk monitoring and control plan, which will be overseen by the proposing area.

Notwithstanding the above, certain risk-related decisions falling within the authority of the subsidiary's corporate bodies will require prior endorsement by BBVA's corporate bodies, in accordance with the provisions of the internal regulations in effect at any given time.

In the specific case of the Spain and Corporate & Investment Banking (CIB) business areas—which are not legally independent entities and therefore do not have their own corporate bodies separate from BBVA as the Group parent and transversal business unit, respectively—any references in this document to "corporate bodies" shall, where applicable, be understood to refer to the most senior executive responsible for the business area. In all other cases, they refer to BBVA's own corporate bodies. Any actions involving proposals to these bodies shall be carried out in coordination with the Group's Head of GRM and/or Head of R&IC, as appropriate.

1.4 Risk appetite framework

Elements

The Group's Risk Appetite Framework (RAF) defines the Group's target risk profile, including the level of risk the Group is willing to assume in order to achieve its objectives, taking into account the organic development of its business. The structure and key elements of the RAF are approved by the Board of Directors and are subject to regular review by the GRM and R&IC areas within the Enterprise Risk Management Committee (ERMC), and may also be updated following significant changes to the business strategy or material corporate transactions.

The RAF is tailored to each of the Group's key business areas and is structured around the following elements approved by the Board of Directors:

- Risk Appetite Statement: articulates the general principles of the Group's risk strategy and its target risk profile:

  "The BBVA Group aims to achieve a solid risk-adjusted profitability throughout the cycle by developing a universal banking business model. This model is based on values, centered on the needs and life goals of our clients, and prioritizes sustainability as a lever for growth, operational excellence and the preservation of adequate business security and continuity.

  BBVA intends to achieve these goals while maintaining a moderate risk profile, understood as achieving profitability that is commensurate with the risks incurred throughout the cycle, and maintaining a robust financial position reflected in sufficient liquidity and capital to withstand stress scenarios.

  Risk Management at BBVA is based on a holistic and forward-looking approach to all risks, enabling adaptation to the disruption risks inherent to the banking business, while leveraging the capabilities offered by innovation and technological evolution. The key pillars of risk management to promote responsible growth, with recurrent generation of value, are the diversification of portfolios across geographies, the quality and profile of asset classes and client segments, anti-money laundering and financing of terrorism prevention, the incorporation of the impact of climate change, and accompanying our clients in achieving their life goals."

- Core Statements: based on the Risk Appetite Statement, these define the Group's general risk management principles in the areas of solvency, liquidity and funding, and profitability and income recurrence.

- Core Metrics: quantitatively express the principles and target risk profile set out in the Risk Appetite Statement and the corresponding Core Statements. These metrics are organized under a traffic light approach, with the following thresholds:

  - Management reference: a comfortable risk level for the Group.
  - Maximum appetite: the highest risk level the Group is willing to accept in the normal course of business.
  - Maximum capacity: the highest level of risk the Group could assume, which in some metrics is linked to regulatory requirements.

- Statements by type of risk: based on the Core Statements, these outline the general principles for managing each specific type of risk, ensuring alignment with the overall Risk Appetite Statement.

- By type of risk Metrics: based on the Core Metrics, these define specific indicators for each risk type. Each includes a maximum appetite threshold to ensure consistency with the Risk Appetite Statement and Core Metrics.

In addition, the RAF includes a set of management limits and monitoring metrics that are defined at the executive level by the risk-owning areas to support proactive risk management and ensure alignment with the key elements of the RAF approved by the Board of Directors.

Each key business area has its own local Risk Appetite Framework, which consist of a local Risk Appetite Statement, Core Statements and Metrics, and By Type of Risk Statements and Metrics. These must be consistent with the Group-level RAF but tailored to the business area's specific context and approved by its respective governing bodies. Additionally, the local RAF establishes, at the local executive level, a set of management limits and monitoring metrics that are aligned with and consistent with the above.

Development process

The proposal for the Group's Risk Appetite Framework is jointly developed by the GRM and R&IC areas, each within their respective scope of responsibility. Both areas shall operate under robust governance models that ensure the proposal is properly challenged and refined.

In this context, for financial risks, the Internal Risk Control Unit conducts an effective challenge of the proposal presented to the Global Risk Management Committee (GRMC), whereas for non-financial risks, the corresponding statements and metrics are analyzed by the Regulation & Internal Control Leadership, which includes the Group's senior non-financial risk executives.

Once finalized, the Enterprise Risk Management Committee (ERMC) is responsible for reviewing the RAF proposal prior to its submission to BBVA's corporate bodies for consideration and, where appropriate, approval, in accordance with the functions set out in their respective regulations and described in the Model.

As with the Group-level RAF proposal, each business area's RAF proposal will be supported by solid governance models that ensure effective challenge and review before being submitted to the corporate governing bodies (or the most senior executive) of the respective business area. In addition, it will be ensured that the proposal is properly coordinated and aligned with the RAF approved at Group level.

Integration of the RAF into the management

The integration of the Risk Appetite Framework into the Group's day-to-day risk management relies on the following three foundational elements:

- A consistent normative framework, headed by a set of general policies for the various risk types. These policies define the basic management guidelines and are further developed through rules and procedures, as outlined in the Internal Normative Framework. This normative framework is complemented by specific frameworks and programs that guide the actions of executive areas to ensure appropriate risk management and control. Business units, in turn, adapt this normative framework to local requirements and their specific characteristics, ensuring that each unit has clearly defined decision-making, oversight, and control processes that are aligned with Group-wide general policies.

- The inclusion, within the Framework itself, of a set of management limits and monitoring metrics, defined by the GRM and R&IC areas within their respective scopes. These indicators guide executive areas in the day-to-day management of risks, helping to steer the Group's risk profile toward the target risk level.

- Comprehensive risk management across the full lifecycle, with a tailored approach based on the nature of each risk type.

Monitoring of the RAF and management of breaches

To enable the corporate bodies to effectively perform their assigned risk oversight functions, the senior executives responsible for risks must report regularly to them—with greater frequency and detail in the case of the Risk and Compliance Committee (RCC)—on the evolution of the Group's Risk Appetite Framework metrics. This ensures that the corporate bodies can verify the degree of compliance with the risk strategy approved by the Board of Directors.

If, during the monitoring of these metrics, the executive areas detect a significant deviation or breach of the maximum appetite threshold of the metrics that fall within the scope of the Board of Directors, they must promptly inform the RCC (via its Chair), along with a proposal for corrective measures if applicable. This communication is coordinated through the General Secretariat.

Once reviewed by the RCC, the breach is then reported to the Executive Committee—as part of its responsibility to monitor the Group's risk profile—and to the Board of Directors at its next scheduled meeting. The Board will decide whether to adopt any executive measures it deems necessary, including the potential revision of any RAF metric. To support this decision, the RCC will submit all relevant information, including the analysis provided by the executive areas and its own assessment.

However, once the information has been analysed and the proposal for corrective measures reviewed by the CRC, the CDP may adopt, for urgent matters and in accordance with applicable legal provisions, the Executive Committee may adopt measures that would otherwise fall under the authority of the Board. These decisions must then be communicated to the RCC (via its Chair) and reported to the Board of Directors at its next meeting.

In all cases, enhanced monitoring will be implemented for the breached metric—including more frequent and granular reporting if needed—until the deviation is fully resolved. Updates will be provided to the corporate bodies in accordance with their respective supervisory and control functions.

Additionally, the executive areas may establish reinforced monitoring and breach management models to anticipate or address RAF metric breaches. Any such developments will be reported to the RCC, Executive Committee, and Board of Directors, following the communication standards outlined in this section—or with greater frequency if deemed appropriate.

Management thresholds for fundamental metrics shall be established as early-warning alerts prior to exceeding the maximum risk appetite, without requiring remediation plans if breached. A notification will occur at an executive level within the relevant area (GRM or R&IC), with updates provided to the Corporate Bodies during periodic monitoring session.

At the business unit level, the senior GRM and R&IC executives of each area must report periodically—within their respective scopes—to their local corporate bodies (or to the most senior executive, if no such bodies exist) on the evolution of their own RAF metrics. This follows a structure consistent with the Group-level governance model.

1.5 Risk assessment, monitoring and reporting

The assessment, monitoring, and reporting of both financial and non-financial risks at the Group level enable the Model to maintain a dynamic and forward-looking approach, ensuring compliance with the Risk Appetite Framework (RAF) approved by the Board, even under adverse scenarios.

This process is integrated into the day-to-day activities of the GRM and R&IC units, both at the corporate level and within business areas. Within the framework of the Enterprise Risk Management Committee (ERMC), the process also ensures that the highest executive level maintains a holistic view of the risks affecting the Group.

The process is structured across the following stages:

- Identification (Risk Assessment) of the material risks to which BBVA is exposed. This includes identifying key risk events (including emerging risks) as well as key vulnerabilities, both at the Group level and within individual business areas.
- Risk profile monitoring of the Group and the evolution of identified risk factors using a range of internal indicators, peer comparisons, and market data, enabling the anticipation of future developments.
- Impact assessment of realized risk factors on RAF metrics under various scenarios, including stress scenarios.
- Response to undesirable situations and corrective measures proposal, enabling the Group to manage risk proactively even before the undesired event materializes.
- Reporting: ensures that risk information is conveyed to the corporate bodies and senior management in a comprehensive and reliable manner, in accordance with principles of transparency, accountability, accuracy, completeness, clarity, relevance, timeliness, and confidentiality.

1.6 Internal regulation, resources and infrastructure

To ensure prudent and forward-looking risk management, as well as proper oversight and control, the Group relies on the following key enablers:

- Internal regulation, comprising general policies (including the Model), rules, and procedures that define roles, responsibilities, guidelines, and processes for risk management and control across the Group.
- A qualified team, composed of individuals with the necessary skills, experience, and technical capabilities, and sized appropriately to the Group's business activities. The composition and profile of the risk team will evolve over time based on the nature and level of risks the Group faces, the analytical and technological capabilities required, and the specific conditions in the markets where the Group operates.
- Appropriate methodologies and models, which support the measurement and management of different risk types, as well as the assessment of capital required to absorb those risks
- Technology infrastructure and systems, which support the Risk Appetite Framework, enable the calculation and measurement of variables, parameters, and data across different risk types, facilitate risk management and control, and provide a platform for storing and leveraging data needed for risk oversight and reporting to both corporate bodies and supervisory authorities.
- Data governance, which ensures that the Group has access to high-quality, sufficient data for its risk management processes, based on principles of governance, infrastructure, accuracy and integrity, completeness, timeliness, and adaptability.

All these components follow a global and consistent approach, delivering value both to the Group as a whole and to the individual entities that comprise it, in alignment with corporate-level standards.

1.7 Risk culture

BBVA has fostered a risk culture, grounded in the decisions and guidance issued by its corporate bodies. These have promoted responsible risk management, aligned with the Group's corporate culture and core values.

The Board of Directors and Senior Management actively promote a shared understanding of risk throughout the organization. This shared vision is communicated to all areas and levels, so that all employees understand, manage, and control the financial and non-financial risks relevant to their role, in a consistent manner according to the type of risk, and in line with the highest standards of integrity, ethical conduct, and compliance with applicable regulations.

This approach ensures that day-to-day decisions involving risk management and control are made based on a common set of attitudes and behaviors across the organization. These are built on a clear understanding of the risks being assumed (awareness), responsibility for one's risk-related actions (accountability), a constructive environment (atmosphere) that promotes open dialogue.

The Group's risk culture is developed and reinforced through a coherent set of integrated levers, including the Risk Appetite Framework, general policies and other internal regulations, decision-making processes, indicator-based monitoring and control (KPIs/KRIs), ongoing training, internal communication, incentives, testing exercises, and internal audits.

The Enterprise Risk Management Committee (ERMC), as the Group's most senior executive body in this area, is responsible for promoting, developing, and monitoring the risk culture across the organization. To this end, it is supported by the GRM and R&IC areas, which actively contribute to its promotion, action planning, and structured reporting on its progress.

2. Credit risk

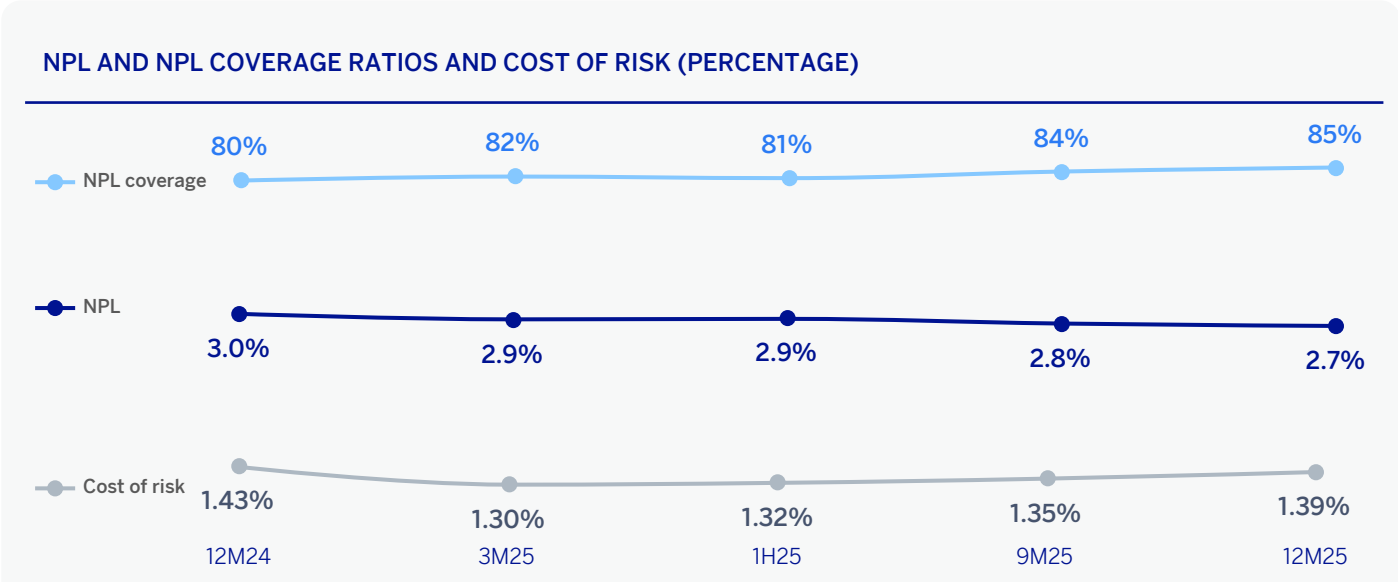
In global context whose evolution will continue to be highly conditioned by the uncertainty represented by the United States administration's policies implemented in recent months, economic activity in the countries where BBVA operates continued to reflect a generally good dynamic in terms of economic growth, as well as in the indicators of the financial system. In Spain, the growth forecast for 2025 has been revised slightly downward (+2.9%), one tenth below the previous forecast and inflation is expected to remain at moderate levels, closing the year at around +2.9%, with a comfortable level of solvency and liquidity in the system. In Mexico, growth forecasts remain unchanged, with GDP estimated at around +0.7% for 2025, in a context of relatively moderate and stable inflation in the last quarter, and with credit in the banking system growing at around +7.2% year-on-year, with data at the end of November. Turkey, on the other hand, has shown significant growth in recent months, with inflation moderating and banking system risk indicators at contained levels. Finally, the decline in political instability and lower exchange rate tensions in Argentina have helped to maintain the positive outlook for economic activity in the region, against a backdrop of contained inflation and the expectations of stable interest rates in Colombia and Peru following the last cuts.

Calculation of expected losses due to credit risk

For the estimation of expected losses, the models include individual and collective estimates, taking into account the macroeconomic forecasts as established in IFRS 9. In this regard, the estimate at the end of the quarter includes the effect on expected losses of updating macroeconomic forecasts, which take into account the global environment, although they may not fully reflect the most recent developments in the economic environment, especially in contexts of high uncertainty and volatility or with respect to very recent events still underway. Additionally, the Group may complement the expected losses by considering additional risk drivers, or by incorporating sectorial particularities or those that may affect a set of operations or borrowers, following a formal internal process established for the purpose.

BBVA Group's credit risk indicators

The following chart shows the evolution of the Group's risk metrics in 2025:

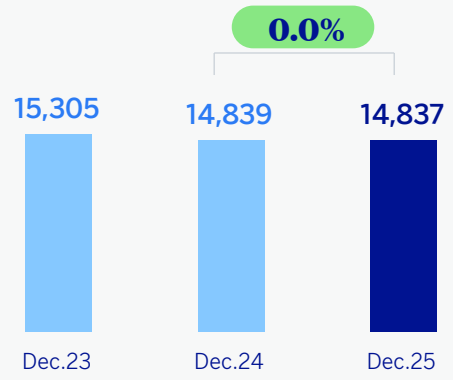


General note: As of the December 2025 closing date, credit risk metrics incorporate the loan portfolio at fair value through other comprehensive income in their calculation, with no material impact on metrics for prior periods. For further information, please see the Alternative Performance Measures at the end of this report.

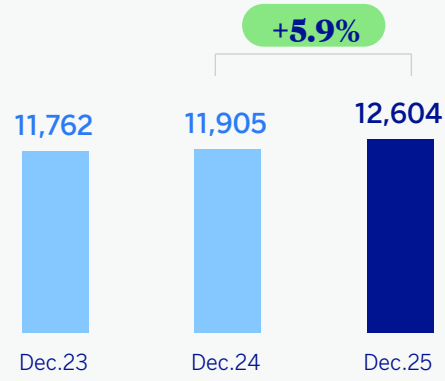
The evolution of the Group's main credit risk indicators is summarized below:

- In terms of asset quality, the NPL ratio stood at 2.7% as of December 31, 2025. When compared to the end of December 2024, a 33 basis points improvement is observed, driven by loan growth and the containment of non-performing loans (notably the reduction in Spain, which offset the increase in Turkey).

NON-PERFORMING LOANS (MILLIONS OF EUROS)



PROVISIONS (MILLIONS OF EUROS)



- Credit risk growth in the last twelve months exceeded double digits, standing at 12.1% (+17.3% at constant exchange rates), showing greater dynamism than in 2024.
- The balance of non-performing loans increased by 3.5% in the fourth quarter of 2025 at the Group level, although it remained practically stable year-on-year, compared to the close of the previous year (+2.8% at constant exchange rates).
- The NPL coverage ratio ended December 2025 at 85%, which represents an increase of 473 basis points compared to the end of December 2024, mainly due to higher coverage in Spain and, to a lesser extent, Mexico and Rest of Business.
- The cumulative cost of risk as of December 31, 2025 stood at 1.39%, with an improvement of 4 basis points compared to the end of December 2024. All business areas recorded a year-on-year improvement in this indicator, except for Turkey, in line with expectations.

CREDIT RISK [1] (MILLIONS OF EUROS)

	31-12-25	30-09-25	30-06-25	31-03-25	31-12-24
Credit risk	**547,184**	**516,432**	**503,733**	**494,729**	**488,302**
Stage 1	*498,750*	*470,097*	*456,385*	*447,804*	*439,209*
Stage 2	*33,597*	*32,001*	*32,727*	*32,629*	*34,254*
Stage 3 (non-performing loans)	*14,837*	*14,335*	*14,621*	*14,296*	*14,839*
Provisions	**12,604**	**11,970**	**11,859**	**11,677**	**11,905**
Stage 1	*2,467*	*2,450*	*2,423*	*2,409*	*2,434*
Stage 2	*2,005*	*1,877*	*1,864*	*1,942*	*1,902*
Stage 3 (non-performing loans)	*8,133*	*7,643*	*7,572*	*7,326*	*7,569*
NPL ratio (%)	**2.7**	**2.8**	**2.9**	**2.9**	**3.0**
NPL coverage ratio (%) [2]	**85**	**84**	**81**	**82**	**80**

[1] Includes gross loans and advances to customers plus guarantees given.

[2] The NPL coverage ratio includes the valuation adjustments for credit risk throughout the expected residual life in those financial instruments that have been acquired (mainly originating from the acquisition of Catalunya Banc, S.A.). If these valuation corrections had not been taken into account, the NPL coverage ratio would have stood at 84% as of December 31, 2025.

NON-PERFORMING LOANS EVOLUTION (MILLIONS OF EUROS)

	4Q25 (1)	3Q25	2Q25	1Q25	4Q24
Beginning balance	**14,335**	**14,621**	**14,296**	**14,839**	**15,327**
Entries	3,450	3,600	3,219	2,862	3,107
Recoveries	(1,722)	(1,754)	(1,677)	(1,741)	(2,582)
Net variation	**1,729**	**1,846**	**1,542**	**1,122**	**525**
Write-offs	(1,182)	(1,065)	(957)	(1,329)	(1,178)
Exchange rate differences and other	(45)	(1,067)	(261)	(335)	165
Period-end balance	**14,837**	**14,335**	**14,621**	**14,296**	**14,839**
Memorandum item:					
Non-performing loans	14,346	13,813	14,131	13,771	14,211
Non performing guarantees given	491	522	490	526	628

(1) Preliminary data.

3. Market risk

For further information, see Note 7.4 of the Consolidated Financial Statements.

4. Structural risks

Liquidity and funding

Liquidity and funding management at BBVA is aimed at driving sustained growth of the banking business, through access to a wide variety of alternative sources of funding and assuring optimal term and cost conditions. BBVA's business model, risk appetite framework and funding strategy are designed to reach a solid funding structure based on stable customer deposits, mainly retail (granular). As a result of this model, deposits have a high degree of insurance in each geographical area, close to 50% in Spain and Mexico. It is important to note that, given the nature of BBVA's business, lending is mainly financed through stable customer funds.

One of the key elements in the BBVA Group's liquidity and funding management is the maintenance of large high-quality liquidity buffers in all geographical areas. Thus, the Group has maintained during the last 12 months an average volume of high-quality liquid assets (HQLA) of €134 billion, of which 98% corresponded to maximum quality assets (level 1 in the liquidity coverage ratio, LCR).

Due to its subsidiary-based management model, BBVA is one of the few major European banks that follows a Multiple Point of Entry (MPE) resolution strategy: the parent company sets the liquidity policies, but the subsidiaries are self-sufficient and responsible for managing their own liquidity and funding (taking deposits or accessing the market with their own rating). This strategy limits the spread of a liquidity crisis among the Group's different areas and ensures the adequate transmission of the cost of liquidity and financing to the price formation process.

The BBVA Group maintains a solid liquidity position in every geographical area in which it operates, with ratios well above the minimum required:

- The LCR requires banks to maintain a volume of high-quality liquid assets sufficient to withstand liquidity stress for 30 days. BBVA Group's consolidated LCR remained comfortably above 100% during 2025 and stood at 143% as of December 31, 2025. It should be noted that, given the MPE nature of BBVA, this ratio limits the numerator of the LCR for subsidiaries of BBVA S.A. to 100% of their net outflows, therefore, the resulting ratio is below that of the individual units (the LCR of the main components was 162% in BBVA, S.A., 161% in Mexico and 159% in Turkey). Without considering this restriction, the Group's LCR ratio was 169%.
- The net stable funding ratio (NSFR) requires banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. The BBVA Group's NSFR ratio stood at 126% as of December 31, 2025.

The breakdown of these ratios in the main geographical areas in which the Group operates is shown below:

LCR AND NSFR RATIOS (PERCENTAGE. 31-12-25)

	BBVA, S.A.	Mexico	Turkey	South America
LCR	162 %	161 %	159 %	All countries >100
NSFR	117 %	132 %	144 %	All countries >100

In addition to the above, the most relevant aspects related to the main geographical areas are the following:

- BBVA, S.A. has maintained a strong position with a large high-quality liquidity buffer, maintaining at all times the regulatory liquidity metrics well above the set minimums. During 2025, commercial activity showed dynamism in attracting customer deposits, mainly from wholesale clients, supported equally by retail clients and the new digital bank in Germany. Regarding lending activity, there has been a significant boost from wholesale business units. Growth in both areas has resulted in a narrowing of the credit gap.
- BBVA Mexico showed a solid liquidity situation, with a credit gap that has improved over the year, mainly due to strong deposit growth in local currency. In addition, the liquidity situation has been reinforced by wholesale debt issued carried out in both, the Mexican peso and the U.S. dollar.
- In Turkey, Garanti BBVA maintained an adequate liquidity situation in 2025. Thus, the lending gap has reduced significantly in foreign currencies due to a strong increase in deposits. On the other hand, an increase in the credit gap in Turkish lira has been observed due to the strong growth in lending, which exceeded that of deposits. Wholesale issuances in foreign currency have supported the liquidity situation.
- In South America, the liquidity situation has also remained adequate throughout the region in 2025. In BBVA Argentina, at constant exchange rate, the credit gap improved in Argentine pesos despite strong loan growth due to the boost in time deposits. In the U.S. dollar balance sheet, at constant exchange rate, the growth of loans exceeded fund gathering, thus widening the credit gap in this currency. In BBVA Colombia, the liquidity situation is adequate, even though the credit gap widened in 2025, with a sustained growth of loans that slightly exceeded the volume of fund gathering. At BBVA Peru, the liquidity situation remains solid, with a credit gap that has widened during the year due to the dynamism of lending activity, especially in U.S. dollars.

The main wholesale financing transactions carried out by the BBVA Group during 2025 are listed below.

Issuer	Type of issue	Date of issue	Nominal (millions)	Currency	Coupon	Early redemption	Maturity date
BBVA, S.A.	AT1	Jan-25	1,000	USD	7.750%	Jan-32	Perpetual
	Tier 2	Feb-25	1,000	EUR	4.000%	Feb-32	Feb-37
	Senior non-preferred	Jul-25	1,000	EUR	3.125%	_	Jul-30
	Senior non-preferred	Aug-25	1,000	EUR	3.750%	_	Aug-35
	AT1	Nov-25	1,000	EUR	5.625%	Nov-32	Perpetual

In relation to liability management, on May 10, 2025, BBVA, S.A. redeemed early and entirely, senior preferred bonds issued in May 2023 for €1 billion; in January 2025, it redeemed early and in full a €1 billion Tier 2 bond issued in January 2020 maturing in 2030, and in March 2025, it redeemed in full an AT1 issuance for USD 1 billion issued in 2019. On September 14, 2025, BBVA, S.A. redeemed early and entirely an issuance of senior non-preferred notes executed on September 2022 for USD 1 billion.

After the closing date of the 2025 fiscal year, on January 7, 2026, BBVA, S.A. issued €2 billion in senior non-preferred debt, structured in two tranches: the first, for €750m, with a coupon set at three-month Euribor plus 55 basis points, and the second, for €1.25 billion, with a coupon of 3.75%. On January 15, 2026, BBVA, S.A. carried out the early redemption of a green AT1 issuance made on July 15, 2020, for a combined nominal amount of €1 billion, a decision that was communicated to market on December 17, 2025.

In February 2025, BBVA Mexico issued Tier 2 subordinated debt for USD 1 billion with a coupon of 7.625%. In addition, a senior debt issue was carried out in March for 15 billion Mexican pesos (approximately €692m), and another in September in two tranches: the first for €14.43 billion Mexican pesos (approximately €666m) and the second for USD 158m.

Throughout 2025, Garanti BBVA issued a total of USD 3,847m of short-term senior MTNs (Medium term notes) in order to roll over maturities and generate liquidity. In June 2025, it renewed 100% of a sustainable syndicated loan in two tranches for a total amount of USD 440m. In July Garanti BBVA completed the issuance of subordinated bonds for a total amount of USD 500m. In October 2025, another subordinated bond issue was made for USD 700m. In November Garanti BBVA issued Turkey's first biodiversity bond, worth USD 20.22m. Finally, in December 2025, Garanti BBVA formalized a sustainability focused syndicated loan for a total amount of USD 428m.

In 2025, through successive placements, BBVA Argentina issued bonds for a total amount of 244 billion Argentine pesos and USD 192m. The equivalent amount in euros of these issues stands at €306m.

In April 2025, the subordinated biodiversity bond subscribed by BBVA Colombia with the International Finance Corporation (IFC) for an amount of USD 45m was disbursed.

In Peru, BBVA issued USD 200m in the form of gender-based social bonds targeting women entrepreneurs, executed in two tranches in the first and third quarters of 2025, in partnership with BID Invest, FMO (Netherlands Development Bank) and COFIDE (Corporación Financiera de Desarrollo S.A.).

Foreign exchange

Foreign exchange risk management aims to reduce both the sensitivity of the capital ratios to currency movements, as well as the variability of profit attributed to currency movements.

In relation to the hedging of capital ratios, BBVA aims to cover in aggregate, between 50% and 70% of its subsidiaries' capital excess. The sensitivity of the Group's CET1 ratio to 10% depreciations in major currencies is estimated at: +12 basis points for the U.S. dollar, -14 basis points for the Mexican peso and -3 basis points for the Turkish lira[92]. With regard to the hedging of results, BBVA hedges between 40% and 50% of the aggregate net attributable profit it expects to generate in the next 12 months. For each currency, the final amount hedged depends, among other factors, on its expected future evolution, the costs and the relevance of the income related to the Group's results as a whole.

Interest rate

Interest rate risk management seeks to limit the impact that BBVA may suffer, both in terms of results (short-term) and economic value (long-term), from adverse movements in the interest rate curves in the various currencies in which the Group operates. BBVA carries out this work through an internal procedure, pursuant to the guidelines established by the European Banking Authority (EBA), with the aim of analyzing the potential impact that could derive from a range of scenarios on the Group's different balance sheets.

Risk measurement is based on assumptions intended to realistically mimic the behavior of the balance sheet. The assumptions regarding the behavior of accounts with no explicit maturity and prepayment estimates are especially relevant. These assumptions are reviewed and adapted, at least once a year according to the evolution in observed behaviors.

At the aggregate level, BBVA continues to maintain a moderate risk profile in line with the target set in the changing interest rate cycle environment maintaining positive sensitivity to interest rate rises in net interest income.

The year 2025 has been influenced by the geopolitical context, notably the increase in the United States tariffs, as well as developments and expectations regarding inflation and central bank actions. In the United States, there have been declines across the entire interest rate curve due to the deceleration signs and greater prospects for interest rate cuts by the Fed. In contrast, Europe has seen a rebound in yields, particularly at the long end of the curve, mainly due to the change of course in Germany's fiscal policy. The peripheral curves are still supported with spreads against German bonds narrowing over the year. In Mexico, the sovereign curve has fallen in line with United States rates. In Turkey, yield curves were more volatile as a result of both the political situation and inflation trends and expectations. However, it is worth noting the favorable performance of credit default swaps (CDS) and sovereign bonds denominated in hard currency since March. Lastly, in South America, the curves show mixed performance, with upturns in some regions, such as Colombia, and downturns in others, such as Peru. Overall, ALCO[93] portfolios have performed positively in 2025.

By geographical areas:

- Spain has a balance sheet characterized by a lending portfolio with a high proportion of variable-rate loans (mortgages and corporate lending) and liabilities composed mainly by customer demand deposits. The ALCO portfolio acts as a management lever and hedge for the balance sheet, mitigating its sensitivity to interest rate fluctuations. The exposure of the net interest income to movements in interest rates remains limited. The ECB has cut interest rates by a total of 100 basis points throughout the year until its meeting in July 2025, due to the convergence of inflation towards the target, maintaining the rates without changes in its last meeting in December 2025. Thus, the benchmark interest rate in the euro area stood at 2.15% at the end of December 2025, the rate on the deposit facility at 2.00% and the rate on the marginal lending facility at 2.40%.

[92] This sensitivity does not include the cost of capital hedges, which are currently estimated at 1 basis point per quarter for Mexican peso and 2 basis points per quarter for Turkish lira.
[93] Structural portfolio managed by the Asset and Liability Committee, designed to mitigate the sensitivity of the balance sheet to interest rate movements.

- Mexico continues to show a balance between fixed and variable interest rates balances, which results in a limited sensitivity to interest rates fluctuations. Among the assets that are most sensitive to interest rate changes, the commercial portfolio stood out, while consumer and mortgage portfolios are mostly at a fixed rate. With regard to customer funds, the high proportion of non-interest-bearing deposits, which are insensitive to interest rate movements, should be highlighted. The ALCO portfolio is invested primarily in fixed-rate sovereign bonds with limited durations. The monetary policy rate stood at 7.0% at the end of December 2025, 300 basis points below the end of 2024.

- In Turkey, the sensitivity of net interest income to rates remains limited in both local and foreign currencies, thanks to the bank's management, with a low repricing gap between loans and deposits. The Central Bank of the Republic of Turkey (CBRT) has continued its monetary easing process, supported by improved inflation setting the monetary policy rate at 38.0% at the end of December 2025, which represents a decrease of 950 basis points since the end of December of the previous year.

- In South America, the sensitivity of net interest income continues to be limited, since most of the countries in the area have a fixed/variable composition stable between assets and liabilities. In addition, in balance sheets with several currencies, the interest rate risk is managed for each of the currencies, showing a very low level of exposure. Regarding benchmark interest rates, in Argentina, the central bank abandoned the official interest rate as a monetary anchor and began to regulate the monetary base using other tools such as setting reserve requirements or intervening in the foreign exchange market for its management. In Colombia, the reference rate stood at 9.25% at the end of December 2025, 25 basis points below the end of 2024.In Peru the official monetary policy rate closed at 4.25% as of December 2025, 75 basis points below the previous year's closing level.

INTEREST RATES (PERCENTAGE)

	31-12-25	30-09-25	30-06-25	31-03-25	31-12-24
Official ECB rate (1)	2.00	2.00	2.00	2.50	3.00
Euribor 3 months (2)	2.05	2.03	1.98	2.44	2.83
Euribor 1 year (2)	2.27	2.17	2.08	2.40	2.44
USA Federal rates	3.75	4.25	4.50	4.50	4.50
Banxico official rate (Mexico)	7.00	7.50	8.00	9.00	10.00
CBRT (Turkey)	38.00	40.50	46.00	42.50	47.50

(1) Deposit facility.
(2) Calculated as the month average.

5. Risks associated with climate change

The management of climate and environmental risk factors is key to implement BBVA's strategy, which is based on managing risks appropriately, supporting the transition to a low-carbon economy, and meeting the ambition of achieving net-zero carbon emissions by 2050.

The information on the BBVA Group's management of risks associated with climate change and environmental factors is described in the "2.2.2 Management of risks associated with climate change" section of the NFIS included in this Management Report.

6. Operational Risk

BBVA defines operational risk ("OR") as any risk that could result in losses caused by human error; inadequate or flawed internal processes; undue conduct with respect to customers, markets or the institution; weaknesses in the anti-money laundering and financing of terrorist programs; failures, interruptions or flaws in systems or communications; theft, loss or wrong use of information, as well as deterioration of its quality, internal or external fraud, including in any case those derived from cyberattacks; theft or harm to assets or persons; legal risks; risks derived from staff management and labor health; and defective service provided by suppliers; as well as damages from extreme climate events, pandemics and other natural disasters.

This section addresses general aspects of operational risk management as the main component of non-financial risks. However, sections devoted to conduct and compliance risk and to cybersecurity risk management are also included in the non-financial information report.

Operational risk management

Operational risk management aims to guarantee the quality, security, and availability of the service provided; ensure that the Group's activities are carried out in an honest and transparent manner and in compliance with applicable regulations; and minimize legal or regulatory penalties and the economic and reputational losses arising from such penalties, as well as their impact on the recurring generation of results. To this end, it identifies the root causes of operational risk in order to prevent its occurrence and mitigate its possible consequences by establishing control and monitoring frameworks and developing mitigation plans. Operational risk management is integrated into the global risk management structure of the BBVA Group.

Operational risk management principles

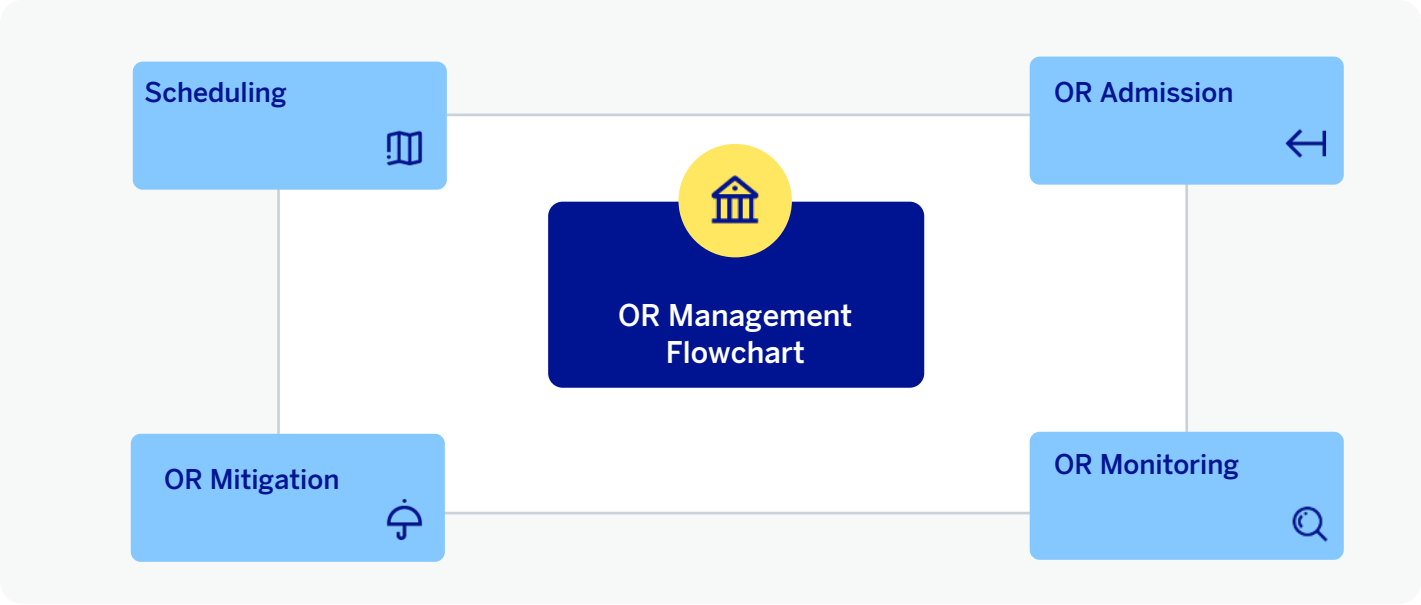
The BBVA Group is committed to preferably applying advanced operational risk management models, regardless of the capital calculation regulatory model applicable at the time. Operational risk management at the BBVA Group shall:

- Be aligned with the Risk Appetite Framework ratified by the BBVA Board of Directors, aiming to safeguard the solvency of the entity.
- Address BBVA's management needs in terms of compliance with legislation, regulations and industry standards, as well as the decisions or positioning of BBVA's corporate bodies.
- Anticipate the potential operational risk to which the Group may be exposed as a result of the creation or modification of products, activities, processes or systems, as well as decisions regarding the outsourcing or hiring of services, and establish mechanisms to assess and mitigate risk to a reasonable extent prior to implementation, as well as review the same on a regular basis.
- Regularly assess the significant operational risk to which the Group is exposed, in order to adopt appropriate mitigation measures in each case, once the identified risk and the cost of mitigation (cost/benefit analysis) have been considered.
- Promote the implementation of mechanisms that support careful monitoring of all sources of operational risk and the effectiveness of mitigation and control environments, fostering proactive risk management.
- Identify the relevant operational events already suffered, looking for their root causes and establishing measures to prevent the same, provided that the cost/benefit analysis so recommends.

- Evaluate key public events that have generated operational risk losses at other companies and support, where appropriate, the implementation of measures as required to prevent them from occurring at the Group.
- Stablish mechanisms to measure and monitor economic capital requirements, including stress scenarios to complement operational events already suffered.
- Have an effective system of governance in place, where the functions and responsibilities of the corporate areas and bodies involved in operational risk management are clearly defined.
- Operational risk management must be performed in coordination with management of other risk, taking into consideration credit or market events that may have an operational origin.

Operational risk management model

The operational risk management cycle at BBVA is equivalent to the one implemented for the rest of risks. Its elements are:



Operational risk management parameters

Operational risk forms part of the risk appetite framework of the Group and includes at least three types of metrics and limits:

- Economic capital: calculated with the operational losses database of the Group, considering the corresponding intra-geographical diversification effects and the additional estimation of potential and emerging risks through the inclusion of stress scenarios. The economic capital is regularly calculated for the main banks of the Group, using simulation capabilities to forecast the impact of changes on the risk profile or potential new events. This figure represents the amount of own funds that, according to internal methodologies, the Group believes it needs to cover unexpected losses over a one-year time horizon.

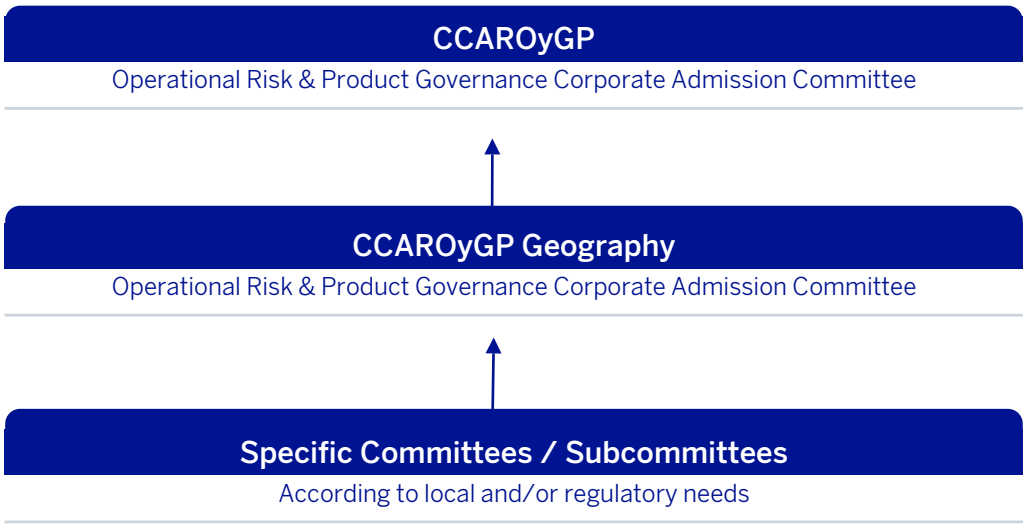
- ORI metrics (Operational Risk Indicator) is calculated as the ratio between direct operational losses incurred and gross margin generated. Throughout 2025, the SIRO 2.0 tool has been implemented, which maintains the main components of the operational risk loss database to be used in internal and regulatory reports and in the calculation of economic capital, broken down by geography, entity, and/or business area.
- Indicators on sources of risk: The operational risk appetite is complemented by a series of indicators designed to objectively measure the Group's exposure to different sources of operational risk, its evolution, and the effectiveness of its control model, thus enabling proactive risk management before it materializes. The indicators are reviewed and adjusted periodically in order to capture the main risks prevailing at any given time.

Operational risk admission

The main purposes of the operational risk admission phase are the following:

- To anticipate potential operational risk to which the Group may be exposed due to the release of new, or modification of businesses, products, activities, processes or systems or in relations with third parties (e.g. in the outsourcing of bank processes to third parties).
- To ensure that implementation and the roll out of initiatives is only performed once appropriate mitigation measures have been taken in each case, including external assurance of risks where deemed appropriate.

The framework for the admission of Operational and Reputational Risk takes shape in different Operational Risk Admission and Product Governance Committees, both at a corporate and Business Area level, that follow a delegation structure based on the risk level of proposed initiatives.



The admission process covers any initiative (new business, product, outsourcing, contracting third-party services, process transformation, new systems, etc.), is proportionate to the level of risk involved in the initiatives, and includes monitoring them after their admission.

Operational risk monitoring

The Group promotes continuous monitoring by the Areas of the proper functioning and effectiveness of their control environment, taking into account, among other elements, the evolution of the management indicators defined for the Area, the events and losses experienced (by the Group or by the Industry), scenarios, and the results of the activities of the second line of defense, internal audit, supervisors, or external auditors.

The objective in this phase is to ensure that the Group's operational risk profile remains within authorized limits.

The main components of this phase of the operational risk management life cycle are described below:

Risk and Control Self-Assessment (RCSA)

Proper operational risk management requires the establishment of methodologies and procedures to identify, assess, prioritize, and monitor this type of risk in order to implement the appropriate mitigation and control measures in each case.

The purpose of the Group's operational risk self-assessment is to generate and maintain an up-to-date map of the relevant operational risks in each area and to assess the adequacy of the environment for monitoring and mitigating these risks, in order to identify risks that exceed the established tolerance level and promote their mitigation.

Monitoring of management parameters

The monitoring of management parameters allows the Group to identify sources of risk that behave abnormally, exceeding the established appetite levels, as well as relevant sources of risk not previously identified or underestimated; in these situations, the Group activates mechanisms to identify the root causes of these situations and to reinforce the mitigation environment, thus contributing to the Group's RCSA process.

The RCSA, together with the operational risk admission process and the management derived from the monitoring of forward-looking parameters, make up the main structure of the Group's operational risk proactive management processes.

Operational loss collection

In addition, and in line with the best practices and recommendations provided by the Bank for International Settlements (hereinafter, BIS), BBVA has procedures to collect the operational losses occurred both in the different entities of the Group and in other financial groups, with the appropriate level of detail to carry out an effective analysis that provides useful information for management purposes, preparation of regulatory or internal reports, calculation of economic capital and to contrast the consistency of the Group's operational risks map.

The monitoring activities result in a risk assessment of the Group and its main geographical areas, which allows the Group to focus its management and mitigation efforts.

Operational risk mitigation

The Group promotes proactive and continuous risk mitigation through the establishment and improvement of the mitigation and control environment, taking into account proportionality criteria.

For risks that exceed the defined tolerance threshold, it will be necessary to either establish additional mitigation measures or accept the control weakness in accordance with the procedure defined for this purpose.

The Group considers the option of transferring risks to third parties as a tool for managing operational risks when internal mitigation levels do not reach the desired target risk levels. The use of risk transfer mechanisms should not lead to a relaxation of internal mitigation measures, which must be maintained on a complementary basis.

Reporting

Proper decision-making requires systematic, timely, and high-quality reporting on the Group's risk situation and on the Model itself to the areas responsible for its management and supervision. To this end, each of the roles involved in risk management has specific reporting obligations in accordance with the Group's risk governance model.

Operational risk governance

BBVA Group's operational risk governance model is based on two components:

- Three-line defense control model, in line with industry best practices, and which guarantees compliance with the most advanced operational risk internal control standards.
- Scheme of Corporate Assurance Committees and Internal Control and Operational Risk Committees in the different business and support areas.

Three lines of defense control model

1.- First line of defense: composed of the Business and Support Areas in charge of managing operational risks in their products, activities, processes and systems, including those present in activities that depend on third parties.

The Areas integrate operational risk management into their day-to-day activities, identifying and evaluating operational risks, carrying out controls and implementing mitigation plans for those risks with a residual level higher than acceptable.

2.- Second line of defense: composed of:

(i) the Non-Financial Risk Units, holding an locals.

(ii) the Specialized Control Units, in the areas of compliance, risk, finance, processes, technological security, physical security, information and data security, legal, people, and third parties.

Risk Control Specialists work across their geographical areas, performing their duties in those areas where operational risks in their field of expertise may arise.

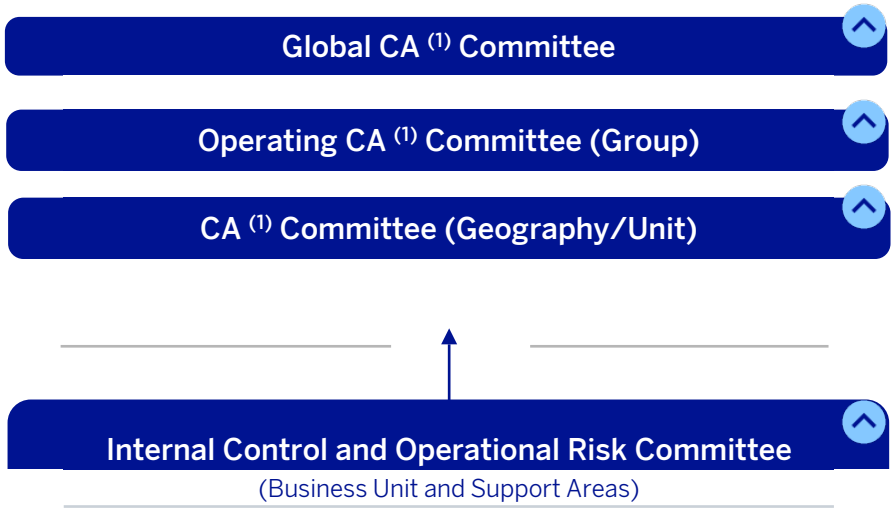
The Non-Financial Risk Units and the Specialist Units report to the Regulation and Internal Control area in order to ensure a coordinated action of the second line of defense and to preserve their independence with respect to the first line of defense.

3.- Third line of defense: performed by BBVA Internal Audit, which:

- Performs an independent review of the control model, verifying compliance with and effectiveness of established general policies.
- Provides independent information on the control environment to the Corporate Assurance Committees.

Corporate Assurance Committee Scheme

Corporate Assurance establishes a structure of committees, both at local and corporate level, to provide senior management with a comprehensive and homogeneous vision of the main non-financial risks and significant situations of the control environment.



(1) CA: Corporate Assurance

Each geographical area has a Corporate Assurance Committee chaired by the Country Manager and whose main functions are:

- Facilitate agile and anticipatory decision-making for the mitigation or assumption of the main risks.
- Monitoring the changes in the non-financial risks and their alignment with the defined strategies and policies and the risk appetite.
- Analyzing and assessing controls and measures established to mitigate the impact of the risks identified, should they materialize.
- Making decisions about the proposals for risk taking that are conveyed by the working groups or that arise in the Committee itself.
- Promoting transparency by promoting the proactive participation of the three lines of defense in discharging their responsibilities and the rest of the organization in this area.

At the holding level there is a Global Corporate Assurance Committee, chaired by the Group's Chief Executive Officer. Its main functions are similar to those already described but applicable to the most important issues that are escalated from the geographies and the holding company areas.

The business and support areas have an Internal Control and Operational Risk Committee, whose purpose is to ensure the due implementation of the operational risk management model within its scope of action and drive active management of such risk, taking mitigation decisions when control weaknesses are identified and monitoring the same.

Additionally, the Non-Financial Risk unit periodically reports the status of the management of non-financial risks in the Group to the Board's Risk and Compliance Committee.

7. Reputational risk

BBVA defines reputational risk as the potential loss in results as a consequence of events that may negatively affect the perception that the different stakeholders have of the Group. Therefore, reputational risk management is aimed at ensuring that the Group does not engage in activities or practices that could cause permanent or very significant damage to its reputation.

Reputational risk assessment of the activity in progress

Since 2016, BBVA disposes of a reputational risk assessment methodology. Through this methodology, the Bank defines and reviews regularly a map in which it prioritizes the reputational risks which have to be faced and the set of action plans to mitigate them. The prioritization is done based on two variables: the impact on the perception of the stakeholders and the strength of BBVA facing the risk.

This exercise is performed annually in Spain and the countries where its main subsidiaries are located.

In addition, indicators that measure the reputational risk of the entity in its main geographical areas are continuously monitored, as well as events that may have a potential impact on the Group's reputation.

Reputational risk in new initiatives

The Reputation teams collaborate, together with the rest of the members of BBVA's second defense line, in the different Committees of Admission of the Operational Risk, both at Group and the different geographical areas level. Those Committees perform the initial identification of potential reputational risks and mitigation controls are proposed.

Reporting of the Reputational risk

The results of the annual assessment of the Reputational Risk are reported in each geographical area at the appropriate governance level. At Group level, these results are reported to the Global Corporate Assurance Committee and the corporate bodies.

8. Risk factors

The BBVA Group has processes in place for identifying risks and analyzing scenarios in order to enable the Group to manage risks in a dynamic and proactive way.

The risk identification processes are forward looking to seek the identification of emerging risks and take into account the concerns of both the business areas, which are close to the reality of the different geographical areas, and the corporate areas and senior management.

Risks are identified and measured consistently using the methodologies deemed appropriate in each case. Their measurement includes the design and application of scenario analyses and stress testing and considers the controls to which the risks are subjected.

As part of this process, a forward projection of the Risk Appetite Framework (hereinafter "RAF") variables in stress scenarios is conducted in order to identify possible deviations from the established thresholds. If any such deviations are detected, measures are taken to seek to keep the variables within the target risk profile.

In this context, there are a number of emerging risks that could affect the evolution of the Group's business, including the below:

Macroeconomic and geopolitical risks

The Group is sensitive to the deterioration of economic conditions and the alteration of the institutional environment of the countries in which it operates, and is exposed to sovereign debt, particularly in Spain, Mexico and Turkey.

The global economy is undergoing significant changes, due in part to the policies of the U.S. administration. Uncertainty surrounding their consequences is exceptionally high, substantially increasing geopolitical, economic, and financial risks.

The increase in U.S. tariffs on imports from its trading partners has triggered financial market volatility, reinforcing global-wide risks. High uncertainty regarding the final level and duration of these tariffs could negatively impact the global economy, worsening the macroeconomic environment. As a result of adopted or announced tariffs, global growth could decelerate significantly.

While fiscal and monetary policies could partially offset the effects of global protectionism, notably in the Eurozone, where significant public spending increases have been announced, the impact of higher U.S. tariffs could be amplified by the adoption of retaliatory measures by other countries, sustained uncertainty, weakened confidence, and financial volatility, among other factors.

Rising tariffs also increase the risk of inflation in the United States and the Eurozone, which could further slow private demand and, at the same time, constrain the Federal Reserve's and the ECB's ability to lower rates if warranted by activity.

Beyond import tariffs, tighter controls on migration flows could also affect the labor market in the United States, add to inflationary pressures, and weigh on economic growth. The U.S. administration's fiscal, monetary, regulatory, industrial, and foreign policies could likewise contribute to financial and macroeconomic volatility. This is compounded by concerns that the Federal Reserve's independence in decision-making may be weakened by political considerations.

Amid growing uncertainty surrounding U.S. policies and the widening fiscal deficit, the U.S. risk premium could continue to rise, pushing up long-term sovereign yields and further weakening the U.S. dollar. These developments could trigger episodes of volatility, especially given the high public debt levels in both developed and emerging economies. Additionally, the relatively high valuations of AI-related assets constitute an additional source of uncertainty, with potential implications in the financial markets.

The rise of trade protectionism and the growing rivalry between the United States and China could further intensify geopolitical tensions, especially against the backdrop of ongoing conflicts in Ukraine and the Middle East, recent tensions in Latin America and Iran, and the Greenland crisis. In response to these risks and to changes in U.S. foreign policy, the European Union has taken steps to increase military spending, which could support growth but also add upward pressure on inflation and interest rates in the region.

Overall, rising global geopolitical tensions are increasing uncertainty about the global economy and the likelihood of economic and financial disruptions, including a recession.

The Group is exposed to, among others, the following general risks related to the economic and institutional environment in the countries where it operates: a deterioration in economic activity, including potential recession scenarios; inflationary pressures that could lead to a tightening of monetary conditions; stagflation triggered by intense or prolonged supply shocks, including as a result of a protectionist escalation or an increase in oil and gas prices; exchange rate volatility; adverse developments in real estate markets; changes in the institutional environment of the countries where the Group operates, which could lead to sudden and pronounced GDP contractions and/or shifts in regulatory or government policy, including capital controls, dividend restrictions, or the imposition of new taxes or levies; high levels of public debt or external deficits, which could lead to sovereign credit rating downgrades or even defaults or debt restructurings; the impact of the policies adopted by the current U.S. administration, about which significant uncertainty remains; and episodes of financial market volatility, such as those observed recently, that could result in significant losses for the Group.

In Spain, political, regulatory, and economic uncertainty could negatively impact activity. In Mexico, considerable uncertainty persists regarding the impact of the recently approved constitutional reforms, as well as the policies of the U.S. administration and the outcome of the review of the United States-Mexico-Canada free trade agreement (USMCA). In Turkey, despite the gradual improvement in macroeconomic conditions, the situation remains relatively unstable, marked by pressure on the Turkish lira, high inflation, a significant trade deficit, relatively low central bank foreign exchange reserves, and high external financing costs. Recent political and social tensions could also generate renewed bouts of financial volatility and macroeconomic risks. Moreover, uncertainty remains over the impact on Turkey of the geopolitical situation in the Middle East. In South America, ongoing and potential interventionist actions by the United States in some of its countries constitute a significant source of risk. In Argentina, despite the improvement in prospects following significant fiscal, monetary and exchange rate adjustments, the risk of economic and financial turmoil persists. Lastly, in Colombia and Peru, meteorological events, political tensions, and a deterioration of public finances could weigh on economic performance.

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

Regulatory and reputational risks

Financial institutions are exposed to a complex and ever-changing regulatory environment defined by governments and regulators. 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 (see section "Environmental, social and governance ("ESG") risks may adversely impact the Group"). 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 financial sector is under ever closer scrutiny by regulators, governments and society itself. In the course of activities, situations which might cause relevant reputational damage to the Group could arise and might affect the regular course of business.

New business, operational and legal risks

New technologies and forms of customer relationships: Developments in the digital world and in information technologies pose significant challenges for financial institutions, entailing threats (new competitors, disintermediation, etc.) but also opportunities (new framework of relations with customers, greater ability to adapt to their needs, new products and distribution channels, etc.). Digital transformation is a priority for the Group as it aims to lead digital banking of the future as one of its objectives. In this sense, digital transformation is a priority for the Group, which includes among its commitments the development of advanced Next Gen technological capabilities, artificial intelligence, and continuous improvement of the customer experience.

Technological risks and security breaches: The Group is exposed to new threats such as cyber-attacks, theft of internal and customer databases, fraud in payment systems, etc. that require major investments in security from both the technological and human point of view. The Group gives great importance to the active operational and technological risk management and control. 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 unauthorized disclosure, destruction or use of confidential information, as well as prevent the normal operation of the Group and impair 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.

Model risk: it is possible that a model used in critical processes presents deficiencies in its design, implementation, use, or interpretation, generating incorrect estimations that affect risk granting, solvency, the financial statements, regulatory compliance, or the Group's reputation. This risk arises mainly from the use of inadequate assumptions, limitations in data quality or errors in model coding, and is especially relevant in an environment of growing complexity and dependence on models. BBVA is exposed to this risk due to the intensive use of models in essential areas such as credit risk measurement, the calculation of provisions for contingencies, and the valuation of other financial instruments, and the magnitude of this exposure is increased by the volume and diversity of the portfolios, data heterogeneity, and the incorporation of macroeconomic scenarios in certain metrics.

Legal risks: The financial sector faces an environment of increasing regulatory and litigious pressure, and thus, the various Group entities are frequently party to individual or collective judicial proceedings (including class actions) resulting from their activity and operations, as well as arbitration proceedings. The Group is also party to government procedures and investigations, such as those carried out by the antitrust authorities in certain countries 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. In addition, the regulatory framework in the jurisdictions in which the Group operates is evolving towards a supervisory approach more focused on the opening of sanctioning proceedings while some regulators are focusing their attention on consumer protection and behavioral risk.

In Spain and in other jurisdictions where the Group operates, legal and regulatory actions and proceedings against financial institutions, prompted in part by certain judgments in favor of consumers handed down by national and supranational courts (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 favorable resolutions for the consumer, could also adversely affect the Group.

There are also claims before the Spanish courts challenging the validity of certain revolving credit card agreements. Rulings in these types of proceedings, whether against the Bank or other financial institutions, could negatively affect the Group.

Additionally, in relation to the ESG area, factors that may affect these new business, operational and legal risks have been identified (see "Environmental, social and governance ("ESG") risks may adversely affect the Group").

All of the above may result in a significant increase in operating and compliance costs or even a reduction of revenues, and it is possible that an adverse outcome in any proceedings (depending on the amount thereof, the penalties imposed or the procedural or management costs for the Group) could damage the Group's reputation, generate a knock-on effect or otherwise adversely affect the Group.

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 significantly 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 attract resources from the Group and may occupy a great deal of attention on part of the Group's management and employees.

As of December 31, 2025 and December 31, 2024, the Group had €805 million and €791 million, respectively, in provisions for the proceedings it is facing (included in the line "Provisions for taxes and other legal contingencies" in the consolidated balance sheet) , of which €583 million and €610 million, respectively, correspond to legal contingencies and €222 million and 181 million, respectively, to tax related matters. However, the uncertainty arising from these proceedings (including those for which no provisions have been made, either because the probability of an unfavorable outcome for the Group is estimated to be remote, or because it is not possible to estimate them or for other reasons) makes it impossible to guarantee that the possible losses arising from the resolution of these proceedings will not exceed, where applicable, the amounts that the Group currently has provisioned and, therefore, could affect the Group's consolidated results in a given period.

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.

Spanish judicial authorities are investigating the activities of Centro Exclusivo de Negocios y Transacciones, S.L. ("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. Certain current and former employees of the Group, as well as former directors and officers, have also been named as investigated parties in connection with this investigation. Since the beginning of the investigation, BBVA has been proactively collaborating with the Spanish judicial authorities, including sharing with the courts information obtained in the internal investigation hired by the entity in 2019 to contribute to the clarification of the facts.

By order of the Criminal Chamber of the National High Court, the pre-trial phase ended on January 29, 2024. On June 20, 2024, the Judge issued an order authorizing the continuation of abbreviated criminal proceedings against the Bank and certain current and former employees of the Bank, as well as against some former directors and officers, for alleged facts which could constitute bribery and revelation of secrets. It is not possible at this time to predict the possible outcomes or implications for the Group of this matter, including any fines, damages or harm to the Group's reputation caused thereby.

Environmental, social and governance (ESG) risks may adversely impact the Group

ESG factors present risks associated with (i) climate change, including physical risks and transition risks (linked, among others, to changes in regulations, technologies, and market preferences associated with the transition to a less carbon-dependent economy); (ii) other environmental factors, such as biodiversity loss, water stress and other nature-related factors; (iii) social factors, such as human rights, inclusion, diversity and workplace safety; and (iv) corporate governance matters, such as the governance of environmental and social risks.

ESG risks include short, medium and long-term risks that may adversely affect the Group and its customers or counterparties. ESG is an area of significant public debate and focus for governments and regulators, investors, the Group's customers and counterparties, and other stakeholders, and, as a result, ESG risks are expected to continue to evolve, and may increase, over time.

Among others, ESG risks include the following:

- Physical risks. The activities of the Group or those of its customers or counterparties could be adversely affected by the physical risks (including acute and chronic) arising from climate change or other environmental challenges. For example, extreme weather events and chronic shifts in the climate may damage or destroy properties and other assets of the Group or those of its customers or counterparties, make the insurance against certain risks more expensive or unfeasible, result in increased costs, or otherwise disrupt their respective operations (for example, if supply chains are disrupted as a result), diminishing –in the case of the Group's customers or counterparties - their repayment capacity and, if applicable, the value of assets granted as collateral to the Group. The Group is also exposed to potential long-term physical risks arising from climate change and other environmental challenges, such as any ensuing deterioration in economic conditions that results in credit-related costs, or potential impacts on the Group's assets and operations. The Group could also be required to change its business models in response to the foregoing.

- Legal and regulatory risks. The ESG legal and regulatory landscape is increasingly fragmented. While legislatures and regulatory authorities in many jurisdictions continue to impose extensive requirements for financial institutions to integrate ESG considerations into their risk management and reporting frameworks, others are taking a different approach, with regulatory developments moving in the opposite direction, and a reduced emphasis on climate-related risk supervision, adding further complexity and uncertainty to the compliance environment. Legal and regulatory changes related to how banks consider and manage climate and other ESG risks or otherwise affecting banking practices or disclosure of information have resulted, and may continue to result, in higher compliance, operational and credit risks and costs. The Group's customers and counterparties may be exposed to similar legal and regulatory changes, increasing their own compliance and operational risks and costs. Further, legal and regulatory changes have resulted, and may continue to result, in legal uncertainty and the existence of overlapping or conflicting regulatory or other requirements. They may also give rise to regulatory asymmetries whereby some persons, including the Group and its customers and counterparties, are more heavily regulated than others, placing such persons at a disadvantage. The Group or its customers or counterparties may be unable to meet any new requirements on a timely basis or at all, including new product and service specifications, governance frameworks and practices and disclosure requirements and standards. We expect ESG-related legal and regulatory requirements to continue to evolve in the coming years. In the case of banks in particular, such evolving laws and regulations could include further requirements or restrictions related to lending, investing, capital and liquidity adequacy and operational resilience. The incorporation of ESG risks in the existing prudential framework is still developing and may result in increased risk weighting of certain assets. Moreover, there are significant risks and uncertainties inherent in the development of adequate risk assessment and modeling capabilities with respect to ESG-related matters and the collection and use of customer, third-party and other data, which may result in the Group's systems or frameworks (or those of its customers and counterparties, where applicable) being inadequate, inaccurate or based on incorrect or insufficient customer, third-party or other data, any of which could adversely affect the Group's disclosure and financial reporting. Further, increased and/or divergent regulation arising from climate change and other ESG-related challenges could result in increased litigation by different stakeholders (including non-governmental organizations (NGOs)) and regulatory investigations and actions.

- Technological risks. Certain of the Group's customers and counterparties may be adversely affected by the progressive transition to a low-carbon economy and/or risks and costs associated with new low-carbon technologies. If the Group's customers and counterparties fail to adapt to the transition to a low-carbon economy, or if the costs of doing so adversely affect their creditworthiness, this could adversely affect the Group's loan portfolios.

- Market risks. The Group and certain of the Group's customers and counterparties may be adversely affected by changes in market preferences due to, among other things, increased ESG concern, on the one hand, or an opposing sentiment, on the other. These changes could impact the demand for our products and services, as well as for those of our customers and counterparties, and investor interest in our securities. Further, the funding costs of businesses that are perceived to be more exposed to climate change or to other ESG-related risks could increase. Any of this could result in the reduced creditworthiness of such customers and counterparties, adversely affecting the Group's relevant loan portfolios. The Group and its customers and counterparties could also be adversely affected by changes in prices resulting from shifts in demand or supply brought by climate change or other ESG-related factors, including prices of energy and raw materials, or by their inability to foresee or hedge any such changes.

- Reputational risks. The perception of climate change and other ESG-related matters as a risk and an appropriate consideration in business and investment decisions, by society, shareholders, customers, governments and other stakeholders (including NGOs), continues to evolve, including in relation to the financial sector's activities. This may result in increased scrutiny of the Group's activities, as well as its ESG-related policies, goals, decisions, disclosures or communications. The Group's reputation and ability to attract or retain customers may be harmed if its response to concerns regarding ESG-related matters is deemed to be insufficient or inappropriate or if a perception is generated among the different stakeholders that the Group's statements, actions or disclosure do not fairly reflect the underlying sustainability profile of the Group, its products, services, goals and/or policies. At the same time, the Group may refrain from undertaking lending or investing activities or other services that would otherwise have been profitable in order to fulfill its ESG obligations or goals or to avoid reputational harm. Divergent views on ESG policies may also have a negative impact on the Group's reputation. Increased scrutiny of the Group's activities, as well as its ESG-related policies, goals, decisions, disclosures and communications, may result in litigation and investigations and supervisory actions (including potential greenwashing or greenhushing claims). The Group has disclosed certain aspirational ESG-related goals and such goals, which are being pursued over the long term, may prove to be considerably more costly or difficult than currently expected, or even impossible, to achieve, including as a result of changes in regulation and policy, the pace of technological change and innovation and the actions of governments and the Group's customers and competitors. Potential greenwashing claims arising from ESG-related statements, disclosure and/or actions of the Group may also give rise to reputational risks.

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

Alternative Performance Measures (APMs)

BBVA presents its results in accordance with the International Financial Reporting Standards (EU-IFRS). Additionally, the Group also considers that some Alternative Performance Measures (hereinafter APMs) provide useful additional financial information that should be taken into account when evaluating performance. They are considered complementary information and do not replace the financial information drafted according to the EU-IFRS. These APMs are also used when making financial, operational and planning decisions within the Entity. The Group firmly believes that they give a true and fair view of its financial information. These APMs are generally used in the financial sector as indicators for monitoring the assets, liabilities and economic and financial situation of entities.

BBVA Group's APMs are given below. They are presented in accordance with the European Securities and Markets Authority (ESMA) guidelines, published on October 5, 2015 (ESMA/2015/1415en). The guideline mentioned before is aimed at promoting the usefulness and transparency of APMs included in prospectuses or regulated information in order to protect investors in the European Union. In accordance with the indications given in the aforementioned guideline, BBVA Group's APMs:

- Include clear and readable definitions of the APMs.
- Disclose the reconciliations to the most directly reconcilable line item, subtotal or total presented in the financial statements of the corresponding period, separately identifying and explaining the material reconciling items.
- Are standard measures generally used in the financial industry, so their use provides comparability in the analysis of performance between issuers.
- Do not have greater preponderance than measures directly stemming from financial statements.
- Are accompanied by comparatives for previous periods.
- Are consistent over time.

Constant exchange rates

When comparing two dates or periods in this report, the impact of changes in the exchange rates against the euro of the currencies of the countries in which BBVA operates is sometimes excluded, assuming that exchange rates remain constant. This is done for the amounts in the income statement by using the average exchange rate against the euro in the most recent period for each currency[94] of the geographical areas in which the Group operates, and applying it to both periods; for amounts in the balance sheet and activity, the closing exchange rates in the most recent period are used.

During the year 2023, 2024 and 2025, there were no corporate transactions, non-recurring impacts or other types of adjustments for management purposes that determine an net attributable profit or a profit for the period different from those disclosed in the Consolidated Financial Statements. For this reason, as there are no differences between the Consolidated Financial Statements and the consolidated management results statement, no reconciliation is presented for the periods disclosed in this report. For the same reason, the Group does not present among its Alternative Performance Measures shown below an adjusted profit for the period nor an adjusted net attributable profit, neither does it present the profitability ratios derived from them: that is, adjusted ROE, adjusted ROTE, adjusted RORC, adjusted ROA and adjusted RORWA.

[94] With the exception of those countries whose economies have been considered hyperinflationary, for which the closing exchange rate of the most recent period will be used.

Profitability and efficiency ratios

ROE

The ROE (return on equity) ratio measures the accounting return obtained on an entity's shareholders' funds plus accumulated other comprehensive income. It is calculated as follows:

$$\frac{\text{Net attributable profit (loss)}}{\text{Average shareholders' funds + Average accumulated other comprehensive income}}$$

Explanation of the formula: the numerator is the net attributable profit (loss) of the Group's consolidated income statement. If the metric is presented on a date before the close of the fiscal year, the numerator will be annualized.

Average shareholders' funds are the weighted moving average of the shareholders' funds at the end of each month of the period analyzed, adjusted to take into account the execution of the "Dividend-option" at the closing dates on which it was agreed to deliver this type of dividend prior to the publication of the Group´s results.

Average accumulated other comprehensive income is the moving weighted average of "Accumulated other comprehensive income", which is part of the equity on the Entity's balance sheet and is calculated in the same way as average shareholders' funds (above).

Relevance of its use: this ratio is very commonly used not only in the banking sector but also in other sectors to measure the return obtained on shareholders' funds.

ROE

			Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (Millions of euros)	=	Net attributable profit (loss)	10,511	10,054	8,019
Denominator (Millions of euros)	+	Average shareholders' funds	75,270	69,703	65,907
	+	Average accumulated other comprehensive income	(18,147)	(16,412)	(16,437)
	=	**ROE**	**18.4 %**	**18.9 %**	**16.2 %**

ROTE

The ROTE (return on tangible equity) ratio measures the accounting return on an entity's shareholders' funds, plus accumulated other comprehensive income, and excluding intangible assets. It is calculated as follows:

$$\frac{\text{Net attributable profit (loss)}}{\text{Average shareholders' funds + Average accumulated other comprehensive income - Average intangible assets}}$$

Explanation of the formula: the numerator "Net attributable profit (loss)" and the items in the denominator "Average intangible assets" and "Average accumulated other comprehensive income" are the same items and are calculated in the same way as explained for ROE.

Average intangible assets are the intangible assets on the Group's consolidated balance sheet, including goodwill and other intangible assets. The average balance is calculated in the same way as explained for shareholders funds in ROE.

Relevance of its use: this metric is generally used not only in the banking sector but also in other sectors to measure the return obtained on shareholders' funds, not including intangible assets.

ROTE

			Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (Millions of euros)	=	Net attributable profit (loss)	10,511	10,054	8,019
Denominator (Millions of euros)	+	Average shareholders' funds	75,270	69,703	65,907
	+	Average accumulated other comprehensive income	(18,147)	(16,412)	(16,437)
	-	Average intangible assets	2,596	2,380	2,254
	=	**ROTE**	**19.3 %**	**19.7 %**	**17.0 %**

RORC

The RORC (return on regulatory capital) measures the return on regulatory capital necessary to meet the CET1 fully loaded target ratio[95]. It is calculated as follows:

$$\frac{\text{Net attributable profit (loss)}}{\text{Average regulatory capital of the Group}}$$

Explanation of the formula: The numerator is the net attributable profit (loss), described above. The denominator is the average regulatory capital of the Group, defined as the Risk Weighted Assets multiplied by the CET1 fully loaded target ratio plus regulatory deductions plus the perimeter differences between regulatory and accounting own funds less Solvency minority interests. If the described metric is presented on a date prior to the end of the year, the numerator will be presented on an annualized basis.

Relevance of its use: this metric is generally used in the banking sector. In addition, it is one of the metrics used for the purposes of the Group's AVR (Annual Variable Remuneration).

RORC

			Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (Millions of euros)	=	Net attributable profit (loss)	10,511	10,054	8,019
Denominator (Millions of euros)	=	Average regulatory capital of the Group	49,736	47,919	44,412
	=	**RORC**	**21.13 %**	**20.98 %**	**18.06 %**

ROA

The ROA (return on assets) ratio measures the accounting return obtained on an entity's assets. It is calculated as follows:

$$\frac{\text{Profit (loss) for the period}}{\text{Average total assets}}$$

Explanation of the formula: the numerator is the profit (loss) for the period of the Group's consolidated income statement. If the metric is presented on a date before the close of the fiscal year, the numerator must be annualized.

[95] The target fully loaded CET1 ratio considered for the purposes of this metric has been placed at 12%, at the top of the Group's established target management range of 11.5-12.0% of CET1.

Average total assets are taken from the Group's consolidated balance sheet. The average balance is calculated as explained for average shareholders' funds in the ROE.

Relevance of its use: this ratio is generally used not only in the banking sector but also in other sectors to measure the return obtained on assets.

ROA

		Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (Millions of euros)	Profit (loss) for the period	11,126	10,575	8,416
Denominator (Millions of euros)	Average total assets	817,040	777,997	748,459
=	**ROA**	**1.36 %**	**1.36 %**	**1.12 %**

RORWA

The RORWA (return on risk-weighted assets) ratio measures the accounting return obtained on average risk-weighted assets. It is calculated as follows:

$$\frac{\text{Profit (loss) for the period}}{\text{Average risk-weighted assets}}$$

Explanation of the formula: the numerator "Profit (loss) for the period" is the same and is calculated in the same way as explained for ROA.

Average risk-weighted assets (RWA) are the moving weighted average of the RWA at the end of each month of the period under analysis.

Relevance of its use: this ratio is generally used in the banking sector to measure the return obtained on RWA.

RORWA

		Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (Millions of euros)	Profit (loss) for the period	11,126	10,575	8,416
Denominator (Millions of euros)	Average RWA	397,508	382,487	353,139
=	**RORWA**	**2.80 %**	**2.76 %**	**2.38 %**

Efficiency ratio

This measures the percentage of gross income consumed by an entity's operating expenses. It is calculated as follows:

$$\frac{\text{Operating expenses}}{\text{Gross income}}$$

Explanation of the formula: both "Operating expenses" and "Gross income" are taken from the Group's consolidated income statement. Operating expenses are the sum of the administration costs (personnel expenses plus other administrative expenses) plus depreciation. Gross income is the sum of net interest income, net fees and commissions, net trading income dividend income, share of profit or loss of entities accounted for using the equity method, other operating income and expenses, and income from assets and expenses from liabilities under insurance and reinsurance contracts. For a more detailed calculation of this ratio, the graphs on "Results" section of this report should be consulted, one of them with calculations with figures at current exchange rates and another with the data at constant exchange rates.

Relevance of its use: this ratio is generally used in the banking sector.

EFFICIENCY RATIO

			Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (Millions of euros)	+	Operating expenses	14,332	14,193	12,308
Denominator (Millions of euros)	+	Gross income	36,931	35,481	29,542
	=	**Efficiency ratio**	**38.8 %**	**40.0 %**	**41.7 %**

Other ratios

Earnings (loss) per share

The earnings (loss) per share is calculated in accordance to the criteria established in the IAS 33 "Earnings per share".

EARNINGS (LOSS) PER SHARE

			Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
(Millions of euros)	+	Net attributable profit (loss)	10,511	10,054	8,019
(Millions of euros)	-	Remuneration related to the Additional Tier 1 securities (CoCos)	397	388	345
Numerator (millions of euros)	=	Net attributable profit (loss) ex.CoCos remuneration	10,114	9,666	7,675
Denominator (millions) [1]	+	Weighted average number of shares outstanding	5,762	5,793	5,988
	-	Average treasury shares of the period	9	10	5
	-	Share buyback program (average)	5	13	28
	=	**Earnings (loss) per share (euros)**	**1.76**	**1.68**	**1.29**

[1] For the calculation of earnings per share, the average number of shares in a year takes into account the redemptions made in such year related to the share buyback programs.

Additionally, for management purposes, the adjusted earnings (loss) per share is presented.

ADJUSTED EARNINGS (LOSS) PER SHARE

			Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (millions of euros)	=	Net attributable profit (loss) ex. CoCos remuneration	10,114	9,666	7,675
Denominator (millions) [1]	+	Number of shares outstanding	5,709	5,763	5,838
	-	Treasury shares	10	7	4
	-	Shares buyback program	7	—	—
	=	**Adjusted earnings (loss) per share (euros)**	**1.78**	**1.68**	**1.32**

[1] For the calculation of adjusted earnings per share, the final number of shares at the end of each year is included.

Book value per share

The book value per share determines the value of a company on its books for each share held. It is calculated as follows:

$$\frac{\text{Shareholders' funds + Accumulated other comprehensive income}}{\text{Number of shares outstanding - Treasury shares}}$$

Explanation of the formula: the figures for both "Shareholders' funds" and "Accumulated other comprehensive income" are taken from the balance sheet. Shareholders' funds are adjusted to take into account the execution of the "Dividend-option" at the closing dates on which it was agreed to deliver this type of dividend prior to the publication of the Group´s results. The denominator includes the final number of outstanding shares excluding own shares (treasury shares) and excluding the shares corresponding to share buyback programs. In addition, the denominator is also adjusted to include the capital increase resulting from the execution of the dividend options explained above. Both the numerator and the denominator take into account period-end balances.

Relevance of its use: it shows the company's book value for each share issued. It is a generally used ratio, not only in the banking sector but also in others.

BOOK VALUE PER SHARE

			31-12-25	31-12-24	31-12-23
Numerator (Millions of euros)	+	Shareholders' funds	76,228	72,875	67,955
	+	Accumulated other comprehensive income	(18,871)	(17,220)	(16,254)
Denominator (Millions of shares)	+	Number of shares outstanding	5,709	5,763	5,838
	-	Treasury shares	10	7	4
	-	Share buyback program [1]	73	—	—
	=	**Book value per share (euros / share)**	**10.19**	**9.67**	**8.86**

[1] As of December 31, 2025, includes the shares acquired from December 22, 2025, to December 31, 2025, corresponding to the first tranche of the second share buyback program executed to date, as well as the estimate, based on market prices, of number of shares pending execution from the same buyback program.

Tangible book value per share

The tangible book value per share determines the value of the company on its books for each share held by shareholders in the event of liquidation. It is calculated as follows:

$$\frac{\text{Shareholders' funds + Accumulated other comprehensive income - Intangible assets}}{\text{Number of shares outstanding - Treasury shares}}$$

Explanation of the formula: the figures for "Shareholders' funds", "Accumulated other comprehensive income" and "Intangible assets" are all taken from the balance sheet. Shareholders' funds are adjusted to take into account the execution of the "Dividend-option" at the closing dates on which it was agreed to deliver this type of dividend prior to the publication of the Group´s results. The denominator includes the final number of shares outstanding excluding own shares (treasury shares) and excluding the shares corresponding to share buyback programs which are deducted from the shareholders' funds. In addition, the denominator is also adjusted to include the result of the capital increase resulting from the execution of the dividend options explained above. Both the numerator and the denominator take into account period-end balances.

Relevance of its use: it shows the company's book value for each share issued, after deducting intangible assets. It is a generally used ratio, not only in the banking sector but also in others.

TANGIBLE BOOK VALUE PER SHARE

			31-12-25	31-12-24	31-12-23
Numerator (Millions of euros)	+	Shareholders' funds	76,228	72,875	67,955
	+	Accumulated other comprehensive income	(18,871)	(17,220)	(16,254)
	-	Intangible assets	2,856	2,490	2,363
Denominator (Millions of shares)	+	Number of shares outstanding	5,709	5,763	5,838
	-	Treasury shares	10	7	4
	-	Share buyback program [1]	73	—	—
	=	**Tangible book value per share (euros / share)**	**9.69**	**9.24**	**8.46**

[1] As of December 31, 2025, includes the shares acquired from December 22, 2025, to December 31, 2025, corresponding to the first tranche of the second share buyback program executed to date, as well as the estimate, based on market prices, of number of shares pending execution from the same buyback program.

Credit risk indicators

In order to more accurately reflect the evolution of the Group 's credit risk , BBVA has updated the definition of the risk indicators presented here, including them to the business model whose objective is to receive contractual cash flows and sale of the financial assets.

In this context, the indicators incorporate, in both the numerator and the denominator, loans and advances classified at fair value with changes in other comprehensive income, managed under a Held to Collect and Sell business model, together with the assets at amortized cost and the corresponding contingent risk.

This update allows risk metrics to more accurately represent the credit risk actually managed, avoiding distortions that do not respond to a deterioration of risk, but to strategic balance sheet management decisions.

Non-performing loan (NPL) ratio

It is the ratio between the risks classified for accounting purposes as non-performing loans and the total credit risk balance. It is calculated as follows:

$$\frac{\text{Non-performing loans}}{\text{Total credit risk}}$$

Explanation of the formula: non-performing loans and the credit risk balance are gross, meaning they are not adjusted by associated accounting provisions.

Non-performing loans are calculated as the sum of “loans and advances at amortized cost”, "the fair value loan portfolio through other comprehensive income" and the “contingent risk” in stage 3[96] and the following counterparties:

- other financial entities
- public sector
- non-financial institutions
- households, excluding central banks and other credit institutions.

The credit risk balance is calculated as the sum of "loans and advances at amortized cost", "the fair value loan portfolio through other comprehensive income" and "contingent risk" in stage 1 + stage 2 + stage 3 of the previous counterparts.

This indicator is shown, as others, at a business area level.

Relevance of its use: this is one of the main indicators used in the banking sector to monitor the current situation and changes in credit risk quality, and specifically, the relationship between risks classified in the accounts as non-performing loans and the total balance of credit risk, with respect to customers and contingent liabilities.

NON-PERFORMING LOANS (NPLS) RATIO

		31-12-25	31-12-24	31-12-23
Numerator (Millions of euros)	NPLs	14,837	14,839	15,305
Denominator (Millions of euros)	Credit Risk	547,184	488,302	448,840
=	**Non-Performing Loans (NPLs) ratio**	**2.7 %**	**3.0 %**	**3.4 %**

NPL coverage ratio

This ratio reflects the degree to which the impairment of non-performing loans has been covered in the accounts via allowances. It is calculated as follows:

$$\frac{\text{Provisions}}{\text{Non-performing loans}}$$

Explanation of the formula: it is calculated as "Provisions" from stage 1 + stage 2 + stage 3, divided by non-performing loans, formed by “credit risk” from stage 3.

Provisions understood as the value adjustments associated with loans and advances to customers at amortized cost and fair value with changes in other comprehensive income, together with the provisions associated with contingent risks, of the counterparties included in the non-performing loans balance.

This indicator is shown, as others, at a business area level.

Relevance of its use: this is one of the main indicators used in the banking sector to monitor the situation and changes in the quality of credit risk, reflecting the degree to which the impairment of non-performing loans has been covered in the accounts via value adjustments.

[96] IFRS 9 classifies financial instruments into three stages, which depend on the evolution of their credit risk from the moment of initial recognition. The stage 1 includes operations when they are initially recognized, stage 2 comprises operations for which a significant increase in credit risk has been identified since their initial recognition and, stage 3, impaired operations.

NPL COVERAGE RATIO

		31-12-25	31-12-24	31-12-23
Numerator (Millions of euros)	Provisions	12,604	11,905	11,762
Denominator (Millions of euros)	NPLs	14,837	14,839	15,305
=	**NPL coverage ratio**	**85 %**	**80 %**	**77 %**

Cost of risk

This ratio indicates the current situation and changes in credit-risk quality through the annual cost in terms of impairment losses (accounting loan-loss provisions) of each unit of loans and advances to customers (gross). It is calculated as follows:

$$\frac{\text{Loan-loss provisions}}{\text{Average loans and advances to customers (gross)}}$$

Explanation of the formula: "Loans to customers (gross)" refers to the "Loans and advances at amortized cost" and the "fair value loan portfolio through other comprehensive income" portfolios with the following counterparts:

- other financial entities
- public sector
- non-financial institutions
- households, excluding central banks and other credit institutions.

Average loans to customers (gross) is calculated by using the average of the period-end balances of each month of the period analyzed plus the previous month. If the metric is presented on a date before the close of the fiscal year, the numerator will be annualized. By doing this, "Annualized loan-loss provisions" are calculated by accumulating and annualizing the loan-loss provisions of each month of the period under analysis (based on days passed).

Loan-loss provisions refer to the aforementioned loans and advances at amortized cost and the fair value loan portfolio through other comprehensive income portfolios.

This indicator is shown, as others, at a business area level.

Relevance of its use: this is one of the main indicators used in the banking sector to monitor the situation and changes in the quality of credit risk through the cost over the year.

COST OF RISK

		Jan.-Dec.2025	Jan.-Dec.2024	Jan.-Dec.2023
Numerator (Millions of euros)	Loan-loss provisions	6,115	5,708	4,345
Denominator (Millions of euros)	Average loans to customers (gross)	439,489	400,008	378,402
=	**Cost of risk**	**1.39 %**	**1.43 %**	**1.15 %**

Subsequent events

On January 15, 2026, once the prior consent from the Regulator had been obtained, the Bank redeemed the issuance of green contingently convertible preferred securities carried out on July 15, 2020, for an amount of €1 billion, on the First Reset Date of said issuance.

On February 5, 2026, BBVA announced by means of an inside information notice filing with the CNMV a cash distribution in the amount of €0.60 gross, for each of the outstanding shares entitled to receive said distribution, to be paid presumably in April 2026 as the final dividend for the year 2025, was planned to be proposed to the corresponding governing bodies for consideration as ordinary remuneration to shareholders for 2025.

From January 1, 2026 to the date of preparation of these Consolidated Financial Statements, no subsequent events not mentioned in these Consolidated Financial Statements have taken place that could significantly affect the Group's earnings or its equity position.

BBVA Annual Corporate Governance Report

In accordance with the provisions established by Article 540 of the Spanish Corporate Act, the Board of Directors of BBVA, on the occasion of the preparation of the financial statements for 2025, approved the BBVA Annual Corporate Governance Report for that year (which is an integral part of the Management Report) in accordance with the contents set down in Order ECC/461/2013, dated March 20, and in Circular 5/2013, dated June 12, of Comisión Nacional del Mercado de Valores (CNMV), in the wording provided by Circular 3/2021, dated September 28, of CNMV. The Annual Corporate Governance Report is incorporated by reference in the Management Report and is published in CNMV´s website (www.cnmv.es) and in the Company´s corporate website (www.bbva.com).

Annual Report on the Remuneration of BBVA Directors

In accordance with the provisions established by Article 541 of the Spanish Corporate Act, the Board of Directors of BBVA, on the proposal of the Remuneration Committee, and on the occasion of the preparation of the financial statements for 2025, approved the Annual Report on the Remuneration of BBVA Directors for that year (which is an integral part of the Management Report) in accordance with the contents set down in Order ECC/461/2013, dated March 20, and in Circular 4/2013, dated June 12, of Comisión Nacional del Mercado de Valores (CNMV), in the wording provided by Circular 3/2021, dated September 28, of CNMV. The Annual Report on the Remuneration of BBVA Directors is incorporated by reference in the Management Report and is published in CNMV´s website (www.cnmv.com) and in the Company's corporate website (www.bbva.com).

Legal disclaimer

This document is provided for informative purposes only and is not intended to provide financial advice and, therefore, does not constitute, nor should it be interpreted as, an offer to sell, exchange or acquire, or an invitation for offers to acquire securities issued by any of the aforementioned companies, or to contract any financial product. Any decision to purchase or invest in securities or contract any financial product must be made solely and exclusively on the basis of the information made available to such effects by the relevant company in relation to each such specific matter. The information contained in this document is subject to and should be read in conjunction with all other publicly available information of the issuer.

This document contains forward-looking statements that constitute or may constitute "forward-looking statements" (within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995) with respect to intentions, objectives, expectations or estimates as of the date hereof, including those relating to future targets of both a financial and non-financial nature (such as environmental, social or governance ("ESG") performance targets).

Forward-looking statements may be identified by the fact that they do not refer to historical or current facts and include words such as "believe", "expect", "estimate", "project", "anticipate", "duty", "intend", "likelihood", "risk", "VaR", "purpose", "commitment", "goal", "target" and similar expressions or variations of those expressions. They include, for example, statements regarding future growth rates or the achievement of future targets, including those relating to ESG performance.

The information contained in this document reflects our current expectations, estimates and targets, which are based on various assumptions, judgments and projections, including non-financial considerations such as those related to sustainability, which may differ from and not be comparable to those used by other companies. Forward-looking statements are not guarantees of future results, and actual results may differ materially from those anticipated in the forward-looking statements as a result of certain risks, uncertainties and other factors. These factors include, but are not limited to, (1) market conditions, macroeconomic factors, domestic and international stock market conditions, exchange rates, inflation and interest rates, geopolitical tensions and tariff policies; (2) regulatory, oversight, political, governmental, social and demographic factors; (3) changes in the financial condition, creditworthiness or solvency of our clients, debtors or counterparties, such as changes in default rates, as well as changes in consumer spending, savings and investment behavior, and changes in our credit ratings; (4) competitive pressures and actions we take in response thereto; (5) performance of our IT, operations and control systems and our ability to adapt to technological changes; (6) climate change and the occurrence of natural or man-made disasters, such as an outbreak or escalation of hostilities; (7) our ability to appropriately address any ESG expectations or obligations (related to our business, management, corporate governance, disclosure or otherwise), and the cost thereof; and (8) our ability to successfully complete and integrate acquisitions. In the particular case of certain targets related to our ESG performance, such as, decarbonization targets or alignment of our portfolios, the achievement and progress towards such targets will depend to a large extent on the actions of third parties, such as clients, governments and other stakeholders, and may therefore be materially affected by such actions, or lack thereof, as well as by other exogenous factors that do not depend on BBVA (including, but not limited to, new technological developments, regulatory developments, military conflicts, the evolution of climate and energy crises, etc.). Therefore, these targets may be subject to future revisions.

The factors mentioned in the preceding paragraphs could cause actual future results to differ substantially from those set forth in the forecasts, intentions, objectives, targets or other forward-looking statements included in this document or in other past or future documents. Accordingly, results, including those related to ESG performance targets, among others, may differ materially from the statements contained in the forward-looking statements.

Recipients of this document are cautioned not to place undue reliance on such forward-looking statements.

Past performance or growth rates are not indicative of future performance, results or share price (including earnings per share). Nothing in this document should be construed as a forecast of results or future earnings.

This document contains, in addition to financial information, non-financial information ("NFI") in order to comply with the current legislation. The INF has been verified with a limited scope by a third party. In its preparation, a number of estimates and assumptions have been made in various areas and have used measurement, data collection and verification practices and methodologies, both external and internal, which are substantially different from those applied to financial reporting and which, in many cases, are under development.

BBVA does not intend, and undertakes no obligation, to update or revise the contents of this or any other document if there are any changes in the information contained therein, or including the forward-looking statements contained in any such document, as a result of events or circumstances after the date of such document or otherwise except as required by applicable law.

Independent Limited Assurance Report on the Consolidated Non-Financial Information Statement for the year ended December 31, 2025

BANCO BILBAO VIZCAYA ARGENTARIA, S.A. AND SUBSIDIARIES

The better the question.
The better the answer.
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INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the shareholders of Banco Bilbao Vizcaya Argentaria, S.A.:

Conclusion of limited assurance

In accordance with article 49 of the Commercial Code, we have performed a limited verification engagement on the Consolidated Non-Financial Information Statement ("NFIS") for the year ended December 31, 2025, of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, the "Bank") and its subsidiaries, which, together with the Bank, form Banco Bilbao Vizcaya Argentaria Group (hereinafter, the "Group"), which is part of the Group's Consolidated Management Report.

The content of the NFIS includes information in addition to that required by prevailing company law in respect of non-financial information, specifically the Sustainability Information prepared by the Group for the year ended December 31, 2025 (the "sustainability information") in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, as regards corporate sustainability reporting (the "CSRD"). The sustainability information was also subject to limited verification.

In addition to the above, in the preparation of the NFSI the Group has followed other criteria, including the Principles for Responsible Banking, as included in section 5.3 "Table of Contents of the Principles for Responsible Banking UNEP-FI" of the NFIS. In this regard, our work has been limited exclusively to the verification of principles identified in the aforementioned section.

Based on the procedures applied and the evidence obtained, nothing has come to our attention that causes us to believe that:

a) The Group's NFIS for the year ended December 31, 2025 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria selected in European Sustainability Reporting Standards ("ESRS"), as well as other criteria, among which are the Principles for Responsible Banking, described as explained for each subject matter in Appendix 6.2 "Table of contents of 11/2018" and the principles identified in section 5.3 "Table of Contents of the Principles for Responsible Banking UNEP-FI" of the NFIS.

b) The sustainability information, taken as a whole, has not been prepared, in all material respects, in accordance with the sustainability reporting framework applied by the Group and identified in section 1.1.1. "General basis for the preparation of the Consolidated Non-Financial Information Statement" of the NFIS, including:

- That the description of the process for identifying the sustainability information to be disclosed included in section 1.2 "Double materiality analysis" is consistent with the process implemented and that it enables the identification of the material information to be disclosed in accordance with the requirements of ESRS.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

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- Compliance with ESRS.

- Compliance of the disclosure requirements included in subsection 2.2.3 "Sustainable financing under Article 8 of the European Taxonomy" on the environment information of the NFIS with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, on the establishment of a framework to facilitate sustainable investment.

Basis of conclusion

We have performed our limited verification engagement in accordance with generally accepted professional standards applicable in Spain and specifically with the guidelines contained in the Guidelines 47 (revised) and 56 (revised) issued by the Spanish Institute of Chartered Accountants on non-financial information assurance engagements and considering the contents of the note issued by the Spanish Accounting and Auditing Institute (ICAC) on December 18, 2024 (the "generally accepted professional standards").

The procedures performed in a limited verification engagement are less in extent than for a reasonable verification engagement. Consequently, the level of assurance obtained in a limited verification engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under those regulations are further described in the *Practitioner's responsibilities* section of our report.

We have complied with the independence and other ethics requirements of the International Code of Ethics for Professional Accountants (including international standards on independence) of the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Management (ISQM) 1, which requires us to design, implement, and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors

The preparation of the NFIS included in the Group's consolidated management report is the responsibility of the directors of Banco Bilbao Vizcaya Argentaria, S.A. The NFIS has been prepared in accordance with the content required by prevailing company law and the criteria selected in ESRS, as well as other criteria, among others the Principles for Responsible Banking, described as explained for each subject matter in Appendix 6.2 "Table of contents of 11/2018" and in section 5.3 "Table of Contents of the Principles for Responsible Banking UNEP-FI" of the NFIS.

This responsibility also includes the design, implementation, and maintenance of such internal control as considered necessary to ensure that the NFIS is free of material misstatement, whether due to fraud or error.

The directors of Banco Bilbao Vizcaya Argentaria, S.A. are also responsible for defining, implementing, adapting, and maintaining the management systems from which the necessary information for preparing the NFIS is obtained.

In relation to the sustainability information, the Banks's directors are responsible for developing and implementing a process for identifying the information to be included in the sustainability information in accordance with the CSRD, the ESRS and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020, and for disclosing information about this process in the sustainability information itself in section 1.1.1. "General basis for the preparation of the Consolidated Non-Financial Information Statement". This responsibility includes:

- Understanding the context in which the Group carries out its activities and business relationships, as well as its stakeholders, in relation to the Group's impact on people and the environment.
- Identifying the actual and potential impacts (both negative and positive), as well as risks and opportunities that could affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to financing, or cost of capital in the short, medium or long term.
- Assessing the materiality of the identified impacts, risks and opportunities.
- Making assumptions and estimates that are reasonable under the circumstances.

The directors are also responsible for the preparation of the sustainability information, which includes the information identified by the process, in accordance with the sustainability reporting framework used, including compliance with the CSRD, the ESRS, and compliance of the disclosure requirements included in subsection 2.2.3 "Sustainable financing under Article 8 of the European Taxonomy" on the environment information of the NFIS with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020, on the establishment of a framework to facilitate sustainable investment.

This responsibility includes:

- Designing, implementing and maintaining such internal control as the directors consider relevant to enable the preparation the sustainability information that is free from material misstatement, whether due to fraud or error.
- Selecting and applying appropriate methods for the presentation of sustainability information and the basis of assumptions and estimates that are reasonable, considering the circumstances, about specific disclosures.

Inherent limitations in the preparation of the information

In accordance with ESRS, the Bank's directors are required to prepare forward-looking information on the basis of assumptions and hypothetical assumptions, which must be included in the sustainability information, about potential future events and possible future actions, if any, that the Group could take. Actual results may differ significantly from estimated results, as the reference is to the future and future events frequently do not occur as expected.

In determining the disclosures in the sustainability information, the Bank's directors interpret legal and other terms that are not clearly defined and that may be interpreted differently by others, including the legal conformity of such interpretations, and, accordingly, are subject to uncertainty.

Practitioner's responsibilities

Our objectives are to plan and perform the verification engagement to obtain limited assurance about whether the NFIS and sustainability information are free from material misstatement, whether due to fraud or error, and to issue a limited verification report that includes our conclusions. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this information.

As part of a limited verification engagement, we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Design and perform procedures to assess whether the process for identifying the disclosures to be included in the NFIS and sustainability information is consistent with the description of the process followed by the Group and enables, where appropriate, the identification of the material information to be disclosed as required in the ESRS.

- Perform risk procedures, including obtaining an understanding of internal control relevant to the engagement, to identify disclosures where material misstatements are more likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.

- Design and perform procedures responsive to disclosures in the NFIS and sustainability information where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary from the work performed

A limited verification engagement involves performing procedures to obtain evidence as a basis for our conclusions. The nature, timing and extent of procedures selected depend on professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the NFIS and sustainability information.

Our work consisted of making inquiries of management and of the Group's various business units and components that participated in the preparation of the NFIS and sustainability information, reviewing the processes used for compiling and validating the information presented in the NFIS and sustainability information, and applying certain analytical procedures and performing tests of details on a sample basis as described below:

For verification of the NFIS:

- Holding meetings with Group personnel to obtain an understanding of the business model, the policies and management approaches applied, and the main risks related to these matters and to gather the information needed to perform the independent assurance work.

- Analyzing the scope, relevance and completeness of the content of the 2025 NFIS based on the materiality assessment performed by the Group and described in section 1.2 "Double materiality analysis" of the NFIS, considering the content required in prevailing company law.
- Analyzing the processes used to compile and validate the data presented in the 2025 NFIS.
- Reviewing the disclosures relating to the risks, policies and management approaches applied with respect to the material matters presented in the 2025 NFIS.
- Checking, through sample testing, the information underlying the content of the 2025 NFIS and whether it has been adequately compiled based on data provided by information sources.

For verification of the sustainability information:

- Making inquiries of Group personnel:
  - To understand the business model, the policies and management approaches applied and the main risks related to these matters and to gather the information needed to perform the independent assurance work.
  - To know the source of the information used by management (e.g., interaction with stakeholders, business plans and documents on strategy) and review the Group's internal documentation on its process.
- Obtaining, through inquiries of Group personnel, insight into the Bank's processes for gathering, validation, and presenting information relevant for the preparation of its sustainability information.
- Assessing whether the evidence obtained in our procedures on the process implemented by the Group for determining the disclosures to be included in the sustainability information is consistent with the description of the process included in that information, as well as assessing whether that process implemented by the Group enables identification of the material information to be disclosed in accordance with the requirements of the ESRS.
- Assessing whether all the information identified in the process implemented by the Group for determining the disclosures to be included in the sustainability information is effectively included.
- Evaluating whether the structure and presentation of the sustainability information is consistent with ESRS and the rest of the sustainability reporting framework applied by the Group.
- Performing inquiries of relevant personnel and analytical procedures on the disclosures in the sustainability information, considering those where material misstatements are likely to arise, whether due to fraud or error.
- Performing, as appropriate, substantive procedures through sampling of selected disclosures in the sustainability information, considering those where material misstatements are likely to arise, whether due to fraud or error.

- Obtaining, as appropriate, reports issued by accredited independent third parties accompanying the consolidated management report in response to the requirements of European regulations and, in relation to such information and in accordance with generally accepted professional standards, verification, exclusively, of the accreditation of the practitioner and that the scope of the report issued corresponds to that required by European regulations.

- Obtaining, as appropriate, the documents containing the information incorporated by reference, the reports issued by auditors or practitioners on such documents and, in accordance with generally accepted professional standards, verification, exclusively, that in the document to which the information incorporated by reference refers, the requirements described in ESRS for the incorporation by reference of information in the sustainability information are met.

- Obtaining a representation letter from management regarding the NFIS.

Other information

The Bank's management is responsible for the other information. The other information comprises the consolidated financial statements and the rest of the information included in the consolidated management report, but does not include either the auditors' report on the consolidated financial statements or the assurance reports issued by accredited independent third parties required by European Union law on specific disclosures contained in the sustainability information and attached to the consolidated management report.

Our verification report does not cover the other information and we do not express any form of verification conclusion on it.

Our responsibility in connection with our engagement to assure the sustainability information is to read the other information identified and consider whether it is materially inconsistent with the sustainability information or the knowledge we have obtained during the verification engagement that could indicate material misstatements in the sustainability information.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

José Carlos Hérnández Barrasús

February 12, 2026

Consolidated Financial Statements and Audit Report



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Consolidated balance sheets as of December 31, 2025, 2024 and 2023

ASSETS (MILLIONS OF EUROS)

	Notes	2025	2024 (1)	2023 (1)
CASH, CASH BALANCES AT CENTRAL BANKS AND OTHER DEMAND DEPOSITS	**9**	**58,837**	**51,145**	**75,416**
FINANCIAL ASSETS HELD FOR TRADING	**10**	**123,185**	**108,948**	**141,042**
Derivatives		32,551	36,003	34,293
Equity instruments		9,901	6,760	4,589
Debt securities		30,846	27,955	28,569
Loans and advances to central banks		620	556	2,809
Loans and advances to credit institutions		17,985	20,938	56,599
Loans and advances to customers		31,282	16,736	14,182
NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS	**11**	**11,272**	**10,546**	**8,737**
Equity instruments		10,539	9,782	7,963
Debt securities		192	407	484
Loans and advances		541	358	290
FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**12**	**1,006**	**836**	**955**
Debt securities		1,006	836	955
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**13**	**58,809**	**59,002**	**62,205**
Equity instruments		1,360	1,451	1,217
Debt securities		57,001	57,526	60,963
Loans and advances		448	25	26
FINANCIAL ASSETS AT AMORTIZED COST	**14**	**568,893**	**502,400**	**451,732**
Debt securities		73,379	59,014	49,462
Loans and advances to central banks		10,869	8,255	7,151
Loans and advances to credit institutions		24,244	22,655	17,477
Loans and advances to customers		460,401	412,477	377,643
DERIVATIVES - HEDGE ACCOUNTING	**15**	**570**	**1,158**	**1,482**
FAIR VALUE CHANGES OF THE HEDGED ITEMS IN PORTFOLIO HEDGES OF INTEREST RATE RISK	**15**	**(87)**	**(65)**	**(97)**
JOINT VENTURES AND ASSOCIATES	**16**	**994**	**989**	**976**
Joint ventures		111	94	93
Associates		883	895	883
INSURANCE AND REINSURANCE ASSETS	**23**	**198**	**191**	**211**
TANGIBLE ASSETS	**17**	**9,482**	**9,759**	**9,253**
Properties, plant and equipment		9,247	9,506	9,046
For own use		*8,367*	*8,501*	*8,295*
Other assets leased out under an operating lease		*879*	*1,004*	*751*
Investment properties		235	253	207
INTANGIBLE ASSETS	**18**	**2,856**	**2,490**	**2,363**
Goodwill		715	700	795
Other intangible assets		2,140	1,790	1,568
TAX ASSETS	**19**	**17,867**	**18,650**	**17,501**
Current tax assets		3,998	4,295	2,860
Deferred tax assets		13,869	14,354	14,641
OTHER ASSETS	**20**	**4,985**	**5,525**	**2,859**
Insurance contracts linked to pensions		—	—	—
Inventories		1,307	1,299	276
Other		3,678	4,226	2,583
NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE	**21**	**709**	**828**	**923**
TOTAL ASSETS		**859,576**	**772,402**	**775,558**

(1) Presented for comparison purposes only (see Note 1.3).

The Notes and Appendices are an integral part of the consolidated balance sheet as of December 31, 2025.

Consolidated balance sheets as of December 31, 2025, 2024 and 2023 (continued)

LIABILITIES AND EQUITY (MILLIONS OF EUROS)

	Notes	2025	2024 (1)	2023 (1)
FINANCIAL LIABILITIES HELD FOR TRADING	**10**	**91,917**	**86,591**	**121,715**
Derivatives		30,345	33,059	33,045
Short positions		13,100	13,878	15,735
Deposits from central banks		3,653	3,360	6,397
Deposits from credit institutions		18,138	16,285	43,337
Customer deposits		26,681	20,010	23,201
FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**12**	**18,417**	**14,952**	**13,299**
Deposits from central banks		—	—	—
Deposits from credit institutions		—	—	—
Customer deposits		897	934	717
Debt certificates issued		5,997	4,597	3,977
Other financial liabilities		11,524	9,420	8,605
Memorandum item: Subordinated liabilities		—	—	—
FINANCIAL LIABILITIES AT AMORTIZED COST	**22**	**658,599**	**584,339**	**557,589**
Deposits from central banks		17,226	14,668	20,309
Deposits from credit institutions		36,771	34,406	40,039
Customer deposits		502,501	447,646	413,487
Debt certificates issued		81,842	69,867	68,707
Other financial liabilities		20,258	17,753	15,046
Memorandum item: Subordinated liabilities		*21,053*	*19,612*	*15,867*
DERIVATIVES - HEDGE ACCOUNTING	**15**	**1,933**	**2,503**	**2,625**
FAIR VALUE CHANGES OF THE HEDGED ITEMS IN PORTFOLIO HEDGES OF INTEREST RATE RISK	**15**	**—**	**—**	**—**
LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS	**23**	**12,760**	**10,981**	**12,110**
PROVISIONS	**24**	**4,422**	**4,619**	**4,924**
Pensions and other post-employment defined benefit obligations		2,267	2,348	2,571
Other long-term employee benefits		332	384	435
Provisions for taxes and other legal contingencies		805	791	696
Commitments and guarantees given		725	667	770
Other provisions		293	429	452
TAX LIABILITIES	**19**	**4,020**	**3,033**	**2,554**
Current tax liabilities		1,480	575	878
Deferred tax liabilities		2,540	2,458	1,677
OTHER LIABILITIES	**20**	**5,709**	**5,370**	**5,477**
LIABILITIES INCLUDED IN DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE	**21**	**—**	**—**	**—**
TOTAL LIABILITIES		**797,778**	**712,388**	**720,293**

(1) Presented for comparison purposes only (see Note 1.3).

The Notes and Appendices are an integral part of the consolidated balance sheet as of December 31, 2025.

Consolidated balance sheets as of December 31, 2025, 2024 and 2023 (continued)

LIABILITIES AND EQUITY (CONTINUED) (MILLIONS OF EUROS)

	Notes	2025	2024 (1)	2023 (1)
SHAREHOLDERS' FUNDS		**76,228**	**72,875**	**67,955**
Capital	**26**	**2,797**	**2,824**	**2,861**
Paid up capital		2,797	2,824	2,861
Unpaid capital which has been called up		—	—	—
Share premium	**27**	**18,469**	**19,184**	**19,769**
Equity instruments issued other than capital		**—**	**—**	**—**
Other equity		**40**	**40**	**40**
Retained earnings	**28**	**46,346**	**40,693**	**36,237**
Revaluation reserves		**—**	**—**	**—**
Other reserves	**28**	**203**	**1,814**	**2,015**
Reserves or accumulated losses of investments in joint ventures and associates		(228)	(227)	(237)
Other		431	2,041	2,252
Less: treasury shares	**29**	**(299)**	**(66)**	**(34)**
Profit or loss attributable to owners of the parent		**10,511**	**10,054**	**8,019**
Less: Interim dividends	**4**	**(1,840)**	**(1,668)**	**(951)**
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	**30**	**(18,871)**	**(17,220)**	**(16,254)**
Items that will not be reclassified to profit or loss		**(2,505)**	**(1,988)**	**(2,105)**
Actuarial gains (losses) on defined benefit pension plans		(1,396)	(1,067)	(1,049)
Non-current assets and disposal groups classified as held for sale		—	—	—
Share of other recognized income and expense of investments in joint ventures and associates		—	—	—
Fair value changes of equity instruments measured at fair value through other comprehensive income		(983)	(905)	(1,112)
Hedge ineffectiveness of fair value hedges for equity instruments measured at fair value through other comprehensive income		—	—	—
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk		(127)	(17)	55
Items that may be reclassified to profit or loss		**(16,366)**	**(15,232)**	**(14,148)**
Hedge of net investments in foreign operations (effective portion)		(3,117)	(2,329)	(2,498)
Foreign currency translation		(13,340)	(12,702)	(11,419)
Hedging derivatives. Cash flow hedges (effective portion)		311	370	133
Fair value changes of debt instruments measured at fair value through other comprehensive income		(209)	(576)	(357)
Hedging instruments (non-designated items)		(4)	—	—
Non-current assets and disposal groups classified as held for sale		—	—	—
Share of other recognized income and expense of investments in joint ventures and associates		(7)	5	(8)
MINORITY INTERESTS (NON-CONTROLLING INTERESTS)	**31**	**4,441**	**4,359**	**3,564**
Accumulated other comprehensive income (loss)		(3,059)	(2,730)	(3,321)
Other items		7,500	7,089	6,885
TOTAL EQUITY		**61,798**	**60,014**	**55,265**
TOTAL EQUITY AND TOTAL LIABILITIES		**859,576**	**772,402**	**775,558**

MEMORANDUM ITEM (OFF-BALANCE SHEET EXPOSURES) (MILLIONS OF EUROS)

	Notes	2025	2024 (1)	2023 (1)
Loan commitments given	33	227,554	188,515	152,868
Financial guarantees given	33	24,865	22,503	18,839
Other commitments given	33	60,159	51,215	42,577

(1) Presented for comparison purposes only (see Note 1.3).

The Notes and Appendices are an integral part of the consolidated balance sheet as of December 31, 2025.

Consolidated income statements for the years ended December 31, 2025, 2024 and 2023

CONSOLIDATED INCOME STATEMENTS (MILLIONS OF EUROS)

	Notes	2025	2024 (1)	2023 (1)
Interest and other income	37.1	58,345	61,659	47,850
Interest income using effective interest rate method		*52,816*	*55,224*	*42,141*
Other interest income		*5,530*	*6,435*	*5,709*
Interest expense	37.2	(32,065)	(36,392)	(24,761)
NET INTEREST INCOME		**26,280**	**25,267**	**23,089**
Dividend income	38	123	120	118
Share of profit or loss of entities accounted for using the equity method	39	62	40	26
Fee and commission income	40	13,743	13,036	9,899
Fee and commission expense	40	(5,528)	(5,048)	(3,611)
Gains (losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	41	423	327	76
Financial assets at amortized cost		*24*	*20*	*41*
Other financial assets and liabilities		*398*	*307*	*35*
Gains (losses) on financial assets and liabilities held for trading, net	41	2,255	2,458	1,352
Reclassification of financial assets from fair value through other comprehensive income		—	—	—
Reclassification of financial assets from amortized cost		—	—	—
Other gains (losses)		*2,255*	*2,458*	*1,352*
Gains (losses) on non-trading financial assets mandatorily at fair value through profit or loss, net	41	236	179	337
Reclassification of financial assets from fair value through other comprehensive income		—	—	—
Reclassification of financial assets from amortized cost		—	—	—
Other gains (losses)		*236*	*179*	*337*
Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net	41	28	249	96
Gains (losses) from hedge accounting, net	41	(1)	5	(17)
Exchange differences, net	41	(285)	695	339
Other operating income	42	688	623	619
Other operating expense	42	(2,614)	(3,951)	(4,042)
Income from insurance and reinsurance contracts	43	3,890	3,720	3,081
Expense from insurance and reinsurance contracts	43	(2,370)	(2,238)	(1,821)
GROSS INCOME		**36,931**	**35,481**	**29,542**
Administration costs		(12,811)	(12,660)	(10,905)
Personnel expense	*44.1*	*(7,773)*	*(7,659)*	*(6,530)*
Other administrative expense	*44.2*	*(5,038)*	*(5,001)*	*(4,375)*
Depreciation and amortization	45	(1,521)	(1,533)	(1,403)
Provisions or reversal of provisions	46	(373)	(198)	(373)
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification	47	(6,073)	(5,745)	(4,428)
Financial assets measured at amortized cost		*(6,101)*	*(5,687)*	*(4,386)*
Financial assets at fair value through other comprehensive income		*28*	*(58)*	*(42)*
NET OPERATING INCOME		**16,153**	**15,345**	**12,432**
Impairment or reversal of impairment of investments in joint ventures and associates	48	32	63	(9)
Impairment or reversal of impairment on non-financial assets	49	(13)	1	(54)
Tangible assets		*5*	*29*	*(16)*
Intangible assets		*(14)*	*(15)*	*(26)*
Other assets		*(3)*	*(13)*	*(12)*
Gains (losses) on derecognition of non-financial assets and subsidiaries, net		36	14	28
Negative goodwill recognized in profit or loss		—	—	—
Gains (losses) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	50	18	(17)	22
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**16,227**	**15,405**	**12,419**
Tax expense or income related to profit or loss from continuing operations	19	(5,100)	(4,830)	(4,003)
PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS		**11,126**	**10,575**	**8,416**
Profit (loss) after tax from discontinued operations	21	—	—	—
PROFIT (LOSS)		**11,126**	**10,575**	**8,416**
ATTRIBUTABLE TO MINORITY INTERESTS (NON-CONTROLLING INTERESTS)	**31**	**615**	**521**	**397**
ATTRIBUTABLE TO OWNERS OF THE PARENT		**10,511**	**10,054**	**8,019**

(1) Presented for comparison purposes only (see Note 1.3).

The Notes and Appendices are an integral part of the consolidated income statement for the year ended December 31, 2025.

Consolidated income statements for the years ended December 31, 2025, 2024 and 2023 (continued)

EARNINGS (LOSSES) PER SHARE (EUROS)

	Notes	2025	2024 (1)	2023 (1)
EARNINGS (LOSSES) PER SHARE (EUROS)	**5**	**1.76**	**1.68**	**1.29**
Basic earnings (losses) per share from continuing operations		1.76	1.68	1.29
Diluted earnings (losses) per share from continuing operations		1.76	1.68	1.29
Basic earnings (losses) per share from discontinued operations		—	—	—
Diluted earnings (losses) per share from discontinued operations		—	—	—

(1) Presented for comparison purposes only (see Note 1.3).

The Notes and Appendices are an integral part of the consolidated income statement for the year ended December 31, 2025.

Consolidated statements of recognized income and expense for the years ended December 31, 2025, 2024 and 2023

CONSOLIDATED STATEMENTS OF RECOGNIZED INCOME AND EXPENSE (MILLIONS OF EUROS)

	2025	2024 (1)	2023 (1)
PROFIT (LOSS) RECOGNIZED IN INCOME STATEMENT	**11,126**	**10,575**	**8,416**
OTHER RECOGNIZED INCOME (EXPENSE)	**(1,981)**	**(414)**	**1,175**
ITEMS NOT SUBJECT TO RECLASSIFICATION TO INCOME STATEMENT	**(514)**	**79**	**(223)**
Actuarial gains (losses) from defined benefit pension plans	(379)	(78)	(358)
Non-current assets and disposal groups held for sale	—	—	—
Share of other recognized income and expense of entities accounted for using the equity method	—	—	—
Fair value changes of equity instruments measured at fair value through other comprehensive income, net	(70)	236	100
Gains (losses) from hedge accounting of equity instruments at fair value through other comprehensive income, net	—	—	—
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk	(157)	(102)	(24)
Income tax related to items not subject to reclassification to income statement	92	23	59
ITEMS SUBJECT TO RECLASSIFICATION TO INCOME STATEMENT	**(1,466)**	**(493)**	**1,398**
Hedge of net investments in foreign operations (effective portion)	**(779)**	**169**	**(1,095)**
Valuation gains (losses) taken to equity	(779)	169	(1,095)
Transferred to profit or loss	—	—	—
Other reclassifications	—	—	—
Foreign currency translation	**(966)**	**(646)**	**1,379**
Translation gains (losses) taken to equity	(966)	(646)	1,378
Transferred to profit or loss	—	—	1
Other reclassifications	—	—	—
Cash flow hedges (effective portion)	**(82)**	**331**	**832**
Valuation gains (losses) taken to equity	(82)	331	832
Transferred to profit or loss	—	—	—
Transferred to initial carrying amount of hedged items	—	—	—
Other reclassifications	—	—	—
Hedging instruments (non-designated elements)	**(6)**	**—**	**—**
Valuation gains or losses taken to equity	(6)	—	—
Transferred to profit or loss	—	—	—
Other reclassifications	—	—	—
Debt securities at fair value through other comprehensive income	**535**	**(398)**	**752**
Valuation gains (losses) taken to equity	925	(217)	757
Transferred to profit or loss	(390)	(181)	(5)
Other reclassifications	—	—	—
Non-current assets and disposal groups held for sale	**—**	**—**	**—**
Valuation gains (losses) taken to equity	—	—	—
Transferred to profit or loss	—	—	—
Other reclassifications	—	—	—
Entities accounted for using the equity method	**(14)**	**16**	**12**
Income tax relating to items subject to reclassification to income statements	**(155)**	**36**	**(482)**
TOTAL RECOGNIZED INCOME (EXPENSE)	**9,146**	**10,161**	**9,591**
Attributable to minority interests (non-controlling interests)	**285**	**1,108**	**184**
Attributable to the parent company	**8,860**	**9,053**	**9,407**

(1) Presented for comparison purposes only (see Note 1.3).

The Notes and Appendices are an integral part of the consolidated statement of recognized income and expense for the year ended December 31, 2025.

Consolidated statements of changes in equity for the years ended December 31, 2025, 2024 and 2023

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (MILLIONS OF EUROS)

2025	Capital (Note 26)	Share premium (Note 27)	Equity instruments issued other than capital	Other Equity	Retained earnings (Note 28)	Revaluation reserves	Other reserves (Note 28)	(-) Treasury shares (Note 29)	Profit or loss attributable to owners of the parent	(-) Interim dividends (Note 4)	Minority interests			Total
											Accumulated other comprehensive income (loss) (Note 30)	Accumulated other comprehensive income (loss) (Note 31)	Other (Note 31)	
Balances as of January 1, 2025 (1)	**2,824**	**19,184**	**—**	**40**	**40,693**	**—**	**1,814**	**(66)**	**10,054**	**(1,668)**	**(17,220)**	**(2,730)**	**7,089**	**60,014**
Total income/expense recognized	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**10,511**	**—**	**(1,651)**	**(330)**	**615**	**9,146**
Other changes in equity	**(27)**	**(715)**	**—**	**1**	**5,653**	**—**	**(1,611)**	**(234)**	**(10,054)**	**(171)**	**(1)**	**1**	**(204)**	**(7,362)**
Issuances of ordinary shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuances of preferred shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuance of other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Settlement or maturity of other equity instruments issued	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Conversion of debt on equity	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital reduction	(27)	(715)	—	—	21	—	(273)	993	—	—	—	—	—	—
Dividend distribution	—	—	—	—	(2,357)	—	—	—	—	(1,840)	—	—	(254)	(4,450)
Purchase of treasury shares	—	—	—	—	—	—	—	(1,995)	—	—	—	—	—	(1,995)
Sale or cancellation of treasury shares	—	—	—	—	—	—	26	768	—	—	—	—	—	794
Reclassification of other equity instruments to financial liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reclassification of financial liabilities to other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers among components of equity	—	—	—	9	8,386	—	(9)	—	(10,054)	1,668	(1)	1	(1)	—
Increase/Reduction of equity due to business combinations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share based payments	—	—	—	(26)	—	—	—	—	—	—	—	—	—	(26)
Other increases or (-) decreases in equity	—	—	—	18	(398)	—	(1,355)	—	—	—	—	—	51	(1,685)
Balance as of December 31, 2025	**2,797**	**18,469**	**—**	**40**	**46,346**	**—**	**203**	**(299)**	**10,511**	**(1,840)**	**(18,871)**	**(3,059)**	**7,500**	**61,798**

(1) Balances as of December 31, 2024 as originally reported in the Consolidated Financial Statements for the year 2024.

The Notes and Appendices are an integral part of the consolidated statement of changes in equity for the year ended December 31, 2025.

Consolidated statements of changes in equity for the years ended December 31, 2025, 2024 and 2023 (continued)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (MILLIONS OF EUROS)

2024 (1)	Capital (Note 26)	Share premium (Note 27)	Equity instruments issued other than capital	Other Equity	Retained earnings (Note 28)	Revaluation reserves	Other reserves (Note 28)	(-) Treasury shares (Note 29)	Profit or loss attributable to owners of the parent	(-) Interim dividends (Note 4)	Accumulated other comprehensive income (loss) (Note 30)	Minority interests: Accumulated other comprehensive income (loss) (Note 31)	Minority interests: Other (Note 31)	Total
Balances as of January 1, 2024 (2)	**2,861**	**19,769**	**—**	**40**	**36,237**	**—**	**2,015**	**(34)**	**8,019**	**(951)**	**(16,254)**	**(3,321)**	**6,885**	**55,265**
Total income/expense recognized	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**10,054**	**—**	**(1,001)**	**587**	**521**	**10,161**
Other changes in equity	**(37)**	**(585)**	**—**	**(1)**	**4,457**	**—**	**(201)**	**(32)**	**(8,019)**	**(717)**	**35**	**4**	**(317)**	**(5,413)**
Issuances of ordinary shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuances of preferred shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuance of other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Settlement or maturity of other equity instruments issued	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Conversion of debt on equity	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital reduction	(37)	(585)	—	—	29	—	(189)	781	—	—	—	—	—	—
Dividend distribution	—	—	—	—	(2,245)	—	—	—	—	(1,668)	—	—	(345)	(4,258)
Purchase of treasury shares	—	—	—	—	—	—	—	(1,528)	—	—	—	—	—	(1,528)
Sale or cancellation of treasury shares	—	—	—	—	—	—	10	716	—	—	—	—	—	725
Reclassification of other equity instruments to financial liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reclassification of financial liabilities to other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers among components of equity	—	—	—	9	7,059	—	(38)	—	(8,019)	951	35	4	—	—
Increase/Reduction of equity due to business combinations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share based payments	—	—	—	(26)	—	—	—	—	—	—	—	—	—	(26)
Other increases or (-) decreases in equity	—	—	—	16	(386)	—	16	—	—	—	—	—	28	(326)
Balance as of December 31, 2024	**2,824**	**19,184**	**—**	**40**	**40,693**	**—**	**1,814**	**(66)**	**10,054**	**(1,668)**	**(17,220)**	**(2,730)**	**7,089**	**60,014**

(1) Presented for comparison purposes only (see Note 1.3).
(2) Balances as of December 31, 2023 as originally reported in the Consolidated Financial Statements for the year 2023.

The Notes and Appendices are an integral part of the consolidated statement of changes in equity for the year ended December 31, 2025.

Consolidated statements of changes in equity for the years ended December 31, 2025, 2024 and 2023 (continued)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (MILLIONS OF EUROS)

2023 (1)	Capital (Note 26)	Share premium (Note 27)	Equity instruments issued other than capital	Other Equity	Retained earnings (Note 28)	Revaluation reserves	Other reserves (Note 28)	(-) Treasury shares (Note 29)	Profit or loss attributable to owners of the parent	(-) Interim dividends (Note 4)	Minority interests			Total
											Accumulated other comprehensive income (loss) (Note 30)	Accumulated other comprehensive income (loss) (Note 31)	Other (Note 31)	
Balances as of January 1, 2023 (2)	**2,955**	**20,856**	**—**	**63**	**32,536**	**—**	**2,345**	**(29)**	**6,420**	**(722)**	**(17,432)**	**(3,112)**	**6,736**	**50,615**
Effect of changes in accounting policies (3)	**—**	**—**	**—**	**—**	**175**	**—**	**—**	**—**	**(62)**	**—**	**(210)**	**4**	**(4)**	**(98)**
Adjusted initial balance	**2,955**	**20,856**	**—**	**63**	**32,711**	**—**	**2,345**	**(29)**	**6,358**	**(722)**	**(17,642)**	**(3,109)**	**6,732**	**50,517**
Total income/expense recognized	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**8,019**	**—**	**1,388**	**(213)**	**397**	**9,591**
Other changes in equity	**(94)**	**(1,087)**	**—**	**(22)**	**3,526**	**—**	**(331)**	**(5)**	**(6,358)**	**(228)**	**—**	**1**	**(244)**	**(4,842)**
Issuances of ordinary shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuances of preferred shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Issuance of other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Settlement or maturity of other equity instruments issued	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Conversion of debt on equity	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital reduction	(94)	(1,087)	—	—	75	—	(316)	1,422	—	—	—	—	—	—
Dividend distribution	—	—	—	—	(1,857)	—	—	—	—	(951)	—	—	(263)	(3,071)
Purchase of treasury shares	—	—	—	—	—	—	—	(2,166)	—	—	—	—	—	(2,166)
Sale or cancellation of treasury shares	—	—	—	—	—	—	1	739	—	—	—	—	—	741
Reclassification of other equity instruments to financial liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reclassification of financial liabilities to other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers among components of equity	—	—	—	2	5,651	—	(17)	—	(6,358)	722	—	1	(1)	—
Increase/Reduction of equity due to business combinations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share based payments	—	—	—	(41)	—	—	—	—	—	—	—	—	—	(41)
Other increases or (-) decreases in equity	—	—	—	17	(344)	—	2	—	—	—	—	—	20	(305)
Balance as of December 31, 2023	**2,861**	**19,769**	**—**	**40**	**36,237**	**—**	**2,015**	**(34)**	**8,019**	**(951)**	**(16,254)**	**(3,321)**	**6,885**	**55,265**

(1) Presented for comparison purposes only (see Note 1.3).
(2) Balances as of December 31, 2022 as originally reported in the Consolidated Financial Statements for the year 2022.
(3) Effects of the application of IFRS 17 (see Note 2.2.8).

The Notes and Appendices are an integral part of the consolidated statement of changes in equity for the year ended December 31, 2025.

Consolidated statements of cash flows for the years ended December 31, 2025, 2024 and 2023

CONSOLIDATED STATEMENTS OF CASH FLOWS (MILLIONS OF EUROS)

	2025	2024 (1)	2023 (1)
A) CASH FLOWS FROM OPERATING ACTIVITIES	**14,968**	**(18,190)**	**(721)**
Of which hyperinflation effect from operating activities (see Note 2.2.18)	1,540	2,593	1,884
Profit for the year	**11,126**	**10,575**	**8,416**
Adjustments to obtain the cash flow from operating activities	**14,376**	**14,817**	**12,150**
Depreciation and amortization	1,521	1,533	1,403
Other adjustments	12,855	13,283	10,747
Net increase/decrease in operating assets	**(102,491)**	**(54,265)**	**(77,408)**
Financial assets held for trading	(13,956)	28,452	(27,884)
Non-trading financial assets mandatorily at fair value through profit or loss	(628)	(2,813)	(1,288)
Other financial assets designated at fair value through profit or loss	(187)	119	(42)
Financial assets at fair value through other comprehensive income	680	(1,124)	2,512
Financial assets at amortized cost	(89,072)	(76,759)	(51,182)
Other operating assets	672	(2,140)	476
Net increase/decrease in operating liabilities	**95,286**	**16,314**	**61,473**
Financial liabilities held for trading	5,099	(32,695)	24,435
Other financial liabilities designated at fair value through profit or loss	3,271	2,647	2,003
Financial liabilities at amortized cost	88,266	45,970	36,127
Other operating liabilities	(1,350)	392	(1,092)
Collection/payments for income tax	**(3,328)**	**(5,631)**	**(5,353)**
B) CASH FLOWS FROM INVESTING ACTIVITIES	**(1,403)**	**(1,423)**	**(1,419)**
Of which hyperinflation effect from investing activities (see Note 2.2.18)	346	753	772
Investment	**(1,807)**	**(2,039)**	**(1,912)**
Tangible assets	(827)	(1,195)	(1,129)
Intangible assets	(979)	(816)	(690)
Investments in joint ventures and associates	(1)	(1)	(93)
Subsidiaries and other business units	—	(28)	—
Non-current assets classified as held for sale and associated liabilities	—	—	—
Other settlements related to investing activities	—	—	—
Divestments	**404**	**617**	**492**
Tangible assets	83	104	92
Intangible assets	—	—	—
Investments in joint ventures and associates	83	32	58
Subsidiaries and other business units	50	73	21
Non-current assets classified as held for sale and associated liabilities	188	408	321
Other collections related to investing activities	—	—	—
C) CASH FLOWS FROM FINANCING ACTIVITIES	**(3,673)**	**(2,567)**	**(1,842)**
Of which hyperinflation effect from financing activities (see Note 2.2.18)	—	—	—
Payments	**(9,417)**	**(8,773)**	**(7,224)**
Dividend distribution (shareholders remuneration)	(4,196)	(3,913)	(2,808)
Subordinated liabilities	(2,647)	(2,599)	(1,629)
Treasury shares amortization	(27)	(37)	(94)
Treasury shares acquisition	(1,968)	(1,492)	(2,072)
Other items relating to financing activities	(580)	(732)	(622)
Collections	**5,744**	**6,205**	**5,383**
Subordinated liabilities	4,987	5,514	4,672
Treasury shares increase	—	—	—
Treasury shares disposal	757	691	711
Other items relating to financing activities	—	—	—
D) EFFECT OF EXCHANGE RATE CHANGES	**(2,201)**	**(2,091)**	**(357)**
E) NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**7,692**	**(24,271)**	**(4,339)**
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**51,145**	**75,416**	**79,756**
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (E+F)	**58,837**	**51,145**	**75,416**

COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF THE YEAR (MILLIONS OF EUROS)

	Notes	2025	2024 (1)	2023 (1)
Cash	9	8,050	8,636	7,751
Balance of cash equivalent in central banks	9	42,856	35,306	60,750
Other financial assets	9	7,931	7,202	6,916
Less: Bank overdraft refundable on demand		—	—	—
TOTAL CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**58,837**	**51,145**	**75,416**

(1) Presented for comparison purposes only (see Note 1.3).

The Notes and Appendices are an integral part of the consolidated statement of cash flows for the year ended December 31, 2025.

Notes to the Consolidated Financial Statements

1. Introduction, basis for the presentation of the Consolidated Financial Statements, Internal Control over Financial Reporting and other information

1.1 Introduction

Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter "the Bank", "BBVA" or "BBVA, S.A."), registered with the Company Register of Vizcaya, is a private-law entity subject to the laws and regulations governing banking entities operating in Spain. It carries out its activity through branches and agencies across the country and abroad.

The Bylaws and other public information are available for inspection at the Bank's registered address (Plaza San Nicolás 4, Bilbao) as noted on its web site (www.bbva.com). The Bank´s purpose is to carry out all kinds of activities, operations, acts, contracts and services within the banking business or directly or indirectly related to it, which are permitted or not prohibited by the provisions in force and supplementary activities. Its corporate purpose also includes the acquisition, possession, use and disposal of securities, public offering of acquisition and sale of securities, as well as all types of holdings in any entity or company.

In addition to the activities it carries out directly, the Bank heads a group of subsidiaries, joint ventures and associates which perform a wide range of activities and which together with the Bank constitute the Banco Bilbao Vizcaya Argentaria Group (hereinafter the "Group" or the "BBVA Group"). In addition to its own separate financial statements, the Bank is required to prepare Consolidated Financial Statements comprising all consolidated subsidiaries of the Group.

As of December 31, 2025, in addition to the Bank, the BBVA Group had 171 consolidated entities and 38 entities accounted for using the equity method (see Notes 3 and 16 and Appendices I to IV).

The Consolidated Financial Statements of the BBVA Group for the year ended December 31, 2024 were approved by the shareholders at the Annual General Shareholders' Meeting ("AGM") held on March 21, 2025.

BBVA Group's Consolidated Financial Statements and the Financial Statements for the Bank and the majority of the other entities within the Group have been prepared for the year ended December 31, 2025, and are pending approval by their respective AGMs. However, the Board of Directors of the Bank believes that said financial statements will be approved without significant changes.

1.2 Basis for the presentation of the Consolidated Financial Statements

The BBVA Group's Consolidated Financial Statements are presented in compliance with IFRS-IASB (International Financial Reporting Standards as issued by the International Accounting Standards Board (hereinafter "IASB")), as well as in accordance with the International Financial Reporting Standards endorsed by the European Union (hereinafter "EU-IFRS") applicable as of December 31, 2025, considering the Bank of Spain Circular 4/2017, as well as its successive amendments, and any other legislation governing financial reporting which was, as of the date of preparation of such consolidated financial statements, applicable, and with the format and mark-up requirements established in the EU Delegated Regulation 2019/815 of the European Commission.

The BBVA Group's Consolidated Financial Statements for the year ended December 31, 2025 were prepared by the Group's Directors (through the Board of Directors meeting held on February 9, 2026) by applying the principles of consolidation, accounting policies and valuation criteria described in Note 2, so that they present fairly the Group's total consolidated equity and financial position as of December 31, 2025, together with the consolidated results of its operations and consolidated cash flows generated during the year ended December 31, 2025.

These Consolidated Financial Statements were prepared on the basis of the accounting records kept by the Bank and each of the other entities in the Group. Moreover, they include the adjustments and reclassifications required to harmonize the accounting policies and valuation criteria used by the Group (see Note 2.2).

All effective accounting standards and valuation criteria with a significant effect on the Consolidated Financial Statements were applied in their preparation.

The amounts reflected in the Consolidated Financial Statements are presented in millions of euros, unless it is more appropriate to use smaller units. Some items that appear without a balance in these Consolidated Financial Statements are due to how the units are expressed. Also, in presenting amounts in millions of euros, the accounting balances have been rounded up or down. It is therefore possible that the totals appearing in some tables are not the exact arithmetical sum of their component figures.

The percentage changes in amounts have been calculated using figures expressed in thousands of euros.

1.3 Comparative information

The information included in the consolidated financial statements for the years ended December 31, 2024 and 2023, is presented in accordance with the applicable regulation, for the purpose of comparison with the information for the year ended December 31, 2025.

1.4 Seasonal nature of income and expense

The nature of the most significant activities carried out by the BBVA Group's entities is mainly related to typical activities carried out by financial institutions, and are not significantly affected by seasonal factors within the same year.

1.5 Responsibility for the information and for the estimates made

The information contained in the BBVA Group's Consolidated Financial Statements is the responsibility of the Group's Directors.

Estimates were required to be made at times when preparing these Consolidated Financial Statements in order to calculate the recorded or disclosed amount of some assets, liabilities, income, expense and commitments. These estimates relate mainly to the following:

- Loss allowances on certain financial assets (see Notes 7, 13, 14 and 16).
- The assumptions used in the valuation of insurance and reinsurance contracts (see Note 23) to quantify certain provisions (see Note 24) and the actuarial calculation of post-employment benefit liabilities and commitments (see Note 25).
- The useful life and impairment losses of tangible and intangible assets and impairment losses on non-current assets held for sale (see Notes 17, 18, and 21).

- The valuation of goodwill and price allocation of business combinations (see Note 18).
- The fair value of certain unlisted financial assets and liabilities (see Notes 7, 8, 10, 11, 12, 13 and 15).
- The recoverability of deferred tax assets and the estimate of the corporate income tax (see Note 19).

As a general matter, the BBVA Group is working to consider and incorporate into the models used for calculating relevant estimates how climate risk and other climate-related matters may affect the financial statements, cash flows, and the financial performance of the Group. These estimates and judgments are being considered when preparing the financial statements of the BBVA Group and, where relevant, they are mentioned in the corresponding Notes to the Consolidated Financial Statements.

The prevailing geopolitical and economic uncertainties (see Note 7.1) entail a greater complexity in developing reliable estimations and applying judgment. Estimates have been made on the basis of the best available information on the matters analyzed as of December 31, 2025. However, it is possible that events may take place subsequent to such date, which could make it necessary to amend these estimations (upward or downward), which would be carried out prospectively, recognizing the effects of the change in estimation in the Consolidated Financial Statements.

During 2025 there were no significant changes in the estimates made as of December 31, 2024 and 2023, other than those indicated in these Consolidated Financial Statements.

1.6 BBVA Group's Internal Control over Financial Reporting

BBVA Group's consolidated financial statements are prepared under an Internal Control over Financial Reporting (hereinafter "ICFR") model. It provides reasonable assurance with respect to the reliability and the integrity of the consolidated financial statements. It is also aimed to ensure that the transactions are processed in accordance with the applicable laws and regulations.

The ICFR model is compliant with the control framework established in 2013 by the Committee of Sponsoring Organizations of the Treadway Commission (hereinafter "COSO"). The COSO 2013 framework sets out five components that constitute the basis of the effectiveness and efficiency of the internal control systems:

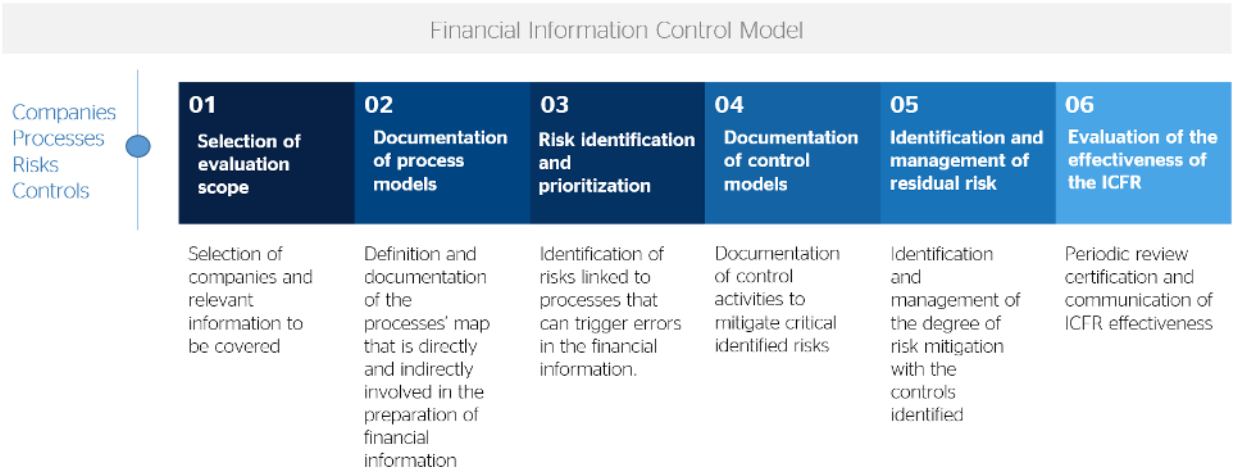
- The establishment of an appropriate control framework.
- The assessment of the risks that could arise during the preparation of the financial information.
- The design of the necessary controls to mitigate the identified risks.
- The establishment of an appropriate system of information to detect and report system weaknesses.
- The monitoring over the controls to ensure they perform correctly and are effective over time.

The ICFR model is a dynamic model that continuously evolves over time to reflect the reality of the BBVA Group's businesses and processes, as well as the risks that may arise and the controls that mitigate them. This control system is subject to a continuous evaluation coordinated by the internal financial control units located in the different entities of BBVA Group.

In order to ensure the necessary independence of the aforementioned internal financial control units, they are integrated within the Regulation & Internal Control area. This area, whose head reports to the Board of Directors through its Committees, defines and coordinates the entire internal control model of the Group, which is structured around three lines of defense with distinct and independent functions and is described in the "General Model for Risk Management and Control":

Lines of Defense	Responsible Areas	Functions
First Line of Defense	Executive areas, depending on the type of risk	Executive areas, depending on the type of risk Manage and control the risks (financial and/or non-financial, as applicable) to which the Bank and any companies in its Group are exposed in the performance of their functions, including identification, measurement, monitoring, and reporting. This management and control will be carried out in accordance with the guidelines defined in external regulations and internal rules, and taking into account the challenge carried out by the areas that perform second and third line of defense functions, in their respective areas of responsibility.
Second Line of Defense	Global Risk Management (GRM) Regulation & Internal Control (R&IC)	Independently of the first line of defense, it must identify, measure, and monitor and report the Group's risks. Establish (or propose to the corporate bodies for approval) the management and control frameworks for financial and/or non-financial risks by all executive areas of the Bank within their respective areas of competence. Challenge the way executive areas manage and/or control the risks assigned to them throughout their life cycle. Carry out reviews of the management and control of risks within the Group.
Third Line of Defense	Internal Audit	Carry out independent reviews on how the other executive areas perform their functions of the first and second lines of defense for the management and/or control of risks in the Group.

Specifically, with regard to the process of preparing the Group's financial statements, the Internal Financial Control (RCS Finance) area coordinates the various control units — first and second lines of defense — under a common and standardized methodology established at the corporate level, in accordance with the following framework:



The ICFR model includes both the controls related to the financial information generation processes, as well as those of a broader scope, designed to improve the Group's general control environment (ELC or Entity Level Control). Both types of controls are assessed on a regular basis by the Control areas and by the Group's Internal Audit unit. The result of their evaluation is reported to the Audit Committee of the Bank's Board of Directors.

The BBVA Group also complies with the requirements of the Sarbanes-Oxley Act ("SOX") for the preparation of the consolidated financial statements, as a company with securities registered with the U.S. Securities and Exchange Commission ("SEC").

The description of the ICFR model is included in the Corporate Governance Annual Report within the Management Report accompanying the Consolidated Financial Statements for the year ended December 31, 2025.

2. Principles of consolidation, accounting policies and measurement bases applied and recent IFRS pronouncements

The Glossary includes the definition of some of the financial and economic terms used in Note 2 and subsequent Notes of the Consolidated Financial Statements.

2.1 Principles of consolidation

In terms of its consolidation, the Financial Statements of the BBVA Group are comprised of four types of entities: subsidiaries, joint ventures, associates and structured entities, defined as follows:

- Subsidiaries

  Subsidiaries are entities controlled by the Group (for definition of control, see Glossary).

  Generally, there is a presumption that a majority of voting rights gives rise to control. When the Group holds less than the majority of the voting rights or similar rights in an entity, the Group considers all relevant facts and circumstances in assessing whether it has control over the entity, including:

  - Contractual arrangements with other holders of voting rights.
  - The rights arising from other contractual arrangements.
  - The Group's voting rights and potential voting rights.

  There are certain entities that, although the Group holds less than 50% of the voting rights in them, are considered to be subsidiaries because the Group has the ability to exercise control over them (see Appendix I).

  The financial statements of the subsidiaries are fully consolidated with those of the Bank through the full consolidation method, which consists of the aggregation of assets, liabilities and equity, income and expenses, of a similar nature, shown in their individual financial statements. Intragroup assets and liabilities, equity, income and expenses and cash flows related to intragroup transactions are eliminated in consolidation.

  The share of non-controlling interests from subsidiaries in the Group's consolidated total equity is presented under the heading "Minority interests (Non-controlling interests)" in the consolidated balance sheet. Their share in the profit or loss for the period or year is presented under the heading "Attributable to minority interests (non-controlling interests)" in the consolidated income statement (see Note 31).

  Note 3 includes information related to the main subsidiaries in the Group as of December 31, 2025. Appendix I includes other significant information on such entities.

- Joint ventures

  Joint ventures are those entities for which there is a joint control arrangement with third parties other than the Group (for definitions of joint arrangement, joint control and joint venture, refer to Glossary).

  The investments in joint ventures are accounted for using the equity method (see Note 16). Appendix II shows the main figures for the main joint ventures accounted for using the equity method as of December 31, 2025.

– Associates

Associates are entities in which the Group is able to exercise significant influence (for definition, see Glossary), but not control or joint control. Significant influence is deemed to exist when the Group owns 20% or more of the voting rights of an investee directly or indirectly, unless it can be clearly demonstrated that this is not the case.

The Group evaluates the existence of significant influence, not only based on the voting rights but also qualitative factors such as presence on the board of directors, participation in decision-making processes, exchange of management personnel, as well as access to technical information. Regarding joint agreements, in addition to evaluating the rights and obligations of the parties thereto, other facts and circumstances are considered to determine whether an agreement is a joint venture or a joint operation. When the sale or contribution of a controlled business to an associate or joint venture occurs, the Group recognizes any retained interest at fair value. The difference between the book value of the business contributed and the fair value of the retained investment plus the corresponding disposal is fully recognized in the income statement.

Certain entities in which the Group owns 20% or more of the voting rights are not included as Group associates, since the Group does not have the ability to exercise significant influence over these entities. Investments in these entities are classified as “Non-trading financial assets mandatorily at fair value through profit or loss” (see Note 11) or "Financial assets at fair value through other comprehensive income" (see Note 13).

In contrast, some investments in entities in which the Group holds less than 20% of the voting rights are accounted for as Group associates, as the Group is considered to have the ability to exercise significant influence over these entities. As of December 31, 2025, these entities are not significant to the Group.

Associates are valued for by the equity method. These entities are initially recognized at cost and subsequently adjusted according to the changes in the Group's share of the net assets of such entities after their acquisition (see Note 16). The Group's income statement reflects the proportion of the results generated by associates in the line "Results of entities accounted for using the equity method". The main figures of the most significant entities are shown in Appendix II.

– Structured entities

A structured entity (see Glossary) is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when the voting rights relate to administrative matters only and the relevant activities are directed by means of contractual arrangements.

In those cases where the Group sets up entities or has a holding in such entities, in order to allow its customers access to certain investments, to transfer risks or for other purposes, in accordance with internal criteria and procedures and with applicable regulations, the Group determines whether control over the entity in question actually exists and therefore whether it should be subject to consolidation.

Such methods and procedures determine whether there is control by the Group, considering how the decisions are made about the relevant activities, assessing whether the Group has control over the relevant elements, exposure to variable returns from involvement with the investee and the ability to use control over the investee to affect the amount of the investor’s returns.

– Structured entities subject to consolidation

To determine if a structured entity is controlled by the Group, and therefore should be consolidated into the Group, the existing contractual rights (different from the voting rights) are analyzed. For this reason, an analysis of the structure and purpose of each investee is performed and, among others, the following factors will be considered:

a. Evidence of the current ability to manage the relevant activities of the investee according to the specific business needs (including any decisions that may arise only in particular circumstances).

b. Potential existence of a special relationship with the investee.

c. Implicit or explicit Group commitments to support the investee.

d. The ability to use the Group´s power over the investee to affect the amount of the Group's returns.

These types of entities include cases where the Group has a high exposure to variable returns and retains decision-making power over the investee, either directly or through an agent.

The main structured entities of the Group are the asset securitization funds, to which the BBVA Group transfers loans and advances, and other vehicles, which allow the Group's customers to gain access to certain investments or to allow for the transfer of risks or for other purposes (see Appendices I and V).

The BBVA Group maintains the decision-making power over the relevant activities of these structured entities subject to consolidation and provides financial support through contracts, as is standard in the securitization market.

The most common ones are investment positions in equity tranches of notes; funding through subordinated debt; credit enhancements through derivative instruments or liquidity lines; management rights of defaulted securitized assets; "clean-up" call derivatives; and asset repurchase clauses by the grantor.

For these reasons, the loans and receivable portfolios related to the majority of the securitizations carried out by the Bank or Group subsidiaries are not derecognized in the books of said entity and the issuances of the related debt securities are recorded as liabilities within the Group's consolidated balance sheet.

For additional information on the accounting treatment for the transfer and derecognition of financial instruments, see Note 2.2.2. "Transfers and derecognition of financial assets and liabilities".

– Non-consolidated structured entities

The Group owns other vehicles also for the purpose of allowing customers access to certain investments, to transfer risks, and for other purposes, but without the Group having control of the vehicles, which are not consolidated in accordance with IFRS 10 – "Consolidated Financial Statements". The balance of assets and liabilities of these vehicles is not material in relation to the Group's Consolidated Financial Statements.

As of December 31, 2025, 2024 and 2023 there was no material financial support from the Bank or its subsidiaries to non-consolidated structured entities.

The Group does not consolidate any of the mutual funds it manages since the necessary control conditions are not met. Particularly, the BBVA Group does not act as arranger but as agent since it operates the mutual funds on behalf and for the benefit of investors or parties (arranger or arrangers) and, for this reason it does not control the mutual funds when exercising its authority for decision making.

The mutual funds managed by the Group are not considered structured entities (generally, retail funds without corporate identity over which investors have participations which gives them ownership of said managed equity). These funds are not dependent on a capital structure that could prevent them from carrying out activities without additional financial support, being in any case insufficient as far as the activities themselves are concerned. Additionally, the risk of the investment is absorbed by the fund participants, and the Group is only exposed when it becomes a participant, and as such, there is no other risk for the Group.

In all cases, the operating results of equity method investees acquired by the BBVA Group in a particular period only include the period from the date of acquisition to the financial statements date. Similarly, the results of entities disposed of during any year only include the period from the start of the year to the date of disposal.

The consolidated financial statements of subsidiaries, associates and joint ventures used in the preparation of the Consolidated Financial Statements of the Group have the same presentation date as the Consolidated Financial Statements. If financial statements at those same dates are not available, the most recent will be used, as long as these are not older than three months, and will be adjusted to take into account the most significant transactions. As of December 31, 2025, financial statements as of December 31 of all Group entities were utilized except in the case of the consolidated financial statements of nine non-significant entities for which financial statements as of November 30, 2025 were used.

Business combinations

A business combination is a transaction, or any other deal, by which the Group obtains control over one or more businesses, accounting for by applying the "acquisition method".

According to this method, the acquirer has to recognize the assets acquired and the liabilities and contingent liabilities assumed, including those that the acquired entity had not accounted for. The method involves the measurement of the consideration received for the business combination and its allocation to the assets, liabilities and contingent liabilities measured according to their fair value, at the purchase date, as well as the recognition of any non-controlling participation (minority interests) that may arise from the transaction.

The acquirer shall recognize an asset in the consolidated balance sheet under the heading "Intangible assets - Goodwill" (see Note 2.2.7) if on the acquisition date there is a positive difference between:

- the sum of the consideration paid, the amount of all the minority interests and the fair value of the stock previously held in the acquired business; and

- the fair value of the assets acquired and liabilities assumed.

If this difference is negative, it shall be recognized directly in the income statement under the heading "Negative goodwill recognized in profit or loss".

Minority interests in the acquired entity may be measured in two ways: either at their fair value; or at the proportional percentage of net assets identified in the acquired entity. The method of valuing minority interests may be elected in each business combination. BBVA Group has always elected the second method.

Separate financial statements

The separate financial statements of the parent company of the Group are prepared under Spanish regulations (Circular 4/2017 of the Bank of Spain, and following other regulatory requirements of financial information applicable to the Bank). The Bank uses the cost method to account in its separate financial statements for its investments in subsidiaries, associates and joint venture entities, which are consistent with the requirements of the Bank of Spain´s Circular 4/2017.

Appendix IX shows BBVA's separate financial statements as of and for the years ended December 31, 2025 and 2024.

2.2 Accounting principles and policies and applied valuation methods

The accounting principles and policies and the valuation methods applied in the preparation of the consolidated financial statements may differ from those used, at the individual level, by some of the entities that are part of the BBVA Group; This is why, in the consolidation process, the necessary adjustments and reclassifications are made to standardize such principles and criteria among themselves and bring them into line with the EU-IFRS.

In preparing the Consolidated Financial Statements, the following accounting principles and policies and assessment criteria have been applied:

2.2.1 Financial instruments

On January 1, 2018, IFRS 9, which replaced IAS 39 with respect to the classification and measurement of financial assets and liabilities, credit impairment, and hedge accounting, came into force. At that time, the Group chose to continue applying IAS 39 for hedge accounting, as permitted by IFRS 9. However, the Group then decided to apply the requirements of IFRS 9 to micro hedge accounting from January 1, 2025.

Given the lack of a specific regulatory framework for macro hedges in IFRS 9, the Group continues to apply the framework established under IAS 39 for macro hedge accounting. Thus, from January 1, 2025, the Group will apply simultaneously two standards with common characteristics for hedge accounting (IAS 39 for macro hedges and IFRS 9 for micro hedges) until the International Accounting Standards Board (IASB) concludes the project to develop a specific framework for macro hedge accounting, known as the IFRS 9. Risk Mitigation Accounting (RMA) Project.

The adoption of the accounting policy for accounting for micro hedges in accordance with the requirements set out in IFRS 9 has not had any significant impact on the Group´s Consolidated Financial Statements as of the date of its implementation.

Classification and measurement of financial assets

Classification of financial assets

IFRS 9 contains three main categories for financial assets classification: measured at amortized cost, measured at fair value with changes through other comprehensive income, and measured at fair value through profit or loss.

The classification of financial instruments in the categories of amortized cost or fair value depends on the business model with which the entity manages the assets and the contractual characteristics of the cash flows, commonly known as the "solely payments of principal and interest" criterion (hereinafter the "SPPI").

The assessment of the business model should reflect the way the Group manages groups of financial assets and does not depend on the intention for an individual instrument. Thus, for each entity within the BBVA Group there are different business models for managing assets.

In order to determine the business model, the following aspects are taken into account:

- The way in which the performance of the business model (and that of the assets which comprise such business model) is evaluated and reported to the entity's key personnel.
- The risks and their management, which affect the performance of the business model.
- The way in which business model managers are remunerated.
- The frequency, amount and timing of sales in previous years, the reasons for such sales and expectations regarding future sales.

In this sense, the Group has established policies and has developed procedures in each geographical area to determine when the sales of financial assets classified in the amortized cost category are considered infrequent (even when significant), or are insignificant (even when frequent), to ensure compliance with such business model.

Furthermore, it is considered that any sales that may occur because the financial asset is close to maturity, due to an increase in credit risk, or to satisfy liquidity needs, are compatible with the amortized cost model.

Regarding the SPPI test, the analysis of the cash flows aims to determine whether the contractual cash flows of the assets correspond only to payments of principal and interest on the principal amount outstanding at the beginning of the transaction. Interest is understood here as the consideration for the time value of money; and for the credit risk associated with the principal amount outstanding during a specific period; and for financing and structure costs, plus a profit margin.

The most significant judgments used by the Group in evaluating compliance with the conditions of the SPPI test are the following:

- Modified time value: in the event that a financial asset includes a periodic interest rate adjustment but the frequency of this adjustment does not coincide with the term of the reference interest rate (e.g., the interest rate reset every six months to a one-year rate), the Group assesses, at the time of the initial recognition, this mismatch to determine whether the contractual cash flows (undiscounted) differ significantly or not from the cash flows (undiscounted) of a benchmark financial asset, for which there would be no change in the time value of money. The defined tolerance thresholds are 10% for the differences in each period and 5% for the analysis accumulated throughout the financial asset life.

- Contractual clauses: the contractual clauses that can modify the calendar or the amount of the contractual cash flows are analyzed to verify if the contractual cash flows that would be generated during the life of the instrument due to the exercise of those clauses are only payments of principal and interest on the principal amount outstanding. To do this, the contractual cash flows that may be generated before and after the modification are analyzed.

  The main criteria taken into account in the analysis are:

  a. Early termination clauses: generally, a contractual clause that permits the debtor to prepay a debt instrument before maturity is consistent with SPPI when the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding (which may include reasonable additional compensation for the early termination of the contract).

  b. Instruments with an interest rate linked to contingent events:

     - an instrument whose interest rate is reset to a higher rate if the debtor misses a particular payment may meet the SPPI criterion because of the relationship between missed payments and an increase in credit risk.

     - an instrument with contractual cash flows that are indexed to the debtor's performance – e.g. net income or is adjusted based on a certain index or stock market value would not meet the SPPI criterion.

  c. Perpetual instruments: to the extent that they can be considered instruments with continuous (multiple) extension options, they meet the SPPI test if the contractual flows meet it. When the issuer can defer the payment of interest, if such payment would affect their solvency, they would meet the SPPI test if the deferred interest accrues additional interest, while if they do not, they would not meet the test.

- Non-recourse financial instruments: In the case of debt instruments that are repaid primarily with the cash flows of specific assets or projects and the debtor has no legal responsibility, the underlying assets or cash flows are evaluated to determine whether the contractual cash flows of the instrument are consistent with payments of principal and interest on the principal amount outstanding.

a. If the contractual terms do not give rise to additional cash flows to payments of principal and interest on the amount of principal outstanding or limitations to these payments, the SPPI test is met.

b. If the debt instrument effectively represents an investment in the underlying assets and its cash flows are inconsistent with principal and interest (because they depend on the performance of a business), the SPPI test is not met.

- Contractually linked instruments: a look-through analysis is carried out in the case of transactions that are set through the issuance of multiple financial instruments forming tranches that create concentrations of credit risk (e.g., securitizations) in which there is an order of priority that specifies how the flows of cash generated by the underlying set of financial instruments are allocated to the different tranches. The debt tranches of the instrument will comply with the requirement that their cash flows represent only payment of principal and interest on the outstanding principal if:

    a. the contractual terms of the tranche being assessed for classification (without looking through to the underlying pool of financial instruments) give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding;

    b. the underlying pool of financial instruments comprises instruments with cash flow that are solely payments of principal and interest on the principal amount outstanding; and

    c. the exposure to credit risk in the underlying pool of financial instruments inherent in the tranche is equal to or lower than the exposure to credit risk of the underlying pool of financial instruments (for example, the credit rating of the tranche being assessed for classification is equal to or higher than the credit rating that would apply to a single tranche that funded the underlying pool of financial instruments).

In any event, the contractual conditions that, at the time of the initial recognition, have a minimal effect on cash flows or depend on the occurrence of exceptional and highly unlikely events do not prevent compliance with the conditions of the SPPI test.

In the specific case of loans granted by the BBVA Group where the financial remuneration is linked to the compliance with certain environmental, social and governance (hereinafter "ESG") conditions and criteria, the Group considers that the impact of compliance with the ESG criteria on the interest rate applied to the transactions is very limited and, therefore, meets the condition that it has a minimal effect on cash flows. Therefore, the existence of these ESG-linked clauses would not entail non-compliance with the aforementioned SPP test.

Based on the above characteristics, financial assets will be classified and valued as described below.

A debt instrument will be classified in the amortized cost portfolio if the two following conditions are fulfilled:

- the financial asset is managed within a business model whose purpose is to maintain the financial assets to maturity, to receive contractual cash flows; and

- the contractual conditions of the financial asset give rise to cash flows that are only payments of principal and interest.

A debt instrument will be classified in the portfolio of financial assets at fair value with changes through other comprehensive income if the two following conditions are fulfilled:

- the financial asset is managed within a business model whose purpose combines collection of the contractual cash flows and sale of the assets; and

- the contractual characteristics of the instrument generate cash flows which only represent the return of the principal and interest.

A debt instrument will be classified at fair value with changes in profit and loss provided that the entity's business model for their management or the contractual characteristics of its cash flows do not require classification into one of the portfolios described above.

In general, equity instruments will be measured at fair value through profit or loss. However the Group may make an irrevocable election, at initial recognition to present subsequent changes in the fair value through "other comprehensive income".

Financial assets will only be reclassified when BBVA Group decides to change the business model. In this case, all of the financial assets assigned to this business model will be reclassified. The change of the objective of the business model should occur before the date of the reclassification.

Measurement of financial assets

All financial instruments are initially recognized at fair value, plus, those transaction costs which are directly attributable to the issue of the particular instrument, with the exception of those financial assets which are classified at fair value through profit or loss.

All changes in the value of financial assets due to the interest accrual and similar items are recorded in the headings "Interest and other income" or "Interest expense", of the consolidated income statement of the year in which the accrual occurred (see Note 37), except for trading derivatives that are not economic and accounting hedges.

The changes in fair value after the initial recognition, for reasons other than those mentioned in the preceding paragraph, are treated as described below, according to the categories of financial assets.

"Financial assets held for trading", "Non-trading financial assets mandatorily at fair value through profit or loss" and "Financial assets designated at fair value through profit or loss"

Financial assets are recorded under the heading "Financial assets held for trading" if the objective of the business model is to generate gains by buying and selling these financial instruments or to generate short-term results. The financial assets recorded in the heading "Non-trading financial assets mandatorily at fair value through profit or loss" either have contractual cash flows that do not met the conditions of the SPPI test, or are not covered by a business model whose objective is either (i) to hold financial assets to collect contractual cash flows or (ii) achieved by collecting contractual cash flows and selling financial assets. Financial assets are classified in "Financial assets designated at fair value through profit or loss" only if such classification eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from recognizing or measuring such financial assets on different bases.

The assets recognized under these headings of the consolidated balance sheet are measured upon acquisition at fair value and changes in the fair value (gains or losses and foreign exchange differences) are recognized as their net value, when applicable, under the headings "Gains (losses) on financial assets and liabilities held for trading, net", "Gains (losses) on non-trading financial assets mandatorily at fair value through profit or loss, net" and "Gains (losses) on financial assets designated at fair value through profit or loss, net" in the consolidated income statement (see Note 41).

"Financial assets at fair value through other comprehensive income"

- Debt instruments

Assets recognized under this heading in the consolidated balance sheets are measured at their fair value. This category of valuation implies the recognition of the information in the income statement as if it were an instrument valued at amortized cost, while the instrument is valued at fair value in the balance sheet. Thus, both interest income on these instruments and the exchange differences and impairment that arise in their case are recorded in the profit and loss account, while subsequent changes in its fair value (gains or losses) are recognized temporarily (by the amount net of tax effect) under the heading "Accumulated other comprehensive income (loss) - Items that may be reclassified to profit or loss - Fair value changes of debt instruments measured at fair value through other comprehensive income" in the consolidated balance sheets (see Note 30).

The amounts recognized under the headings "Accumulated other comprehensive income (loss) - Items that may be reclassified to profit or loss - Fair value changes of debt instruments measured at fair value through other comprehensive income" continue to form part of the Group's consolidated equity until the corresponding asset is derecognized from the consolidated balance sheet or until a loss allowance is recognized on the corresponding financial instrument. If these assets are sold, these amounts are derecognized and included under the headings "Gains (losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net" in the consolidated income statements (see Note 41).

The net loss allowances in "Financial assets at fair value through other comprehensive income" over the year are recognized under the heading "Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification - Financial assets at fair value through other comprehensive income" (see Note 47) in the consolidated income statement for the year. Interest income on these instruments is recorded in the consolidated income statement (see Note 37). Changes in foreign exchange rates are recognized under the heading "Exchange differences, net" in the consolidated income statements (see Note 41).

- Equity instruments

At the time of initial recognition of specific investments in equity instruments, the BBVA Group may make the irrevocable decision to present subsequent changes in fair value in other comprehensive income. Subsequent changes in this valuation will be recognized in "Accumulated other comprehensive income (loss)- Items that will not be reclassified to profit or loss - Fair value changes of equity instruments measured at fair value through other comprehensive income" (see Note 30). Dividends received from these investments are recorded in the heading "Dividend income" in the consolidated income statement (see Note 38). These instruments are not subject to the impairment model of IFRS 9.

"Financial assets at amortized cost"

The assets under this category are subsequently measured at amortized cost, after initial recognition, using the "effective interest rate" method. In the case of floating rate instruments, including inflation-linked bonds, the periodic updates of cash flows to reflect the movement of interest rates and inflation impact the effective interest rate prospectively.

Net loss allowances of assets recorded under these headings arising in each year, calculated using the IFRS 9 model, are recognized under the heading "Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification – Financial assets measured at amortized cost" in the consolidated income statement for such year (see Note 47).

Classification and measurement of financial liabilities

Classification of financial liabilities

Financial liabilities are classified in the following categories:

- Financial liabilities at amortized cost;

- Financial liabilities that are held for trading, including derivatives, are financial instruments which are recorded in this category when the Group's objective is to generate gains by buying and selling these financial instruments or generate short-term results; and

- Financial liabilities that are designated at fair value through profit or loss on initial recognition under the Fair Value Option. The Group has the option to designate irrevocably, on the initial moment of recognition, a financial liability at fair value through profit or loss provided that doing so results in the elimination or significant reduction of measurement or recognition inconsistency, or if a group of financial liabilities, or a group of financial assets and financial liabilities, has to be managed, and its performance evaluated, on a fair value basis in accordance with a documented risk management or investment strategy.

Measurement of financial liabilities

Financial liabilities are initially recorded at fair value, less transaction costs that are directly attributable to the issuance of instruments, except for financial instruments that are classified at fair value through profit or loss.

Variations in the value of financial liabilities due to the interest accrual and similar items are recorded in the headings "Interest and other income" or "Interest expense", of the consolidated income statement for the year in which the accrual occurred (see Note 37), except for trading derivatives that are not economic and accounting hedges.

The changes in fair value after the initial recognition, for reasons other than those mentioned in the preceding paragraph, are treated as described below, according to the categories of financial liabilities.

"Financial liabilities held for trading" and "Financial liabilities designated at fair value through profit or loss"

The subsequent changes in the fair value (gains or losses) of the liabilities recognized under these headings of the consolidated balance sheets are recognized as their net value under the headings "Gains (losses) on financial assets and liabilities held for trading, net" and "Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net" in the consolidated income statements (see Note 41). The changes in the own credit risk of the liabilities designated under the fair value option is presented in "Accumulated other comprehensive income (loss) – Items that will not be reclassified to profit or loss – Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk", unless this treatment brings about or increases an asymmetry in the income statement.

"Financial liabilities at amortized cost"

The liabilities under this category are subsequently measured at amortized cost, using the "effective interest rate" method.

"Hybrid financial liabilities"

When a financial liability contains an embedded derivative, the Group analyzes whether the economic characteristics and risks of the embedded derivative and the host instrument are closely related.

If the characteristics and risks of the host and the derivative are closely related, the instrument as a whole will be classified and measured according to the general rules for financial liabilities. If, on the other hand, the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host, its terms meet the definition of a derivative and the hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss, the embedded derivative shall be separated from the host and accounted for as a derivative separately at fair value with changes in profit and loss and the host instrument classified and measured according to its nature.

"Derivatives – Hedge Accounting" and "Fair Value Changes of the Hedged Items in Portfolio Hedges of Interest Rate Risk"

With the aim of improving the alignment between risk management and its presentation in the financial statements, the Group has decided to apply IFRS 9 for micro hedge accounting, instead of IAS 39, from January 1, 2025. Prior to the transition date, the Group was applying IAS 39 for micro hedge accounting.

The Group uses hedging derivatives as a tool for managing financial risks, mainly interest rate risk and exchange rate risk(see Note 7).

To cover these risks, the Group uses, among others, the following hedging instruments:

- Interest rate derivatives to convert interest rate exposures into fixed or variable rates.
- Foreign exchange derivatives to convert foreign currency exposures to the entity's currency and net investment exposures to the local currency.

In some hedging relationships, the Group additionally designates inflation risk as a contractually specified component of a debt instrument (e.g., inflation-linked bonds).

For these economic hedges to be recognized as hedge accounting, they must meet certain requirements established under both IAS 39 and IFRS 9. These requirements include clear identification of the hedged items and hedging instruments, an assessment of the hedge's effectiveness over time, and adequate documentation supporting the Group's intention to manage its risk through these instruments. Only when these criteria are met can financial derivatives be accounted for as hedge accounting, allowing for an accounting treatment that more accurately reflects the Group's risk management strategy (see Note 15).

Hedge accounting maintains a similar accounting scheme under both IAS 39 and IFRS 9. Hedge ineffectiveness, defined as the difference between the change in value of the hedging instrument and the hedged item attributable to the hedged risk in each period is recorded in the consolidated income statement (or other comprehensive income, if the hedging instrument hedges an equity instrument for which an entity has elected to present changes in fair value in other comprehensive income) (see Notes 15 and 41).

The Group discontinues hedge accounting when the hedging instrument expires or is sold, or when the hedging relationship no longer meets the qualifying criteria. However, if a hedge no longer meets the qualifying criteria but the risk management objective remains unchanged, IFRS 9 allows the Group to assess whether to adjust the hedge ratio in order to re-establish compliance with the effectiveness requirements.

Under IAS 39, hedge effectiveness is assessed both retrospectively and prospectively, ensuring that it remains within a range of 80% to 125%. However, IFRS 9 eliminates the strict 80%-125% effectiveness range requirement, allowing qualitative prospective assessments if there is an economic relationship between the hedged item and the hedging instrument, and credit risk does not exert a dominant effect on changes in the value of either the hedged item or the hedging instrument. The BBVA Group has chosen to continue applying the 80%-125% range as a measure for assessing hedge effectiveness, and may rebalance the hedge without discontinuing hedges if this range is not maintained, as described below.

The variations that occur, after the designation of the hedge, in the valuation of the financial instruments designated as hedged items and the financial instruments designated as accounting hedging instruments are recorded as follows:

- In fair value hedges, the differences arising in the fair value of the derivative and the hedged instrument attributable to the hedged risk are recognized directly under the line item 'Gains (losses) from hedge accounting, net' in the consolidated income statement. In the specific case of interest rate hedges, interest cash flows are included under the line item 'Interest and other income' or under 'Interest expense' in the consolidated income statement), or in 'Other comprehensive income (loss)' if it is a hedge of equity instruments measured at fair value through 'Other comprehensive income (loss)'; with the corresponding entry being recorded in the consolidated balance sheet line items in which the hedging instrument ('Derivatives – hedge accounting') or the hedged item is recognized, as applicable (see Note 37).

- In fair value hedges of interest rate risk on a portfolio of financial instruments ("macro hedges"), gains or losses arising from the measurement of the hedging instrument are recognized directly in the consolidated income statement with an offsetting entry made under the heading "Derivatives – Hedge accounting" and gains or losses arising from the change in the fair value of the hedged item (attributable to the hedged risk) are also recorded in the consolidated income statement (in both cases, under the heading "Gains (losses) from hedge accounting, net"), with an offsetting entry made in the heading "Fair value changes of the hedged items in portfolio hedges of interest rate risk" of the asset or liability in the consolidated balance sheet, depending on the nature of the hedged item.

- In cash flow hedges, the valuation differences arising in the effective hedge portion of the hedging items are temporarily recorded under the heading "Accumulated other comprehensive income (loss) - Items that may be reclassified to profit or loss - Hedging derivatives. Cash flow hedges (effective portion)" in the consolidated balance sheet, with an offsetting entry made in the "Derivatives - Hedge accounting" headings of the asset or liability sections in the consolidated balance sheet, as applicable. These differences are recognized in the consolidated income statement when the gain or loss on the hedged item is recorded in profit or loss, when the forecast transactions are executed, or on the maturity date of the hedged item. Almost all of the Group's cash flow hedges are interest rate and inflation hedges for financial instruments, so the amount recorded in other accumulated comprehensive income will be reclassified in results under the headings "Interest and other income" or "Interest expense" in the consolidated income statement (see Note 37).

- The differences in the value of the hedging instrument corresponding to the ineffective portion of cash flow hedging transactions are recorded directly under the heading “Gains (losses) from hedge accounting, net” in the consolidated income statement (see Note 41).

- In the hedge of net investments in foreign operations, valuation differences arising in the effective portion of the hedging items are temporarily recorded under the heading "Accumulated other comprehensive income (loss) - Items that may be reclassified to profit or loss - Hedge of net investments in foreign operations (effective portion)" in the consolidated balance sheet, with an offsetting entry made under "Derivatives - Hedge accounting" in the asset or liability sections of the consolidated balance sheet, as applicable. These valuation differences are recognized in the consolidated income statement when the foreign investment is disposed of or removed from the consolidated balance sheet (see Note 41).

The other relevant new features introduced by IFRS 9 and applicable from January 1, 2025, are as follows:

- It provides flexibility in the items that can be hedged (for example, it enables the hedging of net positions, aggregate positions, and specific risk components in non-financial items).

- It introduces the accounting treatment of "cost of hedging", allowing components of hedging instruments such as forward elements, the time value of options, or the base spread to be excluded from the hedge. These values can be recognized in other comprehensive income, thereby reducing volatility in the consolidated income statement. (Update applied by the Group).

- It allows for the rebalancing of hedges without the need for discontinuations in hedge accounting, provided that the relationship between the hedging instrument and the hedged item is adjusted, and that the risk management objective is maintained.

- For fair value hedges on equity instruments recorded at fair value through other comprehensive income, the differences in the fair value of the derivative are recorded in “Accumulated other comprehensive income (loss)”, thereby minimizing the impact on profit or loss for the period. (Update applied by the Group).

Loss allowances on financial assets

The “expected losses” impairment model is applied to financial assets valued at amortized cost, debt instruments valued at fair value with changes in accumulated other comprehensive income, financial guarantee contracts and other commitments. All financial instruments valued at fair value through profit or loss are excluded from the impairment model.

The standard classifies financial instruments into three categories, which depend on the evolution of their credit risk from the moment of initial recognition and which establish the calculation of the credit risk allowance.

Stage 1 – without significant increase in credit risk

Financial assets which are not considered to have significantly increased in credit risk have loss allowances measured at an amount equal to the expected credit loss that arises from all possible default events within 12 months following the presentation date of the financial statements (12 month expected credit losses).

Stage 2 – significant increases in credit risk

When the credit risk of a financial asset has increased significantly since the initial recognition, the loss allowances of that financial instrument is calculated as the expected credit loss during the entire life of the asset. That is, they are the expected credit losses that result from all possible default events during the expected life of the financial instrument.

Stage 3 – impaired

When there is objective evidence that the instrument is credit-impaired, the financial asset is transferred to this category in which the provision for losses of that financial instrument is calculated, as in *Stage* 2, as the expected credit loss during the entire life of the asset.

When the recovery of any recognized amount is considered remote, such amount is written-off on the consolidated balance sheet, without prejudice to any actions that may be taken in order to collect the amount until the rights extinguish in full either because it is time-barred debt, the debt is forgiven, or other reasons.

The BBVA Group has applied the following definitions:

- Credit-impaired asset

An asset is credit-impaired (*stage* 3) if one or more events have occurred and they have a detrimental impact on the estimated future cash flows of the asset.

The definition of impaired asset under IFRS 9 is currently aligned with that of default used by the Group both for internal credit risk management and for regulatory purposes, in accordance with the definitions established in the European Banking Authority (hereinafter "EBA") Guidelines and in Article 178 of Regulation (EU) No 575/2013 (CRR). This alignment facilitates the integration of both definitions in credit risk management, giving coherence and consistency in the processes.

The determination of an asset as impaired and its classification in *stage* 3 is based exclusively on the risk of default, without considering the effects of credit risk mitigating measures such as guarantees and collaterals. Specifically, the following financial assets are classified in *stage* 3:

a. Impaired assets for objective reasons or delinquency: when there are unpaid amounts of principal or interest for more than 90 days.

   According to IFRS 9, the 90-days past due default is a presumption that can be rebutted in those cases where the entity considers, based on reasonable and supportable information, that it is appropriate to use a longer term. As of December 31, 2025, the Group has not used terms exceeding 90 days past due.

b. Impaired assets for subjective reasons (other than delinquency): when circumstances are identified that show, even in the absence of defaults, that it is not probable that the debtor will fully comply with its financial obligations. For this purpose, the following indicators are considered, among others:

   - Significant financial difficulties of the issuer or the borrower.
   - Granting by the lender or lenders to the borrower, for economic or contractual reasons related to the latter's financial difficulties, of concessions or advantages that they would not have otherwise granted.

- Breach of contractual clauses, such as events of default or default.
- Increasing probability that the borrower will go into bankruptcy or some other situation of financial reorganization.
- Disappearance of an active market for the financial asset due to financial difficulties.
- Others that may affect the committed cash flows such as the loss of the debtor's license or that it has committed fraud.
- Generalized delay in payments. In any case, this circumstance exists when, during a continuous period of 90 days prior to the reporting date, a material amount has remained unpaid.
- Sales of credit exposures of a client with a significant economic loss will imply that the rest of its operations are considered impaired.

Relating to the granting of concessions due to financial difficulties, it is considered that there is an indicator of unlikeliness to pay, and therefore the client must be considered impaired, when the refinancing or restructuring measures may result in a diminished financial obligation caused by a forgiveness or material deferral of principal, interest or fees. Specifically, unless proven otherwise, transactions that meet any of the following criteria will be reclassified to the category of impaired assets:

a. Irregular repayment schedule.
b. Contractual clauses that delay the repayment of the loan through regular payments. Among others, grace periods of more than two years for the amortization of the principal will be considered clauses with these characteristics.
c. Amounts of principal or interest written off from the balance sheet as its recovery is considered remote.

In any case, a restructuring will be considered impaired when the reduction in the net present value of the financial obligation is greater than 1%.

Credit risk management for wholesale counterparties is carried out at the customer (or group) level. For this reason, the classification of any of a client's material exposures as impaired, whether due to more than 90 days of default or due to any of the subjective criteria, implies the classification as impaired of all the client's exposures.

Regarding retail clients, which are managed at the individual loan level, the scoring systems review their score, among other factors, in the event of a breach in any of their operations or incurring generalized delays in payments, which also triggers the necessary recovery actions. Among them are the refinancing measures that, where appropriate, may lead to all the client's operations being considered impaired. Furthermore, given the granularity of the retail portfolios, the differential behavior of these clients in relation to their products and collateral provided, as well as the time necessary to find the best solution, the Group has established as an indicator that when a transaction of a retail client is in default in excess of 90 days or shows a general delay in payments and this represents more than 20% of the client's total balance, all its transactions are considered impaired.

When transactions involving entities related to a client enter *stage* 3, including entities of the same group and entities holding a relationship of economic or financial dependence, the transactions of the client will also be classified as *stage* 3, if reasonable doubts as to the full payment of their loans is determined to exist following the relevant analysis.

The *stage* 3 classification will be maintained for a cure period of 3 months from the disappearance of all indicators of impairment during which the client must demonstrate good payment behavior and an improvement in their credit quality in order to corroborate the disappearance of the causes that motivated the classification of the debt as impaired. In the case of refinancing and restructuring, the cure period is one year (see Note 7.2.7 for more details).

These criteria are aligned in all the geographical areas of the Group, maintaining only minor differences to facilitate the integration of management at the local level.

- Significant increase in credit risk

The objective of the impairment requirements is to recognize lifetime expected credit losses for financial instruments for which there have been significant increases in credit risk since initial recognition considering all reasonable and supportable information, including that which is forward-looking.

The model developed by the Group for assessing the significant increase in credit risk has a two-prong approach that is applied globally (for more detail on the methodology used, see Note 7.2.1):

- Quantitative criterion: the Group uses a quantitative analysis based on comparing the current expected probability of default over the life of the transaction with the original adjusted expected probability of default, so that both values are comparable in terms of expected default probability for their residual life.

- Qualitative criterion: most indicators for detecting significant risk increase are included in the Group's systems through rating and scoring systems or macroeconomic scenarios, so the quantitative analysis covers the majority of circumstances. The Group uses additional qualitative criteria to identify significant increase in credit risk and thus, to include circumstances that are not reflected in the rating/score systems or macroeconomic scenarios used. Such qualitative criteria are the following:

    a. More than 30 days past due. According to IFRS 9, default of more than 30 days is a presumption that can be rebutted in those cases in which the entity considers, based on reasonable and documented information, that such non-payment does not represent a significant increase in risk. As of December 31, 2025, the Group has not considered periods higher than 30 days.

    b. Watch List: They are subject to special watch by the Risk units because they show negative signs in their credit quality, even though there may be no objective evidence of impairment.

    c. Refinance or restructuring that does not show evidence of impairment, or that, having been previously identified, the existence of significant increase in credit risk may still exist.

Although the standard introduces a series of operational simplifications, also known as practical solutions, for analyzing the increase in significant risk, the Group does not use them as a general rule. However, for high-quality assets, mainly related to certain government institutions and bodies, the standard allows for considering that their credit risk has not increased significantly because they have a low credit risk at the presentation date. This possibility is limited to those financial instruments that are classified as having high credit quality and to contracts with a current annualized probability of default (PD) of less than 0.3%. This does not prevent these assets from being assigned the credit risk coverage that corresponds to their classification as *stage* 1 based on their credit rating and macroeconomic expectations.

Method for calculating Expected Credit Loss (ECL)

Method for calculating expected loss

The measurement of expected losses must reflect:

- a considered and unbiased amount, determined by evaluating a range of possible results;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort and that reflects current conditions and forecasts of future economic conditions.

Expected losses are measured both individually and collectively.

The individualized estimate of credit losses results from calculating the difference between the expected cash flows discounted at the effective interest rate of the transaction and the carrying amount of the instrument (see Note 7.2.1).

For the collective measurement of expected losses the instruments are classified into groups of assets based on their risk characteristics. Exposure within each group is grouped according to credit risk common characteristics, which indicate the payment capacity of the borrower according to the contractual conditions. These risk characteristics have to be relevant in estimating the future flows of each group. The characteristics of credit risk may consider, among others, the following factors (see Note 7.2.1):

- type of instrument;
- rating or scoring tools;
- credit risk scoring or rating;
- type of collateral;
- amount of time at default for *stage* 3;
- segment;
- qualitative criteria which can have a significant increase in risk;
- collateral value if it has an impact on the probability of a default event.

The estimated losses are derived from the following parameters:

- PD: estimate of the probability of default in each period.
- LGD: estimate of the loss in case of default, calculated as the difference between the contractual cash flows and receivables, including guarantees. For these purposes, the probability of executing the guarantee, the moment until its ownership and subsequent realization are achieved, the expected cash flows and the acquisition and sale costs, are considered in the estimation.
- EAD: estimate of the exposure in case of default in each future period, taking into account the changes in exposure after the closing date of the financial statements.

– CCF: cash conversion factor is the estimate made on off-balance sheet contractual arrangements to determine the exposure subject to credit risk in the event of a default.

At the BBVA Group, the calculated expected credit losses are based on internal models developed for all portfolios within the IFRS 9 scope, except for the cases that are subject to individual analysis.

The calculation and recognition of expected credit losses includes exposures with governments and credit institutions, for which, despite having a reduced number of defaults in the information databases, internal models have been developed, considering, as sources of information, the data provided by external rating agencies or other observed in the market, such as changes in bond yields, prices of credit default swaps or any other public information on them.

Use of present, past and future information

IFRS 9 requires incorporation of present, past and future information to detect any significant increase in risk and measure expected loss, which must be carried out on a weighted probability basis.

The standard does not require identification of all possible scenarios for measuring expected loss. However, the probability of a loss event occurring and the probability it will not occur have to be considered, even though the possibility of a loss may be very low. To achieve this, the Group generally evaluates the linear relationship between its estimated loss parameters (PD, LGD and EAD) with the historical and future forecasts of the macroeconomic scenarios.

Additionally, when there is no linear relation between the different future economic scenarios and their associated expected losses, more than one future economic scenario must be used for the measurement.

The approach taken by the Group consists of using a methodology based on the use of three scenarios. The first is the most probable scenario (base scenario) that is consistent with that used in the Group's internal management processes, and two additional ones, one more positive and the other more negative. The combined outcome of these three scenarios is calculated considering the weight given to each of them. The main macroeconomic variables that are valued in each of the scenarios for each of the geographical areas in which the Group operates are the Gross Domestic Product (hereinafter "GDP"), the real estate price index, interest rates and the unemployment rate. The main goal of the Group's approach is seeking the greatest predictive capacity with respect to the first two variables (see Note 7.2.1).

Derecognition of the balance due to impairment of financial assets (write-offs)

Debt instruments are classified as written-off once, after being analyzed, it is reasonably considered that their recovery is remote due to the notorious and irrecoverable deterioration of the solvency of the client involved in the operation.

Based on their procedures and particularities, the Group entities recognize financial assets as a write-off where, following their analysis, there are no reasonable expectations of recovery of the debt, taking into account aspects such as: the time elapsed since the classification as doubtful debt due to delinquency, the coverage levels achieved, type of portfolio or product, bankruptcy status of the holder and the existence of guarantees, their valuation and execution capacity. In those cases where the guarantee is significant, there is the possibility of making partial write-offs on the non-guaranteed portion.

The classification of a financial asset as written-off, entails the recognition of losses for the carrying amount of the related debt and results in a derecognition in the same amount from the balance sheet (see Note 7.2.5).

2.2.2 Transfers and derecognition of financial assets and liabilities

The accounting treatment of transfers of financial assets is determined by the form in which risks and benefits associated with the financial assets involved are transferred to third parties. Financial assets are only derecognized from the consolidated balance sheet when the cash flows that they generate are extinguished, when their implicit risks and benefits have been substantially transferred to third parties or when the control of financial asset is transferred even in case of no physical transfer or substantial retention of such assets. In the latter case, the financial asset transferred is derecognized from the consolidated balance sheet, and any right or obligation retained or created as a result of the transfer is simultaneously recognized.

Similarly, financial liabilities are derecognized from the consolidated balance sheet only if their obligations are extinguished or acquired (with a view to subsequent cancellation or renewed placement).

The Group is considered to have transferred substantially all the risks and benefits if such risks and benefits account for the majority of the risks and benefits involved in ownership of the transferred financial assets.

Treatment of securitizations

The securitizations funds to which the Group entities transfer their credit portfolios are consolidated entities of the Group. For more information, refer to Note 2.1 "Principles of consolidation".

The Group considers that the risks and benefits of the securitizations are substantially retained if the subordinated bonds are held and/ or if subordination funding has been granted to those securitization funds, which means that the credit loss risk of the securitized assets will be assumed. Consequently, the Group is not derecognizing those transferred loan portfolios.

Synthetic securitizations are transactions where risk is transferred through derivatives or financial guarantees and in which the exposure of these securitizations remains in the balance sheet of the Group. The Group has established the synthetic securitizations through received financial guarantees. As for the commissions paid, they are accrued during the term of the financial guarantee.

2.2.3 Financial guarantees

Financial guarantees are considered to be those contracts that require their issuer to make specific payments to reimburse the holder of the financial guarantee for a loss incurred when a specific borrower breaches its payment obligations on the terms – whether original or subsequently modified – of a debt instrument, irrespective of the legal form it may take. Financial guarantees may take the form of a deposit, bank guarantee, insurance contract or credit derivative, among others.

In their initial recognition, financial guarantees are recognized as liabilities in the consolidated balance sheet at fair value, which is generally the present value of the fees, commissions and interest receivable from these contracts over the term thereof, and the Group simultaneously recognizes a corresponding asset in the consolidated balance sheet for the amount of the fees and commissions received at the inception of the transactions and the amounts receivable at the present value of the fees, commissions and interest outstanding.

Financial guarantees, irrespective of the guarantor, instrumentation or other circumstances, are reviewed periodically so as to determine the credit risk to which they are exposed and, if appropriate, to consider whether a provision is required for them. The credit risk is determined by application of criteria similar to those established for quantifying loss allowances on debt instruments measured at amortized cost (see Note 2.2.1).

The provisions recognized for financial guarantees are recognized under the heading "Provisions - Provisions for contingent risks and commitments" on the liability side in the consolidated balance sheets (see Note 24). These provisions are recognized and reversed with a charge or credit, respectively to "Provisions or reversal of provision" in the consolidated income statements (see Note 46).

Income from financial guarantees is recorded under the heading "Fee and commission income" in the consolidated income statement and is calculated by applying the rate established in the related contract to the nominal amount of the guarantee (see Note 40).

Synthetic securitizations made by the Group to date meet the requirements of the accounting regulations for accounting as guarantees (see Note 2.2.2).

2.2.4 Tangible Assets

Tangible assets are classified according to their nature:

Property, plant and equipment for own use

This heading includes the assets under ownership or acquired under lease terms (right to use), intended for future or current use by the Group and that it expects to hold for more than one year. It also includes tangible assets received by the Group in full or partial settlement of receivables from third parties which are expected to be held for continuing use.

Investment properties

Includes the value of land, buildings and other structures that are held either for rental or for capital gain on sale, and which are not expected to be used in the ordinary course of business and are not intended for own use.

Assets leased out under an operating lease

Includes assets for which the Group has granted the right of use to another company through an operating lease contract.

In general, and as an accounting policy option, tangible assets are recorded in the balance sheets under the cost model, i.e., at acquisition cost, less the related accumulated depreciation and, if applicable, the estimated impairment losses resulting from comparing the net book value of each item with its corresponding recoverable value (see Note 17).

The Group uses the straight-line method to calculate depreciation over the estimated useful life of the asset. The depreciation charge for tangible assets is recorded under "Depreciation and amortization" in the income statement (see Note 45) and is the result of using the following depreciation rates:

GENERAL DEPRECIATION RATES FOR TANGIBLE ASSETS

Type of assets	Annual Percentage
Buildings for own use	1% - 4%
Furniture	8% - 10%
Fixtures	6% - 12%
Office supplies and hardware	8% - 25%
Lease use rights	The lesser of the lease term or the useful life of the underlying asset

At each reporting date, the Group analyzes whether there are indicators that a tangible asset may be impaired and, if any, adjusts the carrying amount to its recoverable amount, modifying future depreciation charges in accordance with its revised remaining useful life. Similarly, if there is indication that the value of a tangible asset that was previously impaired has been recovered, the Group estimates the recoverable amount of the asset and recognizes in the income statement the reversal of the impairment loss recognized in previous years and thus, adjusts the future depreciation charges. Any impairment or reversal of impairment will be recognized with the offsetting entry recorded to the heading "Impairment or reversal of impairment of non-financial assets - Intangible assets" of the consolidated income statement (see Note 49).

In the BBVA Group, most of the buildings held for own use are assigned to the different Cash Generating Units (hereinafter "CGUs") to which they belong. The corresponding impairment analyses are performed for these CGUs to determine whether sufficient cash flows are generated to support the value of the assets comprised within such CGUs.

Operating and maintenance expenses relating to tangible assets for own use are recognized in the year in which they are incurred under "Administrative expenses - Property, plant and equipment" in the income statement (see Note 44.2).

Additionally, for those geographical areas with subsidiaries where the Group applies IAS 29 "Financial Reporting in Hyperinflationary Economies", this type of asset is adjusted, at each balance sheet date, to show variations in the purchasing power of the currency due to inflation from the date of acquisition or inclusion in the consolidated balance sheet (see Note 2.2.18).

2.2.5 Leases

In general, the Group will record assets and liabilities for lease contracts by recording a right of use (right to use the leased asset) under ''Tangible assets - Property, plant and equipment'' and ''Tangible assets - Investment property'' (see Note 17), and a lease liability (its obligation to make lease payments) under ''Financial liabilities at amortized cost - Other financial liabilities'' (see Note 22.5). The BBVA Group applies two exceptions in the case of short-term leases and leases whose underlying asset is of low value. In these cases, lease payments are recognized under "Other operating expense" (see Note 42) in the consolidated income statement over the term of the lease.

At the initial date of the lease, the lease liability is equal to the present value of all lease unpaid payments. Subsequently, it is valued at amortized cost.

The right to use assets is initially recorded at cost and is subsequently reduced by accumulated amortization and accumulated impairment. The Group has decided to calculate depreciation using the straight-line method. Depreciation of tangible assets is recorded under "Depreciation and amortization" in the consolidated statement of income (see Note 45).

The interest expense on the lease liability is recorded under the heading “Interest expense” (see Note 37.2). Variable payments not included in the initial measurement of the lease liability are recorded under the heading “Administration costs – Other administrative expense” (see Note 44.2).

Operating lease and sublease incomes are recognized in the consolidated income statements under the headings “Other operating income” (see Note 42).

On the other hand, when the Group acts as a lessor, it classifies leases as finance or operating leases.

In finance leases, the sum of the present values of the amounts received plus the guaranteed residual value is recorded as financing provided to third parties and is included under "Financial assets at amortized cost" in the consolidated balance sheet (see Note 14).

In operating leases, the acquisition cost of the leased assets is presented under "Tangible assets - Property, plant and equipment - Assigned under operating leases" in the consolidated balance sheet (see Note 17). These assets are depreciated in accordance with the policies adopted for similar tangible assets for own use and the income and expenses arising from the lease contracts are recognized in the consolidated income statement on a straight-line basis under "Other operating income" and "Other operating expense", respectively (see Note 42).

If a fair value sale and leaseback results in a lease, the profit or loss generated from the effectively transferred part of the sale is recognized in the consolidated income statement at the time of sale (only for the effectively transmitted part).

The assets leased out under operating lease contracts to other entities in the Group are treated in the consolidated financial statements as for own use, and thus rental expense and income is eliminated in consolidation and the corresponding depreciation is recognized.

Additionally, for those geographical areas with subsidiaries where the Group applies IAS 29 "Financial Reporting in Hyperinflationary Economies", this type of asset is being adjusted to show changes in the purchasing power of the currency due to inflation from the date of acquisition or inclusion in the consolidated balance sheet (see Note 2.2.18).

2.2.6 Non-current assets and disposal groups classified as held for sale and liabilities included in disposal groups classified as held for sale

This heading includes the carrying amount of individual items or items integrated in a group ("disposal group") or that form part of a significant business line or geographical area that is intended to be disposed of ("discontinued operation") whose sale is highly probable to take place under the current conditions within a period of one year from the date to which the financial statements refer. Additionally, it includes assets that were expected to be disposed of within one year, but for which disposal there is a delay caused by events and circumstances beyond the Group's control, and there is sufficient evidence that the Group remains committed to its plan for sale (see Note 21), in particular, regarding real estate assets or other assets received to cancel, in whole or in part, the payment obligations of debtors for credit operations. These assets are not amortized as long as they remain in this category.

With respect to valuation, in general, foreclosed real estate assets or assets received in payment of debts are recognized both at the date of acquisition and subsequently, at the lower of their fair value less estimated costs to sell and their carrying amount, with the possibility of recognizing an impairment or reversal of impairment for the difference, if applicable. When the amount of the sale less estimated costs to sell exceeds the carrying amount, the gain is not recognized until the time of disposal and derecognition.

The applicable carrying value of the financial asset is updated at the time of foreclosure, treating the foreclosed property as collateral and taking into account the corresponding credit risk hedges at the time prior to delivery. The fair value of foreclosed assets is based mainly on appraisals or valuations performed by independent experts with a maximum age of one year, or less if there are indications of impairment; in addition, by appraisal, the need to apply a discount on the asset based on its specific conditions or market conditions for such type of assets is evaluated and, in any case, the entity's estimated sale costs are deducted.

Gains/losses on disposal of these assets and impairment losses are recognized under "Gains (losses) on non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" in the consolidated income statement (see Note 50). Other income and expenses are classified in the income statement items according to their nature.

The income and expenses of discontinued operations generated in the year, even if they were generated prior to their classification as discontinued operations, are presented, net of the tax effect, as a single amount under "Profit (loss) after tax from discontinued operations" in the consolidated income statement. This caption also includes the results obtained on disposal (net of the tax effect).

Additionally, for those geographical areas with subsidiaries where the Group applies IAS 29 "Financial Reporting in Hyperinflationary Economies", this type of assets is being adjusted to show changes in the purchasing power of the currency due to inflation from the date of acquisition or inclusion in the consolidated balance sheet (see Note 2.2.18).

2.2.7 Intangible assets

Goodwill

Goodwill represents the advance payment made by the entity for future economic benefits, from assets that have not been individually identified nor separately recognized in a business combination.

Goodwill is allocated to one or more CGUs that are expected to be the beneficiaries of the synergies derived from the business combinations. CGUs represent the smallest identifiable groups of assets that generate cash flows for the Group. Goodwill is not amortized and is periodically tested for impairment (see Note 18), comparing the carrying amount of the relevant CGU - adjusted by the amount of goodwill attributable to minority interests, in the event that the Group has not chosen to measure minority interests at fair value, with its recoverable amount.

The recoverable amount of a CGU is equal to the fair value less sale costs or its value in use, whichever is greater. Value in use is calculated as the discounted value of the cash flow projections that the unit's management estimates and is based on the latest budgets approved for the coming years. The main assumptions used in its calculation are: a growth rate to extrapolate the cash flows indefinitely, and the discount rate used to discount the cash flows, which is equal to the cost of the capital assigned to each CGU, and equivalent to the sum of the risk-free rate plus a risk premium inherent to the CGU being evaluated for impairment. If the carrying amount of the CGU exceeds the related recoverable amount, the Group recognizes an impairment loss.

Impairment losses on goodwill are recorded under "Impairment or reversal of impairment of non-financial assets - Intangible assets" (see Note 49).

Other intangible assets

These assets may have an indefinite useful life if it is concluded that there is no foreseeable limit to the period over which the asset is expected to generate net cash flows for the consolidated entities. In all other cases they have a finite useful life (see Note 18.2).

Intangible assets with indefinite useful lives are not amortized but are tested for impairment at least annually.

Intangible assets with a finite useful life are amortized according to the duration of this useful life, using methods similar to those used to depreciate tangible assets. Finite useful life intangible assets consist mainly of IT applications acquisition costs which have a useful life, in general, of 5 years. Internally developed software is recognized as an intangible asset when, among other requirements, it has the capacity to be used or sold, it is identifiable and its capacity to generate economic benefits in the future can be demonstrated. The amortization charge of these assets is recognized in the consolidated income statements under the heading "Depreciation and amortization" (see Note 45).

Any impairment losses on the carrying amount of these assets will be recognized under the heading "Impairment or reversal of impairment on non-financial assets- Intangible assets" in the consolidated income statements (see Note 49). The criteria used to recognize the impairment losses on these assets and, where applicable, the recovery of impairment losses recognized in prior years, are similar to those used for tangible assets.

Additionally, for those geographical areas with subsidiaries where the Group applies IAS 29 "Financial Reporting in Hyperinflationary Economies", this type of asset is being adjusted to show changes in the purchasing power of the currency due to inflation from the date of acquisition or inclusion in the consolidated balance sheet (see Note 2.2.18).

2.2.8 Insurance and reinsurance contracts

The Group has applied IFRS 17 to insurance contracts as from January 1, 2023. IFRS 17 superseded IFRS 4 as the accounting standard applicable to the recognition, measurement and presentation of contracts that transfer significant insurance risk.

The assets and liabilities of the BBVA Group's insurance subsidiaries are recognized according to their nature under the corresponding headings of the consolidated balance sheet.

The heading "Insurance and reinsurance assets" in the consolidated balance sheets includes the amounts that the consolidated insurance subsidiaries are entitled to receive under the reinsurance contracts entered into by them with third parties and, more specifically, the value of reinsurance covers in respect of the insurance liabilities recognized by the consolidated subsidiaries.

The heading "Liabilities under insurance and reinsurance contracts" in the consolidated balance sheets includes the liabilities recognized due to insurance contracts recorded by the consolidated subsidiaries in accordance with IFRS 17 (see Note 23).

The income or expense reported by the BBVA Group's consolidated insurance subsidiaries on their insurance activities is recognized, in accordance with their nature, in the corresponding items of the consolidated income statements.

Definition, grouping and classification

The Group evaluates whether a significant insurance risk from a third party is being accepted in its contracts, when agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. Thus, it identifies those insurance contracts that fall within IFRS 17. This evaluation was already carried out by the Group under IFRS 4 for the classification of its contracts between insurance contracts and financial liabilities.

The BBVA Group groups insurance contracts considering the following aspects:

- Whether they are subject to similar risks and are managed jointly, separating as well direct insurance and reinsurance contracts.

- Their profitability or onerousness (in general, the Group classifies contracts by their profitability into two groups: onerous contracts, and non-onerous contracts or contracts without a significant possibility of becoming onerous[1]).

- Their year of issuance or cohort, grouping by this last criterion the contracts issued in the calendar year, i.e., between January 1 and December 31 of each year.

Since the Group chose the fair value transition approach, for long-term contracts (mainly life-risk and life-saving insurance) issued prior to the transition date of January 1, 2022, it has not been necessary to aggregate the contracts by previous cohorts. For contracts issued after the transition date, the Group classifies them by year of issuance, and therefore, the Group has not accepted the exception provided for in the adoption of the standard by the European Union on annual cohorts in products with matched cash flows[2].

The Group has applied the analysis on the separation of non-insurance components only to insurance contracts falling under the scope of IFRS 17, with the entities identifying within their portfolios the existence of non-insurance components, and concluding based on expert judgment whether or not they need to separate them. In the case of non-separable investment components, they are included in the asset or liability, as appropriate, but are excluded from insurance income or expenses in the income statement.

The initial recognition date has been established as the earliest of: the beginning of the coverage period of the group of contracts, the date when the first payment from an insurance policyholder in the group became due, or in the case of a group of onerous contracts, when the group becomes onerous. From that date, the insurance and reinsurance contracts have been reflected in the consolidated financial statements and valued in accordance with the provisions of IFRS 17.

The Group derecognizes insurance contracts when the contract expires, that is, upon expiration of the contract or upon settlement of all the benefits of the contract or upon its cancellation; or when a modification is made to the terms of the contract that gives rise to derecognition.

Valuation methods

The Group carries out an analysis of the limits of insurance and reinsurance contracts under IFRS 17, separately, applying the General Model (Building Block Approach) by default to all contracts, except those eligible to be valued by the Simplified Model (Premium Allocation Approach), or the Variable Fee Approach.

The General Model requires that insurance contracts be initially valued for the total of:

- fulfillment cash flows, which comprise the estimation of future cash flows discounted to reflect the time value of money, the financial risk associated, and a risk adjustment for non-financial risk that would represent the compensation required for the uncertainty associated with the amount and timing of the expected cash flows;

[1] There is the possibility of defining three or more onerous groups.
[2] Article 2 of Regulation (EU) 2021/2036 of the Commission of November 19, 2021.

– and the contractual service margin (CSM), which represents the expected unearned profit from insurance contracts, which will be recognized in the entity's income statement as the service is provided in the future, instead of being recognized at the time of the estimation.

Subsequently, the amount recognized in the consolidated balance sheet for each group of insurance contracts measured under this model comprises the liability for remaining coverage, which includes the aforementioned fulfillment cash flows and the contractual service margin, and the liability for incurred claims, which includes the cash flows from related to claims that have occurred, but have not been paid, discounted to reflect the time value of money, the financial risk associated with future cash flows, and a risk adjustment for non-financial risk that would represent the compensation required by the uncertainty associated with the amount and timing of the expected cash flows. The Group uses the General Model for the valuation of liabilities under insurance and reinsurance contracts that correspond to long-term commitments, a portfolio that represents the majority of what is recorded in the balance sheet.

The Group used the Simplified Model in the valuation of the liability for remaining coverage of contracts with a coverage period of one year or less, or in those contracts with a duration of more than one year but which are not expected to have a valuation significantly different from that of the General Model. Under this Simplified Model, the liability for remaining coverage is made up of the premiums received (collected), less the cash flows for the acquisition of the insurance paid, plus or minus the premiums or expected acquisition cash flows recorded in the income statement, respectively. The income statement recording is carried out on a linear basis throughout the coverage period of the contract, in the event that the accrual of income is also accrued. By default, the Group has chosen to defer acquisition expenses, although there is an option to recognize such expenses when they are incurred. In turn, the groups of contracts valued under this model have a liability for incurred claims calculated in a manner similar to that of the General Model. The Group has valued direct insurance contracts whose coverage period is less than one year, using the Simplified Model, the same method used for the valuation of assets for the reinsurance ceded. This model has also been used by the Group when the valuation under this Simplified Model does not differ significantly from that which would be produced by applying the General Model.

The amount of the contracts valued following the Variable Fee Approach is residual in the Group.

The BBVA Group has defined and identified for each group of contracts the hedging units to be used for the release to profit or loss of the contractual service margin, in accordance with IFRS 17, and subsequent interpretations issued by the Transition Resource Group for IFRS 17 and the related IFRIC (as defined herein).

Furthermore, the Group has chosen the accounting policy option of not changing the treatment of accounting estimates made in previous interim closings.

Discount rate

The methodology used to obtain the discount rate differs according to the entity and portfolio to which it is applied, highlighting mainly the cases of the companies in Spain and Mexico, where the Group has greater presence (see Note 23). In the first case, the top-down approach has been mainly applied and it has been verified that the Internal Rate of Return (hereinafter "IRR") of the entity's asset portfolio converges with the IRR of a reference portfolio from which the European Insurance and Occupational Pensions Authority (hereinafter "EIOPA") fundamental spread is discounted for. In the second case, the top-down approach has been used for immunized portfolios (see Glossary), eliminating the spread for credit risk through the EIOPA fundamental spread. However, in non-immunized portfolios, the bottom-up approach has been used, using the swap curve as the risk-free rate.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation required for bearing uncertainty about the amount and timing of the associated cash flows. To estimate the non-financial risk adjustment, the Group has used its own methodologies based on calculations of the Value at Risk (VaR) of the commitments associated with the Life and Non-Life businesses, using in the case of Spain a confidence level of 80% and in the case of Mexico 70%.

Onerosity

An insurance contract is onerous at the date of initial recognition if the fulfilment cash flows allocated to the contract, any previously recognized insurance acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total are a net outflow.

The Group has classified the contracts valued under the General Model into onerous groups, considering the fulfillment cash flows, acquisition expenses and any other attributable cash flow. The evaluation is carried out, in general terms, contract by contract, except in those cases where it is possible to group into sets of homogeneous contracts.

Contracts valued under the Simplified Model, by default, are assumed to be non-onerous at their initial recognition, unless there are facts and circumstances that indicate otherwise, where the Group relies on information from existing internal reports (ratios and indicators) for monitoring business performance, adjusted to the criteria of IFRS 17, as well as market evolution expectations based on expert judgment. The granularity to carry out this evaluation may be the same as that used to monitor the business through the abovementioned internal reports.

In the same way as the contractual service margin represents the estimated future benefit of the insurance contract, the loss component is the estimated loss of the onerous contract. The accounting record of these two concepts has a different temporality: while the margin is deferred throughout the duration of the contract according to the contractual limits, the loss component is recognized in the income statement as soon as it is known, which will result in the carrying amount of the group's liability being equal to the fulfilment cash flows and the group's contractual service margin being equal to zero.

Throughout the life of a contract, the assumptions used to project future cash flows may change and, consequently, the expected return on a contract may increase or decrease. This means that a group of contracts initially classified as onerous may become more onerous, or on the contrary, in the subsequent measurement the assumptions used to estimate the cash flows may change so much that the previously recognized loss could be reversed.

Reinsurance

In general, the Group values reinsurance covers under the Simplified Model, valuing the asset for remaining coverage of contracts with a coverage period of one year or less, or in those contracts with a duration of more than one year, but which are not expected to produce a valuation significantly different from that of the General Model. This method also includes the asset for incurred claims.

Effect on results

In general, for the presentation of the financial income or expenses from insurance contracts that arise as a result of the change in the discount rate, both due to the effect of the time value of money as well as the effect of financial risk, the Group has chosen the accounting policy option of disaggregating these financial income or expenses from insurance contracts between recording them in the "Net interest income" and in "Accumulated other comprehensive income (loss)", in order to minimize accounting asymmetries in the valuation and recognition of financial investments under IFRS 9 and insurance contracts under IFRS 17.

The Group has chosen to disaggregate the changes in the risk adjustment between financial and non-financial, so that the change in the value of the risk adjustment derived from the effect of the time value of money, and changes in it, is recorded as a financial income or expense from insurance contracts. Insurance revenue is recognized over the period the entity provides insurance coverage, excluding any investment component.

The loss component, in the case of onerous contracts, corresponds to the losses attributable to each group of contracts, both at initial recognition and at a later time.

2.2.9 Tax assets and liabilities

Expenses on corporate income tax applicable to the BBVA Group's Spanish entities and on similar income taxes applicable to consolidated foreign entities are recognized as an expense for the period in the consolidated income statement, except when they result from transactions on which the profits or losses are recognized directly in equity, in which case the related tax effect is also recognized in equity.

The total corporate income tax expense is calculated by aggregating the current tax arising from the application of the corresponding tax rate as per the tax base for the year (after deducting the tax credits or discounts allowable for tax purposes) and the change in deferred tax assets and liabilities recognized in the consolidated income statement.

Deferred tax assets and liabilities include temporary differences, the carryforward of unused tax losses and carryforward of unused tax credits or discount carry forwards. These amounts are calculated by applying to each temporary difference the tax rates that are expected to apply when the asset is realized or the liability settled (see Note 19).

The "Tax Assets" line item in the consolidated balance sheets includes the amount of all the assets of a tax nature, broken down into: "Current" (amounts of tax recoverable in the next twelve months) and "Deferred" (which includes the amount of tax to be recovered in future years, including those arising from tax losses or credits for deductions or rebates that can be compensated). The "Tax Liabilities" line item in the consolidated balance sheets includes the amount of all the liabilities of a tax nature, except for provisions for taxes, broken down into: "Current" (income tax payable on taxable profit for the year and other taxes payable in the next twelve months) and "Deferred" (the amount of corporate tax payable in subsequent years).

Deferred tax liabilities attributable to taxable temporary differences associated with investments in subsidiaries, associates or joint venture entities are recognized as such, except where the Group can control the timing of the reversal of the temporary difference and it is unlikely that it will reverse in the future. Deferred tax assets are only recognized to the extent that it is probable that the consolidated entities will generate enough taxable profits to make deferred tax assets effective and do not correspond to those from initial recognition (except in the case of business combinations), which also does not affect the fiscal outcome.

The deferred tax assets and liabilities recognized are reassessed by the consolidated entities at each balance sheet date in order to ascertain whether they still qualify as deferred tax assets and liabilities, and if it is necessary to make adjustments on the basis of the findings of the analyses performed. In those circumstances in which it is unclear how a specific requirement of the tax law applies to a particular transaction or circumstance, and the acceptability of the definitive tax treatment depends on the decisions taken by the relevant taxation authority in future, the entity recognizes current and deferred tax liabilities and assets considering whether it is probable or not that a taxation authority will accept an uncertain tax treatment. Thus, if the entity concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the entity uses the amount expected to be paid to (recovered from) the taxation authorities.

The income and expense directly recognized in consolidated equity that do not increase or decrease taxable income are accounted for as temporary differences.

2.2.10 Provisions, contingent assets and contingent liabilities

The heading "Provisions" in the consolidated balance sheets includes amounts recognized to cover the BBVA Group's current obligations arising as a result of past events. These are certain in terms of nature but uncertain in terms of amount and/or settlement date. The settlement of these obligations is deemed likely to entail an outflow of resources embodying economic benefits (see Note 24). The provisions are recognized in the consolidated balance sheets when each and every one of the following requirements is met:

- They represent a current obligation that has arisen from a past event. At the date of the Consolidated Financial Statements, there is more probability that the obligation will have to be met than that it will not.

- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

– The amount of the obligation can be reasonably estimated.

Among other items, these provisions include the commitments made to employees by some of the Group entities mentioned in Note 2.2.13, as well as provisions for tax and legal litigation.

Contingent assets are possible assets that arise from past events and whose existence is conditional on, and will be confirmed only by, the occurrence or non-occurrence of events beyond the control of the Group. Contingent assets are not recognized in the consolidated balance sheet or in the consolidated income statement; however, they will be disclosed, should they exist, in the Notes to the Consolidated Financial Statements, provided that it is probable they will give rise to an increase in resources embodying economic benefits (see Note 34).

Contingent liabilities are possible obligations of the Group that arise from past events and whose existence is conditional on the occurrence or non-occurrence of one or more future events beyond the control of the Group. They also include the existing obligations of the Group when it is not probable that an outflow of resources embodying economic benefits will be required to settle them; or when, in extremely rare cases, their amount cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the consolidated balance sheet or the income statement (excluding contingent liabilities from business combinations) but are disclosed in the Notes to the Consolidated Financial Statements, unless the possibility of an outflow of resources embodying economic benefits is remote (see Note 34).

2.2.11 Treasury shares

The value of common stock issued by the BBVA Group's entities and held by them - basically, shares and derivatives on the Bank's shares held by some consolidated entities that comply with the requirements to be recognized as equity instruments - are recognized as a decrease to net equity, under the heading "Shareholders' funds - Treasury shares" in the consolidated balance sheets (see Note 29).

These financial assets are recognized at acquisition cost, and the gains or losses arising on their disposal are credited or debited, as appropriate, to the heading "Shareholders' funds - Other reserves" in the consolidated balance sheets (see Note 28).

In the event of a contractual obligation to acquire treasury shares, a financial liability is recorded as the present value of the amount committed (under the heading "Financial liabilities at amortized cost - Other financial liabilities") and the corresponding recognition in net equity (under the heading "Equity - Other Reserves) (see Notes 22.5 and 28).

2.2.12 Equity-settled share-based payment transactions

Equity–settled share-based payment transactions, provided they constitute the delivery of such equity instruments once completion of a specific period of services has occurred, are recognized as an expense for services being provided by employees, with a corresponding entry under the heading "Shareholders' funds – Other equity" in the consolidated balance sheet. These services are measured at fair value for the employees services received, unless such fair value cannot be calculated reliably. In such case, they are measured by reference to the fair value of the equity instruments granted, taking into account the date on which the commitments were granted and the terms and other conditions included in the commitments.

When the initial compensation agreement includes what may be considered market conditions among its terms, any changes in these conditions will not be reflected in the consolidated income statement, as these have already been accounted for in calculating the initial fair value of the equity instruments. Non-market vesting conditions are not taken into account when estimating the initial fair value of equity instruments, but they are taken into account when determining the number of equity instruments to be issued. This will be recognized on the consolidated income statement with the corresponding increase in total consolidated equity.

2.2.13 Pensions and other post-employment commitments

Below we provide a description of the most significant accounting policies relating to post-employment and other employee benefit commitments assumed by BBVA Group entities (see Note 25).

Short-term employee benefits

Benefits for current active employees which are accrued and settled during the year and for which a provision is not required in the entity´s accounts. These include wages and salaries, social security charges and other personnel expense.

Costs are charged and recognized under the heading "Administration costs – Personnel expense – Other personnel expense" of the consolidated income statement (see Note 44.1).

Post-employment benefits – Defined-contribution plans

The Group sponsors defined-contribution plans for the majority of its active employees. The amount of these benefits is established as a percentage of remuneration and/or as a fixed amount.

The contributions made to these plans in each year by BBVA Group entities are charged and recognized under the heading "Administration costs – Personnel expense– Defined-contribution plan expense" of the consolidated income statement (see Note 44.1).

Post-employment benefits – Defined-benefit plans

Some Group entities maintain pension commitments with employees who have already retired or taken early retirement, certain closed groups of active employees still accruing defined benefit pensions, and in-service death and disability benefits provided to most active employees. These commitments are covered by insurance contracts, pension funds and internal provisions.

In addition, some of the Spanish Group entities have offered certain employees the option to retire before their normal retirement age, recognizing the necessary provisions to cover the costs of the associated benefit commitments, which include both the liability for the benefit payments due as well as the contributions payable to external pension funds during the early retirement period.

Furthermore, certain Group entities provide welfare and medical benefits which extend beyond the date of retirement of the employees entitled to the benefits.

All of these commitments are quantified based on actuarial valuations, with the amounts recorded under the heading "Provisions – Provisions for pensions and similar obligations" in the consolidated balance sheet and determined as the difference between the value of the defined-benefit commitments and the fair value of plan assets at the date of the consolidated financial statements (see Note 25).

Current service cost is charged and recognized under the heading "Administration costs – Personnel expense – Defined-benefit plan expense" of the consolidated income statement (see Note 44.1).

Interest credits/charges relating to these commitments are charged and recognized in net terms under the headings "Interest and other income" or, where appropriated, "Interest expense" of the consolidated income statement (see Note 37).

Past service costs arising from benefit plan changes as well as early retirements granted during the year are recognized under the heading "Provisions or reversals of provisions" of the consolidated income statement (see Note 46).

Other long-term employee benefits

In addition to the above commitments, certain Group entities provide long-term service awards to their employees, consisting mainly of monetary amounts or periods of vacation granted upon completion of a number of years of qualifying service. This heading also includes the commitments related to the termination of employment contracts according to the collective layoff procedure carried out in BBVA, S.A. in 2021.

These commitments are quantified based on actuarial valuations and the amounts recorded under the heading "Provisions – Other long-term employee benefits" of the consolidated balance sheet (see Note 24).

Valuation of commitments: actuarial assumptions and recognition of gains/losses

The present value of these commitments is determined based on individual member data. Active employee costs are determined using the "projected unit credit" method, which treats each period of service as giving rise to an additional unit of benefit and values each unit separately.

In establishing the actuarial assumptions, we take into account that:

– They should be unbiased, i.e. neither unduly optimistic nor excessively conservative.

– Each assumption does not contradict the others and adequately reflects the existing relationship between economic variables such as price inflation, expected wage increases, discount rates, etc. Future wage and benefit levels should be based on market expectations, at the balance sheet date, for the period over which the obligations are to be settled.

– The interest rate used to discount benefit commitments is determined by reference to market yields, at the balance sheet date, on high quality bonds.

The BBVA Group recognizes actuarial gains (losses) relating to early retirement benefits, long service awards and other similar items under the heading "Provisions or reversal of provisions" of the consolidated income statement for the period in which they arise (see Note 46). Actuarial gains (losses) relating to pension and medical benefits are directly charged and recognized under the heading "Accumulated other comprehensive income (loss) – Items that will not be reclassified to profit or loss – Actuarial gains (losses) on defined benefit pension plans" of equity in the consolidated balance sheet (see Note 30).

2.2.14 Termination benefits

Termination benefits are recognized in the financial statements when the BBVA Group agrees to terminate employment contracts with its employees or from the time the costs for a restructuring that involves the payment of compensation for the termination of contracts with its employees are recorded. This happens when there is a formal and detailed plan in which the fundamental modifications to be made are identified, and whenever said plan has begun to be executed or its main characteristics or objective facts about its execution have been publicly announced.

2.2.15 Recognition of income and expense

The most significant policies used by the BBVA Group to recognize its income and expense are as follows.

– Interest income and expense and similar items:

As a general rule, interest income and expense and similar items are recognized on the basis of their accrual using the effective interest rate method. In the particular case of inflation-indexed bonds, interest income also includes the effect of real inflation experienced in the period.

They shall be recognized within the consolidated income statement according to the following criteria, independently from the financial instruments' portfolio which generates the income or expense:

a. The interest income past due before the initial recognition and pending to be received will be added to the gross carrying amount of the debt instrument.

b. The interest income accrued after the initial recognition will be added to the gross carrying amount of the debt instrument until it will be received.

In the event that a debt instrument is considered impaired, interest income will be calculated by applying the effective interest rate to the amortized cost (that is, adjusting for any impairment loss) of the financial asset.

– Income from dividends received:

Dividends shall be recognized within the consolidated income statement according to the following criteria, independently from the financial instruments' portfolio which generates this income:

a. When the right to receive payment has been declared before the initial recognition and when the payment is pending to be received, the dividends will not be added to the gross carrying amount of the equity instrument and will not be recognized as income. Those dividends are accounted for as financial assets separately from the net equity instrument.

b. If the right to receive payment is received after the initial recognition, the dividends from the net equity instruments will be recognized within the consolidated income statement at the time the right to receive them arises, which is the time of the official announcement of receipt of the payment by the appropriate governing body of the entity. If the dividends correspond to the profits of the issuer before the date of initial recognition, they will not be recognized as income but as reduction of the gross carrying amount of the equity instrument because it represents a partial recuperation of the investment. Amongst other circumstances, the generation date can be considered to be prior to the date of initial recognition if the amounts distributed by the issuer as from the initial recognition are higher than its profits during the same period.

– Income from commissions collected/paid:

Financial fees are an integral part of the actual performance of a financing transaction and are collected in advance. They can be:

a. Fees charged for the origination or acquisition of financing transactions that are not measured at fair value through profit or loss, such as those charged for the evaluation of the borrower's financial condition, for the analysis and recording of various collateral, as well as those charged for negotiating the terms of transactions or preparing and processing documentation and the closing of transactions, will be deferred and recognized over the life of the transaction as an adjustment to the performance of the transaction. These fees, forming part of the effective rate of the loans, will be deferred and recognized over the life of the transaction as an adjustment to the performance of the transaction.

b. Fees agreed as compensation for the commitment to grant financing when it is not measured at fair value through profit or loss and it is probable that the Group will enter into a specific loan agreement, are deferred and recognized over the life of the transaction as an adjustment to the performance of the transaction. If the commitment expires before the entity makes the loan such fee is recognized as revenue at the time of expiration.

Non-financial commissions derived from the provision of financial services other than financing transactions may be:

a. Related to the performance of a service rendered over time (e.g. account administration fees or fees collected in advance for the issuance or renewal of credit cards), in which case they are recognized over time based on the degree of progress in providing the service.

b. Related to the performance of a service rendered at a specific time (e.g. underwriting of securities, currency exchange, advice or syndication of a loan), in which they are recognized in the income statement at the time of collection.

- Non-financial income and expense:

  As a general rule, they are recognized on an accrual basis, that is, as the contractually committed goods or services are delivered or rendered and recognized as revenue over the life of the contract.

  In the event that consideration is received or there is a right to receive consideration without delivery of the contractually committed goods or services, a liability is recognized in the balance sheet until it is recognized in the income statement.

  In the case of collections and payments deferred over time, they are recognized for accounting purposes at the amount resulting from discounting the expected cash flows at market rates.

- Commissions, fees and similar items:

  Income and expense relating to commissions and similar fees are recognized in the consolidated income statement using criteria that vary according to the nature of such items. The most significant items in this regard are:

  a. Those relating to financial assets and liabilities measured at fair value through profit or loss, which are recognized immediately in the income statement.

  b. Those arising from transactions or services that are provided over a period of time, which are recognized over the life of these transactions or services.

  c. Those relating to a singular transaction, which are recognized when this singular transaction is carried out.

- Deferred collections and payments:

  These are recognized for accounting purposes at the amount resulting from discounting the expected cash flows at market rates.

2.2.16 Sales of assets and income from the provision of non-financial services

The heading "Other operating income" in the consolidated income statements includes the proceeds of the sales of assets and income from the services provided by the Group entities that are not financial institutions. In the case of the Group, these entities are mainly real estate and service entities (see Note 42).

2.2.17 Foreign-currency transactions and exchange differences

The currency in which the Financial Statements of the BBVA Group are presented is the euro. As such, all balances and transactions denominated in currencies other than the euro are deemed to be expressed in "foreign currency".

Conversion to euros of the balances held in foreign currency is performed in two consecutive *stages*:

- conversion of the foreign currency to the entity's functional currency (currency of the main economic environment in which the entity operates); and

- conversion to euros of the balances held in the functional currencies of the entities whose functional currency is not the euro.

Conversion of the foreign currency to the entity's functional currency

Transactions denominated in foreign currencies carried out by the consolidated entities (or entities accounted for using the equity method) are initially accounted for in their respective currencies. Subsequently, the monetary balances in foreign currencies are converted to their respective functional currencies using the exchange rate at the close of the financial year. In addition,

- Non-monetary items valued at their historical cost are converted to the functional currency at the exchange rate applicable on the purchase date.
- Non-monetary items valued at their fair value are converted at the exchange rate in force on the date on which such fair value was determined.
- Monetary items are converted to the functional currency at the closing exchange rate.
- Income and expense are converted at the period's average exchange rates for all the operations carried out during the year, except in those geographical areas where IAS 29 "Financial Reporting in Hyperinflationary Economies" applies (see Note 2.2.18). When applying this criterion the BBVA Group considers whether significant variations have taken place in exchange rates during the year which, owing to their impact on the statements as a whole, may require the application of exchange rates as of the date of the transaction instead of such average exchange rates.

The exchange differences produced when converting the balances in foreign currency to the functional currency of the consolidated entities are generally recognized under the heading "Exchange differences, net" in the consolidated income statements (see Note 41). However, the exchange differences in non-monetary items measured at fair value are recorded to equity under the heading "Accumulated other comprehensive income (loss) - Items that will not be reclassified to profit or loss - Fair value changes of equity instruments measured at fair value through other comprehensive income" in the consolidated balance sheets (see Note 30).

Conversion of functional currencies to euros

The balances in the financial statements of consolidated entities whose functional currency is not the euro are converted to euros as follows:

- Assets and liabilities: at the closing spot exchange rates as of the date of each of the consolidated balance sheets.
- Income and expense and cash flows are converted by applying the exchange rate applicable on the date of the transaction, and the average exchange rate for the financial year may be used, unless it has undergone significant variations during the year.
- Equity items: at the historical exchange rates.

The exchange differences arising from the conversion to euros of balances in the functional currencies of the consolidated entities whose functional currency is not the euro are recognized under the heading "Accumulated other comprehensive income (loss) – Items that may be reclassified to profit or loss - Foreign currency translation" in the consolidated balance sheets (see Notes 30 and 31 respectively). Meanwhile, the differences arising from the conversion to euros of the financial statements of entities accounted for by the equity method are recognized under the heading "Accumulated other comprehensive income (loss) - Items that may be reclassified to profit or loss - Share of other recognized income and expense of investments in joint ventures and associates" (see Note 30), until the item to which they relate is derecognized, at which time they are recognized in the income statement.

The financial statements of companies of hyperinflationary economies are restated for the effects of changes in prices before their conversion to euros following the provisions of IAS 29 "Financial Reporting in Hyperinflationary Economies" (see Note 2.2.18). Both these adjustments for inflation and the exchange differences that arise when converting the financial statements of companies into hyperinflationary economies are accounted for in "Accumulated other comprehensive income (loss) – Items that may be reclassified to profit or loss - Foreign currency translation".

The breakdown of the main consolidated balances in foreign currencies, with reference to the most significant foreign currencies, is set forth in Appendix VII.

Venezuela

Local financial statements of the Group subsidiaries in Venezuela are expressed in Venezuelan bolivar and converted into euros for the consolidated financial statements. Venezuela is a country with strong exchange restrictions that has different rates officially published, and, since December 31, 2015, the Board of Directors considers that the use of official exchanges rates for converting bolivars into euros in preparing the Consolidated Financial Statements does not reflect the true picture of the financial statements of the Group and the financial position of the Group subsidiaries in this country. Therefore, since the year ended December 31, 2015, the exchange rate for converting bolivars into euros is an estimation whose calculation incorporates available market references, in order to obtain a more representative approximation of the prevailing financial conditions (see Note 2.2.18).

2.2.18 Entities and branches located in countries with hyperinflationary economies

In accordance with the criteria established in IAS 29 "Financial Reporting in Hyperinflationary Economies", to determine whether an economy has a high inflation rate the country's economic situation is examined, analyzing whether certain circumstances are fulfilled, such as whether the population prefers to keep its wealth or savings in non-monetary assets or in a relatively stable foreign currency, whether prices can be set in that currency, whether interest rates, wages and prices are pegged to a price index or whether the accumulated inflation rate over three years approaches or exceeds 100%. The fact that any of these circumstances is fulfilled will not be a decisive factor in considering an economy hyperinflationary, but it does provide some reasons to consider it as such.

Since 2022, 2018 and 2009, the economies of Turkey, Argentina and Venezuela, respectively, have been considered hyperinflationary under the above criteria. As a result, the financial statements of the BBVA Group's entities located in such geographical areas have been adjusted to correct for the effects of inflation.

As a consequence of the application of IAS 29 "Financial Reporting in Hyperinflationary Economies", the Group applies the following criteria in the financial statements of the Group companies that operate in these three geographical areas:

- The historical cost of non-monetary assets and liabilities (see Notes 17, 18 and 21), assets contractually linked to changes in prices and various headings in equity are adjusted to reflect changes in the purchasing power of the currency due to inflation from their date of acquisition or inclusion in the consolidated balance sheet, or if this is later, with the limit of its recoverable value. The restatement has been made using the Consumer Price Index with "Accumulated other comprehensive income (loss)" as counterparty.

- Consequently, the different lines of the income statement, within equity, are adjusted by the inflation index since their inception, with a corresponding entry under the heading "Accumulated other comprehensive income (loss)".

- The loss of the net monetary position, which represents the loss of purchasing power of the entity due to maintaining an excess of monetary assets not linked to inflation (mainly loans, credits and bonds) over monetary liabilities, is recorded in the line "Other operating expense" in the income statement and with a credit to "Accumulated other comprehensive income (loss)".

– All the components of the financial statements of the subsidiaries are converted at the closing exchange rate, recording the conversion differences to the euro within "Accumulated other comprehensive income (loss)" as stated in IAS 21 "Effects of Changes in Foreign Exchange Rates".

Turkey

The combined result derived from the application of the above criteria amounted to a loss of €1,305 million in 2025, of which €1,120 million is attributable to owners of the parent (€1,498 million and €2,242 million loss attributable to owners of the parent in 2024 and 2023, respectively). This impact includes mainly the loss of the net monetary position, which amounts to a gross amount of €878 million and is recorded in the line "Other operating expense" in the consolidated income statement (€1,512 million and €2,118 million in 2024 and 2023, respectively), and it was partially offset by the positive impact of the revaluation of certain bonds linked to inflation, for a gross amount of €674 million (€1,164 million and €1,202 million in 2024 and 2023, respectively), given that, under IAS 29 "Financial Reporting in Hyperinflationary Economies", these types of bonds are considered protective assets (see Note 42).

In addition, during 2025 the impact on equity of Group entities located in Turkey derived from the application of IAS 29 and the conversion to the euro (IAS 21) amounted to €-898 million (€1,253 million in 2024), of which €-781 million (€1,072 million in 2024) have been recorded within "Equity – Accumulated other comprehensive income (loss)", and €-117 million (€181 million in 2024) have been recorded within "Minority interests – Accumulated other comprehensive income (loss)", respectively (see Notes 30 and 31).

According to the Turkish Statistical Institute (Turkstat), accumulated inflation in 2025 stood at 30.9% (44.4% and 64.8% in 2024 and 2023, respectively) and the exchange rate used as of December 31, 2025 was 50.48 Turkish lira per euro (36.74 and 32.65 in 2024 and 2023, respectively).

Argentina

The combined result derived from the application of the above criteria amounted to a loss of €494 million, of which €331 million is attributable to owners of the parent in 2025 (€810 million and €1,574 million loss attributable to owners of the parent in 2024 and 2023, respectively). This impact includes mainly the loss of the net monetary position, which amounts to a gross amount of €356 million and is recorded in the line "Other operating expense" in the consolidated income statement in 2025 (€1,419 million and €1,062 million in 2024 and 2023, respectively).

Furthermore, during 2025, the impact on equity of Group entities located in Argentina derived from the application of IAS 29 and the conversion to the euro (IAS 21) amounted to €-417 million (€1,115 million and €-634 million in 2024 and 2023, respectively) of which €-278 million (€745 million and €-428 million in 2024 and 2023, respectively) have been recorded within "Equity – Accumulated other comprehensive income (loss)", and €-140 million (€370 million and €-206 million in 2024 and 2023, respectively) have been recorded within "Minority interests – Accumulated other comprehensive income (loss)" (see Notes 30 and 31).

Accumulated inflation estimated by the National Census Institute of Argentina (INDEC) and BBVA Research for the year 2025 was 30.5% (118% and 215% in 2024 and 2023, respectively) and the exchange rate used as of December 31, 2025 was 1,714.81 Argentine pesos per euro (1,072.66 and 892.81 in 2024 and 2023, respectively).

Venezuela

The combined result derived from the application of the above criteria amounted to a loss of €75 million, of which €41 million is attributable to owners of the parent in 2025 (€20 million and €10 million attributable to owners of the parent in 2024 and 2023, respectively). This impact includes mainly a loss of the net monetary position partially offset by protective assets, which amounts to a gross amount of €183 million, recorded in the line "Other operating expense" in the consolidated income statement in 2025 (€9 million and €28 million in 2024 and 2023, respectively).

During 2025, 2024 and 2023 the impact on equity of Group entities located in Venezuela derived from the application of IAS 29 and the conversion to the euro (IAS 21) amounted to €-81 million, €-1 million and €-22 million respectively, of which €-44 million, €-1 million and €-12 million have been recorded within "Equity – Accumulated other comprehensive income (loss)" and €-37 million, €0 million and €-10 million have been recorded within "Minority interests – Accumulated other comprehensive income (loss)" (see Notes 30 and 31).

Accumulated inflation for the year 2025, as estimated by BBVA Research, was 754% (69% and 111% in 2024 and 2023, respectively) and the exchange rate used as of December 31, 2025 was 665.04 Venezuelan bolivars per euro (68.83 and 43.23 in 2024 and 2023, respectively). In this regard, and given the lack of official inflation data from the central bank of Venezuela, the Group estimates inflation by applying an internal methodology based on the variation of the estimated exchange rate.

2.3 Recent IFRS pronouncements

Standards and interpretations that became effective in 2025

In 2025, various amendments to the IFRS standards or their interpretations or modifications (amendments) (hereinafter "IFRIC" or "interpretation") became effective, among which the following should be highlighted:

Amendment to IAS 21: "The Effects of Changes in Foreign Exchange Rates"

On August 15, 2023, the IASB issued a series of amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates. The standard has a dual objective: first, to provide guidance on when one currency is convertible into another and, second, how to determine the exchange rate to use in accounting when it is concluded that such convertibility does not exist.

Regarding the first objective, a currency is convertible into another when an entity can obtain the other currency within a timeframe that allows for a normal administrative delay; and through markets or exchange mechanisms in which an exchange transaction creates enforceable rights and obligations. If the entity determines that convertibility between the currencies does not exist, it must estimate an exchange rate. The standard does not establish a specific estimation technique for these rates, but rather establishes guidelines for determining them, allowing for the use of an unadjusted observable rate or an estimation technique.

The amendment to the standard came into effect on January 1, 2025, and had no impact on the BBVA Group's consolidated financial statements.

Standards and interpretations issued but not yet effective as of December 31, 2025

The following new IFRS standards and interpretations or amendments had been published at the date of preparation of the Consolidated Financial Statements, but were not mandatory as of December 31, 2025. The Group is currently evaluating the potential effects of each of these new standards or amendments. Although in some cases the IASB allows early adoption of new standards, interpretations and amendments before their effective date, the BBVA Group has not proceeded with this option for any such changes.

IFRS 18 "Presentation and Disclosures in Financial Statements"

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosures in Financial Statements" which introduces new requirements to improve the quality of information presented in financial statements and to promote analysis, transparency and comparability of companies' performance.

Specifically, IFRS 18 introduces three predefined expense categories (operating, investing and financing) and two subtotals ("operating profit" and "profit before financing and income taxes") to provide a consistent structure in the income statement and facilitate the analysis of the income statement. Additionally, it introduces disclosure requirements for management-defined performance measures (MPMs). Finally, it establishes requirements and provides guidance on aggregation/disaggregation of the information to be provided in the primary financial statements.

This new standard will come into force on January 1, 2027, with early application permitted once it is adopted by the European Union.

Amendments to IFRS 9 and IFRS 7: Amendments to the classification and measurement of financial instruments

On May 30, 2024 the IASB issued amendments to IFRS 9 and IFRS 7 to clarify, among others, how to assess the contractual cash flow characteristics of financial assets that include contingent features such as the achievement of Environmental, Social and Governance targets. Additionally, they clarify that a financial liability should be derecognized on the 'settlement date' and introduce an accounting policy option to derecognize before that date financial liabilities that are settled using an electronic payment system. Finally, additional disclosures are required by IFRS 7 for financial instruments with contingent characteristics and equity instruments classified at fair value through other comprehensive income.

The amendments came into force on January 1, 2026. No significant impacts on the BBVA Group's consolidated financial statements are expected from the entry into force of the amendments.

Annual improvements applied to International Financial Reporting Standards (IFRS)

The IASB issued in July 2024 a number of minor amendments and improvements to various IFRSs to clarify their wording or correct minor effects, oversights or conflicts between the requirements of the Standards. The Standards affected are: IFRS 1 "First-time adoption of International Financial Reporting Standards", IFRS 7 "Financial instruments, disclosures", IFRS 9 "Financial instruments", IFRS 10 "Consolidated financial statements" and IAS 7 "Statement of cash flows".

These modifications came into force on January 1, 2026, and a significant impact on the BBVA Group's financial statements is not expected.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

On May 9, 2024, the IASB issued IFRS 19 "Subsidiaries without Public Accountability: Disclosures" which allows certain eligible entities to elect to apply the reduced disclosure requirements of IFRS 19 while continuing to apply the requirements of recognition, valuation and presentation of other IFRS accounting standards.

This new standard will enter into force on January 1, 2027, allowing early application once it is adopted by the European Union. The Group has no entities that fall within the scope of this standard, so no significant impact on the BBVA Group´s financial statements is expected.

Amendments to IFRS 19: "Subsidiaries without Public Accountability: Disclosures"

As stated above, IFRS 19, issued in May 2024, allows certain eligible entities to elect to apply the reduced disclosure requirements of IFRS 19 while continuing to apply the requirements of recognition, valuation and presentation of other IFRS accounting standards (including IFRS 18). With these amendments, IFRS 19 reflects the changes in IFRS that will come into effect by January 1, 2027, the date on which IFRS 19 will become applicable. In the future, IFRS 19 will be amended simultaneously with the publication or revision by the IASB of other accounting standards.

This amendment is pending approval by the European Union. No significant impact on the BBVA Group´s financial statements is expected.

Amendments to IFRS 9 and IFRS 7: Contracts that refer to nature-dependent electricity

On December 18, 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to address the accounting for renewable electricity purchase agreements. The amendments include guidance on the "own use" exemption for electricity purchasers and requirements for applying hedge accounting to these agreements.

The amendments came into force on January 1, 2026. No significant impacts on the BBVA Group´s financial statements are expected from the entry into force of the amendments.

Amendments to IAS 21 "The Effects of Changes in Foreign Exchanges Rates"

On November 13, 2025, the IASB issued a set of amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates. These amendments address how companies should translate financial information from a non-hyperinflationary functional currency to a hyperinflationary presentation currency.

Specifically, it states that a company with a non-hyperinflationary functional currency but with a hyperinflationary presentation currency must translate all amounts in the financial statements (including comparatives) using the closing exchange rate at the end of the reporting period.

The amendments also require entities to disclose and provide details of the financial information related to their foreign operations affected by the proposed translation method.

The amendments will become effective on January 1, 2027, once adopted by the European Union, and will be applied retrospectively. The implementation of the amendments is not expected to have any impact on the BBVA Group's financial statements.

3. BBVA Group

The BBVA Group is an international diversified financial group with a significant presence in retail banking, wholesale banking and asset management. The Group also operates in the insurance sector.

The following information is detailed in the appendices of these consolidated financial statements of the Group for the year ended December 31, 2025:

- Appendix I shows relevant information related to the consolidated subsidiaries and structured entities.
- Appendix II shows relevant information related to investments in joint ventures and associates accounted for using the equity method.
- Appendix III shows the main changes and notification of investments and divestments in the BBVA Group.
- Appendix IV shows fully consolidated subsidiaries with more than 10% of their capital owned by non-Group shareholders.

The following table sets forth information related to the Group's total assets as of December 31, 2025, 2024 and 2023, broken down by the Group's entities according to their activity:

CONTRIBUTION TO CONSOLIDATED GROUP TOTAL ASSETS. ENTITIES BY MAIN ACTIVITIES (MILLIONS OF EUROS)

	2025	2024	2023
Banking and other financial services	818,287	733,860	737,971
Insurance and pension fund managing companies	37,521	34,439	34,520
Other non-financial services	3,768	4,103	3,068
Total	**859,576**	**772,402**	**775,558**

The total assets and results of operations broken down by operating segments are included in Note 6.

The BBVA Group's activities are mainly located in Spain, Mexico, Turkey and South America, with active presence in other areas of Europe, the United States and Asia:

- Spain. The Group's activity in Spain is mainly carried out through Banco Bilbao Vizcaya Argentaria, S.A. The Group also has other entities that mainly operate in Spain's financial sector, insurance sector and asset management sector.
- Mexico. The BBVA Group operates in Mexico, not only in the banking sector, but also in the insurance sector and the asset management sector, through BBVA Mexico.
- Turkey. The Group's activity in Turkey is mainly carried out through the Garanti BBVA Group in the financial, insurance and asset management sectors.
- South America. The BBVA Group's activities in South America are mainly focused on the banking, financial and insurance sectors, in the following countries: Argentina, Colombia, Peru, Uruguay, Chile, Venezuela and Brazil, the latter focused on the CIB (Corporate & Investment Banking). The Group owns more than 50% of most of the Group entities based in these countries. Appendix I shows entities in respect of which the BBVA Group owns less than 50% as of December 31, 2025 (see Note 2.1). The Group also has representative offices in Sao Paulo (Brazil) and in Santiago (Chile).
- Rest of Europe. Group's activity in Europe (excluding Spain) is carried out by banking and financial institutions, mainly in Switzerland, the Netherlands and Romania, and through branches, mainly the BBVA Bank's branches in Germany, Belgium, France, Italy, Portugal, the United Kingdom, and the Garanti BBVA Bank's branch in Malta, as well as the Group's digital banks in Italy and Germany.

- The United States. The Group's activity in the United States is mainly carried out by the branch of Banco Bilbao Vizcaya Argentaria, S.A. in New York, the agency of BBVA Mexico in Houston, participations in technology companies through funds and investment vehicles and the broker-dealer business BBVA Securities Inc. Additionally, in 2024, a representative office of Banco Bilbao Vizcaya Argentaria, S.A. was opened in Houston.

- Asia. The Group's activity in Asia is conducted through the Bank's branches (Taipei, Tokyo, Hong Kong, Singapore and Shanghai) and representative offices (Beijing, Seoul, Mumbai, Abu Dhabi and Jakarta).

Significant transactions in the Group in 2025, 2024 and 2023

During the years 2025, 2024 and 2023 no significant or relevant corporate operations have been completed. The voluntary public tender offer for the entire share capital of Banco de Sabadell, S.A. announced by BBVA on May 9, 2024, was no longer in effect on October 16, 2025, following the publication of its outcome by the CNMV, as the minimum acceptance condition established by BBVA was not met.

4. Shareholder remuneration system

Shareholder Remuneration Policy

BBVA announced in November 2021 by means of Relevant Information the amendment of the Group's shareholder remuneration policy, which establishes as a policy to distribute annually between 40% and 50% of the consolidated ordinary profit for each year (excluding amounts and items of an extraordinary nature included in the consolidated income statement).

This policy is implemented through the distribution of an interim dividend for the year (which is expected to be paid in October of each year) and a final dividend or final distribution (which is expected to be paid at the end of the year and once the application of the result is approved, foreseeably in April of each year), with the possibility of combining cash distributions with share buybacks, all subject to the corresponding authorizations and approvals applicable at any given time.

Shareholder remuneration during financial year 2023

Cash distributions

During the 2023 financial year, the Annual General Shareholders' Meeting and the Board of Directors approved the payment of the following cash amounts:

- The Annual General Shareholders' Meeting of BBVA held on March 17, 2023, approved, under item 1.3 of the Agenda, a cash distribution against the 2022 results as a final dividend for the 2022 financial year, for an amount equal to €0.31 gross (€0.2511 net of withholding tax) per outstanding BBVA share entitled to participate in this distribution, which was paid on April 5, 2023. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €1,857 million.

- The Board of Directors, at its meeting held on September 27, 2023, resolved the payment of a cash interim dividend, for the 2023 financial year, of €0.16 gross (€0.1296 net of withholding tax) per outstanding BBVA share entitled to participate in this distribution, which was paid on October 11, 2023. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €951 million.

Shareholder remuneration during financial year 2024

Cash distributions

During the 2024 financial year, BBVA's General Shareholders' Meeting and Board of Directors approved the following cash payments:

- The Annual General Shareholders' Meeting held on March 15, 2024 approved, in item 1.3 of its Agenda, a cash distribution charged to the results of the 2023 financial year as a final dividend for the 2023 financial year, in the amount of €0.39 gross (€0.3159 net of withholding tax) per each outstanding BBVA share entitled to participate in this distribution, which was paid on April 10, 2024. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €2,245 million.

- By means of an inside information notice (*información privilegiada*) dated September 26, 2024, that the Board of Directors of BBVA had agreed to pay an amount on account of the dividend for the 2024 financial year, in the amount of €0.29 gross (€0.2349 net of withholding tax) per each outstanding BBVA share entitled to participate in this distribution, which was paid on October 10, 2024. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €1,668 million.

Shareholder remuneration during financial year 2025

Cash distributions

During the 2025 financial year, the Annual General Shareholders' Meeting and the Board of Directors approved the payment of the following cash amounts:

- The Annual General Shareholders' Meeting of BBVA held on March 21, 2025, approved, under item 1.3 of the Agenda, such cash distribution against the 2024 results as a final dividend for the 2024 financial year, for an amount equal to €0.41 gross (€0.3321 net of withholding tax) per outstanding BBVA share entitled to participate in this distribution, which was paid on April 10, 2025. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €2,357 million.

- By means of an inside information notice (*información privilegiada*) dated September 29, 2025, BBVA announced that the Board of Directors had approved the payment of a cash interim dividend of €0.32 gross (€0.2592 net of withholding tax) per each outstanding BBVA share entitled to participate in this distribution, which was paid on November 7, 2025. The total amount paid, excluding dividends paid in respect of treasury shares held by the Group's companies other than BBVA, S.A., amounted to €1,840 million.

The forecasted financial statement, drawn up in compliance with the applicable legal requirements, which evidenced the existence of sufficient liquidity to distribute the abovementioned amount approved by the Board of Directors of BBVA, was the following:

AVAILABLE AMOUNT FOR INTERIM DIVIDEND PAYMENTS (MILLIONS OF EUROS)

	August 31, 2025
Profit of BBVA, S.A., after the provision for income tax	5,518
Constitution of legal reserve (1)	(110)
Maximum amount distributable	**5,408**
Amount of proposed interim dividend (1)	**2,205**
BBVA cash balance available to the date	**27,334**

(1) Taking into consideration the maximum number of new shares authorized for issuance by the Board for the purpose of satisfying the consideration in kind of the voluntary tender offer for up to 100% of the shares of Banco de Sabadell, S.A. Such tender offer was subsequently left without effect on October 16, 2025.

Other shareholder remuneration

On February 5, 2026, BBVA announced by means of an inside information notice filing with the CNMV a cash distribution in the amount of €0.60 gross, for each of the outstanding shares entitled to receive said distribution, to be paid tentatively in April 2026 as the final dividend for the year 2025, was planned to be proposed to the corresponding governing bodies for consideration as ordinary remuneration to shareholders for 2025.

Share buyback programs

Share buyback program in 2023

On February 1, 2023, BBVA announced, among others, that it planned to submit for the consideration of the corresponding BBVA governing bodies the execution of a €422 million share buyback program, subject to obtaining the corresponding regulatory authorizations and to the communication of the specific terms and conditions of the share buyback program before its execution. On March 17, 2023, after receiving the required authorization from the ECB, BBVA announced through an Inside Information notice the execution of a time-scheduled buyback program for the repurchase of own shares in accordance with the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and Commission Delegated Regulation (EU) No. 2016/1052 of March 8, 2016 ("the Regulations"), aimed at reducing BBVA's share capital by a maximum monetary amount of €422 million. The execution was carried out internally by BBVA, executing the trades through BBVA. By means of an Other Relevant Information notice dated April 21, 2023, BBVA announced the completion of the share buyback program upon reaching the maximum monetary amount of €422 million, having acquired 64,643,559 own shares, between March 20 and April 20, 2023, representing, approximately, 1.07% of BBVA's share capital as of said date.

On June 2, 2023, BBVA notified through an Other Relevant Information notice a partial execution of the share capital reduction resolution adopted by the Annual General Shareholders' Meeting of BBVA held on March 17, 2023, under item 3 of the agenda through the reduction of BBVA's share capital in a nominal amount of €31,675,343.91 and the consequent redemption, charged to unrestricted reserves, of 64,643,559 own shares of €0.49 par value each acquired derivatively by BBVA in execution of the aforementioned share buyback program and which were held in treasury shares (see Notes 26, 27, 28 and 29).

On July 28, 2023, BBVA announced, by means of an Inside Information notice, its request to the ECB for the correspondent supervisory authorization in order to carry out a share buyback program of up to €1,000 million, subject to the authorization requested being granted, to the adoption of the corresponding corporate resolutions and to the communication of the specific terms and conditions of the share buyback program before its execution. This share buyback program was considered as an extraordinary shareholder distribution. On October 2, 2023, after receiving the required authorization from the ECB, BBVA announced that it would implement a buyback program for the repurchase of own shares in accordance with the Regulations, aimed at reducing BBVA's share capital by a maximum monetary amount of €1,000 million. The execution was carried out internally by BBVA, executing the trades through BBVA.

By means of an Other Relevant Information notice dated November 29, 2023, BBVA announced the completion of the share buyback program upon reaching the maximum monetary amount of €1,000 million, having acquired 127,532,625 own shares, between October 2 and November 29, 2023, representing, approximately, 2.14% of BBVA's share capital as of said later date.

On December 19, 2023, BBVA notified through an Other Relevant Information notice the second partial execution of the share capital reduction resolution adopted by the Annual General Shareholders' Meeting of BBVA held on March 17, 2023, under item 3 of the agenda through the reduction of BBVA's share capital in a nominal amount of €62,490,986.25 and the consequent redemption, charged to unrestricted reserves, of the 127,532,625 own shares of €0.49 par value each acquired derivatively by BBVA in execution of the aforementioned extraordinary share buyback program and which were held in treasury shares (see Notes 26, 27, 28 and 29).

Share buyback program in 2024

On January 30, 2024, BBVA announced, among other matters, that it planned to submit for the consideration of the corresponding BBVA governing bodies the execution of a €781 million share buyback program, subject to obtaining the corresponding regulatory authorizations and to the communication of the specific terms and conditions of the share buyback program before its execution. On March 1, 2024, after receiving the required authorization from the ECB, BBVA announced by means of an Inside Information notice the execution of a time-scheduled buyback program for the repurchase of own shares, all in accordance with the Regulations, for a maximum monetary amount of €781 million. The execution was carried out externally by Citigroup Global Markets Europe AG.

By means of an Other Relevant Information notice dated April 9, 2024, BBVA announced the completion of the share buyback program upon reaching the maximum monetary amount, having acquired a total of 74,654,915 own shares, between March 4 and April 9, 2024, representing, approximately, 1.28% of BBVA's share capital as of such date.

On May 24, 2024, BBVA notified through an Other Relevant Information notice the partial execution of the share capital reduction resolution adopted by the Annual General Shareholders' Meeting of BBVA held on March 15, 2024, under item 3 of the Agenda, through the reduction of BBVA's share capital in a nominal amount of €36,580,908.35 and the consequent redemption, charged to unrestricted reserves, of the 74,654,915 own shares of €0.49 par value each acquired derivatively by BBVA in execution of the share buyback program and which were held as treasury shares (see Notes 26, 27, 28 and 29).

Share buyback programs in 2025

On January 30, 2025, BBVA announced, among other matters, the execution of a share buyback program of BBVA shares, with the purpose of reducing BBVA's share capital, for a monetary amount of €993 million, subject to obtaining the corresponding regulatory authorizations and to the communication of the specific terms and conditions of the share buyback program before its execution.

On October 30, 2025, after receiving the required authorization from the ECB, BBVA announced by means of an Inside Information notice the execution of a time-scheduled buyback program for the repurchase of own shares, with the purpose of reducing BBVA's share capital, all in accordance with the Regulations, for a maximum monetary amount of €993 million. The execution was carried out externally by Citigroup Global Markets Europe AG. By means of an Other Relevant Information notice dated December 10, 2025, BBVA announced the completion of the share buyback program upon reaching the maximum monetary amount, having acquired a total of 54,316,765 BBVA shares, between October 31 and December 10, 2025, representing, approximately, 0.93% of BBVA's share capital as of such date. On December 23, 2025, BBVA notified through an Other Relevant Information notice the partial execution of the share capital reduction resolution adopted by the Annual General Shareholders' Meeting of BBVA held on March 21, 2025, under item 3 of the Agenda, through the reduction of BBVA's share capital in a nominal amount of €26,615,214.85 and the consequent redemption, charged to unrestricted reserves, of the 54,316,765 BBVA shares of €0.49 par value each acquired derivatively by BBVA in execution of the aforementioned BBVA share buyback program and which were held as treasury shares (see Notes 26, 27, 28 and 29).

On December 19, 2025, and after receiving the required authorization from the ECB, BBVA announced, by means of an Inside Information notice, that the Board of Directors of BBVA, at its meeting on December 18, 2025, had agreed to carry out the execution of a framework share buyback program for the repurchase of BBVA shares, all in accordance with the Regulations. This program will be executed in several tranches for a maximum monetary amount of €3,960 million, with the purpose of reducing BBVA's share capital (the "Framework Program"), without prejudice to the possibility of suspending or terminating the Framework Program early if circumstances warrant. It also announced that the Board of Directors agreed to execute a first tranche of the Framework Program in compliance with the Regulations, for the purpose of reducing BBVA's share capital for a maximum monetary amount of €1,500 million. The execution of this tranche started on December 22, 2025, and is carried out externally by J.P. Morgan SE. Between December 22, 2025 and January 30, 2026, J.P. Morgan SE has acquired 31,242,848 BBVA shares within this program.

Proposal on allocation of earnings for 2025

In accordance with current mercantile regulations, the earnings subject to distribution correspond to the individual result of Banco Bilbao Vizcaya Argentaria, SA, the parent company of the BBVA Group

Below is the distribution of the earnings of Banco Bilbao Vizcaya Argentaria, S.A. for the 2025 financial year, which the Board of Directors will submit for approval to the Annual General Shareholders' Meeting.

ALLOCATION OF EARNINGS (MILLIONS OF EUROS)

	2025
Profit (loss) for the year	**7,157**
Distribution	
Interim dividends	1,842
Final dividend	3,425
Reserves / Accumulated gains	1,889

5. Earnings per share

Basic and diluted earnings per share are calculated in accordance with the criteria established by IAS 33 "Earnings per share". For more information see Glossary.

The calculation of earnings per share is as follows:

BASIC AND DILUTED EARNINGS PER SHARE

	2025	2024	2023
Numerator for basic and diluted earnings per share (millions of euros)			
Profit attributable to parent company	10,511	10,054	8,019
Adjustment: Additional Tier 1 securities (1)	(397)	(388)	(345)
Profit adjusted (millions of euros) (A)	**10,114**	**9,666**	**7,675**
Profit (loss) from continued operations (net of remuneration of Additional Tier 1 capital instruments)	10,114	9,666	7,675
Profit (loss) from discontinued operations (net of non-controlling interests) (B)	—	—	—
Denominator for basic earnings per share (number of shares outstanding) (2)			
Weighted average number of shares outstanding	5,762	5,793	5,988
Average treasury shares	(9)	(10)	(5)
Share buyback program (average)	(5)	(13)	(28)
Adjusted number of shares - Basic earnings per share (C)	**5,748**	**5,769**	**5,954**
Adjusted number of shares - diluted earnings per share (D)	**5,748**	**5,769**	**5,954**
Earnings (losses) per share	**1.76**	**1.68**	**1.29**
Basic earnings (losses) per share from continuing operations (Euros per share) A-B/C	1.76	1.68	1.29
Diluted earnings (losses) per share from continuing operations (Euros per share) A-B/D	1.76	1.68	1.29
Basic earnings (losses) per share from discontinued operations (Euros per share) B/C	—	—	—
Diluted earnings (losses) per share from discontinued operations (Euros per share) B/D	—	—	—

(1) Remuneration in the year related to perpetual contingent convertible securities, recognized in equity (see Note 22.4).
(2) For the calculation of earnings per share, the average number of shares in a year takes into account the redemptions made in such year related to the share buyback programs (see Note 4).

As of December 31, 2025, 2024 and 2023, there were no other financial instruments or share option commitments to employees that could potentially affect the calculation of the diluted earnings per share for the years presented. For this reason, basic and diluted earnings per share are the same.

6. Operating segment reporting

Operating segment reporting represents a basic tool in the oversight and management of the BBVA Group's various activities. The BBVA Group compiles reporting information on disaggregated business activities. These business activities are then aggregated in accordance with the organizational structure determined by the BBVA Group's Management and, ultimately, into the reportable operating segments themselves.

As of December 31, 2025, the structure of the information by operating segments and the Corporate Center reported by the BBVA Group remains the same as that as of the closing of the 2024 financial year.

The BBVA Group's areas or operating segments are summarized below:

- Spain includes mainly the banking, insurance and asset management businesses that the Group carries out in Spain.
- Mexico includes the banking, insurance and asset management businesses in this country as well as the activity that BBVA Mexico carries out through its agency in Houston.
- Turkey reports the activity of the Garanti BBVA group that is mainly carried out in this country and, to a lesser extent, in Romania and the Netherlands.
- South America includes the banking, finance, insurance and asset management businesses carried out mainly in Argentina, Chile, Colombia, Peru, Uruguay and Venezuela.
- Rest of Business mainly includes the wholesale activity carried out in Europe (excluding Spain), the United States and (through BBVA branches located therein) Asia, as well as the Group's digital banks in Italy and Germany.

The Corporate Center performs centralized Group functions, including: the costs of the head offices with a corporate function for the consolidated BBVA Group, management of structural exchange rate positions; certain portfolios, such as financial and industrial holdings; stakes in Funds & Investment Vehicles in tech companies; certain tax assets and liabilities; funds for employee commitments; goodwill and other intangible assets, as well as the financing of such portfolios and assets.

The breakdown of the BBVA Group's total assets by operating segment and the Corporate Center as of December 31, 2025, 2024 and 2023 is as follows:

TOTAL GROUP ASSETS BY OPERATING SEGMENT (MILLIONS OF EUROS)

	2025	2024 (1)	2023 (1)
Spain	456,419	411,620	452,423
Mexico	182,525	168,470	173,489
Turkey	90,702	82,782	68,329
South America	76,648	73,997	64,779
Rest of Business	88,638	66,534	64,274
Subtotal assets by operating segments	**894,931**	**803,404**	**823,294**
Corporate Center and adjustments	(35,355)	(31,002)	(47,736)
Total assets BBVA Group	**859,576**	**772,402**	**775,558**

(1) In the first quarter of 2025 certain immaterial balance sheet amounts related to specific activities undertaken by the business units were reallocated between the operating segments and the Corporate Center. As a result, certain expenses were reallocated, in particular, between Spain, Rest of Business and the Corporate Center. In order to make the period-on-period comparison homogeneous, the figures for the years 2024 and 2023 have been revised, which has not affected the consolidated financial information of the Group.

The following table sets forth certain summarized information relating to the results of each operating segment and the Corporate Center for the years ended December 31, 2025, 2024 and 2023:

MAIN MARGINS AND PROFIT BY OPERATING SEGMENT (MILLIONS OF EUROS)

		Operating Segments					
	BBVA Group	Spain	Mexico	Turkey	South America	Rest of Business	Corporate Center and adjustments
2025							
Net interest income	26,280	6,588	11,424	3,079	4,830	828	(469)
Gross income	36,931	10,027	15,198	5,213	5,363	1,807	(678)
Operating profit (loss) before tax	16,227	5,933	7,341	1,863	1,758	772	(1,440)
Attributable profit (loss) (1)	**10,511**	**4,175**	**5,264**	**805**	**726**	**627**	**(1,086)**
2024 (2)							
Net interest income	25,267	6,384	11,556	1,492	5,589	742	(495)
Gross income	35,481	9,443	15,337	4,212	5,405	1,472	(388)
Operating profit (loss) before tax	15,405	5,263	7,522	1,741	1,342	648	(1,110)
Attributable profit (loss) (1)	**10,054**	**3,752**	**5,447**	**611**	**635**	**511**	**(901)**
2023 (2)							
Net interest income	23,089	5,570	11,054	1,869	4,394	539	(336)
Gross income	29,542	7,848	14,267	2,981	4,331	1,113	(999)
Operating profit (loss) before tax	12,419	3,855	7,329	1,324	1,189	499	(1,777)
Attributable profit (loss) (1)	**8,019**	**2,690**	**5,319**	**527**	**601**	**403**	**(1,522)**

(1) See Note 55.2.
(2) In the first quarter of 2025 certain immaterial balance sheet amounts related to specific activities undertaken by the business units were reallocated between the operating segments and the Corporate Center. As a result, certain expenses were reallocated, in particular, between Spain, Rest of Business and the Corporate Center. In order to make the period-on-period comparison homogeneous, the figures for the years 2024 and 2023 have been revised, which has not affected the consolidated financial information of the Group.

The accompanying Consolidated Management Report presents the consolidated income statements and the consolidated balance sheets by operating segments.

7. Risk management

7.1 Risk factors

The BBVA Group has processes in place for identifying risks and analyzing scenarios in order to enable the Group to manage risks in a dynamic and proactive way.

The risk identification processes are forward looking to seek the identification of emerging risks and take into account the concerns of both the business areas, which are close to the reality of the different geographical areas, and the corporate areas and senior management.

Risks are identified and measured consistently using the methodologies deemed appropriate in each case. Their measurement includes the design and application of scenario analyses and stress testing and considers the controls to which the risks are subjected.

As part of this process, a forward projection of the Risk Appetite Framework (hereinafter "RAF") variables in stress scenarios is conducted in order to identify possible deviations from the established thresholds. If any such deviations are detected, measures are taken to seek to keep the variables within the target risk profile.

In this context, there are a number of emerging risks that could affect the evolution of the Group's business, including the below:

Macroeconomic and geopolitical risks

The Group is sensitive to the deterioration of economic conditions and the alteration of the institutional environment of the countries in which it operates, and is exposed to sovereign debt, particularly in Spain, Mexico and Turkey.

The global economy is undergoing significant changes, due in part to the policies of the U.S. administration. Uncertainty surrounding their consequences is exceptionally high, substantially increasing geopolitical, economic, and financial risks.

The increase in U.S. tariffs on imports from its trading partners has triggered financial market volatility, reinforcing global-wide risks. High uncertainty regarding the final level and duration of these tariffs could negatively impact the global economy, worsening the macroeconomic environment. As a result of adopted or announced tariffs, global growth could decelerate significantly.

While fiscal and monetary policies could partially offset the effects of global protectionism, notably in the Eurozone, where significant public spending increases have been announced, the impact of higher U.S. tariffs could be amplified by the adoption of retaliatory measures by other countries, sustained uncertainty, weakened confidence, and financial volatility, among other factors.

Rising tariffs also increase the risk of inflation in the United States and the Eurozone, which could further slow private demand and, at the same time, constrain the Federal Reserve's and the ECB's ability to lower rates if warranted by activity.

Beyond import tariffs, tighter controls on migration flows could also affect the labor market in the United States, add to inflationary pressures, and weigh on economic growth. The U.S. administration's fiscal, monetary, regulatory, industrial, and foreign policies could likewise contribute to financial and macroeconomic volatility. This is compounded by concerns that the Federal Reserve's independence in decision-making may be weakened by political considerations.

Amid growing uncertainty surrounding U.S. policies and the widening fiscal deficit, the U.S. risk premium could continue to rise, pushing up long-term sovereign yields and further weakening the U.S. dollar. These developments could trigger episodes of volatility, especially given the high public debt levels in both developed and emerging economies. Additionally, the relatively high valuations of AI-related assets constitute an additional source of uncertainty, with potential implications in the financial markets.

The rise of trade protectionism and the growing rivalry between the United States and China could further intensify geopolitical tensions, especially against the backdrop of ongoing conflicts in Ukraine and the Middle East, recent tensions in Latin America and Iran, and the Greenland crisis. In response to these risks and to changes in U.S. foreign policy, the European Union has taken steps to increase military spending, which could support growth but also add upward pressure on inflation and interest rates in the region.

Overall, rising global geopolitical tensions are increasing uncertainty about the global economy and the likelihood of economic and financial disruptions, including a recession.

The Group is exposed to, among others, the following general risks related to the economic and institutional environment in the countries where it operates: a deterioration in economic activity, including potential recession scenarios; inflationary pressures that could lead to a tightening of monetary conditions; stagflation triggered by intense or prolonged supply shocks, including as a result of a protectionist escalation or an increase in oil and gas prices; exchange rate volatility; adverse developments in real estate markets; changes in the institutional environment of the countries where the Group operates, which could lead to sudden and pronounced GDP contractions and/or shifts in regulatory or government policy, including capital controls, dividend restrictions, or the imposition of new taxes or levies; high levels of public debt or external deficits, which could lead to sovereign credit rating downgrades or even defaults or debt restructurings; the impact of the policies adopted by the current U.S. administration, about which significant uncertainty remains; and episodes of financial market volatility, such as those observed recently, that could result in significant losses for the Group.

In Spain, political, regulatory, and economic uncertainty could negatively impact activity. In Mexico, considerable uncertainty persists regarding the impact of the recently approved constitutional reforms, as well as the policies of the U.S. administration and the outcome of the review of the United States-Mexico-Canada free trade agreement (USMCA). In Turkey, despite the gradual improvement in macroeconomic conditions, the situation remains relatively unstable, marked by pressure on the Turkish lira, high inflation, a significant trade deficit, relatively low central bank foreign exchange reserves, and high external financing costs. Recent political and social tensions could also generate renewed bouts of financial volatility and macroeconomic risks. Moreover, uncertainty remains over the impact on Turkey of the geopolitical situation in the Middle East. In South America, ongoing and potential interventionist actions by the United States in some of its countries constitute a significant source of risk. In Argentina, despite the improvement in prospects following significant fiscal, monetary and exchange rate adjustments, the risk of economic and financial turmoil persists. Lastly, in Colombia and Peru, meteorological events, political tensions, and a deterioration of public finances could weigh on economic performance.

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

Regulatory and reputational risks

Financial institutions are exposed to a complex and ever-changing regulatory environment defined by governments and regulators. 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 (see section "Environmental, social and governance ("ESG") risks may adversely impact the Group"). 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 financial sector is under ever closer scrutiny by regulators, governments and society itself. In the course of activities, situations which might cause relevant reputational damage to the Group could arise and might affect the regular course of business.

New business, operational and legal risks

New technologies and forms of customer relationships: Developments in the digital world and in information technologies pose significant challenges for financial institutions, entailing threats (new competitors, disintermediation, etc.) but also opportunities (new framework of relations with customers, greater ability to adapt to their needs, new products and distribution channels, etc.). Digital transformation is a priority for the Group as it aims to lead digital banking of the future as one of its objectives. In this sense, digital transformation is a priority for the Group, which includes among its commitments the development of advanced Next Gen technological capabilities, artificial intelligence, and continuous improvement of the customer experience.

Technological risks and security breaches: The Group is exposed to new threats such as cyber-attacks, theft of internal and customer databases, fraud in payment systems, etc. that require major investments in security from both the technological and human point of view. The Group gives great importance to the active operational and technological risk management and control. 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 unauthorized disclosure, destruction or use of confidential information, as well as prevent the normal operation of the Group and impair 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.

Model risk: it is possible that a model used in critical processes presents deficiencies in its design, implementation, use, or interpretation, generating incorrect estimations that affect risk granting, solvency, the financial statements, regulatory compliance, or the Group's reputation. This risk arises mainly from the use of inadequate assumptions, limitations in data quality or errors in model coding, and is especially relevant in an environment of growing complexity and dependence on models. BBVA is exposed to this risk due to the intensive use of models in essential areas such as credit risk measurement, the calculation of provisions for contingencies, and the valuation of other financial instruments, and the magnitude of this exposure is increased by the volume and diversity of the portfolios, data heterogeneity, and the incorporation of macroeconomic scenarios in certain metrics.

Legal risks: The financial sector faces an environment of increasing regulatory and litigious pressure, and thus, the various Group entities are frequently party to individual or collective judicial proceedings (including class actions) resulting from their activity and operations, as well as arbitration proceedings. The Group is also party to government procedures and investigations, such as those carried out by the antitrust authorities in certain countries 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. In addition, the regulatory framework in the jurisdictions in which the Group operates is evolving towards a supervisory approach more focused on the opening of sanctioning proceedings while some regulators are focusing their attention on consumer protection and behavioral risk.

In Spain and in other jurisdictions where the Group operates, legal and regulatory actions and proceedings against financial institutions, prompted in part by certain judgments in favor of consumers handed down by national and supranational courts (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 favorable resolutions for the consumer, could also adversely affect the Group.

There are also claims before the Spanish courts challenging the validity of certain revolving credit card agreements. Rulings in these types of proceedings, whether against the Bank or other financial institutions, could negatively affect the Group.

Additionally, in relation to the ESG area, factors that may affect these new business, operational and legal risks have been identified (see "Environmental, social and governance ("ESG") risks may adversely affect the Group").

All of the above may result in a significant increase in operating and compliance costs or even a reduction of revenues, and it is possible that an adverse outcome in any proceedings (depending on the amount thereof, the penalties imposed or the procedural or management costs for the Group) could damage the Group's reputation, generate a knock-on effect or otherwise adversely affect the Group.

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 significantly 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 attract resources from the Group and may occupy a great deal of attention on part of the Group's management and employees.

As of December 31, 2025 and December 31, 2024, the Group had €805 million and €791 million, respectively, in provisions for the proceedings it is facing (included in the line "Provisions for taxes and other legal contingencies" in the consolidated balance sheet) (see Note 24), of which €583 million and €610 million, respectively, correspond to legal contingencies and €222 million and 181 million, respectively, to tax related matters (see Note 19). However, the uncertainty arising from these proceedings (including those for which no provisions have been made, either because the probability of an unfavorable outcome for the Group is estimated to be remote, or because it is not possible to estimate them or for other reasons) makes it impossible to guarantee that the possible losses arising from the resolution of these proceedings will not exceed, where applicable, the amounts that the Group currently has provisioned and, therefore, could affect the Group's consolidated results in a given period.

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.

Spanish judicial authorities are investigating the activities of Centro Exclusivo de Negocios y Transacciones, S.L. ("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. Certain current and former employees of the Group, as well as former directors and officers, have also been named as investigated parties in connection with this investigation. Since the beginning of the investigation, BBVA has been proactively collaborating with the Spanish judicial authorities, including sharing with the courts information obtained in the internal investigation hired by the entity in 2019 to contribute to the clarification of the facts.

By order of the Criminal Chamber of the National High Court, the pre-trial phase ended on January 29, 2024. On June 20, 2024, the Judge issued an order authorizing the continuation of abbreviated criminal proceedings against the Bank and certain current and former employees of the Bank, as well as against some former directors and officers, for alleged facts which could constitute bribery and revelation of secrets. It is not possible at this time to predict the possible outcomes or implications for the Group of this matter, including any fines, damages or harm to the Group's reputation caused thereby.

Environmental, social and governance (ESG) risks may adversely impact the Group

ESG factors present risks associated with (i) climate change, including physical risks and transition risks (linked, among others, to changes in regulations, technologies, and market preferences associated with the transition to a less carbon-dependent economy); (ii) other environmental factors, such as biodiversity loss, water stress and other nature-related factors; (iii) social factors, such as human rights, inclusion, diversity and workplace safety; and (iv) corporate governance matters, such as the governance of environmental and social risks.

ESG risks include short, medium and long-term risks that may adversely affect the Group and its customers or counterparties. ESG is an area of significant public debate and focus for governments and regulators, investors, the Group's customers and counterparties, and other stakeholders, and, as a result, ESG risks are expected to continue to evolve, and may increase, over time.

Among others, ESG risks include the following:

- Physical risks. The activities of the Group or those of its customers or counterparties could be adversely affected by the physical risks (including acute and chronic) arising from climate change or other environmental challenges. For example, extreme weather events and chronic shifts in the climate may damage or destroy properties and other assets of the Group or those of its customers or counterparties, make the insurance against certain risks more expensive or unfeasible, result in increased costs, or otherwise disrupt their respective operations (for example, if supply chains are disrupted as a result), diminishing –in the case of the Group's customers or counterparties - their repayment capacity and, if applicable, the value of assets granted as collateral to the Group. The Group is also exposed to potential long-term physical risks arising from climate change and other environmental challenges,

such as any ensuing deterioration in economic conditions that results in credit-related costs, or potential impacts on the Group's assets and operations. The Group could also be required to change its business models in response to the foregoing.

- Legal and regulatory risks. The ESG legal and regulatory landscape is increasingly fragmented. While legislatures and regulatory authorities in many jurisdictions continue to impose extensive requirements for financial institutions to integrate ESG considerations into their risk management and reporting frameworks, others are taking a different approach, with regulatory developments moving in the opposite direction, and a reduced emphasis on climate-related risk supervision, adding further complexity and uncertainty to the compliance environment. Legal and regulatory changes related to how banks consider and manage climate and other ESG risks or otherwise affecting banking practices or disclosure of information have resulted, and may continue to result, in higher compliance, operational and credit risks and costs. The Group's customers and counterparties may be exposed to similar legal and regulatory changes, increasing their own compliance and operational risks and costs. Further, legal and regulatory changes have resulted, and may continue to result, in legal uncertainty and the existence of overlapping or conflicting regulatory or other requirements. They may also give rise to regulatory asymmetries whereby some persons, including the Group and its customers and counterparties, are more heavily regulated than others, placing such persons at a disadvantage. The Group or its customers or counterparties may be unable to meet any new requirements on a timely basis or at all, including new product and service specifications, governance frameworks and practices and disclosure requirements and standards. We expect ESG-related legal and regulatory requirements to continue to evolve in the coming years. In the case of banks in particular, such evolving laws and regulations could include further requirements or restrictions related to lending, investing, capital and liquidity adequacy and operational resilience. The incorporation of ESG risks in the existing prudential framework is still developing and may result in increased risk weighting of certain assets. Moreover, there are significant risks and uncertainties inherent in the development of adequate risk assessment and modeling capabilities with respect to ESG-related matters and the collection and use of customer, third-party and other data, which may result in the Group's systems or frameworks (or those of its customers and counterparties, where applicable) being inadequate, inaccurate or based on incorrect or insufficient customer, third-party or other data, any of which could adversely affect the Group's disclosure and financial reporting. Further, increased and/or divergent regulation arising from climate change and other ESG-related challenges could result in increased litigation by different stakeholders (including non-governmental organizations (NGOs)) and regulatory investigations and actions.

- Technological risks. Certain of the Group's customers and counterparties may be adversely affected by the progressive transition to a low-carbon economy and/or risks and costs associated with new low-carbon technologies. If the Group's customers and counterparties fail to adapt to the transition to a low-carbon economy, or if the costs of doing so adversely affect their creditworthiness, this could adversely affect the Group's loan portfolios.

- Market risks. The Group and certain of the Group's customers and counterparties may be adversely affected by changes in market preferences due to, among other things, increased ESG concern, on the one hand, or an opposing sentiment, on the other. These changes could impact the demand for our products and services, as well as for those of our customers and counterparties, and investor interest in our securities. Further, the funding costs of businesses that are perceived to be more exposed to climate change or to other ESG-related risks could increase. Any of this could result in the reduced creditworthiness of such customers and counterparties, adversely affecting the Group's relevant loan portfolios. The Group and its customers and counterparties could also be adversely affected by changes in prices resulting from shifts in demand or supply brought by climate change or other ESG-related factors, including prices of energy and raw materials, or by their inability to foresee or hedge any such changes.

- Reputational risks. The perception of climate change and other ESG-related matters as a risk and an appropriate consideration in business and investment decisions, by society, shareholders, customers, governments and other stakeholders (including NGOs), continues to evolve, including in relation to the financial sector's activities. This may result in increased scrutiny of the Group's activities, as well as its ESG-related policies, goals, decisions, disclosures or communications. The Group's reputation and ability to attract or retain customers may be harmed if its response to concerns regarding ESG-related matters is deemed to be insufficient or inappropriate or if a perception is generated among the different stakeholders that the Group's statements, actions or disclosure do not fairly reflect the underlying sustainability profile of the Group, its products, services, goals and/or policies. At the same time, the Group may refrain from undertaking lending or investing activities or other services that would otherwise have been profitable in order to fulfill its ESG obligations or goals or to avoid reputational harm. Divergent views on ESG policies may

also have a negative impact on the Group's reputation. Increased scrutiny of the Group's activities, as well as its ESG-related policies, goals, decisions, disclosures and communications, may result in litigation and investigations and supervisory actions (including potential greenwashing or greenhushing claims). The Group has disclosed certain aspirational ESG-related goals and such goals, which are being pursued over the long term, may prove to be considerably more costly or difficult than currently expected, or even impossible, to achieve, including as a result of changes in regulation and policy, the pace of technological change and innovation and the actions of governments and the Group's customers and competitors. Potential greenwashing claims arising from ESG-related statements, disclosure and/or actions of the Group may also give rise to reputational risks.

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

7.2 Credit risk

Credit risk is the potential loss assumed by the Group as a result of the failure by the Group´s counterparties to meet their contractual obligations.

The general principles governing credit risk management in the BBVA Group are:

- Risks taken should comply with the general risk policy established by the Board of Directors of BBVA.
- Risks taken should be in line with the level of equity and generation of recurring revenue of the BBVA Group prioritizing risk diversification and avoiding relevant concentrations.
- Risks taken should be identified, measured and assessed and there should be management and monitoring procedures, in addition to sound mitigation and control mechanisms.
- Risks should be managed in a prudent and integrated manner during their life cycle and their treatment should be based on the type of risk. In addition, portfolios should be actively managed on the basis of a common metric (economic capital).
- The main criterion when granting credit risks is the capability of the borrower or obligor to fulfill on a timely basis all financial obligations with its business income or source of income without depending upon guarantors, bondsmen or pledged assets.
- Improve the financial health of our clients, help them in their decision-making and in the daily management of their finances based on personalized advice.
- Help our clients in the transition towards a sustainable future, with a focus on climate change and inclusive and sustainable social development.

Credit risk management in the Group has an integrated structure for all its functions, allowing decisions to be taken objectively and independently throughout the life cycle of the risk.

- At Group level: frameworks for action and standard rules of conduct are defined for handling risk, specifically, the channels, procedures, structure and supervision.
- At the business area level: they are responsible for adapting the Group's criteria to the local realities of each geographical area and for direct management of risk according to the decision-making channel:

    a. Retail risks: in general, the decisions are formalized according to the scoring tools, within the general framework for action of each business area, with regard to risks. The changes in weighting and variables of these tools must be validated by the Global Risk Management (hereinafter "GRM") area.

b. Wholesale risks: in general, the decisions are formalized by each business area within its general framework for action with regard to risks, which incorporates the delegation rule and the Group's corporate policies.

The risk function has a decision-making process supported by a structure of committees with a solid governance scheme, which describes their purposes and functioning for a proper performance of their tasks.

In addition, credit risk is affected by climate change risk, mainly through physical and transition risks that may impact the payment capacity of counterparties and the valuation of the collateral used and, therefore, expected credit losses (see "Environmental, social and governance ("ESG") risks may adversely impact the Group").

Since 2024, the Group has begun incorporating climate risk factors into the process of calculating expected credit losses for loan portfolios through statistical models that consider both potential damage to collateral and the effect on customers' ability to pay due to physical and transition risks in the Group's main geographies. In particular, transition risk has been assessed using an approach that allows capturing its effect on the probability of default (PD) and the impact on customers' provisions in Stage 2 as well as a transfer of exposures from Stage 1 to Stage 2 for corporate portfolios. For physical risk, an approach has been used that would allow estimating the potential deterioration in the value of collateral (real estate assets in corporate and retail portfolios) and its effect on LGD. As of December 31, 2025 and 2024, the impact recorded for these risks was not significant. The Group will continue working to incorporate in these models the information available from time to time.

7.2.1 Measurement of Expected Credit Loss

IFRS 9 requires determining the Expected Credit Loss (hereinafter "ECL") of a financial instrument in a way that reflects an unbiased estimation removing any conservatism or optimism, including the time value of money and a forward-looking perspective (including the economic forecast), all this based on the information that is available at a certain point in time and that is reasonable and bearable with respect to future economic conditions.

Therefore, the recognition and measurement of ECL is highly complex and involves the use of significant analysis and estimation including formulation and incorporation of forward-looking economic conditions into the ECL model.

The modeling of the ECL calculation is subject to a governance system that is common to the entire Group. Within this common framework, each geographical area makes the necessary adaptations to capture its particularities. The methodology, assumptions and observations used by each geographical area are reviewed annually, and after a validation and approval process, the outcome of this review is incorporated into the ECL calculations.

Risk parameters by homogeneous groups

Expected losses can be estimated both individually and collectively. Regarding the collective estimate, the instruments are distributed in homogeneous groups (segments) that share similar risk characteristics. Following the guidelines established by the Group for the development of models under IFRS 9, each geographical area performs the grouping based on the information available, its representativeness or relevance and compliance with the necessary statistical requirements.

Depending on the portfolio or the parameter being estimated, one risk driver or another will apply and different segments will reflect differences in PDs and LGDs. Thus, in each segment, changes in the level of credit risk will respond to the impact of changing conditions on the common range of credit risk drivers. The effect on the Group's credit risk in response to changes in forward-looking information will be considered as well. Macroeconomic modeling for each segment is carried out using some of the shared risk characteristics.

These segments share credit risk characteristics such that changes in credit risk in a part of the portfolio are not concealed by the performance of other parts of the portfolio. In that sense, the methodology developed for ECL estimation indicates the risk drivers that have to be taken into account for PD segmentation purposes, depending on whether the estimation is for retail or wholesale portfolios.

As an example of the variables that can be taken into consideration to determine the final models, the following stand out:

- PD – Retail: Contractual residual maturity, credit risk scoring, type of product, days past due, forbearance, time on books, time to maturity, nationality of the debtor, sale channel, original term, indicator of credit card activity, percentage of initial drawn balance in credit cards.

- PD – Wholesale: Credit Risk Rating, type of product, watch-list level, forbearance (client), time to maturity, industry sector, updated balance (y/n), written off, grace period.

- LGD – Retail: credit Risk Scoring, segment, type of product, secured / unsecured, type of collateral, sales channel, nationality, business area, debtor's commercial segment, forbearance (account) EAD (this risk driver could be correlated with the time on books or the LTV so, before including it, an assessment should be done in order to avoid a double counting effect), time on default of the account (for defaulted exposures), geographical location.

- LGD – Wholesale: credit Risk Rating, geographical location, segment, type of product, secured / Unsecured, type of collateral, business area, forbearance (client), debtor's commercial segment time on default of the deal (for defaulted exposures).

- CCF – Wholesale/retail: percentage of initial drawn balance, debtor's commercial segment, days past due, forbearance, credit limit activity, time on books.

In the BBVA Group, the expected losses calculated are based on the internal models developed for all the Group's portfolios, unless clients are subject to individualized estimates.

Low Default Portfolios, which include portfolios with high credit quality such as exposures to other credit institutions, sovereign debt or corporates and small client's portfolios with high exposures such as specialized lending or fixed income, are characterized by a low number of defaults, so the Group's historical bases do not contain sufficiently representative information to build impairment models based on them. However, there are external sources of information that, based on broader observations, are capable of providing the necessary inputs to develop models of expected losses. Therefore, based on the rating assigned to these exposures and taking into account the inputs obtained from these sources, the calculations of expected losses are developed internally, including their projection based on the macroeconomic perspectives.

Individual estimation of Expected Credit Losses

The Group periodically and individually reviews the situation and credit rating of its customers, regardless of their classification, taking into consideration the information deemed necessary to do so. It also has procedures in place within the risk management framework to identify the factors that may lead to increased risk and, consequently, to a greater need for provisions.

The monitoring model established by the Group consists of continuously monitoring the risks to which it is exposed, which guarantees their proper classification in the different categories of IFRS 9. The original analysis of the exposures is reviewed through the procedures for updating the rating tools (rating and scoring), which periodically review the financial situation of clients, influencing the classification by *stages* of exposures.

Within this credit risk management framework, the Group has procedures that seek to guarantee the review, at least annually, of all its wholesale counterparties through the so-called financial programs, which include the current and proposed positioning of the Group with the customer in terms of credit risk. This review is based on a detailed analysis of the client's up-to-date financial situation, which is complemented by other information available in relation to individual perspectives on business performance, industry trends, macroeconomic prospects or other public data. As a result of this analysis, the preliminary rating of the client is obtained, which, after undergoing the internal procedure, can be revised down if deemed appropriate (e.g., general economic environment or evolution of the sector). These factors in addition to the information that the client can provide are used to review the ratings even before the scheduled financial plan reviews are conducted if circumstances so warrant.

Additionally, the Group has established procedures to identify wholesale customers in the internal Watch List category, which is defined as that risk in which, derived from an individualized credit analysis, an increase in credit risk is observed, either due to economic or financial difficulties or because they have suffered, or are expected to suffer, adverse situations in their environment, without meeting the criteria for classification as impaired risk. Under this procedure, all a customer's Watch List exposures are considered *stage* 2 regardless of when they originated, if as a result of the analysis the customer is considered to have significantly increased risk.

Finally, the Group has Workout Committees, both local and corporate, which analyze not only the situation and evolution of significant clients in Watch List and impaired situations, but also those significant clients in which, although not on Watch List, may present some *stage* 2 rated exposure for a quantitative reason (PD comparison from origination). This analysis is carried out in order to decide if, derived from this situation, all the client's exposures should be considered in the Watch List category, which would imply the migration of all the client's operations to *stage* 2 regardless of the date on which they originated.

With this, the Group undertakes an individualized review of the credit quality of its wholesale counterparties, identifying the situations in which a change in the risk profile of these clients may have occurred and proceeding, where appropriate, to estimate individualized credit losses. Along with this review, the Group individually estimates the expected losses of those clients whose total exposure exceeds certain thresholds, including those that part of their operations may be classified in *stage* 1 and part in *stage* 2. In setting thresholds, each geographical area determines the minimum amount of a client's exposure whose expected losses must be estimated individually taking into account the following:

- For clients with exposures in *stage* 3. The analysis of clients with total risk above this threshold implies analyzing at least 40% of the total risk of the wholesale portfolio in *stage* 3. Although the calibration of the threshold is done on the wholesale portfolio, clients of other portfolios must be analyzed if they exceed the threshold, staying in *stage* 3.

- For all other situations. The analysis of clients with total risk above this threshold implies analyzing at least 20% of the total risk of the Watch List wholesale portfolio. Although the threshold calibration is carried out on the exposure classified as Watch List, wholesale clients or clients belonging to other portfolios that have exposures classified in *stage* 2 and whose total exposure exceeds the mentioned threshold must be analyzed individually, considering both the exposures classified in *stage* 1 as in *stage* 2.

Regarding the methodology for the individual estimation of expected losses, it should be mentioned, firstly, that these are measured as the difference between the asset's carrying amount and the estimated future cash flows discounted at the financial asset's effective interest rate.

The estimated recoverable amount should correspond to the amount calculated under the following method:

- the present value of estimated future cash flows discounted at the financial asset's original effective interest rate; and

- the estimation of the recoverable amount of a collateralized exposure reflects the cash flows that may result from the settlement of the collateral, as well as prospective information the analyst may implicitly include in the analysis.

The estimated future cash flows depend on the type of approach applied, which can be:

- Going concern scenario: when the entity has updated and reliable information about the solvency and ability of payment of the holders or guarantors. The operating cash flows of the debtor, or the guarantor, continue and can be used to repay the financial debt to all creditors. In addition, collateral may be exercised to the extent it does not influence operating cash flows. The following aspects should be taken into account:

    a. Future operating cash flows should be based on the financial statements of the debtor.

    b. When the projections made on these financial statements assume a growth rate, a constant or decreasing growth rate must be used over a maximum growth period of 3 to 5 years, and subsequently constant cash flows.

c. The growth rate should be based on the analysis of the evolution of the debtor's financial statements or on a sound and applicable business restructuring plan, taking into account the resulting changes in the structure of the company (for example, due to divestments or the interruption of unprofitable lines of business).

d. (Re)-investments that are needed to preserve cash flows should be considered, as well as any foreseeable future cash flow changes (e.g. if a patent or a long-term loan expires).

e. When the recoverability of the exposure relies on the realization of the disposal of some assets by the debtor, the selling price should reflect the estimated future cash flows that may result from the sale of the assets less the estimated costs associated with the disposal.

– Gone concern scenario: when the entity does not have updated and reliable information, it should consider that the estimation of loan receivable flows is highly uncertain. Estimation should be carried out through the estimation of recoverable amounts from the effective real guarantees received. It will not be admissible as effective guarantees, those whose effectiveness depends substantially on the creditworthiness of the debtor or economic group in which it takes part. Under a gone concern scenario, the collateral is exercised and the operating cash flows of the debtor cease. This could be the case if:

a. The exposure has been past due for a long period. There is a rebuttable presumption that the allowance should be estimated under a gone concern criterion when arrears are greater than 18 months.

b. Future operating cash flows of the debtor are estimated to be low or negative.

c. Exposure is significantly collateralized, and this collateral is central to cash flow generation.

d. There is a significant degree of uncertainty surrounding the estimation of the future cash flows. This would be the case if the earnings before interest, taxes, depreciation and amortization (EBITDA) of the two previous years had been negative, or if the business plans of the previous years had been flawed (due to material discrepancies in the backtesting).

e. Insufficient information is available to perform a going concern analysis.

Significant increase in credit risk

As indicated in Note 2.2, the criteria for identifying the significant increase in risk are applied consistently throughout the Group, distinguishing between quantitative reasons or by comparison of probabilities of default and qualitative reasons (more than 30 days of default, Watch List consideration or non-impaired refinancing).

To manage credit risk, the Group uses all relevant information that is available and that may affect the credit quality of the exposures. This information may come mainly from the internal processes of admission, analysis and monitoring of operations, from the strategy defined by the Group regarding the price of operations or distribution by geographical areas, products or sectors of activity, from the observance of the macroeconomic environment, from market data such as interest rate curves, or prices of the different financial instruments, or from external sources of credit rating.

This set of information is the basis for determining the rating and scoring (see Note 7.2.4 for more information on rating and scoring systems) corresponding to each of the exposures and which are assigned a probability of default (PD) that, as already mentioned, is subject to an annual review process that assesses its representativeness (backtesting) and is updated with new observations. Furthermore, the projection of these PDs over time has been modeled based on macroeconomic expectations, which allows obtaining the probabilities of default throughout the life of the operations.

Based on this common methodology, and in accordance with the provisions of IFRS 9 and the EBA guidelines on credit risk management practices, each geographical area has established absolute and relative thresholds for identifying whether the expected changes in the probabilities of default have increased significantly compared to the initial moment, adapted to the particularities of each one of them in terms of origination levels, product characteristics, distribution by sectors or portfolios, and macroeconomic situation. To establish the aforementioned thresholds, a series of general principles are considered, such as:

- Uniformity: based on the rating and scoring systems that, in a homogeneous manner, are implemented in the Group's units.

- Stability: the thresholds must be established to identify the significant increase in risk produced in exposures since their initial recognition and not only to identify those situations in which it is already foreseeable that they will reach the level of impairment. For this reason, it is to be expected that of the total exposures there will always be a representative group for which said increased risk is identified.

- Anticipation: the thresholds must consider the identification of the increased risk in advance with respect to the recognition of the exposures as impaired or even before a real default occurs. The calibration of the thresholds should minimize the cases in which the instruments are classified in *stage* 3 without having previously been recognized as *stage* 2.

- Indicators or metrics: it is expected that the classification of the exposures in *stage* 2 will have sufficient permanence to be able to develop an anticipatory management plan with respect to them before, where applicable, they end up migrating to *stage* 3.

- Symmetry: IFRS 9 provides for a symmetric treatment both to identify the significant increase in risk and to identify that it has disappeared, so the thresholds also work to improve the credit classification of exposures. In this sense, it is expected that the cases in which the exhibitions that improve from *stage* 3 are directly classified into *stage* 1 will be minimal.

- The identification of the significant increase in risk from the comparison of the probabilities of default should be the main reason why exposures in *stage* 2 are recognized.

Specifically, a contract will be transferred to *stage* 2 when the following two conditions are met by comparing the current PD values and the origination PD values:

(Current PD) / (Origination PD) - 1*100 >Relative Threshold (%) and

Current PD – Origination PD > Absolute threshold (bps)

These absolute and relative variation thresholds are consistently established for each geographical area and for each portfolio, taking into account their particularities and based on the principles described. The thresholds set by each geographical area are included within the annual review process and, generally speaking, are in the range of 130% to 250% for the relative threshold and from 30 to 100 basis points for the absolute threshold. Specifically, in BBVA, S.A.'s wholesale portfolio the relative threshold is from 180% to 200% and the absolute threshold ranges from 30 to 100 basis points; in the retail portfolio the relative threshold is 200% while the absolute threshold ranges between 50 and 100 basis points. For BBVA Mexico, the relative threshold for the wholesale portfolio is between 180% and 200% and the absolute threshold is between 30 basis points and 80 basis points. For the majority of the retail portfolio, the relative threshold is in the range of 170% and 250% and the absolute threshold between 10 and 100 basis points.

The establishment of absolute and relative thresholds, as well as their different levels, comply with the provisions of IFRS 9 when it indicates that a certain change, in absolute terms, in the risk of a default will be more significant for a financial instrument with a lower initial risk of default compared to a financial instrument with higher initial risk of default.

For existing contracts before the implementation of IFRS 9, given the limitations in the information available on them, the thresholds are calibrated based on the PDs obtained from the prudential or economic models for calculating capital.

Risk Parameters Adjusted by Macroeconomic Scenarios

Expected Credit Loss (ECL) must include forward-looking information, in accordance with IFRS 9, which states that the comprehensive credit risk information must incorporate not only historical information but also all relevant credit information, also including forward-looking macroeconomic information. BBVA uses the typical credit risk parameters PD, LGD and EAD in order to calculate the ECL for the credit portfolios.

BBVA methodological approach in order to incorporate the forward-looking information aims to determine the relation between macroeconomic variables and risk parameters following three main steps:

- Step 1: Analysis and transformation of time series data.
- Step 2: For each dependent variable find conditional forecasting models that are economically consistent.
- Step 3: Select the best conditional forecasting model from the set of candidates defined in Step 2, based on their forecasting capacity.

How economic scenarios are reflected in the calculation of ECL

The forward-looking component is added to the calculation of the ECL through the introduction of macroeconomic scenarios as an input. Inputs highly depend on the particular combination of region and portfolio, so inputs are adapted to available data regarding each of them.

Based on economic theory and analysis, the main indicators most directly relevant for explaining and forecasting the selected risk parameters (PD, LGD and EAD) are:

- The net income of families, corporates or public administrations.
- The outstanding payment amounts on the principal and interest on the financial instruments.
- The value of the collateral assets pledged to the loan.

The BBVA Group estimates these parameters using a proxy indicator derived from the set of variables included in the macroeconomic scenarios provided by BBVA Research.

Only a single specific indicator for each of the three categories can be used and only one of the following core macroeconomic indicators should be chosen as first option:

- The real GDP growth for the purpose of conditional forecasting can be seen as the only "factor" required for capturing the influence of all potentially relevant macro-financial scenarios on internal PDs and LGD.
- The most representative short-term interest rate (typically the policy rate or the most liquid sovereign yield or interbank rate) or exchange rates expressed in real terms.
- A comprehensive and representative index of the price of real estate properties expressed in real terms in the case of mortgage loans and a representative and real term index of the price of the relevant commodity for corporate loan portfolios concentrated in exporters or producers of such commodity.

Real GDP growth is given priority over any other indicator not only because it is the most comprehensive indicator of income and economic activity but also because it is the central variable in the generation of macroeconomic scenarios.

Multiple scenario approach

IFRS 9 requires calculating an unbiased probability weighted measurement of ECL by evaluating a range of possible outcomes, including forecasts of future economic conditions.

BBVA Research produces forecasts of the macroeconomic variables under the baseline scenario, which are used in the rest of the related processes of the Group, such as budgeting, ICAAP (Internal Capital Adequacy Assessment Process) and Risk Appetite Framework, stress testing, recovery plan, etc.

Additionally, BBVA Research produces alternative scenarios to the baseline scenario so as to meet the requirements under the IFRS 9 standard.

Alternative macroeconomic scenarios

- For each of the macro-financial variables, BBVA Research produces three scenarios.

- BBVA Research tracks, analyzes and forecasts the economic environment to provide a consistent forward-looking assessment about the most likely scenario and risks that impact BBVA's footprint. To build economic scenarios, BBVA Research combines official data, econometric techniques and expert judgement.

- Each of these scenarios corresponds to the expected value of a different area of the probabilistic distribution of the possible projections of the economic variables. These areas are not symmetric with respect to the baseline scenario, as the methodology used to generate alternative scenarios explicitly incorporates the asymmetry of macroeconomic risks. In this regard, BBVA selects those quartiles of the distribution that allow for the capture of events that are sufficiently differentiated from the central scenario, while remaining plausible and consistent with the forward-looking forecasting framework, thereby excluding extreme scenarios typically associated with stress-testing exercises.

- The non-linearity overlay is defined as the ratio between the probability-weighted ECL under the alternative scenarios and the baseline scenario, where the scenario's probability depends on the distance of the alternative scenarios from the base one. This non-linearity overlay ratio is calculated on a differentiated basis by accounting stage and risk segment, with the objective of appropriately reflecting the varying sensitivity of expected credit losses to macroeconomic conditions across portfolios. In addition, floors are applied to this ratio in order to prevent the consideration of negative values, thereby ensuring that the use of multiple scenarios does not artificially reduce expected credit losses relative to those estimated under the baseline scenario.

- BBVA Group establishes equally weighted scenarios, being the probability 34% for the baseline scenario, 33% for the unfavorable alternative scenario and 33% for the favorable alternative scenario.

The approach in the BBVA Group is based on the use of the most likely scenario, which is the baseline scenario, consistent with other internal processes (ICAAP, budgeting, etc.). The impact of the use of multiple scenarios is subsequently incorporated, calculated on the basis of the probability-weighted expected loss determined for each scenario.

On the other hand, the BBVA Group also takes into account the range of possible scenarios when defining its significant increase in credit risk. Thus, the PDs used in the quantitative process to identify the significant increase in credit risk will be those that result from making a weighted average of the PDs calculated under the three scenarios.

Macroeconomic scenarios

The forward-looking information incorporated in the calculation of expected losses is in line with the macroeconomic perspectives published by BBVA Research, which are quarterly updated.

BBVA Research forecasts a maximum of five years for the macroeconomic variables. The following forecasts (positive base and negative scenarios) of the GDP growth, unemployment rate and House Price Index (HPI), for the most relevant countries where they represent a significant factor, provided by BBVA Research, were used for the calculation of the ECL as of December 31, 2025:

POSITIVE SCENARIO OF GDP, UNEMPLOYMENT RATE AND HPI FOR THE MAIN GEOGRAPHICAL AREAS

	Spain			Mexico			Turkey	
Date	GDP	Unemployment	HPI	GDP	Unemployment	HPI	GDP	Unemployment
2025	2.94 %	9.89 %	8.26 %	0.69 %	2.75 %	4.81 %	3.82 %	8.52 %
2026	3.58 %	7.08 %	7.91 %	2.74 %	2.99 %	4.37 %	7.47 %	8.65 %
2027	5.36 %	6.52 %	7.34 %	3.94 %	2.90 %	4.17 %	9.29 %	7.89 %
2028	6.75 %	6.09 %	7.34 %	3.65 %	2.78 %	4.47 %	5.77 %	7.98 %
2029	7.21 %	5.81 %	7.28 %	3.58 %	2.70 %	4.65 %	5.84 %	8.29 %
2030	6.90 %	5.61 %	6.44 %	3.55 %	2.80 %	4.63 %	5.53 %	8.45 %

	Peru		Argentina		Colombia	
Date	GDP	Unemployment	GDP	Unemployment	GDP	Unemployment
2025	3.35 %	5.98 %	4.58 %	8.17 %	2.89 %	8.64 %
2026	3.87 %	6.06 %	4.92 %	7.97 %	4.41 %	8.43 %
2027	4.03 %	5.94 %	7.41 %	6.91 %	4.24 %	8.24 %
2028	4.15 %	5.79 %	8.04 %	5.77 %	4.29 %	8.06 %
2029	3.91 %	5.69 %	8.10 %	4.80 %	4.38 %	8.15 %
2030	3.79 %	5.59 %	7.94 %	3.97 %	4.45 %	8.16 %

BASE SCENARIO OF GDP, UNEMPLOYMENT RATE AND HPI FOR THE MAIN GEOGRAPHICAL AREAS

	Spain			Mexico			Turkey	
Date	GDP	Unemployment	HPI	GDP	Unemployment	HPI	GDP	Unemployment
2025	2.90 %	10.58 %	8.24 %	0.67 %	2.75 %	4.81 %	3.75 %	8.53 %
2026	2.39 %	9.95 %	6.67 %	1.25 %	3.08 %	4.38 %	3.97 %	9.23 %
2027	2.03 %	9.60 %	3.35 %	1.71 %	3.13 %	4.00 %	5.46 %	9.35 %
2028	1.96 %	9.30 %	1.61 %	1.80 %	3.06 %	3.89 %	3.20 %	9.75 %
2029	1.96 %	9.05 %	1.20 %	1.86 %	3.01 %	3.88 %	4.06 %	10.00 %
2030	1.99 %	8.80 %	1.04 %	1.90 %	3.12 %	3.72 %	4.03 %	10.00 %

	Peru		Argentina		Colombia	
Date	GDP	Unemployment	GDP	Unemployment	GDP	Unemployment
2025	3.34 %	5.98 %	4.47 %	8.18 %	2.68 %	8.64 %
2026	3.09 %	6.10 %	3.02 %	8.10 %	2.81 %	8.70 %
2027	2.58 %	6.07 %	3.04 %	7.33 %	2.76 %	8.78 %
2028	2.78 %	6.00 %	2.99 %	6.43 %	2.98 %	8.76 %
2029	2.67 %	5.95 %	3.04 %	5.60 %	3.13 %	8.96 %
2030	2.63 %	5.90 %	2.99 %	4.83 %	3.22 %	9.06 %

NEGATIVE SCENARIO OF GDP, UNEMPLOYMENT RATE AND HPI FOR THE MAIN GEOGRAPHICAL AREAS

	Spain			Mexico			Turkey	
Date	GDP	Unemployment	HPI	GDP	Unemployment	HPI	GDP	Unemployment
2025	2.86 %	11.26 %	8.21 %	0.63 %	2.75 %	4.80 %	3.69 %	8.53 %
2026	1.27 %	12.81 %	5.49 %	0.11 %	3.15 %	4.38 %	1.90 %	9.55 %
2027	(0.95) %	12.65 %	(0.17) %	(0.13) %	3.31 %	3.86 %	2.53 %	10.33 %
2028	(2.39) %	12.49 %	(3.44) %	0.24 %	3.30 %	3.41 %	1.38 %	11.01 %
2029	(2.95) %	12.28 %	(4.28) %	0.40 %	3.28 %	3.25 %	3.16 %	11.14 %
2030	(2.66) %	11.98 %	(3.91) %	0.45 %	3.39 %	2.96 %	3.20 %	10.97 %

	Peru		Argentina		Colombia	
Date	GDP	Unemployment	GDP	Unemployment	GDP	Unemployment
2025	3.16 %	5.99 %	4.29 %	8.18 %	2.49 %	8.65 %
2026	0.98 %	6.24 %	0.00 %	8.32 %	0.61 %	9.04 %
2027	0.31 %	6.35 %	(2.05) %	7.88 %	0.50 %	9.56 %
2028	0.66 %	6.38 %	(2.27) %	7.20 %	1.22 %	9.76 %
2029	0.67 %	6.41 %	(2.03) %	6.48 %	1.53 %	10.09 %
2030	0.73 %	6.42 %	(1.91) %	5.72 %	1.67 %	10.29 %

The estimate for the then-following five years of the following rates, used in the measurement of the expected loss as of December 31, 2024, consistent with the latest estimates made public at that date, was:

POSITIVE SCENARIO OF GDP, UNEMPLOYMENT RATE AND HPI FOR THE MAIN GEOGRAPHICAL AREAS

	Spain			Mexico			Turkey	
Date	GDP	Unemployment	HPI	GDP	Unemployment	HPI	GDP	Unemployment
2024	3.13 %	10.97 %	3.01 %	1.25 %	2.75 %	4.57 %	3.25 %	8.79 %
2025	3.48 %	8.78 %	5.55 %	2.48 %	3.04 %	4.85 %	5.97 %	9.89 %
2026	5.02 %	8.17 %	6.98 %	3.87 %	3.03 %	4.38 %	8.35 %	9.27 %
2027	6.65 %	7.64 %	7.96 %	3.54 %	2.89 %	4.82 %	6.76 %	8.80 %
2028	7.05 %	7.21 %	7.69 %	3.58 %	2.77 %	5.12 %	5.88 %	8.81 %
2029	6.70 %	6.96 %	6.81 %	3.52 %	2.73 %	5.46 %	5.51 %	8.96 %

	Peru		Argentina		Colombia	
Date	GDP	Unemployment	GDP	Unemployment	GDP	Unemployment
2024	3.12 %	6.59 %	(3.66) %	10.37 %	2.16 %	10.20 %
2025	3.45 %	6.55 %	7.37 %	8.67 %	4.09 %	10.07 %
2026	4.15 %	6.44 %	8.83 %	7.13 %	4.68 %	9.72 %
2027	4.12 %	6.31 %	8.54 %	5.92 %	4.23 %	9.11 %
2028	3.70 %	6.20 %	8.60 %	5.05 %	4.21 %	8.55 %
2029	3.57 %	6.12 %	8.44 %	4.50 %	4.22 %	7.95 %

BASE SCENARIO OF GDP, UNEMPLOYMENT RATE AND HPI FOR THE MAIN GEOGRAPHICAL AREAS

	Spain			Mexico			Turkey	
Date	GDP	Unemployment	HPI	GDP	Unemployment	HPI	GDP	Unemployment
2024	3.09 %	11.43 %	2.99 %	1.24 %	2.75 %	4.57 %	3.18 %	8.80 %
2025	2.29 %	10.75 %	4.32 %	0.99 %	3.13 %	4.85 %	2.48 %	10.46 %
2026	1.69 %	10.35 %	2.99 %	1.64 %	3.25 %	4.21 %	4.52 %	10.73 %
2027	1.86 %	9.95 %	2.24 %	1.70 %	3.17 %	4.23 %	4.18 %	10.58 %
2028	1.80 %	9.55 %	1.61 %	1.87 %	3.08 %	4.36 %	4.11 %	10.52 %
2029	1.80 %	9.25 %	1.41 %	1.87 %	3.04 %	4.55 %	4.01 %	10.51 %

	Peru		Argentina		Colombia	
Date	GDP	Unemployment	GDP	Unemployment	GDP	Unemployment
2024	3.10 %	6.59 %	(3.76) %	10.38 %	1.96 %	10.20 %
2025	2.67 %	6.59 %	5.48 %	8.80 %	2.49 %	10.34 %
2026	2.70 %	6.57 %	4.47 %	7.55 %	3.19 %	10.26 %
2027	2.75 %	6.52 %	3.48 %	6.58 %	2.92 %	9.81 %
2028	2.45 %	6.47 %	3.54 %	5.85 %	2.96 %	9.36 %
2029	2.41 %	6.42 %	3.48 %	5.35 %	2.99 %	8.86 %

NEGATIVE SCENARIO OF GDP, UNEMPLOYMENT RATE AND HPI FOR THE MAIN GEOGRAPHICAL AREAS

	Spain			Mexico			Turkey	
Date	GDP	Unemployment	HPI	GDP	Unemployment	HPI	GDP	Unemployment
2024	3.05 %	11.88 %	2.97 %	1.20 %	2.75 %	4.56 %	3.13 %	8.80 %
2025	1.18 %	12.71 %	3.15 %	(0.16) %	3.20 %	4.86 %	0.41 %	10.79 %
2026	(1.30) %	12.50 %	(0.53) %	(0.20) %	3.43 %	4.07 %	1.59 %	11.71 %
2027	(2.50) %	12.24 %	(2.81) %	0.14 %	3.41 %	3.76 %	2.37 %	11.83 %
2028	(3.11) %	11.88 %	(3.87) %	0.40 %	3.34 %	3.72 %	3.21 %	11.67 %
2029	(2.86) %	11.53 %	(3.55) %	0.42 %	3.32 %	3.79 %	3.18 %	11.47 %

	Peru		Argentina		Colombia	
Date	GDP	Unemployment	GDP	Unemployment	GDP	Unemployment
2024	2.92 %	6.60 %	(3.93) %	10.38 %	1.77 %	10.21 %
2025	0.56 %	6.73 %	2.46 %	9.02 %	0.30 %	10.68 %
2026	0.43 %	6.85 %	(0.60) %	8.10 %	0.93 %	11.04 %
2027	0.63 %	6.90 %	(1.79) %	7.35 %	1.16 %	10.81 %
2028	0.46 %	6.93 %	(1.53) %	6.73 %	1.36 %	10.49 %
2029	0.51 %	6.95 %	(1.41) %	6.25 %	1.44 %	10.09 %

Sensitivity to macroeconomic scenarios

A sensitivity exercise has been carried out on the expected losses due to variations in the key hypotheses as they are the ones that introduce the greatest uncertainty in estimating such losses. As a first step, GDP and the House Price Index have been identified as the most relevant variables. These variables have been subjected to shocks of +/- 100 bps in their entire window with impact of the macro models. Independent sensitivities have been assessed, under the assumption of assigning a 100% probability to each determined scenario with these independent shocks.

Variation in expected loss is determined both by re-staging (that is: in worse scenarios due to the recognition of lifetime credit losses for additional operations that are transferred to *stage* 2 from *stage* 1 where 12 months of losses are valued: or vice versa in improvement scenarios) as well as variations in the collective risk parameters (PD and LGD) of each financial instrument due to the changes defined in the macroeconomic forecasts of the scenario. The variation in the expected loss for the Group and the main portfolios and geographical areas is shown below:

EXPECTED LOSS VARIATION AS OF DECEMBER 31, 2025

	BBVA Group				Spain			Mexico			Turkey		
GDP	Total Portfolio	Retail	Companies	Debt securities	Total Portfolio	Companies	Retail	Total Portfolio	Companies	Retail	Total Portfolio	Companies	Retail
- 100 bps	161	136	24	1	32	12	20	76	6	70	34	5	28
+100 bps	(168)	(144)	(23)	(1)	(31)	(12)	(19)	(86)	(5)	(81)	(33)	(5)	(27)
Housing price													
- 100 bps							29						
+100 bps							(28)						

EXPECTED LOSS VARIATION AS OF DECEMBER 31, 2024

	BBVA Group				Spain			Mexico			Turkey		
GDP	Total Portfolio	Retail	Companies	Debt securities	Total Portfolio	Companies	Retail	Total Portfolio	Companies	Retail	Total Portfolio	Companies	Retail
- 100 bps	153	135	17	1	28	8	20	74	2	72	32	5	27
+100 bps	(170)	(145)	(20)	(1)	(26)	(8)	(18)	(92)	(3)	(89)	(33)	(9)	(21)
Housing price													
- 100 bps							28						
+100 bps							(27)						

Estimation models and additional adjustments to expected loss measurement

The Group periodically reviews its individual estimates and its models for collective estimates of expected losses, as well as the impact of macroeconomic scenarios considered for such purposes. It should be noted that, although these updates incorporate the best information available at any given time, they may not fully reflect the most recent developments in the economic environment, especially in contexts of high uncertainty and volatility or with respect to very recent events still underway. Furthermore, the Group may supplement such expected losses to incorporate effects that may not be included therein, either because it considers that there are additional risk factors, or because of the need to reflect sectoral particularities or those that may affect a set of operations or borrowers. Those adjustments are made according to a formal internal approval process established for this purpose, including, among others, the relevant committees of the Global Risk Management Committee (hereinafter, "GRMC") as described in the General Risk Management and Control Model chapter of the Consolidated Management Report.

As of December 31, 2025, the Group has not recorded any material adjustment to the models used in the estimation of expected credit losses following the reversal and, to a lesser extent, the use of the €33 million recorded as of December 31, 2024 related to the damage caused by Isolated Depression at High Levels (DANA) - in different Spanish municipalities between October 28 and November 4, 2024. As of December 31, 2023, €227 million were recorded as adjustments in Spain due to the review of the Loss Given Default (LGD) of certain specific transactions considered unlikely to pay mainly related to the mortgage portfolio, and €25 million in adjustments were recorded at a contract level in Turkey.

7.2.2 Credit risk exposure

BBVA Group's credit risk exposure by headings in the consolidated balance sheets as of December 31, 2025, 2024 and 2023 is provided below. It does not consider the loss allowances and the availability of collateral or other credit enhancements to ensure compliance with payment obligations. The details are broken down by category of financial instruments:

MAXIMUM CREDIT RISK EXPOSURE (MILLIONS OF EUROS)

	Notes	December 2025	Stage 1	Stage 2	Stage 3
Financial assets held for trading		**90,634**			
Equity instruments	10	9,901			
Debt securities	10	30,846			
Loans and advances	10	49,887			
Non-trading financial assets mandatorily at fair value through profit or loss		**11,272**			
Equity instruments	11	10,539			
Debt securities	11	192			
Loans and advances	11	541			
Financial assets designated at fair value through profit or loss	**12**	**1,006**			
Derivatives (trading and hedging)		**49,141**			
Financial assets at fair value through other comprehensive income		**58,919**			
Equity instruments	13	1,360			
Debt securities		57,046	57,020	—	25
Loans and advances		513	24	488	—
Financial assets at amortized cost		**581,271**	**536,123**	**30,765**	**14,383**
Debt securities		73,429	73,387	5	37
Loans and advances to central banks		10,881	10,881	—	—
Loans and advances to credit institutions		24,263	24,230	34	—
Loans and advances to customers		472,697	427,625	30,727	14,346
Total financial assets risk		**792,242**			
Total loan commitments and financial guarantees		**312,578**	**303,063**	**8,839**	**676**
Loan commitments given	33	227,554	220,990	6,385	179
Financial guarantees given	33	24,865	23,988	739	138
Other commitments given	33	60,159	58,084	1,715	359
Total maximum credit exposure		**1,104,820**			

MAXIMUM CREDIT RISK EXPOSURE (MILLIONS OF EUROS)

	Notes	December 2024	Stage 1	Stage 2	Stage 3
Financial assets held for trading		**72,945**			
Equity instruments	10	6,760			
Debt securities	10	27,955			
Loans and advances	10	38,230			
Non-trading financial assets mandatorily at fair value through profit or loss		**10,546**			
Equity instruments	11	9,782			
Debt securities	11	407			
Loans and advances	11	358			
Financial assets designated at fair value through profit or loss	**12**	**836**			
Derivatives (trading and hedging)		**53,229**			
Financial assets at fair value through other comprehensive income		**59,115**			
Equity instruments	13	1,451			
Debt securities		57,639	55,315	2,309	16
Loans and advances	13	25	25	—	—
Financial assets at amortized cost		**514,086**	**467,910**	**31,930**	**14,246**
Debt securities		59,070	58,887	149	34
Loans and advances to central banks		8,261	8,261	—	—
Loans and advances to credit institutions		22,668	22,658	8	2
Loans and advances to customers		424,087	378,104	31,772	14,211
Total financial assets risk		**710,757**			
Total loan commitments and financial guarantees		**262,233**	**253,291**	**8,150**	**791**
Loan commitments given	33	188,515	182,830	5,524	160
Financial guarantees given	33	22,503	21,513	798	192
Other commitments given	33	51,215	48,948	1,828	439
Total maximum credit exposure		**972,990**			

MAXIMUM CREDIT RISK EXPOSURE (MILLIONS OF EUROS)

	Notes	December 2023	Stage 1	Stage 2	Stage 3
Financial assets held for trading		**106,749**			
Equity instruments	10	4,589			
Debt securities	10	28,569			
Loans and advances	10	73,590			
Non-trading financial assets mandatorily at fair value through profit or loss		**8,737**			
Equity instruments	11	7,963			
Debt securities	11	484			
Loans and advances	11	290			
Financial assets designated at fair value through profit or loss	**12**	**955**			
Derivatives (trading and hedging)		**48,747**			
Financial assets at fair value through other comprehensive income		**62,289**			
Equity instruments	13	1,217			
Debt securities		61,047	60,255	771	21
Loans and advances	13	26	26	—	—
Financial assets at amortized cost		**463,130**	**410,590**	**38,061**	**14,478**
Debt securities		49,544	49,403	108	32
Loans and advances to central banks		7,176	7,176	—	—
Loans and advances to credit institutions		17,498	17,478	18	2
Loans and advances to customers		388,912	336,533	37,935	14,444
Total financial assets risk		**690,606**			
Total loan commitments and financial guarantees		**214,283**	**204,842**	**8,411**	**1,030**
Loan commitments given	33	152,868	147,376	5,326	165
Financial guarantees given	33	18,839	17,612	998	229
Other commitments given	33	42,577	39,854	2,087	636
Total maximum credit exposure		**904,889**			

The maximum credit exposure presented in the table above is determined by type of financial asset as explained below:

- In the case of financial instruments recognized in the consolidated balance sheets, exposure to credit risk is considered equal to its carrying amount (not including loss allowances) with the only exception of trading and hedging derivatives in which the criterion described below applies.

- The maximum credit risk exposure on financial commitments and guarantees granted is the maximum that the Group would be liable for if these guarantees were called in, or the higher amount pending to be disposed from the customer in the case of commitments.

- The calculation of risk exposure for derivatives is based on the sum of two factors: the derivatives fair value and their potential risk (or "add-on").

As of December 31, 2025, there are no financial assets classified as purchased or originated credit-impaired in the consolidated balance sheets of the BBVA Group.

The breakdown by geographical area and stage of the maximum credit risk exposure, the accumulated allowances recorded and the carrying amount of the loans and advances to customers recorded at amortized cost as of December 31, 2025, 2024 and 2023 is shown below:

DECEMBER 2025 (MILLIONS OF EUROS)

	Gross exposure				Accumulated allowances				Carrying amount			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Spain [1]	261,536	239,762	15,141	6,633	(4,699)	(528)	(602)	(3,569)	256,838	239,235	14,539	3,064
Mexico	100,699	91,333	6,549	2,817	(3,482)	(1,346)	(629)	(1,507)	97,217	89,987	5,919	1,310
Turkey [2]	55,756	48,214	4,866	2,676	(2,011)	(176)	(356)	(1,478)	53,745	48,038	4,510	1,198
South America [3]	53,331	46,988	4,140	2,203	(2,095)	(373)	(299)	(1,423)	51,235	46,614	3,841	780
Others	1,375	1,327	31	16	(9)	(1)	(1)	(7)	1,366	1,326	30	9
Total [4]	**472,697**	**427,625**	**30,727**	**14,346**	**(12,297)**	**(2,424)**	**(1,887)**	**(7,985)**	**460,401**	**425,200**	**28,840**	**6,361**
Of which: individual					*(1,304)*	*(15)*	*(266)*	*(1,023)*				
Of which: collective					*(10,992)*	*(2,409)*	*(1,622)*	*(6,962)*				

(1) Spain includes all countries where BBVA, S.A. operates.
(2) Turkey includes all countries in which Garanti BBVA operates.
(3) In South America, BBVA Group operates mainly in Argentina, Colombia, Peru and Uruguay.
(4) The amount of the accumulated allowances includes the provisions recorded for credit risk over the remaining expected lifetime of purchased financial instruments. Those provisions were determined at the moment of the Purchase Price Allocation and were originated mainly in the acquisition of Catalunya Banc S.A. (as of December 31, 2025, the remaining balance was €76 million). These valuation adjustments are recognized in the consolidated income statement during the residual life of the relevant instruments or value corrections are made when the losses materialize.

DECEMBER 2024 (MILLIONS OF EUROS)

	Gross exposure				Accumulated allowances				Carrying amount			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Spain [1]	232,185	208,969	15,637	7,579	(4,684)	(543)	(631)	(3,510)	227,501	208,426	15,006	4,069
Mexico	91,717	83,053	6,147	2,517	(3,055)	(1,210)	(542)	(1,303)	88,662	81,843	5,605	1,214
Turkey [2]	50,083	42,708	5,534	1,841	(1,784)	(243)	(390)	(1,151)	48,299	42,465	5,144	690
South America [3]	48,897	42,204	4,431	2,262	(2,079)	(393)	(283)	(1,403)	46,818	41,811	4,148	860
Others	1,205	1,170	23	12	(9)	—	(1)	(7)	1,197	1,170	22	4
Total [4]	**424,087**	**378,104**	**31,772**	**14,211**	**(11,611)**	**(2,389)**	**(1,847)**	**(7,374)**	**412,477**	**375,715**	**29,925**	**6,837**
Of which: individual					*(1,532)*	*(13)*	*(321)*	*(1,197)*				
Of which: collective					*(10,079)*	*(2,376)*	*(1,526)*	*(6,177)*				

(1) Spain includes all countries where BBVA, S.A. operates.
(2) Turkey includes all countries in which Garanti BBVA operates.
(3) In South America, BBVA Group operates mainly in Argentina, Colombia, Peru and Uruguay.
(4) The amount of the accumulated allowances includes the provisions recorded for credit risk over the remaining expected lifetime of purchased financial instruments. Those provisions were determined at the moment of the Purchase Price Allocation and were originated mainly in the acquisition of Catalunya Banc S.A. (as of December 31, 2024 the remaining balance was €107 million). These valuation adjustments are recognized in the consolidated income statement during the residual life of the relevant instruments or value corrections are made when the losses materialize.

DECEMBER 2023 (MILLIONS OF EUROS)

	Gross exposure				Accumulated allowances				Carrying amount			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Spain [1]	214,522	183,503	22,953	8,066	(4,593)	(503)	(714)	(3,375)	209,929	183,000	22,239	4,690
Mexico	91,086	81,619	6,995	2,472	(3,049)	(1,097)	(620)	(1,332)	88,037	80,522	6,375	1,140
Turkey [2]	39,058	34,105	3,234	1,719	(1,641)	(167)	(314)	(1,160)	37,416	33,938	2,920	559
South America [3]	43,151	36,237	4,738	2,176	(1,976)	(319)	(377)	(1,280)	41,175	35,918	4,362	896
Others	1,094	1,069	15	11	(10)	—	(1)	(8)	1,085	1,068	14	2
Total [4]	**388,912**	**336,533**	**37,935**	**14,444**	**(11,269)**	**(2,087)**	**(2,026)**	**(7,156)**	**377,643**	**334,446**	**35,909**	**7,287**
Of which: individual					*(1,665)*	*(15)*	*(471)*	*(1,179)*				
Of which: collective					*(9,604)*	*(2,072)*	*(1,555)*	*(5,977)*				

(1) Spain includes all countries where BBVA, S.A. operates.

(2) Turkey includes all countries in which Garanti BBVA operates.

(3) In South America, BBVA Group operates mainly in Argentina, Colombia, Peru and Uruguay.

(4) The amount of the accumulated allowances includes the provisions recorded for credit risk over the remaining expected lifetime of purchased financial instruments. Those provisions were determined at the moment of the Purchase Price Allocation and were originated mainly in the acquisition of Catalunya Banc S.A. (as of December 31, 2023 the remaining balance was €142 million). These valuation adjustments are recognized in the consolidated income statement during the residual life of the operations or are applied to the value corrections when the losses materialize.

The breakdown by counterparty of the maximum credit risk exposure, the accumulated allowances recorded, as well as the carrying amount by *stages* of loans and advances to customers as of December 31, 2025, 2024 and 2023 is shown below:

DECEMBER 2025 (MILLIONS OF EUROS)

	Gross exposure				Accumulated allowances				Net amount			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
General governments	25,924	25,829	77	18	(18)	(9)	(2)	(8)	25,905	25,820	75	10
Other financial corporations	23,547	23,435	101	11	(25)	(16)	(1)	(7)	23,522	23,419	100	3
Non-financial corporations	221,504	204,454	11,932	5,118	(4,113)	(591)	(561)	(2,961)	217,390	203,862	11,371	2,157
Households	201,723	173,907	18,617	9,199	(8,140)	(1,808)	(1,324)	(5,008)	193,583	172,100	17,293	4,190
Loans and advances to customers	**472,697**	**427,625**	**30,727**	**14,346**	**(12,297)**	**(2,424)**	**(1,887)**	**(7,985)**	**460,401**	**425,200**	**28,840**	**6,361**

DECEMBER 2024 (MILLIONS OF EUROS)

	Gross exposure				Accumulated allowances				Net amount			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
General governments	22,133	21,982	125	26	(23)	(8)	(7)	(8)	22,111	21,974	118	18
Other financial corporations	17,524	17,040	471	12	(26)	(13)	(5)	(9)	17,497	17,027	467	4
Non-financial corporations	197,521	179,727	12,780	5,014	(4,134)	(639)	(636)	(2,859)	193,386	179,087	12,143	2,156
Households	186,910	159,355	18,396	9,158	(7,427)	(1,729)	(1,199)	(4,499)	179,483	157,627	17,197	4,659
Loans and advances to customers	**424,087**	**378,104**	**31,772**	**14,211**	**(11,611)**	**(2,389)**	**(1,847)**	**(7,374)**	**412,477**	**375,715**	**29,925**	**6,837**

DECEMBER 2023 (MILLIONS OF EUROS)

	Gross exposure				Accumulated allowances				Net amount			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
General governments	23,294	23,105	164	25	(29)	(9)	(12)	(7)	23,265	23,096	152	18
Other financial corporations	13,271	13,072	187	12	(20)	(9)	(4)	(7)	13,251	13,062	183	6
Non-financial corporations	175,337	154,519	15,299	5,520	(4,274)	(517)	(795)	(2,962)	171,063	154,002	14,503	2,558
Households	177,009	145,837	22,286	8,886	(6,946)	(1,552)	(1,214)	(4,180)	170,063	144,285	21,071	4,706
Loans and advances to customers	**388,912**	**336,533**	**37,935**	**14,444**	**(11,269)**	**(2,087)**	**(2,026)**	**(7,156)**	**377,643**	**334,446**	**35,909**	**7,287**

The breakdown by type of counterparty and product, net of loss allowances, and the gross carrying amount by type of counterparty as of December 31, 2025, 2024 and 2023 is shown below:

DECEMBER 2025 (MILLIONS OF EUROS)

	Central banks	General governments	Credit institutions	Other financial corporations	Non-financial corporations	Households	Total	Gross carrying amount
On demand and short notice	—	9	—	24	3,424	2,735	6,192	6,479
Credit card debt	—	1	—	4	2,585	28,061	30,651	33,113
Commercial debtors		1,019	135	1,600	31,541	131	34,426	34,723
Finance leases	—	162	—	18	10,166	263	10,610	10,862
Reverse repurchase loans	—	181	8,120	563	—	—	8,864	8,865
Other term loans	10,141	23,871	10,418	17,027	168,758	162,253	392,469	401,489
Advances that are not loans	727	665	5,704	4,286	1,530	380	13,292	13,342
LOANS AND ADVANCES	**10,869**	**25,907**	**24,377**	**23,522**	**218,004**	**193,824**	**496,503**	**508,872**
By secured loans								
Of which: mortgage loans collateralized by immovable property		*213*	*—*	*889*	*31,091*	*102,431*	*134,624*	*137,107*
Of which: other collateralized loans	*—*	*6,530*	*8,628*	*624*	*11,963*	*2,970*	*30,715*	*30,955*
By purpose of the loan								
Of which: credit for consumption						*74,965*	*74,965*	*80,560*
Of which: lending for house purchase						*103,397*	*103,397*	*104,890*
By subordination								
Of which: project finance loans					*5,579*		*5,579*	*5,663*

DECEMBER 2024 (MILLIONS OF EUROS)

	Central banks	General governments	Credit institutions	Other financial corporations	Non-financial corporations	Households	Total	Gross carrying amount
On demand and short notice	—	8	—	59	3,140	2,099	5,307	5,521
Credit card debt	—	1	—	3	2,268	25,449	27,721	29,669
Commercial debtors		1,077	71	1,244	29,247	125	31,764	32,023
Finance leases	—	171	—	11	9,672	270	10,125	10,364
Reverse repurchase loans	—	219	9,157	44	—	—	9,420	9,422
Other term loans	7,803	20,519	7,529	11,771	148,167	151,313	347,102	356,002
Advances that are not loans	452	117	5,960	4,365	1,084	353	12,330	12,397
LOANS AND ADVANCES	**8,255**	**22,111**	**22,719**	**17,497**	**193,579**	**179,610**	**443,769**	**455,399**
By secured loans								
Of which: mortgage loans collateralized by immovable property		*245*	*—*	*680*	*29,307*	*97,627*	*127,860*	*130,633*
Of which: other collateralized loans	*—*	*6,059*	*9,628*	*530*	*10,996*	*2,648*	*29,861*	*30,129*
By purpose of the loan								
Of which: credit for consumption						*67,446*	*67,446*	*72,447*
Of which: lending for house purchase						*98,570*	*98,570*	*100,218*
By subordination								
Of which: project finance loans					*6,669*		*6,669*	*6,901*

DECEMBER 2023 (MILLIONS OF EUROS)

	Central banks	General governments	Credit institutions	Other financial corporations	Non-financial corporations	Households	Total	Gross carrying amount
On demand and short notice	—	6	—	73	1,933	1,028	3,040	3,175
Credit card debt	—	1	—	2	1,927	20,959	22,890	24,454
Commercial debtors		960	76	586	23,462	88	25,171	25,346
Finance leases	—	225	—	12	8,940	285	9,463	9,714
Reverse repurchase loans	1,345	—	5,786	92	—	—	7,223	7,234
Other term loans	4,878	21,662	5,329	9,300	134,024	147,491	322,683	331,813
Advances that are not loans	927	412	6,312	3,186	956	324	12,116	12,164
LOANS AND ADVANCES	**7,151**	**23,265**	**17,502**	**13,251**	**171,241**	**170,175**	**402,586**	**413,901**
By secured loans								
Of which: mortgage loans collateralized by immovable property		*271*	*—*	*526*	*24,829*	*96,772*	*122,397*	*125,328*
Of which: other collateralized loans	*1,347*	*6,933*	*4,558*	*465*	*10,938*	*2,430*	*26,671*	*26,963*
By purpose of the loan								
Of which: credit for consumption						*59,892*	*59,892*	*64,303*
Of which: lending for house purchase						*97,555*	*97,555*	*99,224*
By subordination								
Of which: project finance loans					*7,181*		*7,181*	*7,743*

7.2.3 Mitigation of credit risk, collateralized credit risk and other credit enhancements

In certain cases, maximum credit risk exposure is reduced by collateral, credit enhancements and other actions which mitigate the Group's exposure. The BBVA Group applies a credit risk hedging and mitigation policy deriving from a banking approach focused on relationship banking. The existence of guarantees could be a necessary but not sufficient instrument for accepting risks, as the assumption of risks by the Group requires prior evaluation of the debtor's capacity for repayment, or that the debtor can generate sufficient resources to allow the amortization of the risk incurred under the agreed terms.

The policy of accepting risks is therefore organized into three different levels in the BBVA Group:

- analysis of the financial risk of the transaction, based on the debtor's capacity for repayment or generation of funds;
- the constitution of guarantees that are adequate, or at any rate generally accepted, for the risk assumed, in any of the generally accepted forms: monetary, secured, personal or hedge guarantees; and
- assessment of the repayment risk (asset liquidity) of the guarantees received.

This is carried out through a prudent risk policy that consists of the analysis of the financial risk, based on the capacity for reimbursement or generation of resources of the borrower, the analysis of the guarantee, assessing, among others, the efficiency, the robustness and the risk, the adequacy of the guarantee with the operation and other aspects such as the location, currency, concentration or the existence of limitations. Additionally, the necessary tasks for the constitution of guarantees must be carried out - in any of the generally accepted forms (collaterals, personal guarantees and financial hedge instruments) - appropriate to the risk assumed.

The procedures for the management and valuation of collateral are set out in the corporate general policies (retail and wholesale), which establish the basic principles for credit risk management, including the management of collaterals assigned in transactions with customers. The criteria for the systematic, standardized and effective treatment of collateral in credit transaction procedures in BBVA Group's wholesale and retail banking are included in the Specific Collateral Rules.

The methods used to value the collateral are in line with the best market practices and imply the use of appraisal of real estate collateral, the market price in market securities, the trading price of shares in mutual funds, etc. All the collaterals received must be correctly assigned and entered in the corresponding register. They must also have the approval of the Group's legal units.

The valuation of the collateral is taken into account in the calculation of the expected losses. The Group has developed internal models to estimate the realization value of the collaterals received, the time that elapses until then, the costs for their acquisition, maintenance and subsequent sale, from real observations based on its own experience. This modeling is part of the LGD estimation processes that are applied to the different segments, and is included within the annual review and validation procedures.

The following is a description of the main types of collateral for each financial instrument class:

- Debt instruments held for trading: the guarantees or credit enhancements obtained directly from the issuer or counterparty are implicit in the clauses of the instrument (mainly guarantees of the issuer).
- Derivatives and hedging derivatives: in derivatives, credit risk is minimized through contractual netting agreements, where positive- and negative-value derivatives with the same counterparty are offset for their net balance. There may likewise be other kinds of guarantees and collaterals, depending on counterparty solvency and the nature of the transaction (mainly collaterals).

  The summary of the offsetting effect (via netting and collateral) for derivatives and securities operations as of December 31, 2025 is presented in Note 7.4.2.

– Other financial assets designated at fair value through profit or loss and financial assets at fair value through other comprehensive income: the guarantees or credit enhancements obtained directly from the issuer or counterparty are inherent to the structure of the instrument (mainly personal guarantees).

  As of December 31, 2025, 2024 and 2023, the BBVA Group had no significant credit risk exposure of impaired financial assets at fair value through other comprehensive income (see Note 7.2.2).

– Financial assets at amortized cost:

  a. Loans and advances to credit institutions: these usually have the counterparty's personal guarantee or pledged securities in the case of reverse repurchase agreements (repos).

  b. Loans and advances to customers: most of these loans and advances are backed by personal guarantees extended by the customer. There may also be collateral to secure loans and advances to customers (such as mortgages, cash collaterals, pledged securities and other collateral), or to obtain other credit enhancements (bonds or insurances).

  c. Debt securities: the guarantees or credit enhancements obtained directly from the issuer or counterparty are inherent to the structure of the instrument.

– Financial guarantees, other contingent risks and drawable by third parties: these have the counterparty's personal guarantee or other types of collaterals.

The disclosure of impaired loans and advances at amortized cost covered by collateral (see Note 7.2.5), shown by type of collateral, as of December 31, 2025, 2024 and 2023, is the following:

IMPAIRED LOANS AND ADVANCES AT AMORTIZED COST COVERED BY COLLATERAL (MILLIONS OF EUROS)

		Of which secured by collateral				
	Maximum exposure to credit risk	Residential properties	Commercial properties	Cash	Others	Financial
December 2025	14,346	2,496	495	7	83	907
December 2024	14,213	2,889	573	8	91	1,153
December 2023	14,446	3,167	771	5	91	1,226

The value of guarantees received as of December 31, 2025, 2024 and 2023, is the following:

GUARANTEES RECEIVED (MILLIONS OF EUROS)

	2025	2024	2023
Value of collateral	**151,746**	**144,844**	**136,141**
Of which: guarantees normal risks under special monitoring	*11,626*	*11,318*	*14,274*
Of which: guarantees non-performing risks	*3,081*	*3,562*	*4,035*
Value of other guarantees	**65,944**	**56,589**	**53,462**
Of which: guarantees normal risks under special monitoring	*3,999*	*4,273*	*4,864*
Of which: guarantees non-performing risks	*907*	*1,153*	*1,226*
Total value of guarantees received	**217,690**	**201,433**	**189,602**

The maximum credit risk exposure of impaired financial guarantees and other commitments as of December 31, 2025, 2024 and 2023 amounts to €676 million, €791 million and €1,030 million, respectively (see Note 7.2.2).

7.2.4 Credit quality of financial assets that are neither past due nor impaired

The BBVA Group has tools that enable it to rank the credit quality of its transactions and customers based on an assessment and its correspondence with the probability of default ("PD") scales. To analyze the performance of PD, the Group has a series of tracking tools and historical databases that collect the pertinent internally generated information. These tools can be grouped together into scoring and rating models.

Scoring

Scoring is a decision-making model that contributes to both the arrangement and management of retail loans: consumer loans, mortgages, credit cards for individuals, etc. Scoring is the tool used to decide to originate a loan, what amount should be originated and what strategies can help establish the price, because it is an algorithm that sorts transactions by their credit quality. This algorithm enables the BBVA Group to assign a score to each transaction requested by a customer, on the basis of a series of objective characteristics that have statistically been shown to distinguish between the quality and risk of this type of transactions. The advantage of scoring lies in its simplicity and homogeneity: all that is needed is a series of objective data for each customer, and this data is analyzed automatically using an algorithm.

There are three types of scoring, based on the information used and on its purpose:

- Reactive scoring: measures the risk of a transaction requested by an individual using variables relating to the requested transaction and to the customer's socio-economic data available at the time of the request. The new transaction is approved or rejected depending on the score.

- Behavioral scoring: scores transactions for a given product in an outstanding risk portfolio of the entity, enabling the credit rating to be tracked and the customer's needs to be anticipated. It uses transaction and customer variables available internally. Specifically, variables that refer to the behavior of both the product and the customer.

- Proactive scoring: gives a score at customer level using variables related to the individual's general behavior with the entity, and to his/her payment behavior in all the contracted products. The purpose is to track the customer's credit quality and it is used to pre-approve new transactions.

Rating

Rating tools, as opposed to scoring tools, focus on the rating of customers: companies, corporations, SMEs, general governments, etc. A rating tool is an instrument that, based on a detailed financial study, helps determine a customer's ability to meet his/her financial obligations. The final rating is usually a combination of various factors: on one hand, quantitative factors, and on the other hand, qualitative factors. It is a middle road between an individual analysis and a statistical analysis.

The main difference between ratings and scorings is that the latter are used to assess retail products, while ratings use a wholesale banking customer approach. Moreover, scorings only include objective variables, while ratings add qualitative information. And although both are based on statistical studies, adding a business view, rating tools give more weight to the business criterion compared to scoring tools.

For portfolios where the number of defaults is low (sovereign risk, corporates, financial entities, etc.) the internal information is supplemented by "benchmarking" of the external rating agencies (Moody's, Standard & Poor's and Fitch). To this end, each year the PDs compiled by the rating agencies at each level of risk rating are compared, and the measurements compiled by the various agencies are mapped against those of the BBVA master rating scale.

The probability of default of transactions or customers is calibrated with a long-term view, since its purpose is to measure the risk quality beyond its time of estimation, seeking to capture information representative of the behavior of the portfolios during a complete economic cycle (a long-term average probability of default). This probability is mapped to the master scale developed by the BBVA Group in order to facilitate a homogeneous classification of its different risk portfolios.

These different levels and their probability of default were calculated by using as a reference the rating scales and default rates provided by the external agencies Standard & Poor's and Moody's. These calculations establish the levels of probability of default for the BBVA Group's Master Rating Scale. Although this scale is common to the entire Group, the calibrations (mapping scores to PD sections/Master Rating Scale levels) are carried out at tool level for each country in which the Group has tools available.

The table below outlines the distribution of the gross carrying amount of loans and advances, contingent risk and commitments, in percentage terms, of the BBVA Group, based on their probability of default within 12 months and internal rating used in the calculation of the expected loss under IFRS 9, and their *stages,* as of December 31, 2025, 2024 and 2023:

PROBABILITY OF DEFAULT (BASIS POINTS) AND INTERNAL RATING

		2025		2024		2023	
Internal rating	PDs	Subject to 12 month ECL (stage 1) %	Subject to lifetime ECL (stage 2) %	Subject to 12 month ECL (stage 1) %	Subject to lifetime ECL (stage 2) %	Subject to 12 month ECL (stage 1) %	Subject to lifetime ECL (stage 2) %
AAA	0 to 2	5.2	—	3.2	—	3.8	—
AA+ to AA-	2 to 5	13.8	—	9.0	—	10.7	0.2
A+ to A-	5 to 11	19.1	0.1	17.1	—	25.4	0.5
BBB+ to BBB-	11 to 39	24.6	0.5	29.7	0.6	21.7	1.3
BB+ to BB-	39 to 194	21.2	1.4	23.5	1.7	20.6	2.1
B+ to B-	194 to 1,061	9.5	1.7	10.2	1.6	8.7	2.2
CCC+ to CCC-	1,061 to 2,121	1.1	0.7	1.2	0.5	1.0	0.6
CC+ to C	> 2,121	0.5	0.6	0.7	0.9	0.5	0.8
	Total	**95.1**	**4.9**	**94.5**	**5.5**	**92.4**	**7.6**

7.2.5 Impaired loan risks

The breakdown of loans and advances within financial assets at amortized cost by type of counterparty, including their respective gross carrying amount, impaired amount and accumulated impairment as of December 31, 2025, 2024 and 2023 is as follows:

DECEMBER 2025 (MILLIONS OF EUROS)

	Gross carrying amount	Impaired loans and advances	Accumulated impairment
Central banks	10,881	—	(12)
General governments	25,924	18	(18)
Credit institutions	24,263	—	(20)
Other financial corporations	23,547	11	(25)
Non-financial corporations	221,504	5,118	(4,113)
Households	201,723	9,199	(8,140)
LOANS AND ADVANCES	**507,842**	**14,346**	**(12,329)**

DECEMBER 2024 (MILLIONS OF EUROS)

	Gross carrying amount	Impaired loans and advances	Accumulated impairment
Central banks	8,261	—	(6)
General governments	22,133	26	(23)
Credit institutions	22,668	2	(13)
Other financial corporations	17,524	12	(26)
Non-financial corporations	197,521	5,014	(4,134)
Households	186,910	9,158	(7,427)
LOANS AND ADVANCES	**455,016**	**14,213**	**(11,630)**

DECEMBER 2023 (MILLIONS OF EUROS)

	Gross carrying amount	Impaired loans and advances	Accumulated impairment
Central banks	7,176	—	(25)
General governments	23,294	25	(29)
Credit institutions	17,498	2	(21)
Other financial corporations	13,271	12	(20)
Non-financial corporations	175,337	5,520	(4,274)
Households	177,009	8,886	(6,946)
LOANS AND ADVANCES	**413,585**	**14,446**	**(11,316)**

The changes during the years 2025, 2024 and 2023 of impaired financial assets and guarantees given are as follows:

CHANGES IN IMPAIRED FINANCIAL ASSETS AND GUARANTEES GIVEN (MILLIONS OF EUROS)

	2025	2024	2023
Balance at the beginning	**14,891**	**15,362**	**14,521**
Additions	13,143	12,255	11,066
Decreases [1]	(6,893)	(7,346)	(5,795)
Net additions	**6,250**	**4,909**	**5,272**
Amounts written-off	(4,534)	(4,559)	(3,770)
Exchange differences and other	(1,708)	(820)	(660)
Balance at the end	**14,900**	**14,891**	**15,362**

(1) It reflects the total amount of impaired loans and advances derecognized from the consolidated balance sheet throughout the period as a result of monetary recoveries as well as mortgage foreclosures and real estate assets received in lieu of payment.

The changes during the years 2025, 2024 and 2023 in financial assets derecognized from the consolidated balance sheet as their recovery is considered unlikely ("write-offs"), is shown below:

CHANGES IN IMPAIRED FINANCIAL ASSETS WRITTEN-OFF FROM THE BALANCE SHEET (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Balance at the beginning		**25,343**	**24,787**	**22,595**
Companies held for sale		—	—	—
Increase		3,973	3,547	3,841
Decrease:		(4,199)	(2,801)	(2,035)
Re-financing or restructuring		*(1)*	*(1)*	*(1)*
Cash recovery	*47*	*(396)*	*(403)*	*(369)*
Foreclosed assets		*(2)*	*(1)*	*(3)*
Sales [1]		*(2,831)*	*(1,719)*	*(1,201)*
Debt forgiveness		*(717)*	*(669)*	*(410)*
Time-barred debt and other causes		*(251)*	*(8)*	*(51)*
Net exchange differences		(138)	(189)	385
Balance at the end		**24,978**	**25,343**	**24,787**

(1) Includes principal and interest.

As indicated in Note 2.2.1, although they have been derecognized from the consolidated balance sheet, the BBVA Group continues to attempt to collect on these written-off financial assets, until the rights to receive them are fully extinguished, either because it is a time-barred financial asset, the financial asset is forgiven, or other reason.

7.2.6 Gross carrying amount and loss allowances

Movements, measured over a 12-month period, in gross accounting balances and accumulated loss allowances during 2025, 2024 and 2023 are recorded on the consolidated balance sheet as of December 31, 2025, 2024 and 2023 in order to cover the estimated impairment or reversal of impairment on loans and advances at fair value with changes through other comprehensive income and in loans and advances at amortized cost:

CHANGES IN GROSS CARRYING AMOUNT OF LOANS AND ADVANCES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND AT AMORTIZED COST. YEAR 2025 (MILLIONS OF EUROS)

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning	**409,023**	**31,780**	**14,213**	**455,016**
Transfers of financial assets:	(6,114)	4,337	1,777	—
from stage 1 to stage 2	*(11,473)*	*11,473*	*—*	*—*
from stage 2 to stage 1	*6,746*	*(6,746)*	*—*	*—*
to stage 3	*(2,784)*	*(1,704)*	*4,488*	*—*
from stage 3	*1,397*	*1,314*	*(2,711)*	*—*
Net annual origination of financial assets	71,144	(2,835)	2,025	70,335
Becoming write-offs	(428)	(104)	(3,634)	(4,165)
Changes in model / methodology	—	—	—	—
Foreign exchange	(11,291)	(1,310)	(394)	(12,996)
Modifications that do not result in derecognition	(23)	133	180	290
Other	450	(754)	180	(124)
Balance at the end	**462,761**	**31,248**	**14,346**	**508,355**

CHANGES IN ALLOWANCES OF LOANS AND ADVANCES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND AT AMORTIZED COST. YEAR 2025 (MILLIONS OF EUROS)

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning	**(2,406)**	**(1,848)**	**(7,375)**	**(11,630)**
Transfers of financial assets:	157	(349)	(3,498)	(3,690)
from stage 1 to stage 2	*117*	*(870)*	*—*	*(753)*
from stage 2 to stage 1	*(60)*	*320*	*—*	*260*
to stage 3	*109*	*282*	*(4,030)*	*(3,639)*
from stage 3	*(9)*	*(81)*	*532*	*442*
Net annual origination of allowances	(864)	(254)	(455)	(1,573)
Becoming write-offs	413	100	3,283	3,796
Changes in model / methodology	—	—	—	—
Foreign exchange	86	204	446	737
Modifications that do not result in derecognition	2	(13)	(515)	(525)
Other	158	207	128	493
Balance at the end	**(2,455)**	**(1,953)**	**(7,985)**	**(12,394)**

For the year ended December 31, 2025, the impairment charges recognized under the heading "Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification" amounted to €6,073 million (€5,745 million and €4,428 million for the years ended December 31, 2024 and 2023, respectively) (see Note 47).

CHANGES IN GROSS CARRYING AMOUNT OF LOANS AND ADVANCES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND AT AMORTIZED COST. YEAR 2024 (MILLIONS OF EUROS)

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning	**361,186**	**37,953**	**14,446**	**413,585**
Transfers of financial assets:	(4,032)	1,625	2,407	—
from stage 1 to stage 2	*(11,840)*	*11,840*	*—*	*—*
from stage 2 to stage 1	*9,830*	*(9,830)*	*—*	*—*
to stage 3	*(3,260)*	*(1,949)*	*5,208*	*—*
from stage 3	*1,238*	*1,564*	*(2,801)*	*—*
Net annual origination of financial assets	64,222	(6,378)	1,108	58,952
Becoming write-offs	(333)	(112)	(3,149)	(3,594)
Foreign exchange	(13,508)	(1,137)	(557)	(15,203)
Modifications that do not result in derecognition	29	78	36	144
Other	1,460	(250)	(78)	1,131
Balance at the end	**409,023**	**31,780**	**14,213**	**455,016**

During 2024, the criteria for identifying significant increases in credit risk were reviewed and updated. As part of this update, certain very short-term portfolio transactions, as well as those meeting the expanded definition of the low credit risk exception (see Note 2.2.1), were exempted from the transfer based on quantitative criteria. These modifications resulted in a significant reduction in the Stage 2 balance at the Group level during the last quarter of 2024, with the impact of these measures primarily concentrated in BBVA, S.A.

CHANGES IN ALLOWANCES OF LOANS AND ADVANCES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND AT AMORTIZED COST. YEAR 2024 (MILLIONS OF EUROS)

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning	**(2,131)**	**(2,026)**	**(7,158)**	**(11,316)**
Transfers of financial assets:	105	(370)	(2,766)	(3,031)
from stage 1 to stage 2	*103*	*(697)*	*—*	*(594)*
from stage 2 to stage 1	*(53)*	*327*	*—*	*275*
to stage 3	*93*	*146*	*(3,498)*	*(3,259)*
from stage 3	*(38)*	*(146)*	*732*	*548*
Net annual origination of allowances	(1,059)	10	(1,125)	(2,174)
Becoming write-offs	321	107	2,909	3,337
Foreign exchange	325	213	1,075	1,613
Modifications that do not result in derecognition	3	35	(342)	(304)
Other	30	183	33	246
Balance at the end	**(2,406)**	**(1,848)**	**(7,375)**	**(11,630)**

CHANGES IN GROSS CARRYING AMOUNT OF LOANS AND ADVANCES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND AT AMORTIZED COST. YEAR 2023 (MILLIONS OF EUROS)

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning	**341,944**	**33,636**	**13,493**	**389,073**
Transfers of financial assets:	(11,647)	10,463	1,184	—
from stage 1 to stage 2	*(18,172)*	*18,172*	*—*	*—*
from stage 2 to stage 1	*7,639*	*(7,639)*	*—*	*—*
to stage 3	*(3,203)*	*(2,297)*	*5,500*	*—*
from stage 3	*2,089*	*2,226*	*(4,316)*	*—*
Net annual origination of financial assets	34,334	(5,233)	2,663	31,764
Becoming write-offs	(186)	(76)	(2,889)	(3,150)
Foreign exchange	(2,833)	(635)	(369)	(3,838)
Modifications that do not result in derecognition	(60)	(16)	476	401
Other	(365)	(187)	(112)	(665)
Balance at the end	**361,186**	**37,953**	**14,446**	**413,585**

CHANGES IN ALLOWANCES OF LOANS AND ADVANCES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AND AT AMORTIZED COST. YEAR 2023 (MILLIONS OF EUROS)

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning	**(2,065)**	**(1,942)**	**(7,284)**	**(11,291)**
Transfers of financial assets:	73	(336)	(2,527)	(2,790)
from stage 1 to stage 2	*118*	*(681)*	*—*	*(563)*
from stage 2 to stage 1	*(113)*	*323*	*—*	*210*
to stage 3	*81*	*120*	*(2,935)*	*(2,734)*
from stage 3	*(13)*	*(97)*	*408*	*297*
Net annual origination of allowances	(466)	(148)	(232)	(846)
Becoming write-offs	147	71	2,853	3,071
Foreign exchange	(52)	44	169	160
Modifications that do not result in derecognition	3	49	(304)	(252)
Other	229	235	167	631
Balance at the end	**(2,131)**	**(2,026)**	**(7,158)**	**(11,316)**

The loss allowances recorded in the balance sheet to cover the impairment estimated in the debt securities amounted to €94 million, €169 million and €166 million as of December 31, 2025, 2024 and 2023, respectively. The variation is mainly due to changes in credit risk variations, mainly in Garanti BBVA, BBVA, S.A. and BBVA Argentina.

Additionally, the loss allowances recorded in the balance sheet to cover the impairment estimated in the commitments and guarantees given amounted to €725 million, €670 million and €770 million as of December 31, 2025, 2024 and 2023, respectively (see Note 24). The variation is mainly driven by changes due to origination and acquisition in Garanti BBVA.

7.2.7 Refinancing and restructuring transactions

Group policies and principles with respect to refinancing and restructuring transactions

Refinancing and restructuring transactions (see definition in the Glossary) are carried out with customers who have requested such a transaction in order to meet their current loan payments if they are expected, or may be expected, to experience financial difficulty in making the payments in the future.

The basic aim of a refinancing and restructuring transaction is to provide the customer with a situation of financial viability over time by adapting repayment of the loan incurred with the Group to the customer's new situation of fund generation. The use of refinancing and restructuring for other purposes, such as to delay loss recognition, is contrary to BBVA Group policies.

The BBVA Group's refinancing and restructuring policies are based on the following general principles:

- Refinancing and restructuring is authorized according to the capacity of customers to pay the new installments. This is done by first identifying the origin of the payment difficulties and then carrying out an analysis of the customers' viability, including an updated analysis of their economic and financial situation and capacity to pay and generate funds. If the customer is a company, the analysis also covers the situation of the industry in which it operates.

- With the aim of increasing the solvency of the transaction, new guarantees and/or guarantors of demonstrable solvency are obtained where possible. An essential part of this process is an analysis of the effectiveness of both the new and original guarantees.

- This analysis is carried out from the overall customer or group perspective.

- Refinancing and restructuring transactions do not in general increase the amount of the customer's loan, except for the expense inherent to the transaction itself.

- The capacity to refinance and restructure a loan is not delegated to the branches, but decided on by the risk units.

- The decisions made are reviewed from time to time with the aim of evaluating full compliance with refinancing and restructuring policies.

These general principles are adapted in each case according to the conditions and circumstances of each geographical area in which the Group operates, and to the different types of customers involved.

In the case of retail customers (private individuals), the main aim of the BBVA Group's policy on refinancing and restructuring a loan is to avoid default arising from a customer's temporary liquidity problems by implementing structural solutions that do not increase the balance of the customer's loan. The solution required is adapted to each case and the loan repayment is made easier, in accordance with the following principles:

- Analysis of the viability of transactions based on the customer's willingness and ability to pay, which may be reduced, but should nevertheless be present. Therefore, in all cases the customer shall at least make interest payments, with certain limited exceptions where grace periods are afforded in respect of both principal and interest payments.

- Refinancing and restructuring of transactions is only allowed on those loans in which the BBVA Group originally entered into.

- Customers subject to refinancing and restructuring transactions are excluded from marketing campaigns of any kind.

In the case of non-retail customers (mainly companies, enterprises and corporates), refinancing/restructuring is authorized according to an economic and financial viability plan based on:

- Forecasted future income, margins and cash flows to allow entities to implement cost adjustment measures (industrial restructuring) and a business development plan that can help reduce the level of leverage to sustainable levels (capacity to access the financial markets).

- Where appropriate, the existence of a divestment plan for assets and/or operating segments that can generate cash to assist the deleveraging process.

- The capacity of shareholders to contribute capital and/or guarantees that can support the viability of the plan.

In accordance with the Group's policy, the conclusion of a loan refinancing and restructuring transaction does not mean the loan is reclassified from "impaired" or "significant increase in credit risk" to normal risk. The reclassification to "significant increase in credit risk" or normal risk categories must be based on the analysis mentioned earlier of the viability, upon completion of the probationary periods described below.

The Group generally maintains the policy of including risks related to refinanced and restructured loans as either:

- "Impaired assets", as although the customer is up to date with payments, they are classified as unlikely to pay when there are significant doubts that the terms of their refinancing may not be met; or

- "Significant increase in credit risk" until the conditions established for their consideration as normal risk are met.

The assets classified as "Impaired assets" should comply with the following conditions in order to be reclassified to "Significant increase in credit risk":

- The customer has to have paid a significant part of the pending exposure.

- At least one year must have elapsed since the later of: i) the time at which the restructuring measures were extended, ii) the time when the exposure was classified as deteriorated, iii) the end of any grace period included in restructuring agreements.

- The customer does not have past due payments and objective criteria, demonstrating the borrower´s ability to pay, have been verified.

The conditions established for assets classified as "Significant increase in credit risk" to be reclassified out of this category are as follows:

- The customer must have paid past-due amounts (principal and interest) since the date of the renegotiation or restructuring of the loan or other objective criteria, demonstrating the borrower´s ability to pay, have been verified; none of its exposures is more than 30 days past due.

- At least two years must have elapsed since completion of the renegotiation or restructuring of the loan or, if later, the date of reclassification from the deteriorated category. Regular payments must have been made during at least half of this probation period. They may be reclassified to normal risk as long as the significant increase in credit risk has been reversed within two years, although they must remain identified as refinanced/restructured until the minimum two-year trial period ends.

- It is unlikely that the customer will have financial difficulties and, therefore, it is expected that the customer will be able to meet its loan payment obligations (principal and interest) in a timely manner.

Renewals and renegotiations are classified as normal risk, provided that there is no significant increase in risk. This classification is applicable initially, and in the event of any deterioration, the criteria established in the existing policy are followed. In this sense, the aforementioned conditions are considered, including, among others, the requirement that the facility is not more than 30 days past due and that it has not been identified as 'unlikely to pay'.

The BBVA Group's refinancing and restructuring policy provides for the possibility of two modifications in a 24 month period for loans that are not in compliance with the payment schedule.

The internal models used to determine allowances for loan losses consider the restructuring and renegotiation of a loan, as well as re-defaults on such a loan, by assigning a lower internal rating to restructured and renegotiated loans than the average internal rating assigned to non-restructured/renegotiated loans. This downgrade results in an increase in the probability of default (PD) assigned to restructured/renegotiated loans (with the resulting PD being higher than the average PD of the non- renegotiated loans in the same portfolios).

In any case, a restructuring will be considered impaired when the reduction in the present net value of the financial obligation is greater than 1%.

For quantitative information on refinancing and restructuring transactions see Appendix X.

7.2.8 Risk concentration

Policies for preventing excessive risk concentration

In order to prevent the build-up of excessive risk concentrations at the individual, sector, portfolio and geography levels, BBVA Group maintains updated maximum permitted risk concentration indices which are tied to the various observable variables related to concentration risk.

Together with the limits for individual concentration, the Group uses the Herfindahl index to measure the concentration of the Group's portfolio and the banking group's subsidiaries. At the BBVA Group level, the index reached implies a "very low" degree of concentration.

The limit on the Group's exposure or financial commitment to a specific customer therefore depends on the customer's credit rating, the nature of the risks involved, and the Group's presence in a given market, based on the following guidelines:

- The aim is, as much as possible, to reconcile the customer's credit needs (commercial/financial, short-term/long-term, etc.) with the interests of the Group.
- Any legal limits that may exist concerning risk concentration are taken into account (relationship between risks with a customer and the capital of the shareholder´s entity that assumes them), the markets, the macroeconomic situation, etc.
- The aim is to seek inter and intra-sector diversification in coherence with the metrics defined in the RAF for the Group and for the banking group's subsidiaries.

Risk concentrations by geographical area

The breakdown of the main figures in the most significant foreign currencies in the consolidated balance sheets is set forth in Appendix XI.

Sovereign risk concentration

Sovereign risk management

The identification, measurement, control and monitoring of risk associated with sovereign risk transactions is carried out by a centralized unit within the BBVA Group's Risk Area. Its basic functions are preparing reports (called financial programs) on the countries with which it maintains cross-border risks (i.e. risks taken in a foreign currency from outside the country with borrowers in the country, whether public or private) and sovereign risks (i.e. risks with the local Sovereign of the country where the risk-taking unit is located), monitoring those risks, establishing risk limits, assigning ratings to the countries analyzed and, in general, supporting the Group in any information request regarding this type of transaction. The risk policies established in the financial programs are approved by the relevant risk committees.

The country risk unit tracks the evolution of the risks associated with the various countries to which the Group are exposed (including sovereign risk) on an ongoing basis in order to adapt its risk and mitigation policies to any macroeconomic and political changes that may occur. Moreover, it regularly updates its internal ratings and forecasts for these countries. The methodology is based on the assessment of quantitative and qualitative parameters which are in line with those used by certain multilateral organizations (the International Monetary Fund (IMF), the World Bank, etc.) rating agencies and export credit organizations.

For additional information on sovereign risk see Appendix XI.

Policies for Risk related to the developer and Real Estate sector in Spain

Policies and strategies established by the Group to deal with risks related to the developer and real estate sector

BBVA Group has teams specializing in the management of the Real Estate Sector risk, given its economic importance and specific technical component. This specialization is not only in risk teams, but throughout the handling, commercial, problem risks and legal, etc. It also includes the research department of the BBVA Group (BBVA Research), which helps determine the medium/ long-term vision needed to manage this portfolio. The policies established to address the risks related to the developer and real estate sector, aim to accomplish, among others, the following objectives: to avoid concentration in terms of customers, products and regions; to estimate the risk profile for the portfolio; and to anticipate possible worsening of the portfolio within a sector is highly cyclical.

Specific policies for analysis and granting of new developer risk transactions

In the analysis of new transactions, the assessment of the commercial operation in terms of the economic and financial viability of the project has been one of the constant. The monitoring of the work, sales prospects and the legal situation of the project are essential aspects for the admission and follow-up of new real estate transactions. With regard the participation of the Risk Acceptance teams, they have a direct link and participate in the committees of areas such as Valuation, Legal, BBVA Research and Recoveries. This guarantees coordination and exchange of information in all the processes.

In this context, and within the current Real Estate cycle, the strategy with clients is subject to an Asset Allocation limit and to an action framework that allows defining a target portfolio, both in volume and in credit quality.

Risk monitoring policies

The base information for analyzing the real estate portfolios is updated monthly. There is a systematic monitoring of developments under close monitoring with the evolution of works and sales.

Policies applied in the management of real estate assets in Spain

The internal Rules on Real Estate Financing, which establish recommendations for financing a new housing development business, are reviewed and updated annually.

The recommendations represent guidelines about how to manage the credit admission activity of BBVA Group entities based on best practices of markets in which this activity is performed. It is expected that a high percentage of the current transactions will be in compliance with the latter.

Risk concentration related to the developer and Real Estate sector in Spain

As of December 31, 2025, there is no risk concentration in the developer and real estate sector, taking into account that its weight in total wholesale risks in Spain was approximately 10%, while compared with the total risks in the portfolio (wholesale and retail), the Real Estate risk assumed was around 4%.

For quantitative information about the risk related to the developer and Real Estate sector in Spain see Appendix XI.

7.3 Structural risk

The structural risks are defined, in general terms, as the possibility of suffering losses in the banking book due to adverse movements in market risk factors.

In the Group, the following types of structural risks are defined, according to their nature: interest rate risk, credit spread risk, exchange rate risk, equity risk, and actuarial risk.

The scope of structural risks in the Group excludes market risks in the trading book that are clearly delimited and separated and are part of the Market Risks category.

The Assets and Liabilities Committee (ALCO) is the main responsible body for the management of structural risks regarding liquidity/ funding, interest rate, credit spread, currency, equity and solvency. Every month, with the participation of the CEO and representatives from the areas of Finance, Risks and Business Areas, this committee monitors the structural risks and is presented with proposals with regard to action plans related with its management for its approval. These management proposals are made by the Finance area with a forward-looking focus, maintaining the alignment with the Risk Appetite Framework, trying to guarantee the recurrence of results and financial stability, as well as to preserve the solvency of the entity. All balance sheet management units have a local ALCO, which is permanently attended by members of the Corporate Center, and there is a corporate ALCO where management strategies are monitored and presented in the Group's subsidiaries.

The GRM area acts as an independent unit, ensuring adequate separation between the management and risk control functions, and is responsible for ensuring that the structural risks in the Group are managed according to the strategy approved by the Board of Directors.

Consequently, GRM deals with the identification, measurement, monitoring and control of those risks and their reporting to the corresponding corporate bodies. Through the GRMC, it performs the function of control and risk assessment and is responsible for developing the strategies, policies, procedures and infrastructure necessary to identify, evaluate, measure and manage the significant risks that the BBVA Group faces. To this end, GRM, through the corporate unit of Structural Risks, proposes a scheme of limits that defines the risk appetite set for each of the relevant structural risk types, both at Group level and by management units, which will be reviewed annually, reporting the situation periodically to the Group's corporate bodies as well as to the GRMC.

Additionally, both the management system and the control and measurement system for structural risks are necessarily adjusted to the Group's internal control model, complying with the evaluation and certification processes that comprise it. In this sense, the tasks and controls necessary for its scope of action have been identified and documented, supporting a regulatory framework which includes specific processes and measures for structural risks, from a broad geographical perspective.

Within the three lines of defense scheme in which BBVA's internal control model is based according to the most advanced standards in terms of internal control, the first line of defense is maintained by the Finance area, which is responsible for managing the structural risk.

As a second line of defense, GRM is in charge of identifying risks, and establishing policies and control models, periodically evaluating their effectiveness.

In the second line of defense, there are also the Internal Risk Control units, which independently review the Structural Risk control, and Internal Financial Control, which carries out a review of the design and effectiveness of the operational controls over structural risk management.

The third line of defense is represented by the Internal Audit area, an independent unit within BBVA Group, which is responsible for reviewing specific controls and processes.

7.3.1 Interest rate risk and credit spread in the banking book

The structural interest rate risk (hereinafter "IRRBB") is related to the potential impact that variations in market interest rates may have on an entity's earnings, through the impact on net interest income and on the valuation of instruments accounted for at fair value, as well as on the equity. In order to properly measure IRRBB, BBVA Group takes into account all the main sources of this risk: repricing risk, yield curve risk, option risk and basis risk.

Furthermore, the credit spread risk in the banking book ("CSRBB") arises from the potential impact on the entity´s earnings and/or the value of equity of the banking book produced by a variation in the level of market credit spreads that are not explained by default or migration risk or by movements in market interest rates.

IRRBB and CSRBB management is carried out from a double perspective, the economic value of equity and earnings, including the management of net interest income and the monitorization of banking book instruments accounted at fair value with an impact on the income statement and/or on equity. In addition, the banking book instruments recorded based on their market value (fair value) are subject to specific monitoring, due to their impact on risk and on capital, through other comprehensive income or the income statement.

The exposure of a financial entity to adverse interest rates and credit spreads movements is a risk inherent to the development of the banking business, which is also, in turn, an opportunity to create economic value. Therefore, these risks must be effectively managed so that they are limited in accordance with the entity's equity and in line with the expected economic result.

In BBVA, the purpose of IRRBB risk management is to maintain the recurrent generation of earnings in the event of market interest rate fluctuations, through the contribution to the net interest income and the control of the potential impacts on the mark-to-market of the fair value accounted portfolios, as well as to limit the capital consumption due to structural interest rate risk. Likewise, the spread risk management in the banking book is aimed at limiting the equity impact of market credit spread movements on the valuation of the structural balance sheet, mainly associated with fixed income instruments which are used in balance sheet risk management. The objective is to keep this risk at levels consistent with the equity of the Group, while controlling the effect on earnings through net interest income and the mark-to-market of instruments accounted for at fair value.

These functions fall to the Global Asset & Liability Management (hereinafter "ALM") unit, within the Finance area, which, through ALCO, aims to guarantee the recurrence of results and preserve the solvency of the entity, always adhering to the risk profile defined by the management bodies of the BBVA Group.

IRRBB management is decentralized, and is carried out in each entity included in the structural balance sheet (banking book) of the BBVA Group with the supervision and coordination from the corporate unit of Global ALM, keeping the exposure to interest rates and credit spreads movements aligned with the strategy and the target risk profile of the Group, and in compliance with the regulatory requirements of the EBA guidelines.

Nature of interest rate risk and credit *spread* risk

Repricing risk arises due to the difference between the repricing or maturity terms of the assets and liabilities, and represents the most frequent interest rate risk faced by financial entities. However, other sources of risk such as changes in the slope and shape of the yield curve, the reference to different indexes and the optionality risk embedded in certain banking transactions, are also taken into account by the risk control system.

BBVA's IRRBB and CSRBB in the banking book management and control process includes a set of metrics and tools that enable the capture of additional sources to properly monitor the risk profile of the Group, backed-up by assumptions that aim to characterize the behavior of the balance sheet items with the maximum accuracy.

The IRRBB and CSRBB measurement is carried out on a monthly basis, and includes probabilistic measures based on simulation methods of interest rate curves and credit spread shocks. The corporate methodology enables to capture additional sources of risk to the interest rate parallel shifts, such as the changes in slope shape and the basis of yield curves. Additionally, sensitivity analysis to multiple parallel shocks of different magnitude are also assessed on a regular basis. The process is run separately for each currency to which the Group is exposed, considering, at a later *stage*, the diversification effect among currencies and business units.

The risk measurement model is complemented by the assessment of ad hoc scenarios, stress tests and reverse stress. Stress tests incorporate extreme scenarios both in market interest rates and in behavioral assumptions, in addition to the assessment of market scenarios by BBVA Research and the set of prescriptive scenarios defined according to EBA guidelines.

The internal measurement systems and models are subjected to a process of review and continuous improvement in order to keep them aligned with EBA guidelines.

Key assumptions of the model

In order to measure structural interest rate risk, the setting of assumptions on the evolution and behavior of certain balance sheet items is particularly relevant, especially those related to products without an explicit or contractual maturity which characteristics are not established in their contractual terms and must be therefore estimated.

The assumptions that characterize these balance sheet items must be understandable for the areas and bodies involved in risk management and control and remain duly updated, justified and documented. The modeling of these assumptions must be conceptually reasonable and consistent with the evidence based on historical experience, reviewed at least once a year and, if any, the behavior of the customers induced by the business areas. In order to provide the required dynamism to enhance the accuracy of assumptions and reflect specific market or management circumstances, risk models and metrics may incorporate parameters or adjustments based on expert judgment, subject to the internal governance measures established in this regard. Assumptions are regularly subject to a sensitivity analysis to assess and understand the impact of the modelling on the risk metrics.

The approval and update of the IRRBB behavioral models is subject to the corporate governance under the scope of GRM Analytics. Thus, all the models must be duly inventoried and catalogued and comply with the requirements for their development, updating and changes management set out in the internal procedures. They are also subject to the corresponding internal validations and follow-up requirements established based on their relevance, as well as to backtesting procedures against experience to ratify the validity of the assumptions applied.

In view of the heterogeneity of the financial markets, customers and products in the multiple jurisdictions, each one of the entities of the Group is responsible for determining the local behavior assumptions to be applied to the balance sheet items, always under the guidelines and the applicability of the corporate models existing in the Group.

The balance sheet behavioral assumptions stand out those established for the treatment of items without contractual maturity, mainly for demand customer deposits, and those related to the expectations on the exercise of interest rate options, especially relating to loans and deposits subject to prepayment risk (see Glossary).

For the modelling of demand deposits, a segmentation of the accounts in several categories is previously carried out depending on the characteristics of the customer (retail / wholesale) and the product (type of account / transactionality / remuneration), in order to outline the specific behavior of each segment.

In order to establish the remuneration of each segment, the relationship between the evolution of market interest rates and the interest rates of managed accounts is analyzed, with the aim of determining the translation dynamic (percentages and lags) of interest rates variations to the remuneration of the accounts. In this regard, consideration is given to the potential limitations in the repricing of these accounts in scenarios of low or negative rates, with special attention to retail customers, through the establishment of floors in the remuneration.

The behavior assigned to each category of accounts is determined by an analysis of the historical evolution of the balances and the probability of cancellation of the accounts. For this, the volatile part of the balance assigned to a short-term maturity is isolated, thus avoiding fluctuations in the level of risk caused by specific variations in the balances and promoting stability in the management of the balance. Once the stable part is identified, a medium / long-term maturity model is applied through a decay distribution based on the average term of the accounts and the conditional cancellation probabilities throughout the life of the product.

In addition, the behavior modeling incorporates, where appropriate, the relationship between the evolution of the balance of deposits and the levels of market interest rates. Consequently, the effect of rate variations on the stability of the deposits as well as the potential migration between the different types of products (on demand and time deposits) in each interest rate scenario are incorporated.

Equally relevant is the treatment of early cancellation options embedded in credit loans, mortgage portfolios and customer deposits. The evolution of market interest rates may condition, along with other variables, the incentive that customers have to prepay loans or deposits, modifying the future behavior of the balance amounts with respect to the forecasted contractual maturity schedule.

The detailed analysis of the historical information related to prepayment data, both partial and total prepayment, combined with other variables such as interest rates, allows estimating future amortizations and, where appropriate, their behavior linked to the evolution of such variables through the relationship between the incentive of the customer to prepay and the early cancellation speed.

The tables below shows the profile of average structural interest rate risk and credit spread risk of the fixed income portfolio in the banking book classified as "Financial assets at fair value through other comprehensive income" in terms of sensitivities of the main currencies for the BBVA Group in 2025 and 2024:

SENSITIVITY TO INTEREST RATE AND CREDIT SPREAD ANALYSIS. YEAR 2025

	Interest rate risk				Credit spread
	Impact on net interest income (1)		Impact on economic value (2)		Impact on economic value (2)
	100 basis point increase	100 basis point decrease	100 basis point increase	100 basis point decrease	100 basis point increase
Euro	[0.5% , 1.5%]	[-1.5% , -0.5%]	[-2.5% , -1.5%]	[1.5% , 2.5%]	[-1.5% , -0.5%]
Mexican peso	[0.5% , 1.5%]	[-1.5% , -0.5%]	[-1.5% , -0.5%]	[0.5% , 1.5%]	[-0.5% , 0.5%]
U.S. dollar	[0.5% , 1.5%]	[-1.5% , -0.5%]	[0.5% , 1.5%]	[-1.5% , -0.5%]	[-0.5% , 0.5%]
Turkish lira	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]
Other	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]
BBVA Group	**[1.5% , 2.5%]**	**[-2.5% , -1.5%]**	**[-4.5% , -3.5%]**	**[2.5% , 3.5%]**	**[-1.5% , -0.5%]**

(1) Percentage of "12 months" net interest income for the BBVA Group.
(2) Percentage of CET1 December 2025 (Fully Loaded) for BBVA Group.

SENSITIVITY TO INTEREST RATE AND CREDIT SPREAD ANALYSIS. YEAR 2024

	Interest rate risk				Credit spread
	Impact on net interest income (1)		Impact on economic value (2)		Impact on economic value (2)
	100 basis point increase	100 basis point decrease	100 basis point increase	100 basis point decrease	100 basis point increase
Euro	[0.5% , 1.5%]	[-1.5% , -0.5%]	[-2.5% , -1.5%]	[0.5% , 1.5%]	[-1.5% , -0.5%]
Mexican peso	[0.5% , 1.5%]	[-1.5% , -0.5%]	[-1.5% , -0.5%]	[0.5% , 1.5%]	[-0.5% , 0.5%]
U.S. dollar	[0.5% , 1.5%]	[-1.5% , -0.5%]	[0.5% , 1.5%]	[-1.5% , -0.5%]	[-0.5% , 0.5%]
Turkish lira	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]
Other	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]	[-0.5% , 0.5%]
BBVA Group	**[1.5% , 2.5%]**	**[-3.5% , -2.5%]**	**[-3.5% , -2.5%]**	**[2.5% , 3.5%]**	**[-1.5% , -0.5%]**

(1) Percentage of "12 months" net interest income for the BBVA Group.
(2) Percentage of CET1 December 2024 (Fully Loaded) for BBVA Group.

At an aggregate level, BBVA continues to maintain a moderate risk profile, in accordance with the established objective within an environment of a cycle shift towards lower interest rates, having positive sensitivity to interest rate hikes in the net interest income.

The year 2025 was influenced by the geopolitical context, notably the increase in U.S. tariffs, as well as developments and expectations regarding inflation and central bank actions. In the United States, there were declines across the entire interest rate curve due to the deceleration signs and greater prospects for interest rate cuts by the Federal Reserve. In contrast, Europe saw a rebound in yields, particularly at the long end of the curve, mainly due to the change of course in Germany's fiscal policy. The peripheral curves are still supported, with spreads against German bonds narrowing over the year. In Mexico, the sovereign curve fell in line with U.S. rates. In Turkey, yield curves were more volatile as a result of both the political situation and inflation trends and expectations. However, it is worth noting the favorable performance of Credit Default Swaps ("CDS") and sovereign bonds denominated in hard currency since March 2025. Lastly, in South America, the curves showed mixed performance, with upturns in some regions, such as Colombia, and downturns in others, such as Peru. Overall, ALCO portfolios performed positively in 2025.

With respect to 2025, the most relevant aspects of the main geographic areas where the Group operates were the following:

- Spain had a balance sheet characterized by a lending portfolio with a high proportion of variable-rate loans (mortgages and corporate lending) and liabilities composed mainly by customer demand deposits. The ALCO portfolio acted as a management lever and hedge for the balance sheet, mitigating its sensitivity to interest rate fluctuations. The exposure of net interest income to movements in interest rates remained limited. The ECB cut interest rates by a total of 100 basis points throughout the year until its meeting in July 2025, due to the convergence of inflation towards the target, and kept them unchanged in its last meeting in December 2025. Thus, the benchmark interest rate in the euro area stood at 2.15% at the end of December 2025, the rate on the deposit facility at 2.00% and the rate on the marginal lending facility at 2.40%.

- Mexico continued to show a balance between fixed and variable interest rates balances, which resulted in a limited sensitivity to interest rates fluctuations. Among the assets that were most sensitive to interest rate changes, the commercial portfolio stood out, while consumer and mortgage portfolios were mostly at a fixed rate. With regard to customer deposits, the high proportion of non-interest bearing deposits, which are insensitive to interest rate movements, should be highlighted. The ALCO portfolio was invested primarily in fixed-rate sovereign bonds with limited durations. The monetary policy rate stood at 7.0% at the end of December 31, 2025, 300 basis points below the end of 2024.

- In Turkey, the sensitivity of net interest income to rates remained limited in both local and foreign currencies thanks to the bank's management, with a low repricing gap between loans and deposits. The Central Bank of the Republic of Turkey ("CBRT") has continued its monetary easing process supported by improved inflation, setting the monetary policy rate at

38.0% at the end of December 2025, which represents a decrease of 950 basis points since the end of December of the previous year.

- In South America, the sensitivity of net interest income continued to be limited, since most of the countries in the area had a fixed/variable balance composition between assets and liabilities. In addition, in balance sheets with several currencies, the interest rate risk is managed for each of the currencies, showing a very low level of exposure. Regarding benchmark interest rates, in Argentina, the central bank abandoned the official interest rate as a monetary anchor and began to regulate the monetary base using other tools such as setting reserve requirements or intervening in the foreign exchange market for its management. In Colombia, the reference rate stood at 9.25%, 25 basis points below the end of 2024. In Peru, the official monetary policy rate closed at 4.25%, 75 basis points below the previous year's closing level.

7.3.2 Structural exchange rate risk

Structural exchange rate risk is defined as the possibility of impacts on solvency, equity value and results driven by fluctuations in the exchange rates due to exposures in foreign currencies.

Structural exchange rate risk is inherent to the business of international banking groups, such as BBVA, that develop their activities in different geographical areas and currencies. At a consolidated level, structural exchange rate risk arises from the consolidation of holdings in subsidiaries with functional currencies other than the euro. Its management is centralized in order to optimize the joint management of permanent foreign currency exposures, taking diversification into account.

The purpose of structural exchange rate risk management is protecting solvency by limiting volatility of the consolidated CET1 ratio and income to consolidate denominated in a currency other the euro in the Group, as well as to limit the capital requirements under exchange rate fluctuations to which the Group is exposed due to its international diversification. The ALM Global corporate unit, through the ALCO, is responsible for the management of this risk all through an active hedging policy, deliberately taken for each objective, and fully aligned with the management strategy.

At the corporate level, the risk monitoring metrics included in the limits framework are aligned with the Risk Appetite Framework, and are targeted to control the effects on the solvency through the economic capital metric and the fluctuations in the Common Equity Tier I fully loaded (CET1 fully loaded) consolidated ratio, as well as the maximum deviation in the Group's attributable profit. The probabilistic metrics make it possible to estimate the joint impact of exposure to different currencies taking into account the different variability in exchange rates and their correlations. These metrics are supplemented with additional assessment indicators.

The suitability of these risk assessment metrics is reviewed on a regular basis through backtesting exercises. The final element of structural exchange rate risk control is the stress and scenario analysis aimed to assess the vulnerabilities of foreign currency structural exposure not contemplated by the risk metrics and to serve as an additional tool when making management decisions. The scenarios are based both on historical situations simulated by the risk model and on the risk scenarios provided by BBVA Research.

The purpose of the exchange rate risk management of BBVA's long-term investments, which arises mainly from its foreign subsidiaries, is to preserve the capital ratios of the Group and to maintain the stability of the profits. During 2025, the U.S. dollar depreciated significantly against the euro (-11.6%). This depreciation was concentrated in the first half of the year, when the aggressiveness of the U.S. tariff policy generated a climate of distrust towards the dollar. Among emerging market currencies, the Mexican peso stood out with an appreciation (+2.0% against the euro), supported by the perception of Mexico as a relative winner of the trade war. The Turkish lira was heavily penalized in 2025 (-27.2%), reflecting high inflation, which is nevertheless gradually declining. Regarding the performance of South American currencies, the Peruvian sol weakened against the euro (-1.2%), the Colombian peso appreciated (+3.8%), while the Chilean peso depreciated by -2.9%. Finally, the Argentine peso experienced a very significant depreciation (-37.4%), in an environment still marked by macroeconomic adjustments and high financial volatility, despite progress in the economic stabilization process.

BBVA maintains active management policies for its main investments in emerging countries with the objective of achieving, on average, a hedging level of between 40% and 50% of the aggregate attributable profit in non-euro currencies that the Group expects to generate over the next twelve months; and between 50% and 70% of the aggregate excess capital in non-euro currencies within CET1. With respect to this solvency ratio, the sensitivities estimated as of December 31, 2025 to 10% currency depreciations are as follows: Mexican peso (-14 basis points), Turkish lira (-3 basis points) and U.S. dollar (+12 basis points).

For the years 2025, 2024 and 2023, the estimated sensitivities (in absolute terms) of the result attributable to the parent company are shown below, taking into account the coverage, against depreciations and appreciations of 1% of the average rate in the main currencies. To the extent that hedging positions are periodically modulated, the sensitivity estimate attempts to reflect an average (or effective) sensitivity in the year:

SENSITIVITY TO 1% CHANGE (MILLIONS OF EUROS)

Currency	2025	2024	2023
Mexican peso	11.4	27.8	25.8
Turkish lira	4.3	3.3	4.4
Peruvian sol	1.7	1.4	0.9
Chilean peso	0.4	0.2	0.2
Colombian peso	0.7	0.4	1.0
Argentine peso	1.3	1.8	1.3
U.S. dollar	3.3	0.3	0.2

7.3.3 Equity risk in the banking book

Equity risk in the banking book refers to the possibility of suffering losses in the value of positions in shares and other equity instruments held in the banking book with long or medium term investment horizons due to fluctuations in the value of equity indexes or shares.

BBVA Group's exposure to structural equity risk arises largely from minority shareholdings held on industrial and financial companies, and in new business (innovation). This exposure is modulated in some portfolios with positions held on derivative instruments on the same underlying assets, in order to adjust the portfolio sensitivity to potential changes in equity prices.

The structural equity risk management is aimed at increasing the income-generating capacity of those shares held by the Group, limiting the capital requirements for equity risk and narrowing the impact on the solvency level through a proactive management of the portfolio using hedges. The function of managing the main structural equity portfolios is a responsibility of the specialized units of the corporate areas of Global ALM, Strategy & M&A and Client Solutions (Banking for Growth Companies). Their activity is subject to the corporate structural equity risk management policy, complying with the defined management principles and Risk Appetite Framework.

The structural equity risk metrics, designed by GRM according to the corporate model, contribute to the effective monitoring of the risk by estimating the sensitivity and the capital necessary to cover the possible unexpected losses due to changes in the value of the shareholdings in the Group's investment portfolio, with a level of confidence that corresponds to the objective rating of the entity, taking into account the liquidity of the positions and the statistical behavior of the assets to be considered.

In order to analyze the risk profile in depth, stress tests and scenario analysis of sensitivity to different simulated scenarios are carried out. They are based on both past crisis situations and forecasts made by BBVA Research. These analyses are carried out regularly to assess the vulnerabilities of structural equity exposure not contemplated by the risk metrics and to serve as an additional tool when making management decisions.

Backtesting is carried out on a regular basis on the risk measurement model used.

For the third consecutive year, global equity markets posted significant gains in 2025, with double-digit increases in both Europe and the United States. Following an optimistic start to the year, supported by a presumed pro-market orientation of the U.S. administration, equity markets experienced a sharp setback in April after the United States announced substantial import tariffs during the so-called "Liberation Day." Nevertheless, the potential import tariff escalation subsequently subsided, paving the way for a strong equity rally that continued uninterrupted through year-end. In the United States, the communications and technology sectors led the advances, while in Europe the banking sector delivered a strong performance, topping European markets for the second year in a row. From a geographical perspective, the Spanish stock market was among the strongest performers in Europe, also driven by the financial sector, enabling it to surpass its historical peak for the first time since 2007.

Structural equity risk, measured in terms of economic capital, has not experienced any material changes over the past year. The aggregate sensitivity of the BBVA Group's consolidated equity to a 1% fall in the price of shares of the companies making up the equity portfolio amounted to €-27 million as of December 31, 2025, the same as at December 31, 2024. This estimation takes into account the exposure in shares valued at market prices, or if not applicable, at fair value (excluding the positions in the Treasury Area portfolios) and the net delta-equivalent positions in derivatives on the same underlyings.

7.3.4 Actuarial risk

Actuarial risk comprises the deviations that may arise between the assumptions used to measure the commitments arising from insurance or social security products and the actual experience observed. This risk encompasses underwriting risk, given that insurance liabilities have a probabilistic nature insofar as they depend on the behavior of insured events. Thus, the risk emerges when there are deviations in the estimation of claims, whether in terms of the number or amount of such claims or the timing of their occurrence.

The Group carries out appropriate risk identification, measurement and monitoring, and develops risk policies, including the definition and application of capital-measurement models. Within underwriting risk, biometric risk is also probabilistic, as it depends on deviations from the expected behavior of policyholders' survival. In order to mitigate biometric risk, the Group monitors the evolution of mortality rates across its main insured portfolios and performs back-testing of economic assumptions used to estimate liability cash flows.

BBVA Group manages actuarial risk through a policy aligned with the applicable regulatory framework, which includes, among others, tasks aimed at assessing assumptions and estimates and verifying the adequacy of technical provisions. Likewise, the assessment of the technical information used to calculate the Minimum Capital Requirement (MCR), the Own Risk and Solvency Assessment (ORSA), the underwriting policy and reinsurance agreements forms part of its responsibilities. The insurance activity is fully integrated into the BBVA Group's risk management framework. From the definition of the risk appetite to the management limits, the governance model, the admission process, the organizational scheme and the development of computer systems/ models, everything is designed with a global approach and under consistent and homogeneous criteria, aligned with other financial business of the BBVA Group (see Note 23).

Additionally, for employee pension commitments, actuarial risk is managed through external funds and insurance contracts whose investments are subject to diversified asset and insurance investment policies. These are aligned with the maturities of the commitments and allow, together with the contributions made, the payment of benefits when due and the mitigation of existing risks in the plans (see Note 25).

7.4 Market risk

Market risk originates from the possibility of experiencing losses in the value of positions held as a result of movements in market variables that affect the valuation of financial assets and liabilities. Market risk in the Group's trading portfolios stems mainly from the portfolios originated by Global Markets valued at fair value and held for the purpose of trading and generating short-term results. Market risk in the field of banking book is clearly and distinctly addressed and can be broken down into structural risks relating to interest rate and credit spread, exchange rate and equity (see Note 7.3).

Additionally, market risk may be affected by ESG factors due to the effect they may have on the Group, clients and counterparties (see Note 7.1).

7.4.1 Market risk in trading portfolios

The main risks in the trading portfolios can be classified as follows:

- Interest rate risk: This arises as a result of exposure to movements in the different interest rate curves involved in trading. Although the typical products that generate sensitivity to the movements in interest rates are money-market products (deposits, interest rate futures, call money swaps, etc.) and traditional interest rate derivatives (swaps and interest rate options such as caps, floors, swaptions, etc.), practically all the financial products are exposed to interest rate movements due to the effect that such movements have on the valuation of the financial discount.

- Equity risk: This arises as a result of movements in share prices. This risk is generated in spot positions in shares or any derivative products whose underlying asset is a share or an equity index. Dividend risk is a sub-risk of equity risk, arising as an input for any equity option. Its variation may affect the valuation of positions and it is therefore a factor that generates risk on the books.

- Exchange rate risk: This is caused by movements in the exchange rates of the different currencies in which a position is held. As in the case of equity risk, this risk is generated in spot currency positions, and in any derivative product whose underlying asset is an exchange rate. In addition, the quanto effect (operations where the underlying asset and the instrument itself are denominated in different currencies) means that in certain transactions in which the underlying asset is not a currency, an exchange rate risk is generated that has to be measured and monitored.

- Credit spread risk: Credit spread is an indicator of an issuer's credit quality. Spread risk occurs due to variations in the levels of spread of both corporate and government issues, and affects positions in bonds and credit derivatives.

- Volatility risk: This occurs as a result of changes in the levels of implied price volatility of the different market instruments on which derivatives are traded. This risk, unlike the others, is exclusively a component of trading in derivatives and is defined as a first-order convexity risk that is generated in all possible underlying assets in which there are products with options that require a volatility input for their valuation.

- Other less relevant risks for the Group include inflation risk, correlation risk and market liquidity risk (see Glossary).

The metrics developed to control and monitor market risk in the BBVA Group are aligned with market practices and are implemented consistently across all the local market risk units.

Measurement procedures are established in terms of the possible impact of negative market conditions on the trading portfolio of the Group's Global Markets units, both under ordinary circumstances and in situations of heightened risk factors.

The standard metric used to measure market risk is Value at Risk (hereinafter "VaR"), which indicates the maximum loss that may occur in the portfolios at a given confidence level (99%) and time horizon (one day). This statistic value is widely used in the market and has the advantage of summing up in a single metric the risks inherent to trading activity, taking into account how they are related and providing a prediction of the loss that the trading book could sustain as a result of fluctuations in equity prices, interest rates, foreign exchange rates and credit spreads. Additionally, for certain positions, other risks need to be considered, such as a credit spread, base, volatility or correlation risk (see Glossary).

With respect to the risk measurement models used by the BBVA Group, the Supervisor has authorized the use of the internal market risk model to determine bank capital requirements deriving from risk positions on the BBVA, S.A. and BBVA Mexico trading book, which jointly accounted for around 73%, 66% and 76% of the Group's trading-book market risk as of December 31, 2025, 2024 and 2023. For the rest of the geographical areas where the Group operates (applicable mainly to the Group´s South America subsidiaries and Garanti BBVA), bank capital for the risk positions in the trading book is calculated using the Standardized Approach defined by the Basel Committee on Banking Supervision (which is referred to herein as the "standard model").

The current management structure includes the monitoring of market-risk limits, consisting of a scheme of limits based on specific metrics according to market activities, (VaR (Value at Risk), economic capital, as well as stop-loss limits for each of the Group's business units).

The model used estimates VaR in accordance with the historical simulation methodology, which involves estimating losses and gains that would have taken place in the current portfolio if the changes in market conditions that took place over a specific period of time in the past were repeated. Based on this information, it predicts the maximum expected loss of the current portfolio within a given confidence level. This model has the advantage of reflecting precisely the historical distribution of the market variables and not assuming any specific distribution of probability. The historical period used in this model is two years.

The VaR figures are estimated based on the VaR without smoothing methodology, which awards equal weight to the daily information for the previous two years. This is currently the official methodology for measuring market risks for the purpose of monitoring compliance with risk limits. The VaR stress metric is obtained in an analogous way (99% percentile, with 1-day loss), with a fixed window of 1 year within the established stress period, subject to revision and being specific to each geographical area to represent its stress period.

The use of VaR by historical simulation methodology as a risk metric has many advantages, but also certain limitations, among which it is worth highlighting:

- The estimate of the maximum daily loss of the Global Markets portfolio positions (with a confidence level of 99%) depends on the market movements of the last two years, not picking up the impact of large market events if they have not occurred within that historical window.

- The use of the 99% confidence level does not consider potential losses that can occur beyond this level. To mitigate this limitation, different stress exercises are also performed, as described later.

At the same time, and following the guidelines established by the Spanish and European authorities, BBVA incorporates metrics in addition to VaR with the aim of meeting the Bank of Spain's regulatory requirements with respect to the calculation of bank capital for the trading book. Specifically, the measures incorporated in the Group since December 2011 (stipulated by Basel 2.5) are:

- VaR: In regulatory terms, the VaR charge incorporates the stressed VaR charge, and the sum of the two (VaR and stressed VaR) is calculated. This quantifies the losses associated with the movements of the risk factors inherent to market operations (including interest rate risk, exchange rate risk, equity risk and credit risk, among others). Both VaR and stressed VaR are rescaled by a regulatory multiplier (between three and four) and by the square root of ten to calculate the capital charge.

- Specific Risk - Incremental Risk Capital ("IRC"): Quantification of the risks of default and changes of the credit ratings of the bond and derivative positions and debt funds with daily look-through or significant benchmark (correlation > 90%) in the trading portfolio. The IRC charge is exclusively applied in entities in respect of which the internal market risk model is used (i.e. BBVA, S.A. and BBVA Mexico). The IRC charge is determined based on the associated losses (calculated at 99.9% confidence level over a one-year horizon under the hypothesis of constant risk) due to a rating change and/or default of the issuer with respect to an asset. In addition, the price risk is included in sovereign positions for the specified items.

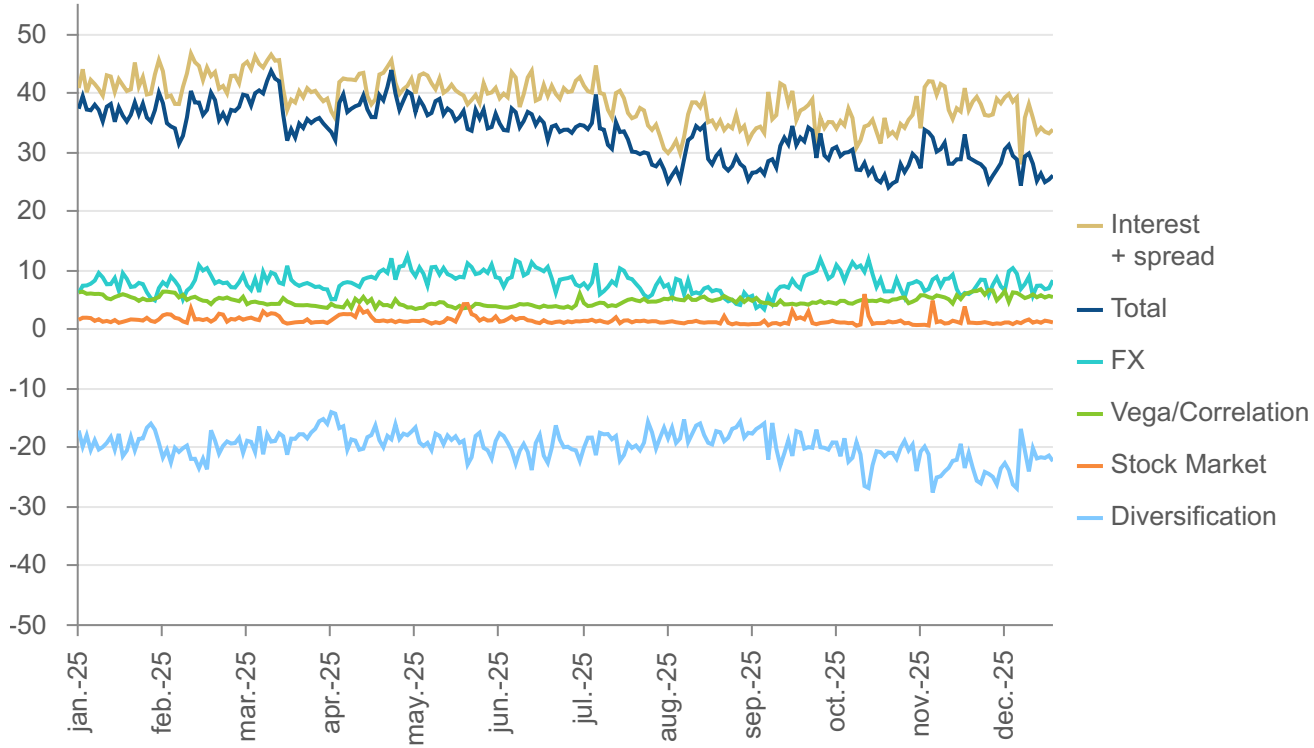
- Specific Risk: Securitization, correlation portfolios and Investment funds without look-through. Capital charges for securitizations and correlation portfolios are assessed based on the potential losses associated with the occurrence of a credit event in the underlying exposures. They are calculated by the standard model. The scope of the correlations portfolios refers to the First To Default (FTD)-type market operation and/or tranches of market CDOs (Collateralized Debt Obligations) and only for positions with an active market and hedging capacity. Capital charge for Funds include losses associated with volatility and credit risk of the underling positions of the fund. All charges are calculated by the standard model.

Validity tests are performed regularly on the risk measurement models used by the Group. They estimate the maximum loss that could have been incurred in the assessed positions with a certain level of probability (backtesting), as well as measurements of the impact of extreme market events on risk positions (stress testing).

Backtesting is performed at the trading floor level as an additional control measure in order to carry out a more specific monitoring of the validity of the measurement models.

Market risk in 2025

The Group's market risk related to its trading portfolio remained in 2025 at low levels compared to other risks managed by BBVA, particularly credit risk. This is due to the nature of the business. In 2025, the average VaR was €33 million, below the figure of 2024, with a maximum level in the year reached on April 28, 2025 of €44 million. The evolution in the BBVA Group's market risk during 2025, measured as VaR with a 99% confidence level and a 1-day horizon (shown in Millions of Euros) is as follows:



By type of market risk assumed by the Group's trading portfolio, the main risk factor for the Group continued to be that linked to interest rates, with a weight of 69% of the total as of December 31, 2025 (this figure includes the spread risk). The relative weight of this risk decreased by 8 percentage points compared with the close of 2024. Exchange rate risk accounted for 17% of the total risk, which implies an increase of 6 percentage points compared with the close of 2024, while equity risk accounted for 3%, maintaining its weight compared with the close of 2024. The volatility and correlation risk accounted for 11%, which implies an increase of 3 percentage points compared with the close of 2024.

As of December 31, 2025, 2024 and 2023 the VaR was €29 million, €34 million and €36 million, respectively, with the following breakdown:

VaR BY RISK FACTOR (MILLIONS OF EUROS) (1)

	Interest/Spread risk	Currency risk	Stock-market risk	Vega/Correlation risk	Diversification effect (2)	Total
2025						
VaR average in the year	39	8	1	5	(20)	33
VaR max in the year	45	12	1	4	(19)	44
VaR min in the year	33	6	1	5	(21)	24
End of period VaR	**34**	**9**	**1**	**5**	**(20)**	**29**
2024						
VaR average in the year	41	7	2	6	(20)	37
VaR max in the year	55	10	2	7	(23)	50
VaR min in the year	33	7	2	6	(19)	28
End of period VaR	**37**	**5**	**2**	**4**	**(14)**	**34**
2023						
VaR average in the year	36	8	2	7	(22)	31
VaR max in the year	43	6	17	8	(33)	42
VaR min in the year	23	9	—	9	(23)	19
End of period VaR	**41**	**6**	**4**	**8**	**(23)**	**36**

(1) The maximum and minimum VaR figures show the VaR figures for the day on which said maximum and minimum VaRs occurred in the relevant year, by type of risk.
(2) The diversification effect is the difference between the sum of the average individual risk factors and the total VaR figure that includes the implied correlation between all the variables and scenarios used in the measurement.

Validation of the internal market risk model

The internal market risk model is validated on a regular basis by backtesting in both, BBVA, S.A. and Global Markets Mexico (in BBVA Mexico). The aim of backtesting is to validate the quality and precision of the internal market risk model used by BBVA Group to estimate the maximum daily loss of a portfolio, at a 99% level of confidence and a 250-day time horizon, by comparing the results of those entities and the risk measurements generated by the internal market risk model. These tests showed that the internal market risk model of both, BBVA, S.A. and Global Markets Mexico is adequate and precise.

Two types of backtesting have been carried out in 2025, 2024 and 2023:

- "Hypothetical" backtesting: the daily VaR is compared with the results obtained, not taking into account the intraday results or the changes in the portfolio positions. This validates the appropriateness of the market risk metrics for the end-of-day position.

- "Real" backtesting: the daily VaR is compared with the total results, including intraday transactions, but discounting the possible minimum charges or fees involved. This type of backtesting includes the intraday risk in portfolios.

In addition, each of these two types of backtesting was carried out at a risk factor or business type level, thus making a deeper comparison of the results with respect to risk measurements.

For the years ended December 31, 2025, 2024 and 2023, the backtesting of the internal VaR calculation model was carried out, comparing the daily results obtained to the risk level estimated by the internal VaR calculation model. In that period, there was no negative exception neither in BBVA, S.A nor in BBVA Mexico.

At the end of these years the comparison showed the internal VaR calculation model was working correctly, thus validating the internal VaR calculation model, as has been the case each year since the internal market risk model was approved for the Group.

Stress testing analysis

A number of stress tests are carried out on the BBVA Group's trading portfolios. First, global and local historical scenarios are used that replicate the behavior of an extreme past event, such as the collapse of Lehman Brothers or the *Tequilazo* crisis. These stress tests are complemented with simulated scenarios, where the aim is to generate scenarios that have a significant impact on the different portfolios, but without being anchored to any specific historical scenario. Finally, for some portfolios or positions, fixed stress tests are also carried out that have a significant impact on the market variables affecting these positions.

Historical scenarios

The historical benchmark stress scenario for the BBVA Group is Lehman Brothers, whose sudden collapse in September 2008 led to a significant impact on the behavior of financial markets at a global level. The following are the most relevant effects of this historical scenario:

- Credit shock: reflected mainly in the increase of credit spreads and downgrades in credit ratings.
- Increased volatility in most of the financial markets giving rise to a great deal of variation in the prices of different assets (currency, equity, debt).
- Liquidity shock in the financial systems, reflected by a major movement in interbank curves, particularly in the shortest sections of the euro and dollar curves.

Simulated scenarios

Unlike the historical scenarios, which are fixed and therefore not suited to the composition of the risk portfolio at all times, the scenario used for the exercises of economic stress is based on resampling methodology. This methodology is based on the use of dynamic scenarios that are recalculated periodically depending on the main risks affecting the trading portfolios. On a data window wide enough to collect different periods of stress (data are taken from January 1, 2008 until the date of the assessment), a simulation is performed by resampling of historic observations, generating a distribution of losses and gains that serve to analyze extreme market events within the selected historical window. The advantage of this methodology is that the period of stress is not predetermined, but depends on the portfolio maintained at each time, and making a large number of simulations (10,000 simulations) allows a greater richness of information for the analysis of expected shortfall than what is available in the scenarios included in the calculation of VaR.

The main features of this approach are: a) the generated simulations respect the correlation structure of the data, b) there is flexibility in the inclusion of new risk factors and c) it allows the introduction of a lot of variability in the simulations (desirable for considering extreme events).

The impact of the stress test under multivariable simulation of the risk factors of the portfolio based on the expected shortfall (expected shortfall calculated at a 97.5% confidence level, 20 days) as of December 31, 2025 is as follows:

IMPACT OF THE STRESS TEST (MILLIONS OF EUROS)

	Europe	Mexico	Peru	Venezuela	Argentina	Colombia	Turkey
Expected shortfall	(129)	(66)	(17)	—	(39)	(4)	(17)

7.4.2 Financial instruments offset

Financial assets and liabilities may be netted in certain cases. In particular, they are presented for a net amount on the consolidated balance sheet only when the Group's entities satisfy the provisions of IAS 32, so they have both the legal right to net recognized amounts, and the intention of settling the net amount or of realizing the asset and simultaneously paying the liability.

In addition, the Group has presented as gross amounts assets and liabilities on the consolidated balance sheet for which there are master netting arrangements in place, but for which there is no intention of settling the net amount. The most common types of events that trigger the netting of reciprocal obligations are bankruptcy of the entity, surpassing certain level of indebtedness threshold, failure to pay, restructuring and dissolution of the entity.

In the current market context, derivatives are contracted under different framework contracts being the most widespread the ones developed by the International Swaps and Derivatives Association ("ISDA") and, for the Spanish market, the Framework Agreement on Financial Transactions ("CMOF"). Almost all portfolio derivative transactions have been concluded under these framework contracts, including in them the netting clauses mentioned in the preceding paragraph as "Master Netting Agreement", greatly reducing the credit exposure on these instruments. Additionally, in contracts signed with counterparties, the collateral agreement annexes called Credit Support Annex ("CSA") in ISDA and Appendix III of CMOF are included, thereby minimizing exposure to a potential default of the counterparty.

Moreover, many of the transactions involving assets purchased or sold under a repurchase agreement are transacted through clearing houses that articulate mechanisms to reduce counterparty risk, as well as through the signing of various master agreements for bilateral transactions, the most widely used being the Global Master Repurchase Agreement (GMRA), published by the International Capital Market Association ("ICMA"), to which the clauses related to the collateral exchange are usually added within the text of the master agreement itself.

A summary of the effect of offsetting (via netting and collateral) for derivatives and securities operations is presented below as of December 31, 2025, 2024 and 2023:

EFFECT OF OFFSETTING FOR DERIVATIVES AND SECURITIES OPERATION (MILLIONS OF EUROS)

	Notes	Gross amounts recognized (A)	Gross amounts offset in the consolidated balance sheets (B)	Net amount presented in the consolidated balance sheets (C=A-B)	Gross amounts not offset in the consolidated balance sheets		Net amount (1)
					Financial instruments	Cash collateral received/ pledged	
December 2025							
Trading and hedging derivatives	10 / 15	40,930	7,809	33,122	21,478	11,075	569
Reverse repurchase, securities borrowing and similar agreements		80,537	24,459	56,078	55,949	—	129
Total assets		**121,468**	**32,268**	**89,199**	**77,427**	**11,075**	**698**
Trading and hedging derivatives	10 / 15	40,087	7,809	32,278	21,478	8,739	2,061
Repurchase, securities lending and similar agreements		103,538	24,459	79,079	78,887	192	—
Total liabilities		**143,626**	**32,268**	**111,357**	**100,365**	**8,931**	**2,061**
December 2024							
Trading and hedging derivatives	10 / 15	45,523	8,362	37,161	27,446	9,566	148
Reverse repurchase, securities borrowing and similar agreements		65,401	19,397	46,005	45,959	—	46
Total assets		**110,924**	**27,759**	**83,165**	**73,405**	**9,566**	**194**
Trading and hedging derivatives	10 / 15	43,924	8,362	35,562	27,446	7,658	458
Repurchase, securities lending and similar agreements		87,893	19,397	68,497	68,497	—	—
Total liabilities		**131,818**	**27,759**	**104,059**	**95,943**	**7,658**	**458**
December 2023							
Trading and hedging derivatives	10 / 15	44,641	8,866	35,775	25,171	9,532	1,072
Reverse repurchase, securities borrowing and similar agreements		80,227	—	80,227	79,980	—	248
Total assets		**124,869**	**8,866**	**116,003**	**105,151**	**9,532**	**1,320**
Trading and hedging derivatives	10 / 15	44,536	8,866	35,670	27,354	7,013	1,303
Repurchase, securities lending and similar agreements		104,920	—	104,920	104,920	—	—
Total liabilities		**149,456**	**8,866**	**140,590**	**132,274**	**7,013**	**1,303**

(1) It corresponds to the aggregation of the net amounts presented in the balance sheet, less the gross amount which is not offset in the balance sheet, corresponding to each Group entity that records a deficit in this regard.

Financial assets and liabilities are offset, and consequently are presented in the consolidated balance sheet at their net value under the relevant captions (i.e., derivatives, repurchase agreements and reverse repurchase agreements), where the Group maintains netting agreements and there is an intention to settle their net amount. Regarding certain repurchase agreements and reverse repurchase agreements, since 2024, the Group fulfils both conditions. Where netting agreements do not exist, the market value of the relevant products is recorded in the balance of the repurchase agreements and reverse repurchase agreements captions.

7.5 Liquidity and Funding risk

Liquidity and funding risk is defined as the incapacity of a bank in meeting its payment commitments due to lack of funds or that, to face those commitments, should have to make use of funding under burdensome terms.

7.5.1 Liquidity and Funding Strategy and Planning

The BBVA Group is a multinational financial institution whose business is focused mainly on retail and commercial banking activities. In addition to the retail business model, which forms its core business, the Group engages in corporate and investment banking, through the global CIB division.

Liquidity and Funding Risk Management aims to maintain a solid balance sheet structure which allows a sustainable business model. The Group's liquidity and funding strategy is based on the following pillars:

- The principle of the funding self-sufficiency of its subsidiaries, meaning that each of the Liquidity Management Units (hereinafter "LMU") must cover its funding needs independently on the markets where it operates. This avoids possible contagion due to a crisis affecting one or more of the Group's LMU.
- Stable customer deposits as the main source of funding in all the LMU, in accordance with the Group's business model.
- Diversification of the sources of wholesale funding, in terms of maturity, market, instruments, counterparties and currencies, with recurring access to the markets.
- Compliance with regulatory requirements, ensuring the availability of ample liquidity buffers, of high quality, as well as sufficient instruments as required by regulations with the capacity to absorb losses.
- Compliance with the internal Liquidity Risk and Funding metrics, while adhering to the Risk Appetite level established for each LMU at any time.

Liquidity and Funding Risk Management aims, in the short term, to prevent an entity from having difficulties in meeting its payment commitments in due time and form or that, to meet them, it has to resort to obtaining funds in burdensome conditions that deteriorate the image or reputation of the entity.

In the medium term, its objective is to ensure the suitability of the Group's financial structure and its evolution, within the framework of the economic situation, the markets and regulatory changes.

This management of structural and liquidity funding is based on the principle of financial self-sufficiency of the entities that comprise it. This approach helps prevent and limit liquidity risk by reducing the Group's vulnerability during periods of high risk. This decentralized management prevents possible contagion from a crisis affecting only one or a few Group entities, which must act independently to meet their liquidity requirements in the markets where they operate.

Within this strategy, the BBVA Group is organized into eight LMU composed of the parent company and the bank subsidiaries in each geographical area, plus the branches that depend on them.

In addition, the policy for managing liquidity and funding risk is also based on the model's robustness and on the planning and integration of risk management into the budgeting process of each LMU, according to the liquidity and funding risk appetite that it decides to assume in its business.

Liquidity and funding planning is part of the strategic processes for the Group's budgetary and business planning. This objective is to allow a recurrent growth of the banking business with suitable maturities and costs within the established risk tolerance levels by using a wide range of instruments which allow the diversification of the funding sources and the maintenance of a high volume of available liquid assets.

7.5.2 Governance, monitoring and mitigation measures

The responsibility for liquidity and funding management in the development of normal business activity lies with the Finance area as a first line of defense in managing the risks inherent to this activity, in accordance with the principles established by the EBA and in line with the most demanding standards, policies, procedures and controls in the framework established by the governing bodies. Finance, through the Balance-Sheet Management area, plans and executes the funding of the structural long-term gap of each LMU and proposes to the ALCO the actions to be taken on this matter, in accordance with the policies established by the Risk Committee in line with the metrics of the Risk Appetite Framework approved by the Board of Directors.

Finance is also responsible for preparing the regulatory reporting of liquidity, coordinating with the responsible areas in each LMU the necessary processes to cover the requirements at corporate and regulatory level, ensuring the integrity of the information provided.

GRM is responsible for ensuring that the liquidity and financing risk in the Group is managed in accordance with the framework established by governing bodies. It also deals with the identification, measurement, monitoring and control of such risks and their communication to the relevant corporate bodies. In order to carry out this task properly, the Risk function in the Group has been configured as a single, global function, independent of the management areas.

Additionally, the Group has, in its second line of defense, an Internal Risk Control unit, which performs an independent review of the control of Liquidity and Funding Risk, and a Financial Internal Control Unit that reviews the design and effectiveness of the controls operations on liquidity management and reporting.

As the third line of defense of the Group's internal control model, Internal Audit is in charge of reviewing specific controls and processes in accordance with a work plan that is drawn up annually.

The Group's fundamental objectives regarding the liquidity and funding risk are determined through the Liquidity Coverage Ratio (LCR) and through the Loan-to-Stable Customer Deposits (LtSCD) ratio.

The LCR ratio is a regulatory metric that aims to guarantee the resilience of entities in a scenario of liquidity tension within a time horizon of 30 days. Within its Risk Appetite Framework and system of limits and alerts, BBVA has established a required LCR compliance level for the entire Group and for each individual LMU. The internal levels required are aimed at efficiently meeting the regulatory requirement, at a level above 100% as a mitigation measure.

The LtSCD ratio measures the relationship between net lending and stable customer funds. The aim is to preserve a stable funding structure in the medium term for each of the LMU which make up the BBVA Group, taking into account that maintaining an adequate volume of stable customer funds is key to achieving a sound liquidity profile. In geographical areas with dual-currency balances, the indicator is also controlled by currency to manage the mismatches that might occur.

Stable customer funds are considered to be the financing obtained and managed from the LMU among their target customers. Those funds are characterized by their low sensitivity to market changes and by their less volatile behavior at aggregated level per operation due to the loyalty of the customer to the entity. The stable resources are calculated by applying to each identified customer segment a haircut determined by the analysis of the stability if the balances by which different aspects are evaluated (concentration, stability, level of loyalty). The main source of stable resources arises from wholesale funding and retail customer funds.

In order to establish the target (maximum) levels of LtSCD in each LMU and provide an optimal funding structure reference in terms of risk appetite, the corporate Structural Risks unit of GRM identifies and assesses the economic and financial variables that condition the funding structures in the different geographical areas.

Additionally, liquidity and funding risk management aims to achieve a proper diversification of the funding structure, avoiding excessive dependence on short-term funding by establishing a maximum level for the short-term funds raised, including both wholesale financing and the least stable proportion of customer funds In relation to long-term financing, the maturity profile does not present significant concentrations, which makes it possible to adapt the schedule of the planned issuance plan to the best financial conditions in the markets. Lastly, concentration risk is monitored at LMU level, with the aim of ensuring a correct diversification of both the counterparty and type of instrument.

One of the fundamental metrics within the general management framework of the liquidity and funding risk is the maintenance of a liquidity buffer consisting of high quality assets free of charges which can be sold or offered as collateral to obtain funding, either under normal market conditions or in stress situations.

The Finance area is responsible for the collateral management and determining the liquidity buffer within the BBVA Group. According to the principle of auto-sufficiency of the Group's subsidiaries, each LMU is responsible for maintaining a buffer of liquid assets which complies with the regulatory requirements applicable under each jurisdiction. In addition, the liquidity buffer of each LMU must be aligned with the liquidity and funding risk tolerance as well as the management limits set and approved for each case.

In this context, the short-term resistance of the liquidity risk profile is promoted, to ensure that each LMU has sufficient collateral to deal with the risk of the closing of wholesale markets. Basic capacity is the internal metric for the management and control of short-term liquidity risk, which is defined as the relationship between the explicit assets available and the maturities of wholesale liabilities and volatile resources, at different time periods up to one year, with special relevance at 30 and 90 days, with the objective of preserving the survival period above 3 months with the available buffer, without considering the balance inflows.

As a fundamental element of the liquidity and financing risk monitoring scheme, stress tests are carried out. They enable to anticipate deviations from the liquidity targets and the limits set in the appetite, and to establish tolerance ranges in the different management areas. They also play a major role in the design of the Liquidity Contingency Plan and the definition of specific measures to be adopted to rectify the risk profile if necessary.

For each scenario, it is checked whether BBVA has a sufficient stock of liquid assets to guarantee its capacity to meet the liquidity commitments/outflows in the different periods analyzed. The analysis considers four scenarios: one central and three crisis-related (systemic crisis; unexpected internal crisis with a considerable rating downgrade and/or affecting the ability to issue in wholesale markets and the perception of business risk by the banking intermediaries and the entity's clients; and a mixed scenario, as a combination of the two aforementioned scenarios). Each scenario considers the following factors: existing market liquidity, customer behavior and sources of funding, the impact of rating downgrades, market values of liquid assets and collateral, and the interaction between liquidity requirements and the development of BBVA's credit quality.

The stress tests conducted on a regular basis by GRM reveal that BBVA maintains a sufficient buffer of liquid assets to deal with the estimated liquidity outflows in a scenario resulting from the combination of a systemic crisis and an unexpected internal crisis, including in the scenario of a significant downgrade of the Bank's rating by up to three notches. Together with the results of the stress tests and the risk metrics, the early warning indicators play an important role within the corporate model and the Liquidity Contingency Plan.

Finance is the area responsible for the elaboration, monitoring, execution and update of the liquidity and funding plan and of the market access strategy to guarantee and improve the stability and diversification of the wholesale funding sources.

In order to implement and establish management in an anticipated manner, limits are set on an annual basis for the main management metrics that form part of the budgeting process for the liquidity and funding plan. This framework of limits contributes to the planning of the joint future performance of:

- The loan book, considering the types of assets and their degree of liquidity, as well as their validity as collateral in collateralized funding.

- Stable customer funds, based on the application of a methodology for establishing which segments and customer balances are considered to be stable or volatile funds based on the principle of sustainability and recurrence of these funds.

- Projection of the credit gap, in order to require a degree of self-funding that is defined in terms of the difference between the loan-book and stable customer funds.

- Incorporating the planning of securities portfolios into the banking book, which include both fixed-interest and equity securities, and are classified as financial assets at fair value through other comprehensive income and at amortized cost, and additionally on trading portfolios.

- The structural gap projection, as a result of assessing the funding needs generated both from the credit gap and by the securities portfolio in the banking book, together with the rest of on-balance-sheet wholesale funding needs, excluding trading portfolios. This gap therefore needs to be funded with customer funds that are not considered stable or on wholesale markets.

As a result of these funding needs, the BBVA Group plans the target wholesale funding structure according to the tolerance set in each LMU target.

Thus, once the structural gap has been identified and after resorting to wholesale markets, the amount and composition of wholesale structural funding is established in subsequent years, in order to maintain a diversified funding mix and guarantee that there is not a high reliance on short-term funding (short-term wholesale funding plus volatile customer funds).

In practice, the execution of the principles of planning and self-funding at the different LMU results in the Group's main source of funding being customer deposits, which consist mainly of demand deposits, savings deposits and time deposits.

As sources of funding, customer deposits are complemented by access to the interbank market and the domestic and international capital markets in order to address additional liquidity requirements, implementing domestic and international programs for the issuance of commercial paper and medium and long-term debt.

The process of analysis and assessment of the liquidity and funding situation and of the inherent risks is a process carried out on an ongoing basis in the BBVA Group, with the participation of all the Group areas involved in liquidity and funding risk management. This process is carried out at both local and corporate level. It is incorporated into the decision- making process for liquidity and funding management, with integration between the risk appetite strategy and establishment and the planning process, the funding plan and the limits scheme.

7.5.3 Liquidity and funding performance

The BBVA Group maintains a dynamic funding structure with a predominantly retail nature, where customer resources represent the main source of funding.

During 2025 liquidity conditions have remained sound in all countries where the Group operates.

The performance of the indicators show that the funding structure remained steady during 2025, 2024 and 2023, in the sense that all LMU held self-funding levels with stable customer resources above the requirements.

LtSCD BY LMU

	2025	2024	2023
Group (average)	**105 %**	**102 %**	**99 %**
BBVA, S.A.	105 %	101 %	100 %
BBVA Mexico	115 %	115 %	102 %
Garanti BBVA	92 %	90 %	78 %
Other LMU	103 %	99 %	104 %

With respect to LCR, the Group has maintained a liquidity buffer at both a consolidated and individual level in 2025. As a result, the ratio has remained comfortably above 100%, with the consolidated ratio as of December 31, 2025 standing at 143%.

Although this requirement is only established at a Group level, for banks in the Eurozone, the minimum level required comfortably exceeded in all subsidiaries.

It should be noted that the calculation of the Consolidated LCR does not allow the transfer of liquidity between, or with, subsidiaries located outside the Eurozone, so no excess liquidity may be transferred from these entities for the purpose of calculating the consolidated ratio.

If the impact of these highly liquid assets was considered, the LCR would be 169%, or 26 basis points above the required level.

LCR MAIN LMU

	2025	2024	2023
Group	**143 %**	**134 %**	**149 %**
BBVA, S.A.	162 %	156 %	178 %
BBVA Mexico	161 %	146 %	192 %
Garanti BBVA	159 %	141 %	212 %

One of the key elements in BBVA's Group liquidity and funding management is the targeted maintenance of large high quality liquidity buffers in all business areas where the group operates.

Each entity maintains a liquidity buffer at the individual level for BBVA, S.A. and for each of its subsidiaries, such as BBVA Mexico, Garanti BBVA and the Latin American subsidiaries.

In this respect, the Group has maintained for the last 12 months an average volume of high quality liquid assets (HQLA) amounting to €134,046 million, of which 98% correspond to maximum quality assets (LCR level 1).

The table below shows the liquidity available by instrument as of December 31, 2025, 2024 and 2023 for the most significant entities based on prudential supervisor's information (Commission Implementing Regulations (EU) 2021/451 of December 17, 2020):

LIQUIDITY AVAILABLE BY INSTRUMENT (MILLIONS OF EUROS)

	BBVA, S.A.			BBVA Mexico			Garanti BBVA			Other		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Cash and withdrawable central bank reserves	25,248	16,004	43,931	9,821	12,001	9,712	12,960	10,344	9,899	6,988	8,101	5,921
Level 1 tradable assets	57,595	50,199	31,606	18,785	8,783	20,345	5,553	6,402	6,117	11,343	8,749	8,429
Level 2A tradable assets	623	194	919	182	327	246	—	—	—	32	—	—
Level 2B tradable assets	4,424	3,762	2,916	171	159	132	—	—	—	13	31	—
Other tradable assets	42,405	46,537	44,324	748	598	469	943	816	398	586	926	753
Non-tradable assets eligible for central banks	651	11	—	—	—	—	—	—	—	—	—	—
Cumulated counterbalancing capacity	**130,946**	**116,706**	**123,696**	**29,707**	**21,869**	**30,903**	**19,456**	**17,562**	**16,414**	**18,962**	**17,806**	**15,102**

The Net Stable Funding Ratio (NSFR), defined as the result between the amount of stable funding available and the amount of stable funding required, requiring banks to maintain a stable financing profile in relation to the composition of their assets and off-balance sheet activities. This ratio should be at least 100% at all times. The NSFR ratio of the BBVA Group, stood at 126% as of December 31, 2025.

The NSFR of BBVA Group and its main LMU as of December 31, 2025, 2024 and 2023, was the following:

NSFR MAIN LMU

	2025	2024	2023
Group	**126 %**	**127 %**	**131 %**
BBVA, S.A.	117 %	119 %	120 %
BBVA Mexico	132 %	131 %	140 %
Garanti BBVA	144 %	149 %	178 %

Below is a matrix of residual maturities by contractual periods based on supervisory prudential reporting as of December 31, 2025, 2024 and 2023:

DECEMBER 2025. CONTRACTUAL MATURITIES (MILLIONS OF EUROS)

	Demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Over 5 years	Total
ASSETS											
Cash, cash balances at central banks and other demand deposits	14,413	43,789	—	—	—	—	—	—	—	—	58,202
Deposits in credit entities	—	5,953	868	1,056	962	1,430	670	1,186	112	66	12,303
Deposits in other financial institutions	—	4,505	1,626	1,315	846	726	2,941	2,654	2,059	2,060	18,732
Reverse repo, securities borrowing and margin lending	2,061	51,418	9,957	4,566	1,707	2,320	7,223	1,933	669	113	81,967
Loans and advances	—	40,574	40,625	30,638	19,096	22,144	49,496	41,730	58,930	114,633	417,866
Securities' portfolio settlement	—	4,598	3,947	9,016	4,451	8,405	18,718	8,361	29,414	47,407	134,317

DECEMBER 2025. CONTRACTUAL MATURITIES (MILLIONS OF EUROS)

	Demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Over 5 years	Total
LIABILITIES											
Wholesale funding	—	5,139	4,481	7,210	4,872	7,653	13,261	4,252	9,584	32,528	88,980
Deposits from financial institutions	3,151	4,504	1,394	775	622	765	936	321	601	550	13,619
Deposits from other financial institutions and international agencies	8,003	12,649	4,606	1,684	823	1,065	1,798	302	361	550	31,841
Customer deposits	345,742	67,090	25,358	13,345	5,668	6,638	2,056	1,176	1,062	465	468,600
Security pledge funding	1,299	89,726	14,794	5,108	1,407	2,047	3,656	507	288	564	119,396
Derivatives, net	—	58	103	167	465	(87)	145	104	(79)	(807)	69

DECEMBER 2024. CONTRACTUAL MATURITIES (MILLIONS OF EUROS)

	Demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Over 5 years	Total
ASSETS											
Cash, cash balances at central banks and other demand deposits	11,125	38,087	—	—	—	—	—	—	—	—	49,212
Deposits in credit entities	—	5,246	541	1,165	647	918	861	351	33	41	9,805
Deposits in other financial institutions	—	2,677	1,642	970	929	1,130	1,577	1,526	1,369	681	12,502
Reverse repo, securities borrowing and margin lending	—	34,310	10,594	5,025	1,911	3,138	5,782	3,675	3,008	122	67,565
Loans and advances	—	34,605	38,547	29,770	16,928	19,715	44,537	34,618	51,469	105,649	375,837
Securities' portfolio settlement	—	2,861	2,741	6,084	2,531	5,922	20,625	20,053	21,972	44,850	127,640

DECEMBER 2024. CONTRACTUAL MATURITIES (MILLIONS OF EUROS)

	Demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Over 5 years	Total
LIABILITIES											
Wholesale funding	—	2,484	4,816	5,536	3,347	3,685	8,517	11,386	7,530	28,306	75,608
Deposits from financial institutions	2,600	6,070	476	644	130	732	558	242	570	743	12,765
Deposits from other financial institutions and international agencies	6,950	9,247	2,466	1,584	922	503	1,256	477	433	742	24,581
Customer deposits	318,252	50,789	23,758	11,580	3,888	4,329	2,055	569	834	787	416,841
Security pledge funding	—	74,614	14,093	5,452	2,355	4,157	2,223	366	1,454	445	105,159
Derivatives, net	—	(388)	(73)	(142)	70	142	549	(122)	5	(87)	(46)

DECEMBER 2023. CONTRACTUAL MATURITIES (MILLIONS OF EUROS)

	Demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Over 5 years	Total
ASSETS											
Cash, cash balances at central banks and other demand deposits	10,353	61,678	—	—	—	—	—	—	—	—	72,031
Deposits in credit entities	—	4,676	393	543	594	602	602	136	24	102	7,672
Deposits in other financial institutions	—	1,288	1,261	1,049	385	649	2,019	965	974	1,291	9,882
Reverse repo, securities borrowing and margin lending	—	42,407	21,683	6,890	3,398	2,596	3,319	3,817	2,133	139	86,382
Loans and advances	—	28,644	30,850	28,239	16,434	19,029	41,267	32,769	45,116	104,086	346,433
Securities' portfolio settlement	—	2,167	6,011	2,633	2,578	11,950	15,266	14,016	29,245	34,558	118,424

DECEMBER 2023. CONTRACTUAL MATURITIES (MILLIONS OF EUROS)

	Demand	Up to 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 3 years	3 to 5 years	Over 5 years	Total
LIABILITIES											
Wholesale funding	—	1,187	3,889	8,518	4,935	4,225	10,296	7,990	11,175	22,424	74,639
Deposits from financial institutions	2,092	3,669	1,076	715	119	605	795	46	198	695	10,011
Deposits from other financial institutions and international agencies	8,507	5,526	2,806	1,036	834	841	1,033	618	695	638	22,535
Customer deposits	304,096	44,745	16,225	11,855	3,905	5,500	1,753	1,029	758	1,092	390,959
Security pledge funding	—	86,908	30,028	6,107	2,274	1,821	2,630	1,111	2,060	677	133,615
Derivatives, net	—	(21)	(30)	6	(62)	(267)	69	45	(135)	(2,616)	(3,009)

With regard to the financing structure, the loan portfolio is mostly financed by retail deposits. The “demand” maturity bucket mainly contains the retail customer sight accounts whose behavior historically showed a high level of stability and little concentration. According to a behavior analysis which is done every year in every entity, this type of account is considered to be stable and for liquidity risk purposes receives a better treatment.

The most relevant aspects related to the main geographical areas are the following:

- BBVA, S.A. maintained a strong position with a large high-quality liquidity buffer, maintaining at all times the regulatory liquidity metrics well above the set minimums. During 2025, commercial activity showed dynamism in attracting customer deposits, mainly from wholesale clients, supported equally by retail clients and the new digital bank in Germany. Regarding lending activity, there was a significant boost from wholesale business units. Growth in both areas has resulted in a narrowing of the credit gap.

- BBVA Mexico showed a solid liquidity situation, with a credit gap that improved over the year, mainly due to strong deposit growth in local currency. In addition, the liquidity situation was reinforced by wholesale debt issuances carried out in both Mexican pesos and U.S. dollars.

- In Turkey, Garanti BBVA maintained an adequate liquidity situation in 2025. The lending gap decreased significantly in foreign currencies due to a strong rise in deposits. On the other hand, there was an increase in the credit gap in Turkish lira due to the strong growth in lending, which exceeded that of deposits. Wholesale issuances in foreign currency supported liquidity.

– In South America, the liquidity situation has also remained adequate throughout the region in 2025. In BBVA Argentina, at a constant exchange rate, the credit gap improved in Argentine pesos due to the impulse in time deposits despite strong loan growth. In the U.S. dollar balance sheet, at a constant exchange rate, the growth of loans exceeded fund gathering, thus widening the credit gap in this currency. In BBVA Colombia, the liquidity situation was comfortable, even though the credit gap widened in 2025, with a sustained growth of loans that slightly exceeded the volume of fund gathering. At BBVA Peru, the liquidity situation remained solid, with a credit gap that widened during the year due to the dynamism of lending activity, especially in U.S. dollars.

The main wholesale financing transactions carried out by the BBVA Group during 2025 are listed below:

Issuer	Type of issue	Date of issue	Nominal (millions)	Currency	Coupon	Early redemption	Maturity date
BBVA, S.A.	AT1	Jan-25	1,000	USD	7.750%	Jan-32	Perpetual
	Tier 2	Feb-25	1,000	EUR	4.000%	Feb-32	Feb-37
	Senior non-preferred	Jul-25	1,000	EUR	3.125%	_	Jul-30
	Senior non-preferred	Aug-25	1,000	EUR	3.750%	_	Aug-35
	AT1	Nov-25	1,000	EUR	5.625%	Nov-32	Perpetual

In relation to liability management, on May 10, 2025, BBVA, S.A. redeemed early and in full an issue of senior preferred bonds made in May 2023 for €1 billion; in January 2025, it redeemed early and in full a €1 billion Tier 2 issue made in January 2020 and maturing in 2030; and in March 2025, it redeemed in full a Contingent Convertible Preferred Securities (AT1) issue for USD 1000 billion issued in 2019. On September 14, 2025, BBVA, S.A. redeemed early and in full an issue of simple non-preferred bonds made in September 2022 for USD 1 billion (see Note 22.4).

After the closing date of the 2025 financial year, on January 7, 2026, BBVA, S.A. issued €2 billion in senior non-preferred debt, structured in two tranches: the first, for €750 million, with a coupon fixed set at three-month Euribor plus 55 basis points, and the second, for €1.25 billion, with a fixed coupon of 3.75%. On January 15, 2026, BBVA, S.A. carried out the early redemption of a green AT1 issue made on July 15, 2020, for a combined nominal amount of €1 billion, a decision that was communicated to the market on December 17, 2025 (see Note 22.4).

BBVA Mexico issued in February 2025 USD 1 billion of Tier 2 subordinated debt with a coupon of 7.625%. In addition, a senior debt issue was carried out in March 2025 for 15 billion Mexican pesos (approximately €692 million), and another in September 2025 in two tranches: the first for 14,434 million Mexican pesos (approximately €666 million) and the second for USD 158 million.

Throughout 2025, Garanti BBVA issued a total of USD 3,847 million of short-term senior MTN in order to roll over maturities and generate liquidity. In June 2025, it renewed 100% of a sustainable syndicated loan in two tranches for a total amount of USD 440 million. In July 2025, Garanti BBVA completed the issuance of subordinated bonds for a total amount of USD 500 million. In October 2025, another subordinated bond issue was made for USD 700 million. In November 2025, Garanti BBVA issued Turkey's first biodiversity bond, worth USD 20.22 million. Finally, in December 2025, Garanti BBVA formalized a sustainability focused syndicated loan for a total amount of USD 428 million.

In 2025, through successive placements of debt securities, BBVA Argentina issued a total of 244 billion Argentine pesos and USD 192 million. The euro equivalent of these issues was €306 million.

In April 2025, BBVA Colombia issued a subordinated biodiversity bond, subscribed by the International Finance Corporation (IFC), for an amount of USD 45 million.

In Peru, BBVA issued USD 200 million in the form of a gender social bond aimed at women entrepreneurs, executed in two tranches during the first and the third quarters of 2025, in partnership with IDB Invest, FMO (Dutch Entrepreneurial Development Bank) and COFIDE (Corporación Financiera de Desarrollo, S.A.).

7.5.4 Asset encumbrance

As of December 31, 2025, 2024 and 2023, the encumbered (those provided as collateral for certain liabilities) and unencumbered assets are broken down as follows:

ENCUMBERED AND UNENCUMBERED ASSETS (MILLIONS OF EUROS)

	Encumbered assets						Unencumbered assets					
	Book value			Fair value			Book value			Fair value		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Assets	**69,272**	**68,268**	**78,586**				**790,304**	**704,134**	**696,972**			
Equity instruments	1,964	834	592	1,968	834	592	19,836	17,159	13,176	19,836	17,159	13,176
Debt securities	42,016	43,404	51,458	43,910	45,639	50,818	120,408	102,333	88,976	120,408	102,333	88,976
Loans and advances and other assets	25,291	24,030	26,535				650,060	584,641	594,821			

The committed value of "Loans and Advances and other assets" corresponds mainly to loans linked to the issue of covered bonds, territorial bonds or long-term securitized bonds (see Note 22.4) as well as, to a lesser extent, those used as a guarantee to access certain funding transactions with central banks. Debt securities and equity instruments correspond to underlying that are delivered in repos with different types of counterparties, mainly clearing houses or credit institutions, and to a lesser extent central banks. Collateral provided to guarantee derivative transactions is also included as committed assets.

As of December 31, 2025, 2024 and 2023, collateral pledges received mainly due to repurchase agreements and securities lending, and those which could be committed in order to obtain funding are provided below:

COLLATERAL RECEIVED (MILLIONS OF EUROS)

	Fair value of encumbered collateral received or own debt certificates issued			Fair value of collateral received or own debt certificates issued available for encumbrance			Fair value of collateral received or own debt certificates issued not available for encumbrance		
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Collateral received	**49,726**	**40,877**	**73,836**	**17,783**	**14,917**	**14,825**	**1,634**	**1,151**	**996**
Equity instruments	190	215	1,019	675	162	51	—	—	—
Debt securities	49,536	40,663	72,817	17,107	14,754	14,774	1,634	1,151	996
Loans and advances and other assets	—	—	—	—	—	—	—	—	—
Own debt certificates issued other than own covered bonds or ABSs	**—**	**—**	**—**	**63**	**66**	**74**	**—**	**—**	**—**

The guarantees received in the form of reverse repurchase agreements or security lending transactions are committed by their use in repurchase agreements, as is the case with debt securities.

As of December 31, 2025, 2024 and 2023, financial liabilities issued related to encumbered assets in financial transactions as well as their book value were as follows:

SOURCES OF ENCUMBRANCE (MILLIONS OF EUROS)

	Matching liabilities, contingent liabilities or securities lent			Assets, collateral received and own debt certificates issued other than covered bonds and ABSs encumbered		
	2025	2024	2023	2025	2024	2023
Book value of financial liabilities	**116,511**	**109,833**	**151,766**	**117,052**	**107,067**	**149,853**
Derivatives	17,092	17,047	15,895	15,377	14,698	13,756
Deposits	92,586	84,604	126,777	94,577	81,938	126,543
Outstanding subordinated debt	6,833	8,182	9,094	7,097	10,431	9,554
Other sources	**820**	**1,141**	**1,066**	**1,946**	**2,079**	**2,568**

8. Fair value of financial instruments

Framework and processes control

The process for determining the fair value established in the Group seeks to ensure that financial assets and liabilities are properly recorded following the IFRS 13 principles, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or most advantageous market, at the measurement date.

BBVA has established, at a geographic level, a structure of Risk Operational Admission and Product Governance Committees responsible for validating and approving new products or types of financial assets and liabilities before being contracted. Local management responsible for valuation, which are independent from the business (see Management Report - Risk) are members of these committees.

These areas are required to ensure, prior to the approval *stage*, the existence of not only technical and human resources, but also adequate informational sources to measure the fair value of these financial assets and liabilities, in accordance with the rules established by the valuation global area and using models that have been validated and approved by the responsible areas complying with the governance of BBVA Group's official models.

Fair value hierarchy

All financial instruments, both assets and liabilities are initially recognized at fair value, which at that point is equivalent to the transaction price, unless there is evidence to the contrary in the market. Subsequently, depending on the type of financial instrument, it may continue to be recognized at amortized cost or fair value through adjustments in the consolidated income statement or equity.

When possible, the fair value is determined as the market price of a financial instrument. However, for many of the financial assets and liabilities of the Group, especially in the case of derivatives, there is no market price available, so its fair value is estimated on the basis of the price established in recent transactions involving similar instruments or, in the absence thereof, by using mathematical measurement models that are sufficiently tried and trusted by the international financial community. The estimates of the fair value derived from the use of such models take into consideration the specific features of the asset or liability to be measured and, in particular, the various types of risk associated with such asset or liability. However, the limitations inherent in the measurement models and possible inaccuracies in the assumptions and parameters required by these models may mean that the estimated fair value of an asset or liability does not exactly match the price for which the asset or liability could be exchanged or settled on the date of its measurement.

Additionally, for financial assets and liabilities that show significant uncertainty in inputs or model parameters used for valuation, criteria are established to measure said uncertainty and activity limits are set based on these. Finally, these measurements are compared, as much as possible, against other sources such as the measurements obtained by the business teams and/or those obtained by other market participants.

The process for determining the fair value requires the classification of the financial assets and liabilities according to the measurement processes used as set forth below:

- Level 1: valuation using directly the quotation of the instrument, observable and readily and regularly available from independent price sources and referenced to active markets that the entity can access at the measurement date. The instruments classified within this level are fixed-income securities, equity instruments and certain derivatives.

- Level 2: valuation of financial instruments with commonly accepted techniques that use inputs obtained from observable data in markets.

– Level 3: valuation of financial instruments with valuation techniques that use significant unobservable inputs in the market. As of December 31, 2025, the affected instruments at fair value accounted for approximately 0.70% of financial assets and 0.47% of the Group's financial liabilities. Model selection and validation is undertaken by control areas outside the business areas.

8.1 Fair value of financial instruments recognized at fair value, according to valuation criteria

Below are the different elements used in the valuation technique of financial instruments.

Active Market

BBVA considers an active market as a market that allows the observation of bid and offer prices representative of the levels to which the market participants are willing to negotiate an asset, with sufficient frequency and volume.

Furthermore, BBVA considers as traded in an "Organized Market" quotations for assets or liabilities from over-the-counter (OTC) markets when they are obtained from independent sources, observable on a daily basis and fulfil certain conditions.

The fair value of the Group's financial instruments recognized at fair value in the consolidated balance sheets is presented below, broken down according to the valuation method used to determine their fair value, and their respective book value as of December 31, 2025, 2024 and 2023:

FAIR VALUE OF FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE BY LEVELS. DECEMBER 2025 (MILLIONS OF EUROS)

	Notes	Book value	Fair value		
			Level 1	Level 2	Level 3
ASSETS					
Financial assets held for trading	**10**	**123,185**	**30,045**	**90,885**	**2,254**
Derivatives		32,551	955	30,829	768
Equity instruments		9,901	9,536	158	208
Debt securities		30,846	19,555	10,686	605
Loans and advances		49,887	—	49,213	673
Non-trading financial assets mandatorily at fair value through profit or loss	**11**	**11,272**	**3,946**	**5,732**	**1,594**
Equity instruments		10,539	3,817	5,341	1,380
Debt securities		192	128	63	—
Loans and advances		541	—	328	213
Financial assets designated at fair value through profit or loss	**12**	**1,006**	**1,004**	**2**	**—**
Debt securities		1,006	1,004	2	—
Financial assets at fair value through other comprehensive income	**13**	**58,809**	**52,134**	**4,760**	**1,915**
Equity instruments		1,360	1,015	107	237
Debt securities		57,001	51,095	4,652	1,255
Loans and advances		448	24	1	423
Derivatives – Hedge accounting	**15**	**570**	**—**	**570**	**—**
LIABILITIES					
Financial liabilities held for trading	**10**	**91,917**	**14,129**	**76,334**	**1,454**
Trading derivatives		30,345	1,131	28,021	1,193
Short positions		13,100	12,999	102	—
Deposits		48,472	—	48,211	261
Financial liabilities designated at fair value through profit or loss	**12**	**18,417**	**—**	**16,284**	**2,133**
Deposits from credit institutions		—	—	—	—
Customer deposits		897	—	897	—
Debt certificates issued		5,997	—	3,864	2,133
Other financial liabilities		11,524	—	11,524	—
Derivatives – Hedge accounting	**15**	**1,933**	**—**	**1,926**	**7**

FAIR VALUE OF FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE BY LEVELS. DECEMBER 2024 (MILLIONS OF EUROS)

	Notes	Book value	Fair value		
			Level 1	Level 2	Level 3
ASSETS					
Financial assets held for trading	**10**	**108,948**	**26,332**	**80,323**	**2,292**
Derivatives		36,003	969	34,591	443
Equity instruments		6,760	6,602	76	83
Debt securities		27,955	18,762	8,438	756
Loans and advances		38,230	—	37,218	1,011
Non-trading financial assets mandatorily at fair value through profit or loss	**11**	**10,546**	**8,511**	**617**	**1,418**
Equity instruments		9,782	8,309	107	1,365
Debt securities		407	202	173	31
Loans and advances		358	—	336	21
Financial assets designated at fair value through profit or loss	**12**	**836**	**774**	**62**	**—**
Debt securities		836	774	62	—
Financial assets at fair value through other comprehensive income	**13**	**59,002**	**50,354**	**7,515**	**1,133**
Equity instruments		1,451	1,157	79	216
Debt securities		57,526	49,173	7,436	917
Loans and advances		25	25	—	—
Derivatives – Hedge accounting	**15**	**1,158**	**—**	**1,158**	**—**
LIABILITIES					
Financial liabilities held for trading	**10**	**86,591**	**14,308**	**71,072**	**1,211**
Trading derivatives		33,059	1,118	31,400	541
Short positions		13,878	13,189	673	15
Deposits		39,654	—	38,999	656
Financial liabilities designated at fair value through profit or loss	**12**	**14,952**	**—**	**12,865**	**2,087**
Deposits from credit institutions		—	—	—	—
Customer deposits		934	—	934	—
Debt certificates issued		4,597	—	2,511	2,087
Other financial liabilities		9,420	—	9,420	—
Derivatives – Hedge accounting	**15**	**2,503**	**—**	**2,480**	**23**

FAIR VALUE OF FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE BY LEVELS. DECEMBER 2023 (MILLIONS OF EUROS)

	Notes	Book value	Fair value		
			Level 1	Level 2	Level 3
ASSETS					
Financial assets held for trading	**10**	**141,042**	**21,972**	**116,905**	**2,165**
Derivatives		34,293	144	33,880	269
Equity instruments		4,589	4,494	24	71
Debt securities		28,569	17,333	11,081	155
Loans and advances		73,590	—	71,921	1,669
Non-trading financial assets mandatorily at fair value through profit or loss	**11**	**8,737**	**7,028**	**493**	**1,216**
Equity instruments		7,963	6,742	72	1,148
Debt securities		484	286	132	66
Loans and advances		290	—	288	2
Financial assets designated at fair value through profit or loss	**12**	**955**	**908**	**47**	**—**
Debt securities		955	908	47	—
Financial assets at fair value through other comprehensive income	**13**	**62,205**	**52,987**	**8,335**	**883**
Equity instruments		1,217	1,026	52	139
Debt securities		60,963	51,961	8,258	745
Loans and advances		26	—	26	—
Derivatives – Hedge accounting	**15**	**1,482**	**—**	**1,482**	**—**
LIABILITIES					
Financial liabilities held for trading	**10**	**121,715**	**14,133**	**106,382**	**1,201**
Trading derivatives		33,045	191	32,111	743
Short positions		15,735	13,942	1,750	44
Deposits		72,935	—	72,520	415
Financial liabilities designated at fair value through profit or loss	**12**	**13,299**	**—**	**11,073**	**2,227**
Deposits from credit institutions		—	—	—	—
Customer deposits		717	—	717	—
Debt certificates issued		3,977	—	1,751	2,227
Other financial liabilities		8,605	—	8,605	—
Derivatives – Hedge accounting	**15**	**2,625**	**—**	**2,586**	**39**

The following table sets forth the main valuation techniques, hypothesis and inputs used in the estimation of fair value of the financial instruments recognized at fair value classified under Levels 2 and 3, based on the type of financial asset and liability and the corresponding balances as of December 31, 2025, 2024 and 2023.

FAIR VALUE OF FINANCIAL INSTRUMENTS BY LEVELS (MILLIONS OF EUROS)

ASSETS	Valuation techniques in Levels 2 and 3	Observable inputs in Levels 2 and 3	Unobservable inputs in Levels 2 and 3
Financial assets held for trading			
Equity instruments	Comparable pricing (Observable price in a similar market) Net asset value	- Brokers quotes - Market operations - NAVs published	- NAV provided by the administrator of the fund
Debt securities	Present-value method (Discounted future cash flows) Observed prices in non-active markets	- Issuer´s credit risk - Current market interest rates - Non active markets prices	- Prepayment rates - Issuer´s credit risk - Recovery rates
Loans and advances	Present-value method (Discounted future cash flows)	- Issuer´s credit risk - Current market interest rates - Funding interest rates observed in the market or in consensus services - Exchange rates	- Prepayment rates - Issuer´s credit risk - Recovery rates - Funding interest rates not observed in the market or in consensus services
Derivatives			
Interest rate	Interest rate products (Interest rate Swaps, Call money Swaps and FRA): Discounted cash flows Caps/Floors: Black 76 and SABR Bond options: Black 76 Swaptions: Black, SABR and LGM Other Interest rate Options: Black, SABR, Libor Market Model and QGM. Constant Maturity Swaps: SABR	- Exchange rates - Market quoted future prices - Market interest rates - Underlying assets prices: shares, funds, commodities - Market observable volatilities - Issuer credit spread levels - Quoted dividends - Market listed correlations	- Beta - Implicit correlations between tenors - interest rates volatility
Equity	Future and Equity Forward: Discounted future cash flows Equity Options: Local Volatility, Momentum adjustment and Heston		- Volatility of volatility - Implicit assets correlations - Long term implicit correlations - Implicit dividends and long term repos
Foreign exchange and gold	Future and Equity Forward: Discounted future cash flows Foreign exchange Options: Local volatility, momentum adjustment		- Volatility of volatility - Implicit assets correlations - Long term implicit correlations
Credit	Credit Derivatives: Default model and Gaussian copula		- Correlation default - Credit spread - Recovery rates - Interest rate yield - Default volatility
Commodities	Commodities: Momentum adjustment and discounted cash flows		
Non-trading financial assets mandatorily at fair value through profit or loss			
Equity instruments	Comparable pricing (Observable price in a similar market) Net asset value	- Brokers quotes - Market operations - NAVs published	- NAV provided by the administrator of the fund
Debt securities	Present-value method (Discounted future cash flows)	- Issuer credit risk - Current market interest rates	- Prepayment rates - Issuer credit risk - Recovery rates
Loans and advances	Discounted future cash flows		- Prepayment rates - Interest rates
Financial assets designated at fair value through profit or loss			
Debt securities	Present-value method (Discounted future cash flows)	- Issuer credit risk - Current market interest rates	
Financial assets at fair value through other comprehensive income			
Equity instruments	Comparable pricing (Observable price in a similar market) Net asset value	- Brokers quotes - Market operations - NAVs published	- NAV provided by the administrator of the fund
Debt securities	Present-value method (Discounted future cash flows) Observed prices in non-active markets	- Issuer´s credit risk - Current market interest rates - Non active market prices	- Prepayment rates - Issuer credit risk - Recovery rates
Hedging derivatives			
Interest rate	Interest rate products (Interest rate Swaps, Call money Swaps and FRA): Discounted cash flows Caps/Floors: Black 76 and SABR Bond options: Black 76 Swaptions: Black, SABR and LGM Other Interest rate Options: Black, SABR and Libor Market Model Constant Maturity Swaps: SABR	- Exchange rates - Market quoted future prices - Market interest rates - Underlying assets prices: shares, funds, commodities - Market observable volatilities - Issuer credit spread levels - Quoted dividends - Market listed correlations	- Beta - Implicit correlations between tenors - interest rates volatility
Equity	Future and Equity Forward: Discounted future cash flows Equity Options: Local volatility, Black 76, Momentum adjustment and Heston		- Volatility of volatility - Implicit assets correlations - Long term implicit correlations - Implicit dividends and long term repos
Foreign exchange and gold	Future and Equity Forward: Discounted future cash flows Foreign exchange Options: Local volatility, momentum adjustment		- Volatility of volatility - Implicit assets correlations - Long term implicit correlations
Credit	Credit Derivatives: Default model and Gaussian copula		- Correlation default - Credit spread - Recovery rates - Interest rate yield - Default volatility
Commodities	Commodities: Momentum adjustment and Discounted cash flows		

FAIR VALUE OF FINANCIAL INSTRUMENTS BY LEVELS

LIABILITIES	Valuation techniques in Levels 2 and 3	Observable inputs in Levels 2 and 3	Unobservable inputs in Levels 2 and 3
Financial liabilities held for trading			
Deposits	Present-value method (Discounted future cash flows)	- Interest rate yield - Funding interest rates observed in the market or in consensus services - Exchange rates	- Funding interest rates not observed in the market or in consensus services
Derivatives			
Interest rate	Interest rate products (Interest rate Swaps, call money Swaps and FRA): Discounted cash flows Caps/Floors: Black 76 and SABR Bond options: Black 76 Swaptions: Black 76, SABR and LGM Other Interest rate Options: Black, SABR, Libor Market Model and QGM. Constant Maturity Swaps: SABR	- Exchange rates - Market quoted future prices - Market interest rates - Underlying assets prices: shares, funds, commodities - Market observable volatilities - Issuer credit spread levels - Quoted dividends - Market listed correlations	- Beta - Correlation between tenors - Interest rates volatility
Equity	Future and Equity forward: Discounted future cash flows Equity Options: Local volatility, momentum adjustment and Heston		- Volatility of volatility - Assets correlation
Foreign exchange and gold	Future and Equity Forward: Discounted future cash flows Foreign exchange Options: Black 76, Local volatility, momentum adjustment		- Volatility of volatility - Assets correlation
Credit	Credit Derivatives: Default model and Gaussian copula		- Correlation default - Credit spread - Recovery rates - Interest rate yield - Default volatility
Commodities	Commodities: Momentum adjustment and discounted cash flows		
Short positions	Present-value method (Discounted future cash flows)		- Prepayment rates - Issuer´s credit risk - Current market interest rates
Financial liabilities designated at fair value through profit or loss	Present-value method (Discounted future cash flows)	- Prepayment rates - Issuer´s credit risk - Current market interest rates	- Prepayment rates - Issuer´s credit risk - Current market interest rates
Derivatives – Hedge accounting			
Interest rate	Interest rate products (Interest rate Swaps, call money Swaps and FRA): Discounted cash flows Caps/Floors: Black 76 and SABR Bond options: Black 76 Swaptions: Black 76, SABR and LGM Other Interest rate Options: Black, SABR and Libor Market Model Constant Maturity Swaps: SABR	- Exchange rates - Market quoted future prices - Market interest rates - Underlying assets prices: shares, funds, commodities - Market observable volatilities - Issuer credit spread levels - Quoted dividends - Market listed correlations	- Beta - Implicit correlations between tenors - interest rates volatility
Equity	Future and Equity Forward: Discounted future cash flows Equity Options: Local volatility, momentum adjustment and Heston		- Volatility of volatility - Implicit assets correlations - Long term implicit correlations - Implicit dividends and long term repos
Foreign exchange and gold	Future and Equity Forward: Discounted future cash flows Foreign exchange Options: Black 76, Local Volatility, momentum adjustment		- Volatility of volatility - Implicit assets correlations - Long term implicit correlations
Credit	Credit Derivatives: Default model and Gaussian copula		- Correlation default - Credit spread - Recovery rates - Interest rate yield - Default volatility
Commodities	Commodities: Momentum adjustment and discounted cash flows		

Main valuation techniques

The main techniques used for the assessment of the majority of the financial instruments classified in level 3, and its main unobservable inputs, are described below:

- The net present value (net present value method): this technique uses the future cash flows of each financial instrument, which are established in the different contracts, and discounted to their present value. This technique often includes many observable inputs, but may also include unobservable inputs, as described below:

    a. Credit Spread: this input represents the difference in yield of a debt security and the reference rate, reflecting the additional return that a market participant would require to take the credit risk of that debt security. Therefore, the credit spread of the debt security is part of the discount rate used to calculate the present value of the future cash flows.

    b. Recovery rate: this input represents the percentage of principal and interest recovered from a debt instrument that has defaulted.

- Comparable prices (similar asset prices): this input represents the prices of comparable financial instruments and benchmarks used to calculate a reference yield based on relative movements from the entry price or current market levels. Further adjustments to account for differences that may exist between financial instrument being valued and the comparable financial instrument may be added. It can also be assumed that the price of the financial instrument is equivalent to the comparable instrument.

- Net asset value: this technique utilizes certain assumptions to use net asset value as representative of fair value, which is equal to the total value of the assets and liabilities of a fund published by the managing entity.

- Gaussian copula: this model is used to integrate default probabilities of credit instruments referenced to more than one underlying CDS (Credit Default Swaps). The joint density function used to value the instrument is constructed by using a Gaussian copula that relates the marginal densities by a normal distribution, usually extracted from the correlation matrix of events approaching default by CDS issuers.

- Black 76: variant of Black Scholes model, whose main application is the valuation of bond options, cap floors and swaptions where the behavior of the Forward and not the Spot itself, is directly modeled.

- Black Scholes: the Black Scholes model postulates log-normal distribution for the prices of securities, so that the expected return under the risk neutral measure is the risk-free interest rate. Under this assumption, the price of vanilla options can be obtained analytically, so that inverting the Black Scholes formula, the implied volatility for process of the price can be calculated.

- Heston: this model, typically applied to equity OTC options, assumes stochastic behavior of volatility. According to which, the volatility follows a process that reverts to a long-term level and is correlated with the underlying equity instrument. As opposed to local volatility models, in which the volatility evolves deterministically, the Heston model is more flexible, allowing it to be similar to that observed in the short term today.

- Libor market model: this model assumes that the dynamics of the interest rate curve can be modeled based on the set of forward contracts that compose the underlying interest rate. The correlation matrix is parameterized on the assumption that the correlation between any two forward contracts decreases at a constant rate, beta, to the extent of the difference in their respective due dates. The input "Credit default volatility" is a volatility input of the credit factor dynamic applied in rate/credit hybrid operative. The multifactorial frame of this model makes it ideal for the valuation of instruments sensitive to the slope or curve, including interest rate option.

- LGM (Linear Gaussian Model): the model, commonly used for the valuation of interest rate instruments, assumes that the evolution of the yield curve is driven by a single stochastic factor following a linear Gaussian process. Under this framework, instantaneous rates evolve continuously with a volatility proportional to the level of rates, allowing for a parsimonious and stable description of the dynamics of bond prices and interest rate swap derivatives. Unlike more complex or multifactor models, the LGM retains a simple analytical structure that facilitates calibration to market-implied swaption volatilities.

- QGM (Quasi Gaussian Model): an advanced pricing model for the valuation of callable products. It is a valuation framework based on Monte Carlo simulations that employs a local volatility parameterization to model interest rates, designed to price exotic derivatives with cancellable features. The model uses a quasi-Gaussian approach to represent the dynamics of interest rates, leveraging a combination of variables and an auxiliary matrix to capture the evolution of forward rates.

- Local volatility: in the local volatility models, the volatility, instead of being static, evolves deterministically over time according to the level of moneyness (i.e. probability that the option has a positive value on its date of expiration) of the underlying, capturing the existence of volatility smiles. The volatility smile of an option is the empirical relationship observed between its implied volatility and its strike price. These models are appropriate for options whose value depends on the historical evolution of the underlying which use Monte Carlo simulation technique for their valuation.

Unobservable inputs

Quantitative information of unobservable inputs used to calculate level 3 valuations is presented below as of December 31, 2025, 2024 and 2023.

UNOBSERVABLE INPUTS. DECEMBER 2025

Financial instrument	Valuation technique(s)	Significant unobservable inputs	Min	Average	Max	Units
Debt Securities	Present value method	Credit spread	—	74	814	bp
		Recovery rate	— %	38 %	40 %	%
	Comparable Pricing		— %	97 %	234 %	%
Equity/Fund instruments (1)	Net Asset Value					
	Comparable Pricing					
Loans and advances	Present value method	Repo funding curve	3.94 %	2 %	11.67 %	%
Credit Derivatives	Gaussian Copula	Correlation default	19 %	64 %	92 %	%
	Black 76	Price volatility	—	—	—	Vegas
Equity Derivatives	Option models on equities, baskets of equity, funds	Dividends (2)				
		Correlations	(69 %)	43 %	99 %	%
		Volatility	8.05	32.17	450.54	Vegas
FX Derivatives	Option models on FX underlyings	Volatility	3.19	7.98	15.06	Vegas
IR Derivatives	Option models on IR underlyings	Beta	3 %	5 %	11 %	%
		Correlation rate/credit	(100 %)		100%	%
		Correlation rate/inflation	42 %	76 %	95 %	%

(1) Due to the diversity of valuation models of equity valuations, we would not include all the unobservable inputs or the quantitative ranges of them.
(2) The range of unobservable dividends is too wide range to be relevant.

UNOBSERVABLE INPUTS. DECEMBER 2024

Financial instrument	Valuation technique(s)	Significant unobservable inputs	Min	Average	Max	Units
Debt Securities	Present value method	Credit spread	—	113	3,907	bp
		Recovery rate	— %	39 %	40 %	%
	Comparable Pricing		— %	95 %	233 %	%
Equity/Fund instruments (1)	Net Asset Value					
	Comparable Pricing					
Loans and advances	Present value method	Repo funding curve	2.09 %	3.70 %	7.11 %	%
Credit Derivatives	Gaussian Copula	Correlation default	19 %	59 %	92 %	%
	Black 76	Price volatility	—	—	—	Vegas
Equity Derivatives	Option models on equities, baskets of equity, funds	Dividends (2)				
		Correlations	(88 %)	48 %	99 %	%
		Volatility	5.07	30.90	122.35	Vegas
FX Derivatives	Option models on FX underlyings	Volatility	3.93	9.46	14.91	Vegas
IR Derivatives	Option models on IR underlyings	Beta	3 %	5 %	11 %	%
		Correlation rate/credit	(100 %)		100%	%
		Correlation rate/inflation	42 %	74 %	95 %	%

(1) Due to the diversity of valuation models of equity valuations, we would not include all the unobservable inputs or the quantitative ranges of them.
(2) The range of unobservable dividends is too wide range to be relevant.

UNOBSERVABLE INPUTS. DECEMBER 2023

Financial instrument	Valuation technique(s)	Significant unobservable inputs	Min	Average	Max	Units
Debt securities	Present value method	Credit spread	—	136	4,369	bp
		Recovery rate	— %	39 %	40 %	%
	Comparable pricing		— %	99 %	237 %	%
Equity/Fund instruments (1)	Net asset value					
	Comparable pricing					
Loans and advances	Present value method	Repo funding curve	2.26 %	3.74 %	5.76 %	%
Credit derivatives	Gaussian Copula	Correlation default	26 %	60 %	85 %	%
	Black 76	Price volatility	—	—	—	Vegas
Equity derivatives	Option models on equities, baskets of equity, funds	Dividends (2)				
		Correlations	(88 %)	52 %	99 %	%
		Volatility	8.47	29.41	70.94	Vegas
FX derivatives	Option models on FX underlyings	Volatility	4.31	10.24	18.52	Vegas
IR derivatives	Option models on IR underlyings	Beta	3 %	5 %	11 %	%
		Correlation rate/credit	(100 %)		100 %	%
		Correlation rate/inflation	52 %	60 %	74 %	%

(1) Due to the diversity of valuation models of equity valuations, we would not include all the unobservable inputs or the quantitative ranges of them.
(2) The range of unobservable dividends is too wide range to be relevant.

Adjustments to the valuation

Under IFRS 13, the entity must estimate the value taking into account the assumptions and conditions that market participants would have when setting the price of the asset or liability on the valuation date.

In order to comply with the fair value requirements, the entity applies adjustments to the fair valuation considering inherent and counterparties´ default criteria, funding valuation risk and valuation risks due to valuation uncertainty and related to the prudent valuation criteria. The above is aligned with the regulatory requirements (EBA CRR 105.10) and considers the model risk, liquidity risk (Bid/Offer) and price uncertainty risk.

Adjustments to the valuation for risk of default

The fair value of liabilities should reflect the entity's default risk, which includes, among other components, its own credit risk. Taking this into account, the Group makes valuation adjustments for credit risk in the estimates of the fair value of its assets and liabilities.

These adjustments are calculated by estimating Exposure At Default, Probability of Default and Loss Given Default, which are based on the recovery levels for all derivative products on any instrument, deposits and repos at the legal entity level (all counterparties under a same master agreement), in which BBVA has exposure.

Credit Valuation Adjustment (hereinafter "CVA") and Debit Valuation Adjustments (hereinafter "DVA") are included in the valuation of derivatives, both assets and liabilities, to reflect the impact on the fair value of the counterparty credit risk and its own, respectively. The Group incorporates in its valuation, for all exposures classified in any of the categories valued at fair value, both the counterparty credit risk and its own. In the trading portfolio, and in the specific case of derivatives, credit risk is recognized through such adjustments.

As a general rule, the calculation of CVA is the sum of the expected positive exposure in time t, the probability of default between t-1 and t, and the Loss Given Default of the counterparty. Consequently, the DVA is calculated as the sum of the expected negative exposure in time t, the probability of default of BBVA between t-1 and t, and the Loss Given Default of BBVA. Both calculations are performed throughout the entire period of potential exposure.

The calculation of the expected positive and negative exposure is done through a Montecarlo simulation of the market variables involved in all trades' valuation under the same legal netting set.

The information needed to calculate the probability of default and the loss given default of a counterparty comes from the credit markets. The counterparty's Credit Default Swaps are used if liquid quotes are available. If a market price is not available, BBVA has implemented a mapping process based on the sector, rating and geography of the counterparty to assign probabilities of default and loss given default calibrated directly to market.

An additional adjustment for Own Credit Adjustment (hereinafter "OCA") is applied to the instruments accounted for by applying the Fair Value Option permitted by IFRS 9. The related amounts recognized in the consolidated balance sheet as of December 31, 2025 and 2024, related to OCA were €459 million and €393 million, respectively.

The amounts recognized in the consolidated balance sheets as of December 31, 2025, 2024 and 2023 related to the valuation adjustments incorporated to the credit assessment derivative assets amounted to €-140 million, €-205 million and €-133 million, respectively as Credit Valuation Adjustments (CVA), and amounted to €87 million, €116 million and €91 million, respectively as Debit Valuation Adjustment (DVA). The impact recorded under "Gains (losses) on financial assets and liabilities held for trading, net" in the consolidated income statement was €62 million for the year ended December 31, 2025 and €17 million and €26 million in 2024 and 2023, respectively.

Valuation adjustments for financing risk

The fair value of the positions recorded at fair value must reflect the entity's financing risk. Taking into account the above, the Group makes adjustments for financing risk valuation (Funding Valuation Adjustment, hereinafter "FVA") in the estimates of the fair value of its assets and liabilities.

The adjustment to the valuation for financing risk incorporates the cost of financing implicit in the valuation of positions at fair value. This adjustment reflects the cost of funding for non-collateralized or partially collateralized operations.

Additionally, as of December 31, 2025, 2024 and 2023, €-10 million, €-19 million and €-16 million related to the FVA were recognized in the consolidated balance sheet, being the impact on results not significant.

Collateral Valuation Adjustments on Bond-Collateralized Agreements

Non-standard collateral valuation adjustments (hereinafter, "CollVA") are incorporated into the valuation of both asset and liability derivatives to reflect, in their fair value, the impact of uncertainty in the discount curve associated with collateralized positions in bonds. A standard collateral agreement for a derivative is understood to be one that requires daily posting of collateral reflecting changes in the derivative's market value, in the same currency as the derivative, and remunerated at the standard collateral rate. When the collateral agreement permits the delivery of bonds as collateral, an adjustment is required to capture the specific characteristics of the eligible collateral that cause the valuation of the transaction to differ from that under a standard cash collateralization in the deal's currency of denomination. These adjustments account for the cost (or benefit) of funding the bond collateral that covers the Expected Positive Exposure (EPE) or Expected Negative Exposure (ENE) of a derivatives portfolio over time, using the market rehypothecation curve of the posted collateral.

CollVA adjustments are typically considered a component of FVA.

Valuation adjustments for valuation uncertainty

The fair value of the positions recorded at fair value must reflect the valuation risk derived from the uncertainty in the valuation for concepts of pure uncertainty of prices, liquidity risk and model risks. This adjustment is aligned with the regulatory requirements for prudent valuation via valuation adjustments with an impact on CET1, and meets the requirements of EBA CRR 105.10 for this purpose.

The adjustment to the valuation for liquidity incorporates an adjustment for Bid / Offer spreads in the valuation of positions that do not meet the necessary conditions to be considered a Market Maker operation.

The adjustment to the valuation for model risk captures the uncertainty in the price associated with the products valued with the use of a valuation model ("Mark to Model") given the existence of more than one possible model applicable to the valuation of the product or the calibration of its parameters from the observations of inputs in the market.

The adjustment to the valuation for price uncertainty includes the uncertainty associated with the dispersion in the values observed in the market for the prices taken in the valuation of assets or as inputs in the valuation models.

The impact recorded under "Gains (losses) on financial assets and liabilities held for trading, net" in the consolidated income statement for the year ended December 31, 2025 corresponding to the mentioned adjustments was a net impact of €-59 million, (€-53 million in 2024). An adjustment was also made as of December 31, 2025 on financial assets at fair value through other comprehensive income for a total of €-10 million (€-17 million and €-15 million in 2024 and 2023, respectively).

Financial assets and liabilities classified as level 3

The changes in the balance of level 3 financial assets and liabilities included in the consolidated balance sheets are as follows:

FINANCIAL ASSETS LEVEL 3: CHANGES IN THE YEAR (MILLIONS OF EUROS)

	2025		2024		2023	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Balance at the beginning	**4,843**	**3,321**	**4,264**	**3,467**	**3,931**	**2,743**
Changes in fair value recognized in profit and loss (1)	395	368	490	144	(7)	113
Changes in fair value not recognized in profit and loss	50	—	29	—	21	(1)
Acquisitions, disposals and liquidations	469	884	397	(59)	27	374
Net transfers to level 3	13	(985)	(330)	(165)	289	204
Exchange differences and others	(7)	6	(6)	(67)	3	34
Balance at the end	**5,763**	**3,594**	**4,843**	**3,321**	**4,264**	**3,467**

(1) Profit or loss that is attributable to gains or losses relating to those financial assets and liabilities held as of December 31, 2025, 2024 and 2023. Valuation adjustments are recorded under the heading "Gains (losses) on financial assets and liabilities (net)".

During 2025, there was an increase in level 3 asset positions (+19%), resulting in equal parts from market price evolution and decreased observability. This increase is primarily distributed between the derivatives portfolio and equity cash trading.

During 2024, there was an increase in positions classified as level 3, mainly concentrated in cash fixed-income positions due to unobservability in market prices applied in their fair valuation. No significant changes were observed in other positions, such as derivatives, reverse repurchase agreements and cash variable-income positions.

In 2023, as a result of the implementation of the multifactor criteria in the classification, which considered all the risk factors of the exposures, their observability and uncertainty, there was a reduction in exposure to level 3 derivatives, offset by an increase in exposure classified at level 3 in repurchase agreements positions due to unobservability in the inputs used in their valuation. The increase in level 3 exposure was mainly related to cash positions of variable income and fixed income due to unobservability in their prices.

For the years ended December 31, 2025, 2024 and 2023, the profit/loss on sales of financial instruments classified as level 3 recognized in the consolidated income statement was not material.

Transfers among levels

The Global Valuation area, in collaboration with the Group, has established the rules for an appropriate financial instruments held for trading classification according to the fair value hierarchy defined by IFRS.

On a monthly basis, derivative positions, deposits, loans and advances from the portfolio are classified, according to this criterion, by the subsidiaries. Then, there is a quarterly review of the portfolio in order to analyze the need for a change in classification of any of these assets.

On a quarterly basis, the positions of equity instruments and debt securities are classified, following these criteria, by the local areas in coordination with Global Markets Valuation.

The financial instruments transferred among the different levels of measurement for the years ended December 31, 2025, 2024 and 2023 are at the following amounts in the consolidated balance sheets as of December 31, 2025, 2024 and 2023:

TRANSFERS AMONG LEVELS. DECEMBER 2025 (MILLIONS OF EUROS)

From:	Level 1		Level 2		Level 3	
To:	Level 2	Level 3	Level 1	Level 3	Level 1	Level 2
ASSETS						
Financial assets held for trading	181	—	344	272	30	200
Non-trading financial assets mandatorily at fair value through profit or loss	5,150	30	9	—	—	33
Financial assets designated at fair value through profit or loss	—	—	7	—	—	—
Financial assets at fair value through other comprehensive income	251	36	762	43	—	105
Derivatives – Hedge accounting	—	—	—	—	—	—
Total	**5,582**	**66**	**1,122**	**315**	**30**	**338**
LIABILITIES						
Financial liabilities held for trading	19	—	269	144	3	259
Financial liabilities designated at fair value through profit or loss	—	—	—	(1,021)	(256)	103
Derivatives – Hedge accounting	—	—	—	—	—	—
Total	**19**	**—**	**269**	**(877)**	**(254)**	**362**

TRANSFER AMONG LEVELS (MILLIONS OF EUROS)

	2024						2023					
From:	Level 1		Level 2		Level 3		Level 1		Level 2		Level 3	
To:	Level 2	Level 3	Level 1	Level 3	Level 1	Level 2	Level 2	Level 3	Level 1	Level 3	Level 1	Level 2
ASSETS												
Financial assets held for trading	115	—	1,238	78	16	199	887	34	89	666	—	497
Non-trading financial assets mandatorily at fair value through profit or loss	68	14	1	—	35	18	1	135	—	70	—	—
Financial assets designated at fair value through profit or loss	—	—	1	—	—	—	—	—	—	—	—	—
Financial assets at fair value through other comprehensive income	1,425	17	1,348	12	13	170	1,191	21	1,296	205	103	243
Derivatives – Hedge accounting	—	—	—	—	—	—	—	—	—	—	—	—
Total	**1,608**	**31**	**2,586**	**90**	**64**	**387**	**2,079**	**190**	**1,385**	**941**	**103**	**740**
LIABILITIES												
Financial liabilities held for trading	107	—	461	45	11	380	596	3	36	177	1	372
Financial liabilities designated at fair value through profit or loss	—	—	—	301	—	121	—	—	—	660	—	262
Derivatives – Hedge accounting	—	—	—	—	—	—	—	—	—	—	—	—
Total	**107**	**—**	**461**	**346**	**11**	**501**	**596**	**3**	**36**	**837**	**1**	**635**

In 2025, transfers between the different levels of the fair value hierarchy at a Group level were very limited and did not represent a significant change in any of the categories. However, in the banking book, there were significant transfers from level 1 to level 2 in the portfolio of 'Financial assets designated at fair value through profit or loss' due to decreased observability, which were only partially offset by transfers from level 2 to level 1 in the portfolio of 'Financial assets at fair value through other comprehensive income'.

The amount of the financial instruments at fair value that were transferred among the different valuation levels during 2024 showed a stable performance in relation to the evolution of market observability in the inputs applied in their valuation. No significant level transfers were made from level 1 to level 3, with the most significant volumes of transfers concentrated between level 1 and level 2, and level 2 and level 3. In both cases, the changes were solely due to the observability conditions of market inputs.

The amount of the financial instruments at fair value portfolio that were transferred among the different valuation levels during 2023 correspond mainly, with respect to level 1 to level 2, to the review of the classification among levels due to the implementation of the short-term maturities model valuation of the listed options for those positions for which it is guaranteed that the inputs applied from real OTC market transactions are complied with the corroboration criteria. Additionally, there is a transfer of exposure level 1 to Level 2 in cash positions in debt securities and equities, partially netted by a transfer of exposure Level 2 to level 1, all directly related to the observability of the inputs. The volume of positions transferred from Level 2 to level 3 is partly offset by the transfer of certain positions from level 3 to level 2, mainly in cash positions in debt securities, equities and loans and advances.

Sensitivity analysis

Sensitivity analysis is performed on financial instruments with significant unobservable inputs (financial instruments included in level 3), in order to obtain a reasonable range of possible alternative valuations. This analysis is carried out based on the criteria defined by the Global Valuation area in line with the official regulatory requirements for Prudent Valuation metrics, taking into account the nature of the methods used for the assessment and the reliability and availability of inputs and proxies used. In order to establish, with a sufficient degree of certainty, the valuation risk that is incurred in such assets without applying diversification criteria between them.

As of December 31, 2025, the effect on profit for the year and total equity of changing the main unobservable inputs used for the measurement of level 3 financial instruments for other reasonably possible unobservable inputs, taking the highest (most favorable input) or lowest (least favorable input) value of the range deemed probable, would be as follows:

FINANCIAL INSTRUMENTS LEVEL 3: SENSITIVITY ANALYSIS (MILLIONS OF EUROS)

	Potential impact on consolidated income statement				Potential impact on other comprehensive income			
	Most favorable hypothesis		Least favorable hypothesis		Most favorable hypothesis		Least favorable hypothesis	
	2025	2024	2025	2024	2025	2024	2025	2024
ASSETS								
Financial assets held for trading	**102**	**48**	**(155)**	**(89)**	**—**	**—**	**—**	**—**
Loans and advances	6	4	(6)	(4)	—	—	—	—
Debt securities	38	37	(69)	(61)	—	—	—	—
Equity instruments	42	—	(65)	(17)	—	—	—	—
Derivatives	15	6	(15)	(6)	—	—	—	—
Non-trading financial assets mandatorily at fair value through profit or loss	**103**	**9**	**(104)**	**(85)**	**—**	**—**	**—**	**—**
Loans and advances	1	—	(1)	—	—	—	—	—
Debt securities	—	3	—	(7)	—	—	—	—
Equity instruments	102	6	(102)	(78)	—	—	—	—
Financial assets designated at fair value through profit or loss	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Financial assets at fair value through other comprehensive income	**—**	**—**	**—**	**—**	**117**	**48**	**(190)**	**(90)**
Total	**205**	**57**	**(259)**	**(173)**	**117**	**48**	**(190)**	**(90)**
LIABILITIES								
Financial liabilities held for trading	18	12	(18)	(13)	—	—	—	—
Total	**18**	**12**	**(18)**	**(13)**	**—**	**—**	**—**	**—**

8.2 Fair value of financial instruments recognized at amortized cost according to valuation method

The valuation technique used to calculate the fair value of financial assets and liabilities carried at cost are presented below:

Financial assets

- Cash, balances at central banks and other demand deposits / loans to central banks / short-term loans to credit institutions / repurchase agreements: in general, their fair value approximates to their book value, due to the nature of the counterparty and because they are mainly short-term balances in which the book value is the most reasonable estimation of the value of the asset.

- Loans to credit institutions which are not short-term and loans to customers: in general, these financial assets will be valued by discounting future cash flows using the interest rate curve adjusted by the market spread at the time of valuation and considering any behavioral hypothesis considered to be relevant (early prepayments, optionality, etc.). Therefore, their valuations will be conditioned by the interest rates and spreads of the portfolios and their durations.

- Debt securities: generally, fair value is estimated based on the available market price or by using internal valuation methodologies.

Financial liabilities

- Deposits from central banks: for recurrent liquidity auctions and other monetary policy instruments of central banks / short-term deposits, from credit institutions / repurchase agreements / short-term customer deposits: their book value is considered to be the best estimation of their fair value.

- Deposits of credit institutions which are not short-term and term customer deposits: these deposits are valued by discounting future cash flows using the interest rate curve in effect at the time of the adjustment adjusted by the credit spread and incorporating any behavioral assumptions considered to be relevant (early repayments, optionalities, etc.).

- Debt certificate (Issuances): the fair value estimation of these liabilities is based on the availability of market prices or the present value method: discount of future cash flows, using market interest rates at valuation time and taking into account the credit spread.

The table below shows the fair value of the Group's financial instruments recognized at amortized cost in the consolidated balance sheets, broken down according to the valuation method used to determine their fair value, and their respective book value, as well as the main valuation techniques and inputs used for financial instruments classified in level 2 and level 3 as of December 31, 2025, 2024 and 2023:

FAIR VALUE OF FINANCIAL INSTRUMENTS RECOGNIZED AT AMORTIZED COST BY LEVELS. DECEMBER 2025 (MILLIONS OF EUROS)

	Notes	Book value	Fair value				
			Carrying amount presented as fair value (1)	Level 1	Level 2	Level 3	Total
ASSETS							
Cash, cash balances at central banks and other demand deposits	**9**	**58,837**	**58,837**	**—**	**—**	**—**	**58,837**
Financial assets at amortized cost	**14**	**568,893**	**40,224**	**65,255**	**25,873**	**437,577**	**568,929**
Debt securities		73,379	—	65,255	6,526	1,322	73,103
Loans and advances		495,513	40,224	—	19,347	436,255	495,826
LIABILITIES							
Financial liabilities at amortized cost	**22**	**658,599**	**416,378**	**42,578**	**86,123**	**115,369**	**660,447**
Deposits		556,498	396,119	—	49,084	112,053	557,256
Debt certificates issued		81,842	—	42,578	37,039	3,316	82,932
Other financial liabilities		20,258	20,258	—	—	—	20,258

(1) Financial instruments whose book value is presented as an approximation to their fair value, mainly short-term financial instruments.

FAIR VALUE OF FINANCIAL INSTRUMENTS RECOGNIZED AT AMORTIZED COST BY LEVELS. DECEMBER 2024 (MILLIONS OF EUROS)

	Notes	Book value	Fair value				
			Carrying amount presented as fair value (1)	Level 1	Level 2	Level 3	Total
ASSETS							
Cash, cash balances at central banks and other demand deposits	**9**	**51,145**	**51,145**	**—**	**—**	**—**	**51,145**
Financial assets at amortized cost	**14**	**502,400**	**32,615**	**50,771**	**24,157**	**394,496**	**502,039**
Debt securities		59,014	—	50,771	6,589	921	58,281
Loans and advances		443,386	32,615	—	17,568	393,575	443,759
LIABILITIES							
Financial liabilities at amortized cost	**22**	**584,339**	**378,530**	**47,323**	**58,016**	**101,025**	**584,894**
Deposits		496,720	360,777	—	37,647	98,038	496,461
Debt certificates issued		69,867	—	47,323	20,369	2,986	70,679
Other financial liabilities		17,753	17,753	—	—	—	17,753

(1) Financial instruments whose book value is presented as an approximation to their fair value, mainly short-term financial instruments.

FAIR VALUE OF FINANCIAL INSTRUMENTS RECOGNIZED AT AMORTIZED COST BY LEVELS. DECEMBER 2023 (MILLIONS OF EUROS)

	Notes	Book value	Fair value				
			Carrying amount presented as fair value (1)	Level 1	Level 2	Level 3	Total
ASSETS							
Cash, cash balances at central banks and other demand deposits	**9**	**75,416**	**75,416**	**—**	**—**	**—**	**75,416**
Financial assets at amortized cost	**14**	**451,732**	**34,826**	**41,950**	**10,533**	**359,062**	**446,371**
Debt securities		49,462	—	41,950	6,244	759	48,952
Loans and advances		402,270	34,826	—	4,290	358,303	397,418
LIABILITIES							
Financial liabilities at amortized cost	**22**	**557,589**	**358,657**	**42,742**	**86,390**	**68,127**	**555,915**
Deposits		473,835	343,611	1,269	62,049	64,601	471,530
Debt certificates issued		68,707	—	41,472	24,341	3,526	69,339
Other financial liabilities		15,046	15,046	—	—	—	15,046

(1) Financial instruments whose book value is presented as an approximation to their fair value, mainly short-term financial instruments.

The fair value of the "Financial assets at amortized cost" has been estimated mainly using the valuation techniques of the Present-value method (discounted future cash flows). The main inputs considered for Levels 2 and 3 are the interest rate yield, the prepayment rates and the credit spread.

In the case of "Financial liabilities at amortized cost", the fair value is also obtained mainly through the Present-value method (discounted future cash flows). The main inputs considered for, at levels 2 and 3, the issuer's credit risk, the interest rate yield and the prepayment rate.

9. Cash, cash balances at central banks and other demand deposits

The breakdown of the balance under the heading "Cash, cash balances at central banks and other demand deposits" in the consolidated balance sheets is as follows:

CASH, CASH BALANCES AT CENTRAL BANKS AND OTHER DEMAND DEPOSITS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Cash on hand		8,050	8,636	7,751
Cash balances at central banks (1)		42,856	35,306	60,750
Other demand deposits		7,931	7,202	6,916
Total	**8.2**	**58,837**	**51,145**	**75,416**

(1) The variation is mainly due to the evolution of the balances held in the Bank of Spain.

10. Financial assets and liabilities held for trading

10.1 Breakdown of the balance

The breakdown of the balance under these headings in the consolidated balance sheets is as follows:

FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING (MILLIONS OF EUROS)

	Notes	2025	2024	2023
ASSETS				
Derivatives		**32,551**	**36,003**	**34,293**
Equity instruments	**7.2.2**	**9,901**	**6,760**	**4,589**
Credit institutions		472	393	277
Other sectors		9,429	6,367	4,312
Debt securities	**7.2.2**	**30,846**	**27,955**	**28,569**
Issued by central banks		584	768	740
Issued by public administrations		27,222	23,671	24,766
Issued by financial institutions		1,411	1,665	1,824
Other debt securities		1,628	1,852	1,239
Loans and advances	**7.2.2**	**49,887**	**38,230**	**73,590**
Loans and advances to central banks		620	556	2,809
Reverse repurchase agreements		*620*	*556*	*2,809*
Loans and advances to credit institutions		17,985	20,938	56,599
Reverse repurchase agreements (1)		*17,954*	*20,918*	*56,569*
Loans and advances to customers		31,282	16,736	14,182
Reverse repurchase agreements		*28,639*	*15,108*	*13,615*
Total assets	**8.1**	**123,185**	**108,948**	**141,042**
LIABILITIES				
Derivatives		**30,345**	**33,059**	**33,045**
Short positions		**13,100**	**13,878**	**15,735**
Deposits		**48,472**	**39,654**	**72,935**
Deposits from central banks		3,653	3,360	6,397
Repurchase agreements		*3,653*	*3,360*	*6,397*
Deposits from credit institutions		18,138	16,285	43,337
Repurchase agreements (1)		*17,652*	*15,994*	*42,676*
Customer deposits		26,681	20,010	23,201
Repurchase agreements		*26,600*	*19,913*	*23,157*
Total liabilities	**8.1**	**91,917**	**86,591**	**121,715**

(1) The variation is mainly due to the evolution of "Reverse repurchase agreements" of BBVA, S.A. partially offset by the evolution of "Repurchase agreements" principally of BBVA, S.A.

As of December 31, 2025, 2024 and 2023 "Short positions" include €12,531 million, €13,010 million and €14,914 million, respectively, held with general governments.

10.2 Derivatives

The derivatives portfolio arises from the Group's need to manage the risks it is exposed to in the normal course of business and also to market products amongst the Group's customers. As of December 31, 2025, 2024 and 2023, most of the derivatives were mainly contracted in over-the-counter (OTC) markets, with counterparties, consisting primarily of credit institutions and other financial institutions. These derivatives are linked to foreign-exchange rate risk, interest rate risk and changes in equity instruments.

Below is a breakdown by type of risk and market, of the fair value and notional amounts of financial derivatives recognized in the consolidated balance sheets, divided into organized and OTC markets:

DERIVATIVES BY TYPE OF RISK AND BY PRODUCT OR BY TYPE OF MARKET (MILLIONS OF EUROS)

	2025			2024			2023		
	Assets	Liabilities	Notional amount - Total	Assets	Liabilities	Notional amount - Total	Assets	Liabilities	Notional amount - Total
Interest rate	**13,040**	**9,573**	**4,948,476**	**11,588**	**9,627**	**4,951,022**	**15,251**	**13,171**	**4,741,629**
OTC	13,034	9,536	4,923,960	11,579	9,622	4,930,657	15,248	13,167	4,722,314
Organized market	6	36	24,516	10	4	20,365	3	4	19,315
Equity instruments	**3,447**	**5,439**	**94,665**	**2,944**	**4,303**	**75,045**	**2,587**	**3,723**	**70,804**
OTC	997	3,724	41,328	682	2,347	38,612	1,212	2,551	49,038
Organized market	2,450	1,714	53,337	2,261	1,956	36,433	1,375	1,172	21,767
Foreign exchange and gold	**15,150**	**14,507**	**1,012,015**	**21,060**	**18,704**	**825,158**	**15,911**	**15,608**	**632,780**
OTC	15,041	14,441	997,308	21,056	18,698	810,770	15,889	15,590	623,203
Organized market	109	66	14,707	4	7	14,388	22	18	9,577
Credit	**790**	**756**	**66,427**	**386**	**375**	**42,799**	**543**	**542**	**31,478**
Credit default swap	681	720	62,702	349	369	40,847	540	528	29,844
Credit spread option	—	—	—	—	—	—	—	—	—
Total return swap	109	36	3,725	37	—	1,952	3	14	1,475
Other	—	—	—	—	6	—	—	—	159
Commodities	**124**	**70**	**4,521**	**25**	**50**	**1,939**	**1**	**1**	**169**
DERIVATIVES	**32,551**	**30,345**	**6,126,104**	**36,003**	**33,059**	**5,895,964**	**34,293**	**33,045**	**5,476,860**
Of which: OTC - credit institutions	*19,738*	*19,538*	*1,840,752*	*26,039*	*23,135*	*1,742,720*	*23,998*	*23,977*	*1,463,433*
Of which: OTC - other financial corporations	*6,387*	*5,336*	*4,004,652*	*3,383*	*4,212*	*3,914,640*	*5,042*	*4,412*	*3,815,162*
Of which: OTC - other	*3,862*	*3,655*	*185,799*	*4,306*	*3,744*	*166,402*	*3,854*	*3,461*	*147,310*

11. Non-trading financial assets mandatorily at fair value through profit or loss

The breakdown of the balance under this heading in the consolidated balance sheets is as follows:

NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Equity instruments	7.2.2	10,539	9,782	7,963
Debt securities	7.2.2	192	407	484
Loans and advances	7.2.2	541	358	290
Total	**8.1**	**11,272**	**10,546**	**8,737**

The equity instruments included in this heading mainly comprised financial assets related to the insurance activity of the BBVA Group, including investments associated with life insurance products where the investment risk is assumed by the policyholder, such as the Unit-link products.

12. Financial assets and liabilities designated at fair value through profit or loss

The breakdown of the balance under these headings in the consolidated balance sheets is as follows:

FINANCIAL ASSETS AND LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
ASSETS				
Debt securities	7.2.2	1,006	836	955
Total assets	**8.1**	**1,006**	**836**	**955**
LIABILITIES				
Customer deposits		897	934	717
Debt certificates issued		5,997	4,597	3,977
Other financial liabilities: Unit-linked products		11,524	9,420	8,605
Total liabilities	**8.1**	**18,417**	**14,952**	**13,299**

This heading includes mainly liabilities linked to insurance products where the risk is assumed by the policyholder (Unit-link) products. Since the liabilities linked to insurance products in which the policyholder assumes the risk are valued the same way as the assets associated with such insurance products, there is no credit risk borne by the Group in relation to these liabilities.

In addition, debt securities are included in these headings to reduce inconsistencies (asymmetries) in the valuation of such operations and those operations used to manage the risk associated with them.

13. Financial assets at fair value through other comprehensive income

13.1 Breakdown of the balance

The breakdown of the balance of financial assets at fair value through other comprehensive income by type of financial instrument as of December 31, 2025, 2024 and 2023 is as follows:

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Equity instruments	7.2.2	1,360	1,451	1,217
Debt securities		57,001	57,526	60,963
Loans and advances	7.2.2	448	25	26
Total [1]	**8.1**	**58,809**	**59,002**	**62,205**
Of which: loss allowances of debt securities		*(45)*	*(112)*	*(84)*
Of which: loss allowances of loans and advances		*(65)*	—	—

(1) During financial years 2025, 2024 and 2023, there have been no significant reclassifications from the heading "Financial assets at fair value through other comprehensive income" to other headings or from other headings to "Financial assets at fair value through other comprehensive income".

13.2 Equity instruments

The breakdown of the balance under the heading "Equity instruments" of the consolidated balance sheets as of December 31, 2025, 2024 and 2023 is as follows:

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME. EQUITY INSTRUMENTS (MILLIONS OF EUROS)

	2025	2024	2023
Listed equity instruments			
Spanish companies shares	992	1,100	987
Foreign companies shares	131	131	111
Mexico	*19*	*27*	*33*
The United States	*85*	*79*	*52*
Turkey	*4*	*9*	*6*
Other countries	*22*	*17*	*20*
Subtotal listed equity instruments	**1,123**	**1,231**	**1,098**
Unlisted equity instruments			
Spanish companies shares	53	46	12
Foreign companies shares	184	174	106
Subtotal unlisted equity instruments	**237**	**220**	**119**
Total	**1,360**	**1,451**	**1,217**

13.3 Debt securities

The breakdown of the balance under the heading "Debt securities" of the consolidated financial statements as of December 31, 2025, 2024 and 2023, broken down by issuers, is as follows:

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME. DEBT SECURITIES (MILLIONS OF EUROS)

	2025	2024	2023
Domestic debt securities			
Government and other government agency	10,090	10,383	13,757
Credit institutions	518	695	901
Other issuers	389	397	454
Subtotal	**10,997**	**11,475**	**15,111**
Foreign debt securities			
Mexico	**20,995**	**20,461**	**21,714**
Government and other government agency	19,752	19,313	20,364
Credit institutions	876	759	886
Other issuers	367	389	464
The United States	**6,214**	**6,552**	**6,344**
Government and other government agency	3,621	3,703	3,174
Credit institutions	48	41	88
Other issuers	2,546	2,808	3,082
Turkey	**2,907**	**2,849**	**2,459**
Government and other government agency	2,907	2,837	2,445
Other issuers	—	12	14
Other countries	**15,888**	**16,190**	**15,336**
Other foreign governments and government agency	10,277	10,059	8,961
Central banks	208	370	508
Credit institutions	2,204	1,921	1,895
Other issuers	3,199	3,840	3,971
Subtotal	**46,004**	**46,052**	**45,852**
Total	**57,001**	**57,526**	**60,963**

The credit ratings of the issuers of debt securities as of December 31, 2025, 2024 and 2023 are as follows:

DEBT SECURITIES BY RATING

	2025		2024		2023	
	Fair value (Millions of Euros)	%	Fair value (Millions of Euros)	%	Fair value (Millions of euros)	%
AAA	2,015	3.5 %	1,370	2.4 %	1,000	1.6 %
AA+	4,148	7.3 %	4,170	7.2 %	3,685	6.0 %
AA	410	0.7 %	261	0.5 %	384	0.6 %
AA-	1,854	3.3 %	1,061	1.8 %	642	1.1 %
A+	1,065	1.9 %	905	1.6 %	1,798	3.0 %
A	11,235	19.7 %	2,007	3.5 %	1,747	2.9 %
A-	1,613	2.8 %	12,018	20.9 %	16,009	26.3 %
BBB+	24,493	43.0 %	19,897	34.6 %	22,854	37.5 %
BBB	3,586	6.3 %	9,212	16.0 %	8,327	13.7 %
BBB-	1,640	2.9 %	922	1.6 %	858	1.4 %
BB+ or below	4,916	8.6 %	5,227	9.1 %	3,480	5.7 %
Unclassified	27	0.0 %	474	0.8 %	178	0.3 %
Total	**57,001**	**100.0 %**	**57,526**	**100.0 %**	**60,963**	**100.0 %**

13.4 Gains/losses

The changes in the gains/losses (net of taxes) in 2025, 2024 and 2023 of debt securities recognized under the equity heading "Accumulated other comprehensive income (loss) – Items that may be reclassified to profit or loss – Fair value changes of debt instruments measured at fair value through other comprehensive income" and equity instruments recognized under the equity heading "Accumulated other comprehensive income (loss) – Items that will not be reclassified to profit or loss –Fair value changes of equity instruments measured at fair value through other comprehensive income" in the consolidated balance sheets are as follows:

OTHER COMPREHENSIVE INCOME - CHANGES IN GAINS (LOSSES) (MILLIONS OF EUROS)

	Notes	Debt securities			Equity instruments		
		2025	2024	2023	2025	2024	2023
Balance at the beginning		**(576)**	**(357)**	**(809)**	**(905)**	**(1,112)**	**(1,194)**
Valuation gains and losses		96	(568)	659	(76)	228	80
Amounts transferred to income		434	247	5			
Amounts transferred to Reserves					1	—	2
Income tax and other		(163)	101	(211)	(3)	(20)	(1)
Balance at the end	**30**	**(209)**	**(576)**	**(357)**	**(983)**	**(905)**	**(1,112)**

In 2025, 2024 and 2023, equity instruments presented a €76 million loss, a €228 million gain and a €80 million gain, respectively, in the heading "Accumulated other comprehensive income (loss) - Items that will not be reclassified to profit and loss - Fair value changes of equity instruments measured at fair value through other comprehensive income", mainly due to changes in Telefonica's share price. Likewise, the valuations of debt securities have been affected mainly by the evolution of interest rates.

14. Financial assets at amortized cost

14.1 Breakdown of the balance

The breakdown of the balance under this heading in the consolidated balance sheets, according to the nature of the financial instrument, is as follows:

FINANCIAL ASSETS AT AMORTIZED COST (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Debt securities		**73,379**	**59,014**	**49,462**
Central banks		1,598	6	22
General governments		65,868	54,806	45,124
Credit institutions		3,914	2,459	2,366
Other financial corporations		701	451	923
Non-financial corporations		1,297	1,292	1,027
Loans and advances to central banks		**10,869**	**8,255**	**7,151**
Loans and advances to credit institutions		**24,244**	**22,655**	**17,477**
Reverse repurchase agreements		8,120	9,157	5,786
Other loans and advances		16,123	13,497	11,690
Loans and advances to customers	**7.2.2**	**460,401**	**412,477**	**377,643**
General governments		25,905	22,111	23,265
Other financial corporations		23,522	17,497	13,251
Non-financial corporations		217,390	193,386	171,063
Other		193,583	179,483	170,063
Total	**8.2**	**568,893**	**502,400**	**451,732**
Of which: impaired assets of loans and advances to customers	*7.2.2*	*14,346*	*14,211*	*14,444*
Of which: loss allowances of loans and advances	*7.2.5*	*(12,329)*	*(11,630)*	*(11,316)*
Of which: loss allowances of debt securities		*(49)*	*(57)*	*(82)*

During 2025, the Group made a payment corresponding to the Interest Margin and Commission Tax ("IMIC", by its acronym in Spanish) for the year ended December 31, 2024, regulated by the Ninth Final Provision of Law 7/2024. However, given that such payment was made but considered undue with respect to such year under the existing legal framework, as of December 31, 2025, an asset for the amount disbursed (€295 million) was recorded under the "General governments" heading within the "Financial assets at amortized cost - Loans and advances to customers" item in the balance sheet.

14.2 Debt securities

The breakdown of the balance under the heading "Debt securities" in the consolidated balance sheets, according to the issuer of the debt securities, is as follows:

FINANCIAL ASSETS AT AMORTIZED COST. DEBT SECURITIES (MILLIONS OF EUROS)

	2025	2024	2023
Domestic debt securities			
Government and other government agencies	39,252	35,664	25,857
Credit institutions	1,108	1,099	1,028
Other issuers	404	367	230
Subtotal	**40,764**	**37,130**	**27,114**
Foreign debt securities			
Mexico	**6,701**	**4,139**	**6,277**
Government and other government agencies	5,142	4,076	6,205
Central banks	1,519	—	—
Credit institutions	40	63	72
Other issuers	—	—	—
The United States	**2,282**	**2,505**	**2,229**
Government and other government agencies	2,244	2,463	2,188
Credit institutions	21	20	19
Other issuers	17	22	21
Turkey	**5,288**	**6,764**	**6,284**
Government and other government agencies	5,251	6,622	6,167
Credit institutions	8	7	8
Other issuers	29	135	109
Other countries	**18,345**	**8,476**	**7,558**
Other foreign governments and other government agency	13,980	5,982	4,707
Central banks	79	6	22
Credit institutions	2,738	1,269	1,239
Other issuers	1,548	1,219	1,591
Subtotal	**32,615**	**21,884**	**22,348**
Total	**73,379**	**59,014**	**49,462**

As of December 31, 2025, 2024 and 2023, the distribution according to the credit quality (ratings) of the issuers of debt securities classified as financial assets at amortized cost, was as follows:

DEBT SECURITIES BY RATING

	2025		2024		2023	
	Carrying amount (Millions of Euros)	%	Carrying amount (Millions of Euros)	%	Carrying amount (Millions of Euros)	%
AAA	2,703	3.7 %	1,907	3.2 %	1,829	3.7 %
AA+	3,242	4.4 %	3,418	5.8 %	3,096	6.3 %
AA	—	— %	69	0.1 %	142	0.3 %
AA-	7,362	10.0 %	1,027	1.7 %	60	0.1 %
A+	569	0.8 %	22	— %	25	0.1 %
A	37,936	51.7 %	497	0.8 %	444	0.9 %
A-	2,014	2.7 %	34,652	58.7 %	24,739	50.0 %
BBB+	10,160	13.8 %	4,518	7.7 %	6,615	13.4 %
BBB	1,170	1.6 %	4,105	7.0 %	4,551	9.2 %
BBB-	1,856	2.5 %	890	1.5 %	548	1.1 %
BB+ or below	6,027	8.2 %	7,199	12.2 %	6,642	13.4 %
Unclassified	341	0.5 %	711	1.2 %	772	1.6 %
Total	**73,379**	**100.0 %**	**59,014**	**100.0 %**	**49,462**	**100.0 %**

14.3 Loans and advances to customers

The breakdown of the balance under this heading in the consolidated balance sheets, according to their nature, is as follows:

LOANS AND ADVANCES TO CUSTOMERS (MILLIONS OF EUROS)

	2025	2024	2023
On demand and short notice	6,192	5,307	3,040
Credit card debt	30,651	27,720	22,889
Trade receivables	34,291	31,693	25,096
Finance leases	10,610	10,125	9,463
Reverse repurchase agreements	743	262	92
Other term loans	371,054	331,451	312,186
Advances that are not loans	6,861	5,919	4,877
Total	**460,401**	**412,477**	**377,643**

The following table sets forth a breakdown of the gross carrying amount "Loans and advances to customers" with maturity greater than one year by fixed and variable rate as of December 31, 2025, 2024 and 2023:

LOANS AND ADVANCES MATURING IN MORE THAN ONE YEAR BY FIXED AND VARIABLE RATE (MILLIONS OF EUROS)

	2025			2024			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
Fixed rate	76,871	95,806	172,677	67,284	85,473	152,757	63,060	77,381	140,441
Variable rate	59,584	81,950	141,534	62,359	65,493	127,851	66,188	61,723	127,911
Total	**136,454**	**177,757**	**314,211**	**129,642**	**150,966**	**280,608**	**129,248**	**139,104**	**268,352**

As of December 31, 2025, 2024 and 2023, 55%, 54% and 52%, respectively, of "Loans and advances to customers" with maturity greater than one year have fixed-interest rates and 45%, 46% and 48%, respectively, have variable interest rates.

This heading also includes certain loans that have been securitized. The balances recognized in the consolidated balance sheets corresponding to these securitized loans are as follows:

SECURITIZED LOANS (MILLIONS OF EUROS)

	2025	2024	2023
Securitized mortgage assets	17,408	19,537	20,406
Other securitized assets	8,662	8,702	8,493
Total	**26,070**	**28,239**	**28,899**

The heading Loans and advances to customers includes a non-significant deposit with the Bank of France associated with the contribution to the Single Resolution Fund for the years 2018, 2017 and 2016, which was made in the form of an irrevocable payment commitment.

15. Derivatives – Hedge accounting and fair value changes of the hedged items in portfolio hedges of interest rate risk

The breakdown of the balance of these headings in the consolidated balance sheets is as follows:

DERIVATIVES – HEDGE ACCOUNTING AND FAIR VALUE CHANGES OF THE HEDGED ITEMS IN PORTFOLIO HEDGE OF INTEREST RATE RISK (MILLIONS OF EUROS)

	2025	2024	2023
ASSETS			
Derivatives - Hedge accounting	570	1,158	1,482
Fair value changes of the hedged items in portfolio hedges of interest rate risk	(87)	(65)	(97)
LIABILITIES			
Derivatives - Hedge accounting	1,933	2,503	2,625
Fair value changes of the hedged items in portfolio hedges of interest rate risk	—	—	—

As of December 31, 2025, 2024 and 2023, the main positions hedged by the Group and the derivatives designated to hedge those positions were:

- Fair value hedging:

  a. Fixed-interest debt securities at fair value through other comprehensive income and at amortized cost: the interest rate risk of these debt securities is hedged using interest rate derivatives (fixed-variable swaps) and forward sales.

  b. Long-term fixed-interest debt certificates issued by the Bank: the interest rate risk of these debt securities is hedged using interest rate derivatives (fixed-variable swaps).

  c. Fixed-interest loans: the equity price risk of these instruments is hedged using interest rate derivatives (fixed-variable swaps).

  d. Fixed-interest and/or embedded derivative deposit portfolio hedges: it covers the interest rate risk through fixed-variable swaps. The valuation of the borrowed deposits corresponding to the interest rate risk is in the heading "Fair value changes of the hedged items in portfolio hedges of interest rate risk".

– Cash flow hedges: most of the hedged items are floating interest rate loans and asset hedges linked to the inflation of the amortized cost portfolio and the financial assets at fair value through other comprehensive income portfolio. This risk is hedged using foreign-exchange, interest rate swaps, inflation and FRA ("Forward Rate Agreement").

– Net foreign-currency investment hedges: these hedged risks are foreign-currency investments in the Group's foreign subsidiaries. This risk is hedged mainly with foreign-exchange options and forward currency sales and purchases (see Note 30).

Note 7 analyzes the Group's main risks that are hedged using these financial instruments.

The details of the net positions by hedged risk of the fair value of the hedging derivatives used by the Group as of December 31, 2025, 2024 and 2023, and which are recorded under the headings of "Derivatives - hedge accounting" of both assets and liabilities of the consolidated balance sheet are as follows:

DERIVATIVES - HEDGE ACCOUNTING. BREAKDOWN BY TYPE OF RISK AND TYPE OF HEDGE (MILLIONS OF EUROS)

	Notes	2025		2024		2023	
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate		**329**	**162**	**257**	**344**	**422**	**364**
OTC		329	162	257	344	422	364
Organized market		—	—	—	—	—	—
Equity		**18**	**1**	**—**	**—**	**—**	**—**
OTC		18	1	—	—	—	—
Organized market		—	—	—	—	—	—
Foreign exchange and gold		**8**	**139**	**73**	**93**	**221**	**31**
OTC		8	139	73	93	221	31
Organized market		—	—	—	—	—	—
Credit		**—**	**—**	**—**	**—**	**—**	**—**
Commodities		**—**	**—**	**—**	**—**	**—**	**—**
Other		**—**	**—**	**—**	**—**	**—**	**—**
FAIR VALUE HEDGES		**355**	**302**	**330**	**437**	**644**	**395**
Interest rate		**91**	**1,215**	**618**	**1,513**	**490**	**2,048**
OTC		91	1,212	615	1,513	483	2,048
Organized market		—	3	3	—	7	—
Equity		**—**	**—**	**—**	**—**	**—**	**—**
Foreign exchange and gold		**115**	**216**	**142**	**431**	**291**	**41**
OTC		115	216	142	431	291	41
Organized market		—	—	—	—	—	1
Credit		**—**	**—**	**—**	**—**	**—**	**—**
Commodities		**—**	**—**	**—**	**—**	**—**	**—**
Other		**—**	**—**	**—**	**—**	**—**	**—**
CASH FLOW HEDGES		**206**	**1,431**	**760**	**1,944**	**781**	**2,089**
HEDGE OF NET INVESTMENTS IN A FOREIGN OPERATION		**7**	**200**	**66**	**122**	**27**	**136**
PORTFOLIO FAIR VALUE HEDGES OF INTEREST RATE RISK		**2**	**—**	**2**	**—**	**3**	**5**
PORTFOLIO CASH FLOW HEDGES OF INTEREST RATE RISK		**—**	**—**	**—**	**—**	**27**	**—**
DERIVATIVES-HEDGE ACCOUNTING	**8**	**570**	**1,933**	**1,158**	**2,503**	**1,482**	**2,625**
of which: OTC - credit institutions		*538*	*1,554*	*932*	*2,005*	*1,237*	*2,404*
of which: OTC - other financial corporations		*24*	*343*	*223*	*499*	*237*	*221*

Below there is a breakdown of the items covered by fair value hedges (mainly for the interest rates hedging) for years 2025 and 2024:

HEDGED ITEMS AND HEDGES. DECEMBER 2025 (MILLIONS OF EUROS)

	Notional	Hedged item amount	Accumulated fair value adjustments on the hedged item	Carrying amount of the hedging instrument	
				Assets	Liabilities
Fair value hedges	**69,514**	**68,884**	**(507)**	**357**	**303**
Financial assets measured at fair value through other comprehensive income	**7,948**	**7,246**	**(346)**	**43**	**12**
Debt securities	7,632	6,945	(336)	22	6
Equity instruments	250	231	(14)	18	1
Loans and advances	66	71	4	2	5
Financial assets measured at amortized cost	**14,190**	**13,993**	**(163)**	**33**	**165**
Debt securities	8,758	8,619	(86)	19	158
Loans and advances	5,432	5,375	(77)	14	7
Financial liabilities measured at amortized costs	**47,376**	**47,645**	**2**	**281**	**126**
Debt certificates issued	42,287	42,408	48	218	125
Deposits	5,089	5,237	(46)	63	1

HEDGED ITEMS AND HEDGES. DECEMBER 2024 (MILLIONS OF EUROS)

	Notional	Hedged item amount	Accumulated fair value adjustments on the hedged item	Carrying amount of the hedging instrument	
				Assets	Liabilities
Fair value hedges	**59,371**	**58,230**	**(329)**	**330**	**437**
Financial assets measured at fair value through other comprehensive income	**9,559**	**8,157**	**(409)**	**109**	**29**
Debt securities	9,559	8,157	(409)	109	29
Financial assets measured at amortized cost	**4,934**	**4,792**	**(16)**	**49**	**116**
Debt securities	3,860	3,757	(48)	47	102
Loans and advances	1,074	1,035	32	2	14
Financial liabilities measured at amortized costs	**44,878**	**45,281**	**96**	**171**	**292**
Debt certificates issued	42,209	42,536	172	74	281
Deposits	2,669	2,745	(76)	97	11

In 2025 and 2024, the inefficiencies of the fair value hedges amounted to €0 and €8 million, respectively, and are recognized in the " Gains (losses) from hedge accounting, net " item of the consolidated income statement. (See Note 41).

Below is a breakdown of the items covered by cash flow hedges (mainly for the interest rates hedging) for years 2025 and 2024:

HEDGED ITEMS AND HEDGES. DECEMBER 2025 (MILLIONS OF EUROS)

	Notional	Hedged item amount	Carrying amount of the hedging instrument		Profit (loss) recognized in Other Comprehensive Income
			Assets	Liabilities	
Cash flow hedges	**38,377**	**39,854**	**206**	**1,431**	**281**
Financial assets measured at fair value through other comprehensive income	**2,905**	**3,050**	**142**	**303**	**60**
Debt securities	2,905	3,050	142	303	60
Financial assets measured at amortized cost	**33,861**	**35,188**	**33**	**1,057**	**326**
Debt securities	4,432	5,759	7	1,057	317
Loans and advances	29,429	29,429	26	—	9
Financial liabilities measured at amortized costs	**1,611**	**1,616**	**30**	**72**	**(105)**
Debt certificates issued	1,280	1,285	30	33	(38)
Deposits	330	332	—	39	(67)

HEDGED ITEMS AND HEDGES. DECEMBER 2024 (MILLIONS OF EUROS)

	Notional	Hedged item amount	Carrying amount of the hedging instrument		Profit (loss) recognized in Other Comprehensive Income
			Assets	Liabilities	
Cash flow hedges	**39,687**	**40,805**	**760**	**1,944**	**306**
Financial assets measured at fair value through other comprehensive income	**6,941**	**8,078**	**445**	**1,892**	**235**
Debt securities	6,941	8,078	445	1,892	235
Financial assets measured at amortized cost	**31,308**	**31,287**	**240**	**60**	**82**
Debt securities	31,308	31,287	240	60	82
Financial liabilities measured at amortized costs	**1,438**	**1,440**	**75**	**(8)**	**(11)**
Debt certificates issued	1,235	1,237	75	5	(5)
Deposits	203	203	—	(13)	(6)

In 2025 and 2024, the inefficiencies of the cash flow hedges amounted to €-2 and €-3 million, respectively, and are recognized in the " Gains (losses) from hedge accounting, net " item of the consolidated income statement. (See Note 41).

Below is a breakdown of the items covered by foreign currency hedges for the years 2025 and 2024:

HEDGED ITEMS AND HEDGES (MILLIONS OF EUROS)

	Carrying amount of the hedged item	Hedge of net investments in foreign operations (effective portion)	Carrying amount of the hedging instrument	
			Assets	Liabilities
Hedge of net investments in foreign operations 2025	**35,760**	**(3,117)**	**7**	**200**
Hedge of net investments in foreign operations 2024	**31,820**	**(2,329)**	**66**	**122**

As of December 31, 2025 and 2024, no inefficiencies were recorded in the hedge of net investments in foreign transactions.

The following is the breakdown, by their notional maturities, of the hedging instruments as of December 31, 2025:

CALENDAR OF THE NOTIONAL MATURITIES OF THE HEDGING INSTRUMENTS (MILLIONS OF EUROS)

	Up to 3 months	From 3 months to 1 year	From 1 to 5 years	More than 5 years	Total
FAIR VALUE HEDGES	**6,701**	**15,373**	**25,342**	**19,101**	**66,516**
Of which: Interest rate	*6,490*	*14,865*	*24,980*	*18,763*	*65,099*
CASH FLOW HEDGES	**2,883**	**9,300**	**22,197**	**3,901**	**38,281**
Of which: Interest rate	*2,883*	*9,300*	*20,190*	*1,411*	*33,784*
HEDGE OF NET INVESTMENTS IN A FOREIGN OPERATION	**14,535**	**2,215**	**—**	**—**	**16,750**
PORTFOLIO FAIR VALUE HEDGES OF INTEREST RATE RISK	**250**	**582**	**3,255**	**1,901**	**5,988**
PORTFOLIO CASH FLOW HEDGES OF INTEREST RATE RISK	**—**	**—**	**—**	**—**	**—**
DERIVATIVES-HEDGE ACCOUNTING	**24,369**	**27,470**	**50,794**	**24,903**	**127,535**

In 2025, 2024 and 2023, there was no reclassification in the consolidated income statements of any amount that was previously recognized in equity (see Note 41). The amount of the derivatives designated as accounting hedges that did not pass the effectiveness test in the years ended December 31, 2025, 2024 and 2023 was not material.

16. Investments in joint ventures and associates

16.1 Joint ventures and associates

The breakdown of the balance of "Joint ventures and associates" in the consolidated balance sheets is as follows:

JOINT VENTURES AND ASSOCIATES. BREAKDOWN BY ENTITIES (MILLIONS OF EUROS)

	2025	2024	2023
Joint ventures			
Altura Markets, S.V., S.A.	44	38	31
RCI Colombia	37	37	40
Other	29	19	22
Subtotal	**111**	**94**	**93**
Associates			
Metrovacesa, S.A.	282	300	259
BBVA Allianz Seguros y Reaseguros, S.A.	277	265	251
Atom Holdco Limited	222	222	211
Servicios Electrónicos Globales S.A. de C.V.	56	43	36
Other	45	65	127
Subtotal	**883**	**895**	**883**
Total	**994**	**989**	**976**

Details of the joint ventures and associates as of December 31, 2025 are shown in Appendix II.

The following is a summary of the changes in the years ended December 31, 2025, 2024 and 2023 under this heading in the consolidated balance sheets:

JOINT VENTURES AND ASSOCIATES. CHANGES IN THE YEAR (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Balance at the beginning		**989**	**976**	**916**
Acquisitions and capital increases		2	4	95
Disposals and capital reductions		(55)	(28)	(42)
Transfers and changes of consolidation method		—	(69)	4
Share of profit and loss	39	62	40	26
Exchange differences		(13)	7	16
Impairment / reversal of impairment [1]		32	63	(9)
Dividends, valuation adjustments and other		(23)	(5)	(30)
Balance at the end		**994**	**989**	**976**

(1) See Note 16.3.

During the year 2025, there were no significant changes under the heading "Joint ventures and associates".

During the year 2024, the most significant changes under the heading "Joint ventures and associates" correspond to Solaris and Compañía Española de Financiación del Desarrollo S.A. (Cofides) that left the scope of the consolidation perimeter in the first half of the year when the Group ceased to have significant influence in either entity.

During the year 2023, the most significant change under the heading "Joint ventures and associates" corresponds to a capital increase in Atom Holdco Limited.

Appendix III provides notifications on acquisitions and disposals of holdings in subsidiaries, joint ventures and associates, in compliance with article 155 of the Corporations Act and article 125 of the Securities Market Act 4/2015.

16.2 Other information about associates and joint ventures

If these entities had been consolidated rather than accounted for using the equity method, the change in each of the lines of balance sheet and the consolidated income statement would not be significant.

As of December 31, 2025, 2024 and 2023 there was no financial support agreement or other contractual commitment to associates and joint ventures entities from the holding or the subsidiaries that are not recognized in the financial statements (see Note 53.2).

As of December 31, 2025, 2024 and 2023 there was no contingent liability in connection with the investments in joint ventures and associates (see Note 53.2).

16.3 Impairment

As required by IAS 36, the book value of the associates and joint venture entities has been compared with their recoverable amount, with the latter being calculated as the higher between the value in use and the fair value minus the cost of sale. For the year ended December 31, 2025, a net reversal of impairment was recorded for €32 million; for the year ended December 31, 2024, a net reversal of impairment was recorded for €63 million; for the year ended December 31, 2023, a net impairment was recorded for €9 million (see Note 48).

17. Tangible assets

The breakdown of, and changes in, the balances under this heading in the consolidated balance sheets, according to the nature of the related items, is as follows:

TANGIBLE ASSETS. BREAKDOWN BY TYPE OF ASSETS AND CHANGES IN THE YEAR 2025 (MILLIONS OF EUROS)

	Notes	Land and buildings	Work in progress	Furniture, fixtures and vehicles	Right to use asset		Assets leased out under an operating lease	Total
					Own use	Investment Properties	Investment Properties	
Cost								
Balance at the beginning		**6,475**	**155**	**6,848**	**2,439**	**251**	**241**	**1,158**	**17,567**
Additions		62	101	520	437	5	1	157	1,282
Retirements		(78)	(1)	(334)	(178)	(4)	(6)	(2)	(602)
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		5	(162)	84	1	(1)	(2)	—	(75)
Exchange difference and other		(87)	(9)	(89)	(17)	—	(18)	(227)	(447)
Balance at the end		**6,377**	**83**	**7,029**	**2,683**	**251**	**216**	**1,085**	**17,724**
Accrued depreciation								
Balance at the beginning		**1,262**	**—**	**4,850**	**1,164**	**91**	**27**	**153**	**7,547**
Additions	45	106	—	501	317	18	4	—	946
Additions transfer to discontinued operations		—	—	—	—	—	—	—	—
Retirements		(30)	—	(306)	(30)	—	(2)	(1)	(369)
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		(11)	—	(9)	2	(2)	1	5	(14)
Exchange difference and other		(10)	—	(74)	(74)	—	(2)	48	(112)
Balance at the end		**1,317**	**—**	**4,962**	**1,379**	**106**	**28**	**206**	**7,999**
Impairment								
Balance at the beginning		**118**	**—**	**—**	**22**	**81**	**39**	**—**	**260**
Additions	49	2	—	6	4	(10)	(8)	1	(5)
Additions transfer to discontinued operations		—	—	—	—	—	—	—	—
Retirements		—	—	—	—	—	—	—	—
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		7	—	—	—	—	—	—	7
Exchange difference and other		(5)	—	(6)	(1)	—	(6)	(1)	(19)
Balance at the end		**122**	**—**	**—**	**25**	**71**	**26**	**—**	**243**
Net tangible assets								
Balance at the beginning		**5,094**	**155**	**1,999**	**1,253**	**79**	**174**	**1,004**	**9,759**
Balance at the end		**4,938**	**83**	**2,067**	**1,279**	**74**	**161**	**879**	**9,482**

TANGIBLE ASSETS. BREAKDOWN BY TYPE OF ASSETS AND CHANGES IN THE YEAR 2024 (MILLIONS OF EUROS)

	Notes	Land and buildings	Work in progress	Furniture, fixtures and vehicles	Right to use asset		Investment properties	Assets leased out under an operating lease	Total
					Own use	Investment properties			
Cost									
Balance at the beginning		**6,405**	**199**	**6,424**	**2,212**	**238**	**156**	**800**	**16,432**
Additions		295	110	513	574	2	52	369	1,914
Retirements		(38)	(1)	(89)	(332)	(32)	(10)	(63)	(566)
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		5	(136)	145	(44)	44	(20)	—	(5)
Exchange difference and other		(192)	(17)	(145)	29	—	63	53	(208)
Balance at the end		**6,475**	**155**	**6,848**	**2,439**	**251**	**241**	**1,158**	**17,567**
Accrued depreciation									
Balance at the beginning		**1,226**	**—**	**4,606**	**906**	**93**	**17**	**49**	**6,896**
Additions	45	123	—	501	324	19	5	—	972
Additions transfer to discontinued operations		—	—	—	—	—	—	—	—
Retirements		(25)	—	(87)	(42)	—	(1)	(6)	(161)
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		(4)	—	10	22	(22)	(1)	—	5
Exchange difference and other		(56)	—	(181)	(46)	—	8	111	(165)
Balance at the end		**1,262**	**—**	**4,850**	**1,164**	**91**	**27**	**153**	**7,547**
Impairment									
Balance at the beginning		**166**	**—**	**—**	**40**	**61**	**15**	**—**	**283**
Additions	49	(65)	—	2	(18)	20	31	1	(29)
Additions transfer to discontinued operations		—	—	—	—	—	—	—	—
Retirements		—	—	—	—	—	—	—	—
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		—	—	—	—	—	(5)	—	(5)
Exchange difference and other		16	—	(2)	—	—	(2)	(1)	13
Balance at the end		**118**	**—**	**—**	**22**	**81**	**39**	**—**	**260**
Net tangible assets									
Balance at the beginning		**5,013**	**199**	**1,817**	**1,266**	**84**	**124**	**751**	**9,253**
Balance at the end		**5,094**	**155**	**1,999**	**1,253**	**79**	**174**	**1,004**	**9,759**

TANGIBLE ASSETS. BREAKDOWN BY TYPE OF ASSETS AND CHANGES IN THE YEAR 2023 (MILLIONS OF EUROS)

	Notes	Land and buildings	Work in progress	Furniture, fixtures and vehicles	Right to use asset		Investment properties	Assets leased out under an operating lease	Total
					Own use	Investment properties			
Cost									
Balance at the beginning		**6,255**	**93**	**5,833**	**1,871**	**214**	**242**	**582**	**15,089**
Additions		270	190	549	499	10	39	238	1,795
Retirements		(19)	(4)	(117)	(195)	—	(10)	(4)	(349)
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		12	(72)	41	(18)	15	—	—	(22)
Exchange difference and other		(113)	(8)	118	55	—	(115)	(16)	(79)
Balance at the end		**6,405**	**199**	**6,424**	**2,212**	**238**	**156**	**800**	**16,432**
Accrued depreciation									
Balance at the beginning		**1,064**	**—**	**4,204**	**653**	**70**	**23**	**52**	**6,066**
Additions	45	121	—	426	296	21	3	—	867
Additions transfer to discontinued operations		—	—	—	—	—	—	—	—
Retirements		(9)	—	(73)	(26)	—	(1)	(1)	(111)
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		(2)	—	(7)	(5)	3	1	—	(11)
Exchange difference and other		52	—	57	(12)	—	(9)	(3)	85
Balance at the end		**1,226**	**—**	**4,606**	**906**	**93**	**17**	**49**	**6,896**
Impairment									
Balance at the beginning		**154**	**—**	**—**	**65**	**50**	**17**	**—**	**286**
Additions	49	15	—	1	(14)	12	2	—	16
Additions transfer to discontinued operations		—	—	—	—	—	—	—	—
Retirements		—	—	—	—	—	—	—	—
Acquisition of subsidiaries in the year		—	—	—	—	—	—	—	—
Disposal of entities in the year		—	—	—	—	—	—	—	—
Transfers		—	—	—	—	—	—	—	—
Exchange difference and other		(3)	—	(1)	(11)	—	(3)	—	(18)
Balance at the end		**166**	**—**	**—**	**40**	**61**	**15**	**—**	**283**
Net tangible assets									
Balance at the beginning		**5,036**	**93**	**1,629**	**1,153**	**94**	**201**	**530**	**8,737**
Balance at the end		**5,013**	**199**	**1,817**	**1,266**	**84**	**124**	**751**	**9,253**

The right to use asset consists mainly of the rental of commercial real estate premises for central services and the network branches located in the countries where the Group operates whose average term is between 5 and 20 years. The clauses included in rental contracts correspond to a large extent to rental contracts under normal market conditions in the country where the property is rented.

As of December 31, 2025, 2024 and 2023, the cost of fully amortized tangible assets that remained in use were €3,096 million, €3,186 million and €2,796 million respectively while its recoverable residual value was not significant.

As of December 31, 2025, 2024 and 2023 the amount of tangible assets under financial lease schemes in respect of which the purchase option was expected to be exercised was not material.

The main activity of the Group is carried out through a network of bank branches located geographically as shown in the following table:

BRANCHES BY GEOGRAPHICAL AREA (NUMBER OF BRANCHES)

	2025	2024	2023
Spain	1,871	1,881	1,882
Mexico	1,635	1,691	1,706
South America	1,192	1,221	1,395
Turkey	913	925	935
Rest	31	31	31
Total	**5,642**	**5,749**	**5,949**

The following table shows the detail of the net carrying amount of the tangible assets corresponding to Spanish and foreign subsidiaries as of December 31, 2025, 2024 and 2023:

TANGIBLE ASSETS BY SPANISH AND FOREIGN SUBSIDIARIES. NET ASSETS VALUES (MILLIONS OF EUROS)

	2025	2024	2023
BBVA and Spanish subsidiaries	4,082	4,129	4,183
Foreign subsidiaries	5,400	5,630	5,071
Total	**9,482**	**9,759**	**9,253**

18. Intangible assets

18.1 Goodwill

The breakdown of the balance under this heading in the consolidated balance sheets, according to the CGU to which goodwill has been allocated, is as follows:

GOODWILL. BREAKDOWN BY CGU AND CHANGES OF THE YEAR (MILLIONS OF EUROS)

	Mexico	Colombia	Chile	Other	Total
Balance as of December 31, 2022	**559**	**118**	**25**	**5**	**707**
Additions	—	—	—	—	—
Exchange difference	64	25	(1)	—	88
Impairment	—	—	—	—	—
Companies held for sale	—	—	—	—	—
Balance as of December 31, 2023	**623**	**143**	**24**	**5**	**795**
Additions	—	—	—	—	—
Exchange difference	(82)	(11)	(1)	(1)	(95)
Impairment	—	—	—	—	—
Companies held for sale	—	—	—	—	—
Balance as of December 31, 2024	**541**	**132**	**23**	**4**	**700**
Additions	—	—	—	—	—
Exchange difference	11	5	(1)	—	15
Impairment	—	—	—	—	—
Companies held for sale	—	—	—	—	—
Balance as of December 31, 2025	**553**	**137**	**22**	**4**	**715**

Goodwill in business combinations

There were no significant business combinations during 2025, 2024 and 2023.

Impairment Test

As mentioned in Note 2.2.7, the CGU to which goodwill has been allocated, are periodically tested for impairment by including the allocated goodwill in their carrying amount.

This analysis is performed at least annually and whenever there is any indication of impairment. Furthermore, it is analyzed whether certain changes in the valuation assumptions used could give rise to differences in the result of the impairment test.

The BBVA Group performs estimations on the recoverable amount of certain CGU by calculating the value in use through the discounted value of future cash flows method.

The main hypotheses used for the value in use calculation are the following:

- The forecast cash flows, including net interest margin and cost of risk, estimated by the Group's management, and based on the latest available budgets for the next 5 years, considering the macroeconomic variables of each CGU, regarding the existing balance structure as well as macroeconomic variables such as the evolution of interest rates and the GDP of the geographical area where the CGU is located, among others.

- The constant growth rate for extrapolating cash flows, starting in the fifth year, beyond the period covered by the budgets or forecasts.

- The discount rate on future cash flows, which coincides with the cost of capital assigned to each CGU, and which consists of a risk-free rate plus a premium that reflects the inherent risk of each of the businesses evaluated.

The focus used by the Group's management to determine the values of the assumptions is based both on its projections and past experience. These values are verified and use external sources of information, wherever possible.

Goodwill - Mexico CGU

The Group's most significant goodwill corresponds to the CGU in Mexico, the most relevant assumptions used in the impairment test of this CGU as of December 31, 2025, 2024 and 2023 are as follows:

IMPAIRMENT TEST ASSUMPTIONS CGU GOODWILL IN MEXICO

	2025	2024	2023
Discount rate [1]	16.7 %	18.3 %	12.4 %
Growth rate	5.2 %	5.5 %	5.6 %

(1) After tax discount rates.

In accordance with paragraph 33.c of IAS 36, as of December 31, 2025, the Group used a growth rate of 5.2 % based on the real GDP growth rate of Mexico, the expected inflation rate and the potential growth of the banking sector in Mexico.

The assumptions with a greater relative weight and whose volatility could have a greater impact in determining the present value of the cash flows starting on the fifth year are the discount rate and the growth rate. The table below shows, in a simplified way, the relative variation by which the CGU recoverable amount would increase (or decrease) as a result of a reasonable variation (in basis points) of each of the key assumptions, considered in isolation as of December 31, 2025, where, in each case, their value in use would continue to exceed their book value:

SENSITIVITY ANALYSIS FOR MAIN ASSUMPTIONS - MEXICO

	Increase of 50 basis points [1]	Decrease of 50 basis points [1]
Discount rate	(3)%	4 %
Growth rate	2 %	(2)%

(1) The use of very different discount or growth rates would be inconsistent with the macroeconomic assumptions under which the Unit builds its business plan, such as inflation assumptions or interest rate curves used to determine cash flows.

Goodwill - Other CGUs

The impairment tests carried out on the rest of the CGUs have not detected significant impairment. Likewise, the sensitivity analysis on the main assumptions carried out for the rest of the CGU of the Group indicate that their value in use would continue to exceed their book value.

18.2 Other intangible assets

The breakdown of the balance and changes of this heading in the consolidated balance sheets, according to the nature of the related items, is as follows:

OTHER INTANGIBLE ASSETS (MILLIONS OF EUROS)

	2025	2024	2023
Computer software acquisition expense	2,105	1,764	1,535
Other intangible assets with an infinite useful life	8	9	8
Other intangible assets with a definite useful life	27	17	25
Total	**2,140**	**1,790**	**1,568**

The changes of this heading during the years ended December 31, 2025, 2024 and 2023, are as follows:

OTHER INTANGIBLE ASSETS (MILLIONS OF EUROS)

	Notes	Computer software			Other intangible assets			Total of intangible assets		
		2025	2024	2023	2025	2024	2023	2025	2024	2023
Balance at the beginning		**1,764**	**1,535**	**1,396**	**26**	**33**	**56**	**1,790**	**1,568**	**1,453**
Additions		964	771	688	19	11	1	983	782	689
Amortization in the year	45	(566)	(543)	(518)	(9)	(18)	(19)	(575)	(561)	(536)
Amortization transfer to discontinued operations		—	—	—	—	—	—	—	—	—
Exchange differences and other		(43)	16	(6)	(1)	(1)	(5)	(44)	16	(11)
Impairment		(14)	(15)	(26)	—	—	—	(14)	(15)	(26)
Balance at the end		**2,105**	**1,764**	**1,535**	**36**	**26**	**33**	**2,140**	**1,790**	**1,568**

As of December 31, 2025, 2024 and 2023, the cost of fully amortized intangible assets that remained in use were €4,483 million, €4,214 million and €4,214 million respectively, while their recoverable value was not significant.

19. Tax assets and liabilities

19.1 Consolidated tax group

Pursuant to current legislation, BBVA consolidated tax group in Spain includes the Bank (as the parent company) and its Spanish subsidiaries that meet the requirements provided for under Spanish legislation regulating the taxation regime for the consolidated profit of corporate groups.

The Group's non-Spanish banks and subsidiaries file tax returns in accordance with the tax legislation in force in each country.

19.2 Years open for review by the tax authorities

As of December 31, 2025, the BBVA consolidated tax group in Spain has the year 2021 and subsequent years subject to inspection, with respect to the main taxes applicable to it. Without prejudice to the foregoing, with regard to Value Added Tax, BBVA, S.A. and BBVA Seguros, S.A., de Seguros y Reaseguros are being audited for the financial years 2021 to 2024, inclusive.

The remainder of the Spanish consolidated entities in general have the last four years open for inspection by the tax authorities (the Tax Administration) for the main taxes applicable, except for those in which there has been an interruption of the limitation period due to the start of an inspection.

With regard to the BBVA consolidated tax group in Spain, in 2025, as a result of tax audits conducted by the tax authorities, inspection reports were issued for the financial years 2017 to 2020. These reports were signed by BBVA "in agreement" with the tax authorities' findings, except for those related to Corporate Income Tax for financial years 2017 and 2018, for which partial disagreement was expressed. At the close of the financial year, the reports signed "in agreement" with the tax authorities became final. The closure of the tax audit and the subsequent reassessment of tax risk coverage needs has had a net positive effect on the Group's effective tax rate (see Note 19.3) and, in addition, has affected the evolution in the Group's deferred tax assets during the year (see Note 19.5). Notwithstanding the foregoing, the conclusion of the aforementioned inspections had no material impact on the Group's consolidated financial statements. Furthermore, in relation to the Value Added Tax, due to criteria that have been established, the Group has revised the pro rata portion of BBVA, S.A. for the 2025 financial year and certain prior years (see Note 44.2).

In addition, in the 2024 financial year, the temporary levy on credit institutions of BBVA, S.A. corresponding to the 2023 financial year was audited by the Tax Administration. In the 2025 financial year, the tax assessment initiated by the Tax Administration was signed by BBVA "in disagreement" and appealed, payment has been requested for suspension, and the amount claimed has been secured by a guarantee.

Additionally, the temporary levy on credit institutions of BBVA, S.A. corresponding to the 2024 financial year is being audited by the Tax Administration.

On the other hand, in relation to the main jurisdictions in which the Group has a presence and carries out its activity, in the case of Mexico, during the 2025 financial year the review process corresponding to the Corporate Income Tax for the 2017 financial year was completed, as the Appeal for Reconsideration filed by BBVA México, S.A. was resolved, with no material impact on the Group's consolidated financial statements.

In addition, with respect BBVA México, S.A., the review process corresponding to the Corporate Income Tax for the 2018 financial year has continued and the review procedure corresponding to the 2019 and 2020 financial years with relation to Corporate Income Tax and Value Added Tax has been initiated.

With regard to the coverage, if applicable, of tax risks identified in the consolidated financial statements, it may involve either the recording of a provision or a lower deferred tax asset to the extent that the risk being hedged had previously given rise to the registration of a deferred tax asset or tax credit.

In this regard, on the terms indicated in the previous paragraph (taking into account the provisions of Note 7.1, as well as in Note 19.5 with regard to the Group's deferred tax assets), the Group has established provisions that, without prejudice to the uncertainty associated with any ongoing processes, it considers appropriate taking into account the identified risks to be covered (in accordance with the relevant evaluation and estimation possibilities of such risks) and that, in no case, are considered individually significant.

Without prejudice to the foregoing, due to the possible different interpretations that may be given to certain tax regulations, the results of the inspections that, where appropriate, are carried out by the tax authorities are likely to reveal other contingent tax liabilities, the amount of which It is not possible to quantify objectively at the present time. However, the Group estimates that the possibility of these contingent liabilities materializing is remote and, in any case, the tax debt that could arise from them would not significantly affect the accompanying consolidated financial statements of the Group.

19.3 Reconciliation of the tax expense

The reconciliation of the Group's corporate income tax expense resulting from the application of the Spanish corporation income tax rate and the income tax expense recognized in the consolidated income statements is as follows:

RECONCILIATION OF TAXATION AT THE SPANISH CORPORATION TAX RATE TO THE TAX EXPENSE RECORDED FOR THE YEAR (MILLIONS OF EUROS)

	2025		2024		2023	
	Amount	Effective tax %	Amount	Effective tax %	Amount	Effective tax %
Profit or (-) loss before tax	**16,227**		**15,405**		**12,419**	
From continuing operations	*16,227*		*15,405*		*12,419*	
From discontinued operations	*—*		*—*		*—*	
Taxation at Spanish corporation tax rate 30%	4,868		4,622		3,726	
Lower/higher effective tax rate from foreign entities (1)	181		193		2	
Mexico	*(135)*	*28 %*	*(180)*	*28 %*	*(194)*	*27 %*
Chile	*(1)*	*29 %*	*(2)*	*23 %*	*(4)*	*11 %*
Colombia	*18*	*38 %*	*(1)*	*29 %*	*(25)*	*14 %*
Peru	*(22)*	*27 %*	*(44)*	*23 %*	*(55)*	*20 %*
Turkey	*351*	*51 %*	*498*	*62 %*	*314*	*57 %*
USA	*(50)*	*21 %*	*(14)*	*26 %*	*5*	*33 %*
Others	*20*		*(64)*		*(39)*	
Revenues with lower tax rate (dividends/capital gains)	(37)		(44)		(26)	
Equity accounted earnings	(19)		(14)		(8)	
Other effects (2)	107		73		309	
Income tax	**5,100**		**4,830**		**4,003**	
Of which: Continuing operations	*5,100*		*4,830*		*4,003*	
Of which: Discontinued operations	*—*		*—*		*—*	

(1) Calculated by applying the difference between the tax rate in force in Spain and the one applied to the Group's earnings in each jurisdiction.
(2) With regard to the 2025 financial year, it includes the net impact of several tax effects comprising, among others, (i) the recording of the impact of IMIC for 2025, as indicated in Note 19.6 below, (ii) the recognition of certain deferred tax assets corresponding to the Group in Spain that were not previously registered in the financial statements, as referred to in Note 19.5 below, (iii) the positive effect of the result of the closure of the inspection process of the Group in Spain for the financial years 2017 to 2020, and the consequent reassessment of the needs for covering tax risks, as indicated in Note 19.2 above, and (iv) the effects of the limitation of the tax exemption on intragroup dividends and the withholding taxes associated with them.
On the other hand, regarding 2024, it shows the net impact of several tax effects that include, among others, (i) the accounting record of the impact associated with the declaration of unconstitutionality of certain measures relating to the Spanish Corporate Income Tax introduced by Royal Decree-Law 3/2016, as well as the impact of some of the measures introduced by Law 7/2024 on Corporate Income Tax that, in particular, are aimed at reinstating the measures declared unconstitutional, (ii) the non-deductibility of the temporary taxation of credit institutions recorded for accounting purposes in the year 2024 (see Note 19.6), and (iii) the effects of the limitation of the exemption on intra-group dividends and the withholding taxes associated with them.

The effective income tax rate for the Group in the years ended December 31, 2025, 2024 and 2023 is as follows:

EFFECTIVE TAX RATE (MILLIONS OF EUROS)

	2025	2024	2023
Income from:			
Consolidated tax group in Spain	5,011	4,810	2,601
Other Spanish entities	91	(41)	6
Foreign entities	11,125	10,636	9,812
Gains (losses) before taxes from continuing operations	**16,227**	**15,405**	**12,419**
Tax expense or income related to profit or loss from continuing operations (1)	5,100	4,830	4,003
Effective tax rate	**31.4 %**	**31.4 %**	**32.2 %**

(1) In 2025, 4,598 million and 502 million corresponded to current tax expenses and deferred tax expenses, respectively. In 2024, €3,970 million and €860 million corresponded to current tax expenses and deferred tax expenses, respectively.

In 2025, in general terms, there have been no changes in the nominal Corporate Income Tax rate in the main countries in which the Group is present compared to those existing in the previous period. In 2024, in general terms, and in the main countries where the Group has a presence, there were also no changes in the nominal Corporate Income Tax rate, compared to those existing in the previous period. In 2023, the changes in the nominal tax rate in Corporate Income Tax, with respect to those existing in the previous year in the main countries in which the Group is present, were Turkey (from 25% to 30%) and Colombia (from 38% to 40%).

19.4 Income tax recognized in equity

Regardless of the income tax expense recognized in the consolidated income statements, the Group has recognized income tax charges in the consolidated total equity in 2025, 2024 and 2023 of €92 million (credit), €543 million (debit) and €285 million (debit), respectively, mainly due to debt securities, actuarial gains and losses and cash flow hedges.

19.5 Tax assets and liabilities

The balance under the heading "Tax assets" in the consolidated balance sheets includes the balances receivable from the tax authorities relating to current and deferred tax assets. The balance under the "Tax liabilities" heading includes the balances payable in respect of the Group's various current and deferred tax liabilities. The details of the mentioned tax assets and liabilities are as follows:

TAX ASSETS AND LIABILITIES (MILLIONS OF EUROS)

	2025	2024	2023
Tax assets			
Current tax assets (1)	3,998	4,295	2,860
Deferred tax assets	13,869	14,354	14,641
Pensions	*619*	*534*	*445*
Financial Instruments	*814*	*1,335*	*1,069*
Loss allowances	*2,210*	*2,158*	*2,127*
Other	*1,518*	*1,495*	*1,467*
Secured tax assets	*7,885*	*7,979*	*8,534*
Tax losses	*823*	*853*	*999*
Total	**17,867**	**18,650**	**17,501**
Tax liabilities			
Current tax liabilities (1)	1,480	575	878
Deferred tax liabilities	2,540	2,458	1,677
Financial Instruments	*1,184*	*915*	*761*
Other	*1,356*	*1,543*	*916*
Total	**4,020**	**3,033**	**2,554**

(1)The decrease in current tax assets in 2025 compared to 2024 is due, among other things, to a lower Mexican tax receivable related to corporate income tax, as the installment payments made in 2024 were particularly high. The increase in current tax liabilities in 2025 compared to 2024 is mainly due to the Spanish Interest and Commission Margin Tax (IMIC) for the 2025 financial year, as well as the increase in the Mexican tax liability related to the estimated corporate income tax for the 2025 financial year.
On the other hand, the increase in current tax assets in 2024 compared to 2023 corresponds mainly to a higher tax receivable of the tax group in Spain, as well as in Mexico and Colombia, in relation to the Corporate Income Tax for the year 2024 related to the installment payments made in the year. On the other hand, the decrease in current tax liabilities in 2024 compared to 2023, corresponds mainly to the decrease in the tax payable in Mexico and Argentina in relation to the estimated income tax for the year 2023.

The most significant variations of the deferred tax assets and liabilities in the years 2025, 2024 and 2023 were derived from the following items:

DEFERRED TAX ASSETS AND LIABILITIES. ANNUAL VARIATIONS (MILLIONS OF EUROS)

	2025		2024		2023	
	Deferred assets	Deferred liabilities	Deferred assets	Deferred liabilities	Deferred assets	Deferred liabilities
Balance at the beginning	**14,354**	**2,458**	**14,641**	**1,677**	**14,747**	**1,520**
Pensions	85	—	89	—	23	—
Financials instruments	(521)	269	266	154	(409)	204
Loss allowances	52	—	31	—	293	—
Others	23	(187)	28	627	206	(47)
Secured tax assets	(94)	—	(555)	—	(155)	—
Tax losses	(30)	—	(146)	—	(64)	—
Balance at the end	**13,869**	**2,540**	**14,354**	**2,458**	**14,641**	**1,677**

The changes in deferred tax assets and liabilities in 2025 were mainly attributable to:

- The decrease in secured tax assets as a result of the expected offsetting of such assets based on the estimate of the Corporate Income Tax of the BBVA consolidated tax group in Spain corresponding to 2025. The balance of secured tax assets was also affected by the closure of the Corporate Income Tax inspection process of the BBVA consolidated tax group in Spain covering the financial years 2017 to 2020, as well as by the reassessment carried out by the Group of the coverage needs for the identified tax risks.

- The decrease in tax assets due to tax losses in the 2025 financial year was moderate because, although the tax group in Spain generated a positive taxable income that allowed the offsetting of tax losses and deductions, the evolution of its balance was affected, as referred to in Note 19.2 and Note 19.3 above, by (i) on the one hand, the result of the Corporate Income Tax inspection process of the BBVA consolidated tax group in Spain covering the financial years 2017 to 2020, as well as the reassessment carried out by the Group of the coverage needs for the identified tax risks, and (ii) on the other hand, the recognition of certain deferred tax assets corresponding to the group in Spain, which were not previously recorded in the financial statements. This decision was based on the ability and acceleration observed in the absorption process of these assets, solid historical results —including for the 2025 financial year—, the sustained capacity of the Group to generate value and profit projections that support their recognition.

- As regards the evolution of deferred tax assets (other than secured tax assets and those linked to tax losses) net of deferred tax liabilities, it was mainly driven by the effects associated with the valuation of financial instruments, the very operation of the Corporate Income Tax which, due to the differences between accounting and taxation rules, results in constant movements in deferred taxes, as well as by the effect of exchange rates.

Of the deferred tax assets and liabilities shown above, those included in Note 19.4 above have been recognized against the entity's equity, and the rest against earnings for the year or reserves.

As of December 31, 2025, 2024 and 2023, the estimated amount of temporary differences associated with investments in subsidiaries, joint ventures and associates, which were not recognized as deferred tax liabilities in the consolidated balance sheets, amounted to €413 million, €230 million and €96 million, respectively.

With respect to the deferred tax assets shown above, the table below shows the amounts guaranteed by the Spanish government, broken down by the items that originated the relevant assets:

SECURED TAX ASSETS (MILLIONS OF EUROS)

	2025	2024	2023
Pensions	1,557	1,622	1,622
Loss allowances	6,328	6,357	6,912
Total	**7,885**	**7,979**	**8,534**

As of December 31, 2025, non-guaranteed net deferred tax assets amounted to €3,443 million (€3,918 million and €4,430 million as of December 31, 2024 and 2023, respectively). The breakdown by major geographical areas was as follows:

- Spain: net deferred tax assets recognized in Spain totaled €1,319 million as of December 31, 2025 (€1,421 million and €1,805 million as of December 31, 2024 and 2023, respectively). €713 million of the figure recorded in the year ended December 31, 2025 for net deferred tax assets related to tax credits and tax loss carry forwards and €606 million relate to temporary differences.

- Mexico: net deferred tax assets recognized in Mexico amounted to €1,721 million as of December 31, 2025 (€1,798 million and €1,899 million as of December 31, 2024 and 2023, respectively). Practically all of deferred tax assets as of December 31, 2025 relate to temporary differences.

- South America: net deferred tax assets recognized in South America amounted to €206 million as of December 31, 2025 (€245 million and €213 million as of December 31, 2024 and 2023, respectively). Of the figure recorded at year-end 2025 for net deferred tax assets, €73 million relate to tax credits for tax loss carryforwards and €133 million have arisen as temporary differences.

- Turkey: net deferred tax assets recognized in Turkey amounted to €191 million as of December 31, 2025 (€443 million and €499 million as of December 31, 2024 and 2023, respectively). All of the deferred tax assets have arisen as temporary differences.

Based on the information available as of December 31, 2025, including historical levels of benefits and projected results available to the Group, the Group has carried out an analysis of its recovery of deferred tax assets and liabilities and it is considered that there is sufficient positive evidence, in excess of the negative evidence, that sufficient positive taxable income will be generated for the recovery of the aforementioned unsecured deferred tax assets when they become deductible in accordance with tax legislation. In this respect, in the specific case of the tax Group in Spain, the Group estimates that it will be able to generate sufficient taxable income to offset the tax loss carryforwards and deductions recorded for accounting purposes within a period under 10 years.

On the other hand, the Group has not recognized for accounting purposes (or, as the case may be, has been subject to a valuation adjustment) certain deferred tax assets (tax loss carryforwards, deductions and temporary differences) for which, in general, there is no legal period for offsetting, amounting to approximately €1,969 million (in terms of quota), which mainly arise from the integration of Catalunya Banc in the case of Spain, in accordance with the following breakdown by each of the jurisdictions in which the Group is located and carries on its business activities: (i) Spain: €1,871,758 thousand; (ii) United States: €31,281 thousand; (iii) Mexico: €31,769 thousand; (iv) Colombia: €12,275 thousand; (v) Peru: €6,427 thousand; (vi) Turkey: €5,672 thousand; (vii) Portugal: €4,567 thousand; (viii) Japan: €2,849 thousand; (ix) Netherlands: €902 thousand; (x) China: €799 thousand; (xi) Hong Kong: €487 thousand; (xii) Singapore: €327 thousand; (xiii) Uruguay: €314 thousand; and (xiv) Curacao: €4 thousand.

In connection with the above, it should be noted that within the framework of the ongoing process of rationalization of the Group's corporate structure which, among other things, may provide for the future dissolution and liquidation of companies, the materialization of the aforementioned deferred tax assets not recognized for accounting purposes may take place in the Group company that is a shareholder of the entity being dissolved and liquidated, as a result of the disclosure of tax losses pending deduction associated with the shareholding of the company which, as the case may be, is dissolved and liquidated.

19.6 Other contributions and taxes

Tax on net interest and commissions margin of certain financial institutions in Spain

On December 21, 2024, Law 7/2024 was published in the Official State Gazette, the ninth Final Provision of which regulates a new tax on the net interest and commissions margin of certain financial institutions including BBVA, S.A. The tax is levied on the net interest and commission margin obtained by credit institutions from the activity carried out in Spanish territory and is applicable to the first three consecutive tax periods starting from January 1, 2024.

Subsequently, Royal Decree-Law 9/2024, which came into force on December 25, 2024, modified certain aspects of the tax approved by Law 7/2024, including, among others, the tax period and the accrual of the new tax. However, this Royal Decree-Law was not ratified by the Congress of Deputies and was therefore repealed on January, 23 2025.

No impact associated with this tax was recognized in the Consolidated Financial Statements for the year ended December 31, 2024.

During 2025, the Group has made the payment corresponding to the IMIC for the 2024 financial year. However, since such payment is not due under the applicable existing legal framework, an asset for the amount paid (€295 million) has been recognized under the heading "General Governments" within "Financial assets at amortized cost - Loans and advances to customers" in the balance sheet (see Note 14).

Finally, as of December 31, 2025, current tax liabilities include approximately €318 million corresponding to the accrual, for the 2025 financial year, of the IMIC applicable to certain financial entities, which was recognized under the heading "Tax expense or income related to profit or loss from continuing operations", in accordance with its classification as an income tax under IAS 12, given its characteristics as a direct tax, the taxable event of which is the generation within Spanish territory of a positive net interest and fee and commissions margin during the tax period.

Temporary levy on credit institutions in Spain

On December 28, 2022, the Law for the establishment of the temporary levy on credit entities and financial credit establishments was published in the Official State Gazette.

This law establishes the obligation to satisfy a public contribution with a non-tax nature during the years 2023 and 2024 for credit institutions operating in Spanish territory whose sum of income from interest and commissions corresponding to the year 2019 is equal to or greater than €800 million.

The amount of the public, non-tax nature contribution payable is calculated by applying a rate of 4.8% to the sum of the interest margin and the income and expenses from commissions derived from the activity carried out in Spain and shown in the income statement of the tax consolidation group to which the credit institution belongs, corresponding to the calendar year prior to the year in which the payment obligation arises. The payment obligation arises on the first day of the calendar year 2023 and 2024.

For the 2023 and 2024 financial years, the impact of €215 million and €285 million, respectively, was recorded under the "Other operating expenses" item in the consolidated income statement (see Note 42).

Top-up tax to ensure a global minimum taxation for multinational groups and large domestic groups (Pillar Two)

On December 20, 2024, Law 7/2024 of December 20, 2024 was approved in Spain, establishing a Top-up Tax to guarantee an overall minimum level of taxation for multinational groups and large domestic groups, a Tax on the net interest income and fee and commission of certain financial institutions and a Tax on liquids for electronic cigarettes and other tobacco-related products, and amending other tax regulations.

This law transposed Council Directive (EU) 2022/2523 of December 15, 2022, which incorporates the Pillar Two rules into the European legal framework.

The aforementioned law was approved with effect for tax periods beginning on or after December 31, 2023. Consequently, from the year 2024, inclusive, the Group is subject to the Pillar Two rules.

In compliance with current legislation, the Group has calculated the estimated impact of the Top-up Tax based on the Transitional Safe Harbour analysis and on the basis of the figures used in the preparation of the Group's consolidated financial statements in each of its constituent jurisdictions.

As a result of this estimated calculation, it has been determined that most of the jurisdictions in which the Group operates, with the exception of a small number of countries representing an immaterial percentage of the BBVA Group's profit (loss) before tax, exceed the 15% minimum effective tax rate and, therefore, do not accrue a Top-up Tax. For those jurisdictions that do not meet this threshold, BBVA, S.A., as the ultimate parent company of the Group, as of December 31, 2025, has recognized as a current tax expense the corresponding estimated Top-up Tax associated with those jurisdictions, the amount of which is not material.

Finally, it should be noted that the BBVA Group applies the mandatory exception to the recognition and disclosure of deferred tax assets and liabilities in relation to Pillar Two.

20. Other assets and liabilities

The breakdown of the balances of these headings of the consolidated balance sheets is as follows:

OTHER ASSETS AND LIABILITIES (MILLIONS OF EUROS)

	2025	2024	2023
ASSETS			
Inventories [1]	1,307	1,299	276
Transactions in progress	182	482	41
Accruals	2,101	1,862	1,368
Other items	1,395	1,881	1,174
Total	**4,985**	**5,525**	**2,859**
LIABILITIES			
Transactions in progress	346	306	133
Accruals	3,463	3,066	2,878
Other items	1,900	1,997	2,466
Total	**5,709**	**5,370**	**5,477**

(1) The variation in 2024 corresponded mainly to the acquisition of land plots from the Group's real estate company Crea Madrid Nuevo Norte, S.A. in relation to an urban planning operation in the city of Madrid.

21. Non-current assets and disposal groups classified as held for sale and liabilities included in disposal groups classified as held for sale

The composition of the balances under the headings "Non-current assets and disposal groups classified as held for sale" and "Liabilities included in disposal groups classified as held for sale" in the consolidated balance sheets, broken down by the origin of the assets, is as follows:

NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND LIABILITIES INCLUDED IN DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE. BREAKDOWN BY ITEMS (MILLIONS OF EUROS)

	2025	2024	2023
ASSETS			
Foreclosures and recoveries	743	847	943
Other assets from tangible assets (1)	473	618	1,026
Companies held for sale	55	55	43
Accrued amortization (2)	(58)	(46)	(84)
Impairment losses (1)	(504)	(645)	(1,005)
Total	**709**	**828**	**923**
LIABILITIES			
Companies held for sale	—	—	—
Total	**—**	**—**	**—**

(1) The variation is mainly due to sales of properties by the companies Tree Investments Inmobiliarias, SOCIMI, S.A. and Banco Bilbao Vizcaya Argentaria, S.A.
(2) Corresponds to the accumulated depreciation of assets before their classification as "Non-current assets and disposal groups classified as held for sale".

Non-current assets and disposal groups classified as held for sale

The changes in the balances of "Non-current assets and disposal groups classified as held for sale" in 2025, 2024 and 2023, are as follows:

NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE (MILLIONS OF EUROS)

	Notes	Foreclosed assets			Property, Plant and Equipment [1]			Companies held for sale			Total		
		2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Cost (a)													
Balance at the beginning		**847**	**943**	**1,070**	**572**	**943**	**970**	**55**	**43**	**39**	**1,473**	**1,928**	**2,078**
Additions		145	250	190	2	18	2	—	15	—	147	283	192
Contributions from merger transactions		—	—	—		—	—	—	—	—	—	—	—
Retirements (sales and other decreases)		(226)	(338)	(323)	(178)	(446)	(34)	—	—	—	(404)	(784)	(357)
Transfers, other movements and exchange differences		(23)	(8)	6	19	57	5	1	(3)	4	(3)	46	15
Disposals by companies held for sale		—	—	—		—	—		—	—	—	—	—
Balance at the end		**743**	**847**	**943**	**415**	**572**	**943**	**55**	**55**	**43**	**1,213**	**1,473**	**1,928**
Impairment (b)													
Balance at the beginning		**237**	**299**	**356**	**409**	**706**	**701**	**—**	**—**	**—**	**645**	**1,005**	**1,057**
Additions	50	11	24	16	25	59	27	—	—	—	36	83	42
Additions transfer to discontinued operations			—	—		—	—	—	—	—	—	—	—
Contributions from merger transactions			—	—		—	—	—	—	—	—	—	—
Retirements (sales and other decreases)		(62)	(91)	(89)	(140)	(352)	(22)	—	—	—	(202)	(443)	(111)
Other movements and exchange differences		33	5	16	(9)	(5)	1	—	—	—	24	—	17
Disposals by companies held for sale			—	—		—	—	—	—	—	—	—	—
Balance at the end		**219**	**237**	**299**	**285**	**409**	**706**	**—**	**—**	**—**	**504**	**645**	**1,005**
Balance at the end of net carrying value (a)-(b)		**524**	**610**	**644**	**130**	**163**	**236**	**55**	**55**	**43**	**709**	**828**	**923**

(1) Net of accumulated amortization until assets were reclassified as "Non-current assets and disposal groups classified as held for sale".

As indicated in Note 2.2.6, "Non-current assets and disposal groups held for sale" and "Liabilities included in disposal groups classified as held for sale" are valued at the lower amount between its fair value less costs to sell and its carrying amount. As of December 31, 2025, 2024 and 2023 practically all of the carrying amount of the assets recorded at fair value on a non-recurring basis equals their fair value.

Assets from foreclosures or recoveries

As of December 31, 2025, 2024 and 2023, assets from foreclosures and recoveries, net of impairment losses, by nature of the asset, amounted to €356 million, €404 million and €460 million in assets for residential use; €139 million, €169 million and €154 million in assets for tertiary use (industrial, commercial or office) and €28 million, €31 million and €26 million in assets for agricultural use, respectively.

During the years 2025, 2024 and 2023, certain sale transactions for these assets were financed by Group companies. The amount of loans granted to the buyers of these assets in those years amounted to €17 million, €12 million and €22 million, respectively; with an average financing of 43% of the sales price during 2025.

As of December 31, 2025, 2024 and 2023, the amount of the profits arising from the sale of assets financed by Group companies that are not recognized in the consolidated income statement is not significant.

22. Financial liabilities at amortized cost

22.1 Breakdown of the balance

The breakdown of the balance under these headings in the consolidated balance sheets is as follows:

FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST (MILLIONS OF EUROS)

	2025	2024	2023
Deposits	**556,498**	**496,720**	**473,835**
Deposits from central banks	17,226	14,668	20,309
Demand deposits	*7*	*657*	*159*
Time deposits and other	*13,774*	*6,369*	*12,203*
Repurchase agreements	*3,445*	*7,642*	*7,947*
Deposits from credit institutions	36,771	34,406	40,039
Demand deposits	*6,764*	*6,977*	*6,629*
Time deposits and other	*16,700*	*15,049*	*12,871*
Repurchase agreements	*13,307*	*12,380*	*20,539*
Customer deposits	502,501	447,646	413,487
Demand deposits	*360,682*	*331,780*	*317,543*
Time deposits and other	*127,397*	*106,658*	*91,740*
Repurchase agreements	*14,422*	*9,208*	*4,204*
Debt certificates issued	**81,842**	**69,867**	**68,707**
Other financial liabilities	**20,258**	**17,753**	**15,046**
Total	**658,599**	**584,339**	**557,589**

22.2 Deposits from credit institutions

The breakdown by geographical area and the nature of the related instruments of this heading in the consolidated balance sheets is as follows:

DEPOSITS FROM CREDIT INSTITUTIONS (MILLIONS OF EUROS)

	Demand deposits	Time deposits and other (1)	Repurchase agreements	Total
December 2025				
Spain	1,039	3,439	197	4,676
Mexico	1,825	964	—	2,789
Turkey	60	873	271	1,204
South America	636	2,468	259	3,363
Rest of Europe	1,890	3,513	11,707	17,110
Rest of the world	1,315	5,442	874	7,630
Total	**6,764**	**16,700**	**13,307**	**36,771**
December 2024				
Spain	1,039	3,116	538	4,693
Mexico	973	981	231	2,185
Turkey	158	2,002	2	2,162
South America	577	2,387	—	2,963
Rest of Europe	2,942	3,313	11,578	17,832
Rest of the world	1,289	3,250	31	4,570
Total	**6,977**	**15,049**	**12,380**	**34,406**
December 2023				
Spain	1,252	2,434	899	4,585
Mexico	789	642	—	1,431
Turkey	16	535	37	587
South America	416	2,242	—	2,659
Rest of Europe	3,011	2,742	19,344	25,097
Rest of the world	1,145	4,277	259	5,681
Total	**6,629**	**12,871**	**20,539**	**40,039**

(1) Subordinated deposits are included amounting to €104 million, €48 million and €35 million as of December 31, 2025, 2024 and 2023, respectively.

22.3 Customer deposits

The breakdown by geographical area of this heading in the consolidated balance sheets, by type of instrument, is as follows:

CUSTOMER DEPOSITS (MILLIONS OF EUROS)

	Demand deposits	Time deposits and other (1)	Repurchase agreements	Total
December 2025				
Spain	192,222	23,664	12,786	228,672
Mexico	77,167	17,493	38	94,699
Turkey	27,443	24,794	450	52,687
South America	34,150	22,328	—	56,478
Rest of Europe	24,758	29,665	1,148	55,571
Rest of the world	4,942	9,452	—	14,394
Total	**360,682**	**127,397**	**14,422**	**502,501**
December 2024				
Spain	186,489	22,501	6,474	215,464
Mexico	70,133	14,319	987	85,439
Turkey	23,228	25,388	652	49,267
South America	32,443	20,232	—	52,675
Rest of Europe	17,170	17,613	1,095	35,878
Rest of the world	2,318	6,605	—	8,922
Total	**331,780**	**106,658**	**9,208**	**447,646**
December 2023				
Spain	179,825	17,952	4	197,780
Mexico	76,122	15,067	1,638	92,828
Turkey	20,423	21,485	1,331	43,239
South America	26,888	17,349	—	44,237
Rest of Europe	12,863	16,257	1,231	30,350
Rest of the world	1,422	3,630	—	5,052
Total	**317,543**	**91,740**	**4,204**	**413,487**

(1) The balances corresponding to subordinated deposits under this heading were not significant in any of the years presented.

22.4 Debt certificates issued

The breakdown of the balance under this heading, by type of financial instrument and by currency, is as follows:

DEBT CERTIFICATES ISSUED (MILLIONS OF EUROS)

	2025	2024	2023
In Euros	**42,070**	**37,118**	**44,622**
Promissory bills and notes	5,379	1,360	5,416
Non-convertible bonds and debentures	15,860	17,788	16,256
Covered bonds	3,371	5,825	6,734
Hybrid financial instruments (1)	1,160	519	800
Securitization bonds	3,203	2,201	2,168
Wholesale funding	3,688	1,030	6,182
Subordinated liabilities	9,409	8,395	7,066
Convertible perpetual certificates	*3,750*	*2,750*	*3,000*
Other non-convertible subordinated liabilities	*5,659*	*5,645*	*4,066*
In foreign currencies	**39,773**	**32,748**	**24,086**
Promissory bills and notes	2,781	2,962	336
Non-convertible bonds and debentures	13,302	12,136	8,684
Covered bonds	94	95	99
Hybrid financial instruments (1)	7,914	5,327	4,722
Securitization bonds	—	—	—
Wholesale funding	4,142	1,067	1,479
Subordinated liabilities	11,540	11,161	8,766
Convertible perpetual certificates	*2,553*	*2,888*	*2,715*
Other non-convertible subordinated liabilities	*8,986*	*8,273*	*6,051*
Total	**81,842**	**69,867**	**68,707**

(1) Corresponds to structured note issuances with embedded derivatives that have been segregated according to IFRS 9.

22.4.1 Subordinated liabilities

The breakdown of this heading in the consolidated balance sheets is as follows:

MEMORANDUM ITEM: SUBORDINATED LIABILITIES AT AMORTIZED COST (MILLIONS OF EUROS)

	2025	2024	2023
Subordinated deposits	104	56	35
Subordinated certificates	20,949	19,556	15,832
Compound convertible financial instruments	*6,303*	*5,638*	*5,715*
Other non-convertible subordinated liabilities	*14,645*	*13,918*	*10,117*
Total	**21,053**	**19,612**	**15,867**

The balance variances are mainly due to the following transactions:

Perpetual Contingent Convertible Securities

The Annual General Shareholders' Meeting of BBVA held on April 20, 2021, resolved, under agenda item five, to authorize the Board of Directors of BBVA, with sub-delegation powers, to issue convertible securities, whose conversion is contingent and which are intended to meet regulatory requirements for their eligibility as capital instruments (CoCo), in accordance with the solvency regulations applicable from time to time, subject to the legal and statutory provisions that may be applicable at any time. The Board of Directors may make issues on one or several times within the maximum term of five years from the date on which this resolution was adopted, up to the maximum overall amount of €8 billion or its equivalent in any other currency. The Board of Directors may also resolve to exclude, either fully or partially, the pre-emptive subscription rights of shareholders within the framework of a concrete issuance, complying in all cases with the legal requirements and limitations established for this purpose at any given time.

Under that delegation, BBVA has made the following contingently convertible issuances that qualify as additional tier 1 capital of the Bank and the Group in accordance with Regulation (EU) 575/2013 throughout the financial years 2023, 2024 and 2025:

- On June 21, 2023, BBVA carried out an issuance of perpetual contingent convertible securities with exclusion of shareholders' pre-emptive subscription rights, for a total nominal amount of €1 billion. This issuance is listed in the Global Exchange Market of Euronext Dublin and was targeted only at qualified investors, not being offered or sold to any retail clients.

- On September 19, 2023, BBVA carried out an issuance of perpetual contingent convertible securities with exclusion of shareholders' pre-emptive subscription rights, for a total nominal amount of USD 1 billion. This issuance is listed on the New York Stock Exchange and was targeted only at qualified investors, not being offered or sold to any retail clients.

- On June 13, 2024, BBVA carried out an issuance of perpetual contingent convertible securities with exclusion of shareholders' pre-emptive subscription rights, for a total nominal amount of €750 million. This issuance is listed in the Global Exchange Market of Euronext Dublin and was targeted only at qualified investors, not being offered or sold to any retail clients.

- On January 14, 2025, BBVA carried out an issuance of perpetual contingent convertible securities with exclusion of shareholders' pre-emptive subscription rights, for a total nominal amount of USD 1 billion. This issuance is listed on the New York Stock Exchange and was targeted only at qualified investors, not being offered or sold to any retail clients.

- On November 11, 2025, BBVA carried out an issuance of perpetual contingent convertible securities with exclusion of shareholders' pre-emptive subscription rights, for a total nominal amount of €1 billion. This issuance is listed on the Global Exchange Market of Euronext Dublin and was targeted only at qualified investors, not being offered or sold to any retail clients.

These perpetual securities issued, where appropriate, must be converted into newly issued ordinary shares of BBVA if the CET 1 ratio of the Bank or the Group is less than 5.125%, in accordance with their respective terms and conditions.

These type of issuances made by the Bank may be fully redeemed at BBVA's option only in the cases contemplated in their respective terms and conditions and, in any case, in accordance with the provisions of the applicable legislation. In particular, throughout the financial years 2023, 2024 and 2025 the Bank has early redeemed the following issues:

- On September 24, 2023, the Bank early redeemed the issuance of contingently convertible preferred securities (which qualified as additional tier 1 instruments) carried out by the Bank on September 24, 2018, for an amount of €1 billion on the First Reset Date and once the prior consent from the Regulator was obtained.

- On March 29, 2024, the Bank early redeemed the issuance of contingently convertible preferred securities (which qualified as additional tier 1 instruments) carried out by the Bank on March 29, 2019, for an amount of €1 billion on the First Reset Date and once the prior consent from the Regulator was obtained.

- On March 5, 2025, the Bank early redeemed the issuance of contingently convertible preferred securities (which qualified as additional tier 1 instruments) carried out by the Bank on September 5, 2019, for an amount of USD 1 billion on the First Reset Date and once the prior consent from the Regulator was obtained.

Additionally, on December 17, 2025, the Bank announced its irrevocable decision to redeem in full the issuance of green contingently convertible preferred securities (which qualified as additional tier 1 instruments) carried out by the Bank on July 15, 2020, for an amount of €1 billion. The redemption was executed on January 15, 2026 (the First Reset Date of said issuance), once the prior consent from the Regulator had been obtained.

Convertible Securities

The Annual General Shareholders' Meeting of BBVA held on March 18, 2022, resolved, under agenda item five, to confer authority on the Board of Directors of BBVA, with sub-delegation powers, to issue securities convertible into new BBVA shares (other than contingently convertible securities, envisaged to meet regulatory requirements for their eligibility as capital instruments (CoCo) referred to in the resolutions adopted by BBVA's Annual General Shareholders' Meeting held on April 20, 2021, under agenda item five), subject to provisions in the law and in BBVA's bylaws that may be applicable at any time, on one or several occasions within the maximum term of five years to be counted as from the date on which the resolution was adopted, up to a maximum total amount of €6 billion, or the equivalent in any other currency. The Board of Directors may also resolve to exclude, either fully or partially, the pre-emptive subscription rights of shareholders within the framework of a specific issuance, limiting this power to the extent that the nominal amount of the capital increases agreed or executed in order to satisfy conversion of the issues carried out excluding the pre-emptive subscription right by virtue of this power (without prejudice to anti-dilution adjustments) and any agreed or executed in use of the power under the item 4 of the Agenda of the same Annual General Shareholders' Meeting, described in Note 26, excluding the pre-emptive subscription right, do not exceed a maximum aggregated nominal amount of 10% of BBVA's share capital at the time the resolution was adopted.

As of the date of preparation of these Consolidated Financial Statements, the Bank has not made use of the authority granted by the BBVA Annual General Shareholders' Meeting held on March 18, 2022.

22.5 Other financial liabilities

The breakdown of the balance under this heading in the consolidated balance sheets is as follows:

OTHER FINANCIAL LIABILITIES (MILLIONS OF EUROS)

	2025	2024	2023
Lease liabilities	1,463	1,467	1,507
Creditors for other financial liabilities	4,597	4,859	3,439
Collection accounts	4,450	3,693	3,642
Creditors for other payment obligations (1)	9,748	7,734	6,458
Total	**20,258**	**17,753**	**15,046**

(1) In 2025, this caption includes the amount pending execution as of December 31, 2025, corresponding to the firm commitment for the acquisition of own shares derived from the execution of the first tranche of the share buyback program announced on December 19, 2025 and started to be carried out on December 22, 2025 (see Notes 2.2.11 and 4).

A breakdown of the maturity of the lease liabilities, due after December 31, 2025 is provided below:

MATURITY OF FUTURE PAYMENT OBLIGATIONS (MILLIONS OF EUROS)

	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Leases	227	279	204	752	1,463

23. Assets and liabilities under insurance and reinsurance contracts

The Group has insurance subsidiaries mainly in Spain, Latin America (mostly in Mexico) and Turkey. Specifically, the insurance entities located in Spain and Mexico together accounted for approximately 95% in terms of total liabilities under insurance and reinsurance contracts as of December 31, 2025.

The main product offered by the insurance subsidiaries is life insurance to cover the risk of death (risk insurance) and life-savings insurance. Within life and accident insurance, a distinction is made between freely sold products and those offered to customers who have taken mortgage or consumer loans, which cover the principal of those loans in the event of the customer's death. There are two types of savings products: individual insurance, which seeks to provide the customer with savings for retirement or other events, and group insurance, which is taken out by employers to cover their commitments to their employees.

The insurance business is affected by different risks, including those that are related to the BBVA Group such as credit risk, market risk, liquidity risk and operational risk and the methodology for risk measurement, control and follow-up applied in the insurance activity is similar (see Note 7 and Management Report - Risk management), although it has a differentiated management due to the particular characteristics of the insurance business, such as the coverage of contracted obligations and the long term of the commitments.

Additionally, the insurance business generates certain specific risks, of a probabilistic nature:

- Technical risk: arises from deviations in the estimation of the casualty rate of insurances, either in terms of numbers, the amount of such claims and the timing of its occurrence.
- Longevity risk: is the risk of incurring higher benefit payments than expected due to an increase in the life expectancy of the insured persons.

The insurance activity is fully integrated into the BBVA Group's risk management framework. From the definition of the risk appetite to the management limits, the governance model, the admission process, the organizational scheme and the development of computer systems/models, everything is designed with a global approach and under consistent and homogeneous criteria, aligned with other financial business of the BBVA Group. This also means that control activities and information flow are fully integrated into internal processes, from local reporting to the corporate bodies of the BBVA Group.

The insurance industry is highly regulated in each geographical area. In this regard, it should be noted that the insurance industry is undergoing a gradual regulatory transformation through new accounting and risk-based capital regulations, which have already been published in several countries.

The amounts that the consolidated insurance entities are entitled to receive from reinsurance contracts they maintain with third parties are recognized under the heading "Assets under reinsurance and insurance contracts" in the consolidated balance sheets. As of December 31, 2025, 2024 and 2023, the balance under this heading amounted to €198 million, €191 million and €211 million, respectively.

The heading "Liabilities under insurance and reinsurance contracts" in the consolidated balance sheets includes the liabilities recorded under insurance contracts of the consolidated insurance entities in accordance with IFRS 17 (see Note 2.2.8). The breakdown of the balance of this heading as of December 31, 2025, 2024 and 2023 is as follows:

LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS (MILLIONS OF EUROS)

	2025	2024	2023
Insurances	**12,760**	**10,981**	**12,110**
Liabilities for remaining coverage	11,456	9,835	10,900
Estimates of the present value of cash flows	*9,950*	*8,462*	*9,516*
Risk adjustment	*142*	*150*	*171*
Cost service margin	*1,364*	*1,224*	*1,213*
Liabilities for incurred claims	1,304	1,146	1,210
Estimates of the present value of cash flows	*1,282*	*1,129*	*1,191*
Risk adjustment	*22*	*17*	*19*
Reinsurance	**—**	**—**	**—**
Total	**12,760**	**10,981**	**12,110**

In addition, the breakdown of "Liabilities under insurance and reinsurance contracts" in the consolidated balance sheets by type of product as of December 31, 2025, 2024 and 2023, excluding insurance contracts valued following the Simplified Model, is shown in the table below:

LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS BY TYPE OF PRODUCT (MILLIONS OF EUROS)

	2025	2024	2023
Liabilities for remaining coverage	**11,456**	**9,835**	**10,900**
Life insurance	11,141	9,555	10,657
Individuals life insurance (1)	*9,433*	*7,643*	*8,900*
Group insurance (2)	*1,708*	*1,912*	*1,757*
Non-life insurance	315	280	243
Liabilities for incurred claims	**1,304**	**1,146**	**1,210**
Total	**12,760**	**10,981**	**12,110**

(1) Provides coverage in the event of death, disability and serious illness.
(2) The insurance policies purchased by employers (other than BBVA Group) on behalf of their employees.

The variation in liabilities under insurance and reinsurance contracts analyzed by liability for the remaining coverage and liability for incurred claims for the years 2025, 2024 and 2023 is shown below:

VARIATION IN LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS ANALYZED BY LIABILITIES FOR THE REMAINING COVERAGE AND THE LIABILITIES FOR INCURRED CLAIMS. DECEMBER 2025 (MILLIONS OF EUROS)

	Liability for remaining coverage	Liability for incurred claims	Total
Initial balance	**9,835**	**1,146**	**10,981**
Result from insurance service	(3,432)	1,908	(1,524)
Insurance revenue	*(3,627)*	*—*	*(3,627)*
Insurance expense	*195*	*1,908*	*2,103*
Financial income/ expenses from insurance contracts	1,355	11	1,366
Exchange differences	294	23	317
Cash flows	3,404	(1,784)	1,620
Final balance	**11,456**	**1,304**	**12,760**

VARIATION IN LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS ANALYZED BY LIABILITIES FOR THE REMAINING COVERAGE AND THE LIABILITIES FOR INCURRED CLAIMS. DECEMBER 2024 (MILLIONS OF EUROS)

	Liability for remaining coverage	Liability for incurred claims	Total
Initial balance	**10,900**	**1,210**	**12,110**
Result from insurance service	(3,371)	1,862	(1,509)
Insurance revenue	*(3,494)*	*—*	*(3,494)*
Insurance expense	*124*	*1,862*	*1,985*
Financial income/ expenses from insurance contracts	(407)	12	(395)
Exchange differences	(657)	(110)	(767)
Cash flows	3,370	(1,828)	1,542
Final balance	**9,835**	**1,146**	**10,981**

VARIATION IN LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS ANALYZED BY LIABILITIES FOR THE REMAINING COVERAGE AND THE LIABILITIES FOR INCURRED CLAIMS. DECEMBER 2023 (MILLIONS OF EUROS)

	Liability for remaining coverage	Liability for incurred claims	Total
Initial balance	**9,157**	**974**	**10,131**
Result from insurance service	(2,822)	1,532	(1,289)
Insurance revenue	*(2,897)*	*—*	*(2,897)*
Insurance expense	*75*	*1,532*	*1,607*
Financial income/ expenses from insurance contracts	563	1	564
Exchange differences	1,008	59	1,067
Cash flows	2,994	(1,357)	1,637
Final balance	**10,900**	**1,210**	**12,110**

The variation of liabilities under insurance and reinsurance contracts, distinguishing between their different valuation components, excluding contracts valued under the Simplified Model, for the years 2025, 2024 and 2023 is shown below:

VARIATION IN LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS ANALYZED BY VALUATION COMPONENT. DECEMBER 2025 (MILLIONS OF EUROS)

	Estimated present value of future cash flows	Risk adjustment	Contractual service margin	Total
Initial balance	**8,710**	**150**	**1,224**	**10,084**
Insurance service result	(806)	(19)	60	(765)
Changes that relate to current services	*(974)*	*(33)*	*(285)*	*(1,293)*
Changes that relate to future services	*(623)*	*15*	*346*	*(262)*
Changes that relate to past services	*791*	*—*	*—*	*791*
Financial income/ expenses from insurance contracts	1,305	13	50	1,368
Exchange rate differences	280	(1)	29	308
Cash flows	746	—	—	746
Final balance	**10,235**	**143**	**1,363**	**11,742**

VARIATION IN LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS ANALYZED BY VALUATION COMPONENT. DECEMBER 2024 (MILLIONS OF EUROS)

	Estimated present value of future cash flows	Risk adjustment	Contractual service margin	Total
Initial balance	**9,738**	**167**	**1,213**	**11,118**
Insurance service result	(345)	(17)	44	(318)
Changes that relate to current services	*(969)*	*(29)*	*(270)*	*(1,267)*
Changes that relate to future services	*(350)*	*12*	*314*	*(24)*
Changes that relate to past services	*974*	*—*	*—*	*974*
Financial income/ expenses from insurance contracts	(457)	3	49	(406)
Exchange rate differences	(636)	(3)	(82)	(721)
Cash flows	411	—	—	411
Final balance	**8,710**	**150**	**1,224**	**10,084**

VARIATION IN LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS ANALYZED BY VALUATION COMPONENT. DECEMBER 2023 (MILLIONS OF EUROS)

	Estimated present value of future cash flows	Risk adjustment	Contractual service margin	Total
Initial balance	**8,056**	**150**	**1,097**	**9,303**
Insurance service result	(384)	—	(23)	(406)
Changes that relate to current services	*(749)*	*(26)*	*(185)*	*(960)*
Changes that relate to future services	*(189)*	*26*	*163*	*—*
Changes that relate to past services	*554*	*—*	*—*	*554*
Financial income/ expenses from insurance contracts	508	11	45	564
Exchange rate differences	935	6	94	1,035
Cash flows	623	—	—	623
Final balance	**9,738**	**167**	**1,213**	**11,118**

The maturity of "Liabilities under insurance and reinsurance contracts" is as follows:

MATURITY OF THE LIABILITIES UNDER INSURANCE AND REINSURANCE CONTRACTS (MILLIONS OF EUROS)

	Up to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
2025	666	89	1,709	10,296	12,760
2024	1,556	319	720	8,387	10,981
2023	1,356	962	2,425	7,367	12,110

The classification and valuation models used to calculate the liabilities under insurance and reinsurance contracts are detailed in Note 2.2.8 of these Consolidated Financial Statements.

In general, in estimating compliance flows valued under the General Model, the Group has used tables based on the companies' own experience to estimate discounted future cash flows for all units of account, except for those cases in which the entity has not had sufficient historical data for the construction of the assumptions, so in such cases, regulatory tables have been used.

24. Provisions

The breakdown of the balance under this heading in the consolidated balance sheets, based on type of provisions, is as follows:

PROVISIONS. BREAKDOWN BY CONCEPTS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Provisions for pensions and similar obligations	25	2,267	2,348	2,571
Other long-term employee benefits (1)	25	332	384	435
Provisions for taxes and other legal contingencies	7.1	805	791	696
Provisions for contingent risks and commitments		725	667	770
Other provisions (2)		293	429	452
Total		**4,422**	**4,619**	**4,924**

(1) It includes commitments undertaken under the collective layoff procedure that was carried out at Banco Bilbao Vizcaya Argentaria, S.A. in 2021.
(2) Individually non-significant provisions for various concepts and corresponding to different geographical areas.

The change in provisions for pensions and similar obligations for the years ended December 31, 2025, 2024 and 2023 is as follows:

PROVISIONS FOR PENSIONS AND OTHER POST-EMPLOYMENT OBLIGATIONS FOR DEFINED BENEFIT PLANS, AND OTHER LONG-TERM EMPLOYEE BENEFITS. CHANGES OVER THE YEAR (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Balance at the beginning		**2,732**	**3,006**	**3,098**
Charges to income for the year		172	197	211
Interest expense and similar charges	*25*	*118*	*138*	*133*
Personnel expense		*53*	*57*	*49*
Provision expense		*1*	*2*	*29*
Charges (credits) to equity (1)	25	375	132	314
Transfers and other changes		(75)	(49)	(37)
Benefit payments		(276)	(410)	(474)
Employer contributions		(330)	(143)	(106)
Balance at the end		**2,599**	**2,732**	**3,006**

(1) Correspond to actuarial losses (gains) arising from certain post-employment defined-benefit commitments for pensions recognized in "Equity" (see Note 2.2.13).

PROVISIONS FOR TAXES, LEGAL CONTINGENCIES AND OTHER PROVISIONS. CHANGES OVER THE YEAR (MILLIONS OF EUROS)

	2025	2024	2023
Balance at beginning	**1,220**	**1,148**	**1,065**
Additions	367	370	651
Acquisition of subsidiaries	—	—	—
Unused amounts reversed during the year	(108)	(92)	(385)
Amount used and other variations	(381)	(206)	(183)
Balance at the end	**1,098**	**1,220**	**1,148**

Ongoing legal proceedings and litigation

The financial sector faces an environment of increased regulatory pressure and litigation. In this environment, the various Group entities are often subject to lawsuits and involved in individual or collective legal proceedings and litigation arising from their activity and operations, including proceedings arising from their lending activity, from their labor relations and from other commercial, regulatory or tax issues, as well as in arbitration.

On the basis of the information available, the Group considers that, as of December 31, 2025, the provisions made in relation to judicial proceedings and arbitrations, where so required, are adequate and reasonably cover the liabilities that might arise, if any, from such proceedings and arbitrations. Furthermore, on the basis of the information available and with the exceptions indicated in Note 7.1 "Risk factors", BBVA considers that the liabilities that may arise from the resolution of such proceedings will not have, individually, a significant adverse effect on the Group's business, financial situation or results of operations.

25. Post-employment and other employee benefit commitments

The Group entities have assumed commitments with employees including short-term employee benefits (see Note 44.1), defined contribution and defined benefit plans (see Glossary), healthcare and other long-term employee benefits (see Note 2.2.13).

The Group sponsors defined-contribution plans for the majority of its active employees, with the plans in Spain and Mexico being the most significant. Most defined benefit plans are closed to new employees, with liabilities relating largely to retired employees, the most significant being those in Spain, Mexico and Turkey. In Mexico, the Group provides medical benefits to a closed group of employees and their family members, both in active service and retirement.

The breakdown of the net defined benefit liability recorded on the balance sheet as of December 31, 2025, 2024 and 2023 is provided below:

NET DEFINED BENEFIT LIABILITY (ASSET) ON THE CONSOLIDATED BALANCE SHEET (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Pension commitments		4,040	3,759	3,849
Early retirement commitments		173	271	412
Medical benefits commitments		1,702	1,269	1,728
Other long-term employee benefits		332	384	435
Total commitments		**6,247**	**5,683**	**6,424**
Pension plan assets		1,903	1,584	1,675
Medical benefit plan assets		1,747	1,367	1,744
Total plan assets (1)		**3,650**	**2,951**	**3,419**
Total net liability / asset		**2,599**	**2,732**	**3,006**
Of which: Net asset on the consolidated balance sheet (2)		—	—	—
Of which: Net liability on the consolidated balance sheet for provisions for pensions and similar obligations (3)	24	*2,267*	*2,348*	*2,571*
Of which: Net liability on the consolidated balance sheet for other long-term employee benefits	24	*332*	*384*	*435*

(1) In Turkey, the foundation responsible for managing the benefit commitments holds an additional asset of €237 million as of December 31, 2025 which, in accordance with IFRS regarding the asset ceiling, has not been recognized in the Consolidated Financial Statements, because although it could be used to reduce future pension contributions it could not be immediately refunded to the employer. As of December 31, 2024 and 2023, this amount amounted to €123 million and €153 million, respectively.
(2) Recorded under the heading "Other Assets - Other" of the consolidated balance sheet (see Note 20).
(3) Recorded under the heading "Provisions - Provisions for pensions and similar obligations" of the consolidated balance sheet.

The impact relating to benefit commitments on the consolidated income statement for the years 2025, 2024 and 2023 is as follows:

CONSOLIDATED INCOME STATEMENT IMPACT (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Interest income and expense		**118**	**138**	**133**
Interest expense		487	494	444
Interest income		(369)	(356)	(311)
Personnel expense		**205**	**215**	**188**
Defined contribution plan expense	44.1	152	158	139
Defined benefit plan expense	44.1	43	51	49
Other expense		10	6	—
Provisions or (reversal) of provisions	**46**	**2**	**3**	**31**
Early retirement expense		—	—	—
Past service cost expense		6	7	36
Remeasurements [1]		(5)	(5)	(7)
Other provision expense		1	1	2
Total impact on consolidated income statement: expense (income)		**325**	**355**	**352**

(1) Actuarial losses (gains) on remeasurement of the net defined benefit liability relating to early retirements in Spain and other long-term employee benefits that are charged to the income statements (see Note 2.2.13).

The amounts relating to post-employment benefits charged to the consolidated balance sheet correspond to the actuarial gains (losses) on remeasurement of the net defined benefit liability relating to pension and medical commitments before income taxes as of December 31, 2025, 2024 and 2023 are as follows:

EQUITY IMPACT (MILLIONS OF EUROS)

	2025	2024	2023
Defined benefit plans	210	218	302
Post-employment medical benefits	165	(86)	12
Total impact on equity: debit (credit)	**375**	**132**	**314**

In 2025, the aggregate impact of this heading amounted to a debit of €375 million, which is mainly explained by: the variation of the main commitments for long-term remuneration in Mexico (debit of €448 million, mainly due to the variation of financial assumptions and expected return on the plan assets); Turkey (debit of €31 million, mainly due to the variation of financial assumptions, expected return on the plan assets and experience); and Spain (credit of €97 million, mainly due to the variation of financial assumptions).

In 2024, the aggregate impact of this heading amounted to a debit of €132 million driven by the variation in the main long-term remuneration commitments in Mexico (debit of €55 million, mainly due to the variation of financial assumptions and expected profitability of plan assets), Turkey (debit of €32 million due to the variation of financial assumptions, expected profitability of plan assets and experience), Spain (debit of €28 million, essentially due to the variation in financial assumptions) and Portugal (debit of €16 million due to the expected profitability of the plan assets and experience).

In 2023, the aggregate impact of this heading amounted to a debit of €314 million driven by the variation in financial assumptions, losses of €71 million from commitments in Spain, and losses of €170 million for commitments in Mexico. These amounts are offset by other minor effects of actuarial experience in these geographical areas and financial, demographic and experience effects in other geographical areas.

25.1 Defined benefit plans

Defined benefit commitments relate mainly to employees who have already retired or taken early retirement, certain closed groups of active employees still accruing defined benefit pensions, and in-service death and disability benefits provided to most active employees. For the latter, the Group pays the required premiums to fully insure the related liability. The change in these pension commitments during the years ended December 31, 2025, 2024 and 2023 is presented below:

DEFINED BENEFITS (MILLIONS OF EUROS)

	2025			2024			2023		
	Defined benefit obligation	Plan assets	Net liability (asset)	Defined benefit obligation	Plan assets	Net liability (asset)	Defined benefit obligation	Plan assets	Net liability (asset)
Balance at the beginning	**5,299**	**2,951**	**2,348**	**5,989**	**3,419**	**2,571**	**5,715**	**3,084**	**2,632**
Current service cost	44	—	44	51	—	51	52	—	52
Interest income/expense	475	369	105	472	356	115	425	311	114
Contributions by plan participants	15	15	—	16	16	—	10	10	—
Employer contributions	—	330	(330)	—	143	(143)	—	106	(106)
Past service costs (1)	6	—	6	7	—	7	36	—	36
Remeasurements	726	352	373	(202)	(330)	128	375	68	307
Return on plan assets (2)	*—*	*352*	*(352)*	*—*	*(330)*	*330*	*—*	*68*	*(68)*
From changes in demographic assumptions	*21*	*—*	*21*	*2*	*—*	*2*	*(86)*	*—*	*(86)*
From changes in financial assumptions	*520*	*—*	*520*	*(362)*	*—*	*(362)*	*248*	*—*	*248*
Other actuarial gains and losses	*185*	*—*	*185*	*158*	*—*	*158*	*212*	*—*	*212*
Benefit payments	(546)	(275)	(271)	(564)	(230)	(334)	(655)	(232)	(424)
Settlement payments	—	—	—	(1)	(1)	—	(76)	(75)	(1)
Business combinations and disposals	—	—	—	—	—	—	(1)	—	(1)
Effect on changes in foreign exchange rates	(100)	(83)	(17)	(467)	(416)	(51)	124	153	(29)
Conversions to defined contributions	—	—	—	—	—	—	—	—	—
Other effects	(4)	(7)	4	(3)	(7)	4	(15)	(7)	(8)
Balance at the end	**5,915**	**3,650**		**5,299**	**2,951**	**2,348**	**5,989**	**3,419**	**2,571**
Of which: Spain	*1,770*	*96*	*1,674*	*2,078*	*114*	*1,964*	*2,310*	*129*	*2,181*
Of which: Mexico	*3,218*	*2,733*	*485*	*2,385*	*2,114*	*271*	*2,988*	*2,702*	*286*
Of which: Turkey	*675*	*599*	*77*	*567*	*488*	*80*	*435*	*363*	*72*

(1) Including gains and losses arising from settlements.
(2) Excluding interest, which is recorded under "Interest income or expense".

The balance under the heading "Provisions - Pensions and other post-employment defined benefit obligations" of the consolidated balance sheet as of December 31, 2025 includes €182 million relating to post-employment benefit commitments to former members of the Board of Directors and the Bank's Management (see Note 54).

The most significant commitments are those in Spain and Mexico and, to a lesser extent, in Turkey. The remaining commitments are located mostly in Portugal and South America. Unless otherwise required by local regulation, all defined benefit plans have been closed to new entrants, who instead are able to participate in the Group´s defined contribution plans.

Both the costs and the present value of the commitments are determined by independent qualified actuaries using the "projected unit credit" method. In order to achieve the good governance of these plans, the Group has established specific benefits committees. These benefit committees include members from the different areas of the business to ensure that all decisions are made taking into consideration all of the associated impacts.

The following table sets out the key actuarial assumptions used in the valuation of these commitments as of December 31, 2025, 2024 and 2023:

ACTUARIAL ASSUMPTIONS (%)

	2025			2024			2023		
	Spain	Mexico	Turkey	Spain	Mexico	Turkey	Spain	Mexico	Turkey
Discount rate	4.00 %	10.72 %	31.1%	3.25 %	12.11 %	31.02 %	3.43 %	10.44 %	25.60 %
Rate of salary increase	—	4.50 %	27.74 %	—	4.50 %	27.80 %	—	4.50 %	23.44 %
Rate of pension increase	—	5.14 %	26.24 %	—	3.92 %	26.30 %	—	4.14 %	21.94 %
Medical cost trend rate	—	8.04 %	30.44 %	—	8.00 %	30.50 %	—	8.04 %	26.14 %
Mortality tables	PER 2020	EMSSA09	TUIK 2024	PER 2020	EMSSA09	TUIK 2022	PER 2020	EMSSA09	TUIK 2019

In Spain, the discount rate shown as of December 31, 2025, corresponds to the discount rate for long-term commitments, with the discount rate used for short-term commitments being 2.75%.

Discount rates used to value future benefit cash flows have been determined by reference to high quality corporate bonds (see Note 2.2.13) denominated in Euro in the case of Spain and Mexican peso for Mexico, and government bonds denominated in Turkish Lira for Turkey. The expected return on plan assets has been set in line with the adopted discount rate. Assumed retirement ages have been set by reference to the earliest age at which employees are entitled to retire, the contractually agreed age in the case of early retirements in Spain or by using retirement rates.

Changes in the main actuarial assumptions may affect the valuation of the commitments. The table below shows the sensitivity of the benefit obligations to changes in the key assumptions:

SENSITIVITY ANALYSIS (MILLIONS OF EUROS)

	Basis points change	2025		2024		2023	
		Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate	50	(262)	287	(213)	232	(265)	291
Rate of salary increase	50	5	(5)	4	(4)	4	(4)
Rate of pension increase	50	40	(38)	27	(26)	34	(32)
Medical cost trend rate	50	151	(137)	102	(93)	141	(126)
Change in obligation from each additional year of longevity		154	—	120	—	134	—

The sensitivities provided above have been determined at the date of these consolidated financial statements, and reflect solely the impact of changing one individual assumption at a time, keeping the rest of the assumptions unchanged, thereby excluding the effects which may result from combined assumption changes.

In addition to the commitments to employees shown above, the Group has other less material long-term employee benefits. These include leaves and long-service awards, which consist of either an established monetary award or some vacation days granted to certain groups of employees when they complete a given number of years of service. Additionally, a fund related to the collective layoff procedure that was carried out in Banco Bilbao Vizcaya Argentaria, S.A. was created in 2021. As of December 31, 2025, 2024 and 2023, the actuarial liabilities for the outstanding awards amounted to €332 million, €384 million and €435 million, respectively. These commitments are recorded under the heading "Provisions - Other long-term employee benefits" of the consolidated balance sheet (see Note 24).

25.1.1 Post-employment commitments and similar obligations

These commitments relate mostly to pension payments, and which have been determined based on salary and years of service. For most plans, pension payments are due on retirement, death and long-term disability.

Additionally, there are commitments with early retired personnel from Spanish companies of the Group. These commitments include the compensation and indemnities due as well as the contributions payable to external pension funds during the early retirement period. As of December 31, 2025, 2024 and 2023, the value of these commitments amounted to €173 million, €271 million and €412 million, respectively.

The change in the benefit plan obligations and plan assets during the year ended December 31, 2025 was as follows:

POST-EMPLOYMENT COMMITMENTS 2025 (MILLIONS OF EUROS)

	Spain	Mexico	Turkey	Rest of the world
Defined benefit obligation				
Balance at the beginning	**2,078**	**1,125**	**567**	**260**
Current service cost	4	9	16	3
Interest income or expense	61	126	133	9
Contributions by plan participants	—	—	13	2
Employer contributions	—	—	—	—
Past service costs [1]	—	—	4	2
Remeasurements	(104)	374	141	(17)
Return on plan assets [2]	*—*	*—*	*—*	*—*
From changes in demographic assumptions	*—*	*—*	*21*	*—*
From changes in financial assumptions	*(91)*	*344*	*22*	*(22)*
Other actuarial gains and losses	*(13)*	*30*	*97*	*5*
Benefit payments	(275)	(138)	(34)	(12)
Settlement payments	—	—	—	—
Business combinations and disposals	—	—	—	—
Effect on changes in foreign exchange rates	—	26	(155)	(1)
Conversions to defined contributions	—	—	—	—
Other effects	6	—	(10)	—
Balance at the end	**1,770**	**1,522**	**675**	**246**
Of which: Vested benefit obligation relating to current employees	*72*			
Of which: Vested benefit obligation relating to retired employees	*1,698*			
Plan Assets				
Balance at the beginning	**114**	**748**	**488**	**234**
Current service cost	—	—	—	—
Interest income or expense	3	81	116	8
Contributions by plan participants	—	—	13	2
Employer contributions	—	185	37	2
Past service costs [1]	—	—	—	—
Remeasurements	(5)	93	110	(12)
Return on plan assets [2]	*(5)*	*93*	*110*	*(12)*
From changes in demographic assumptions	*—*	*—*	*—*	*—*
From changes in financial assumptions	*—*	*—*	*—*	*—*
Other actuarial gains and losses	*—*	*—*	*—*	*—*
Benefit payments	(16)	(138)	(24)	(11)
Settlement payments	—	—	—	—
Business combinations and disposals	—	—	—	—
Effect on changes in foreign exchange rates	—	18	(133)	—
Conversions to defined contributions	—	—	—	—
Other effects	—	—	(7)	—
Balance at the end	**96**	**986**	**599**	**223**
Net liability (asset)				
Balance at the beginning	**1,964**	**377**	**80**	**26**
Current service cost	4	9	16	3
Interest income or expense	58	45	17	1
Contributions by plan participants	—	—	—	—
Employer contributions	—	(185)	(37)	(2)
Past service costs [1]	—	—	4	2
Remeasurements	(99)	281	31	(5)
Return on plan assets [2]	*5*	*(93)*	*(110)*	*12*
From changes in demographic assumptions	*—*	*—*	*21*	*—*
From changes in financial assumptions	*(91)*	*344*	*22*	*(22)*
Other actuarial gains and losses	*(13)*	*30*	*97*	*5*
Benefit payments	(259)	—	(11)	(1)
Settlement payments	—	—	—	—
Business combinations and disposals	—	—	—	—
Effect on changes in foreign exchange rates	—	8	(22)	(1)
Conversions to defined contributions	—	—	—	—
Other effects	6	—	(2)	—
Balance at the end	**1,674**	**536**	**77**	**23**

(1) Including gains and losses arising from settlements.
(2) Excluding interest, which is recorded under "Interest income or expense".

The change in net liabilities (assets) during the years ended December 31, 2024 and 2023 was as follows:

POST-EMPLOYMENT COMMITMENTS (MILLIONS OF EUROS)

	2024: Net liability (assets)				2023: Net liability (assets)			
	Spain	Mexico	Turkey	Rest of the world	Spain	Mexico	Turkey	Rest of the world
Balance at the beginning	**2,181**	**311**	**72**	**23**	**2,399**	**132**	**103**	**25**
Current service cost	4	10	18	3	3	9	17	3
Interest income or expense	69	30	16	2	85	17	8	2
Contributions by plan participants	—	—	—	—	—	—	—	—
Employer contributions	—	(68)	(39)	(22)	—	(37)	(23)	(29)
Past service costs (1)	—	—	3	4	—	—	33	3
Remeasurements	23	139	32	19	67	175	32	21
Return on plan assets (2)	*(1)*	*125*	*(50)*	*10*	*—*	*19*	*(129)*	*25*
From changes in demographic assumptions	*—*	*2*	*(15)*	*—*	*—*	*—*	*(14)*	*(2)*
From changes in financial assumptions	*34*	*(10)*	*(97)*	*3*	*78*	*114*	*10*	*(10)*
Other actuarial gains and losses	*(10)*	*22*	*195*	*6*	*(11)*	*42*	*165*	*8*
Benefit payments	(321)	—	(11)	(1)	(379)	—	(43)	(1)
Settlement payments	—	—	—	—	—	—	—	(1)
Business combinations and disposals	—	—	—	—	—	—	—	(1)
Effect on changes in foreign exchange rates	—	(45)	(8)	(2)	—	15	(40)	1
Conversions to defined contributions	—	—	—	—	—	—	—	—
Other effects	8	—	(4)	—	6	—	(14)	—
Balance at the end	**1,964**	**377**	**80**	**26**	**2,181**	**311**	**72**	**23**

(1) Includes gains and losses from settlements.
(2) Excludes interest which is reflected in the line item "Interest income and expense".

In Spain, local regulation requires that pension and death benefit commitments must be funded, either through a qualified pension plan or an insurance contract.

In the Spanish entities these commitments are covered by insurance contracts which meet the requirements of the accounting standard regarding the non-recoverability of contributions. However, a significant number of the insurance contracts are with BBVA Seguros, S.A. (a consolidated subsidiary and related party) and consequently these policies cannot be considered plan assets under IAS 19. For this reason, the liabilities insured under these policies are fully recognized under the heading "Provisions – Pensions and other post-employment defined benefit obligations" of the consolidated balance sheet (see Note 24), while the related assets held by the insurance company are included within the Group´s consolidated assets (recorded according to the classification of the corresponding financial instruments). As of December 31, 2025 the value of these separate assets was €1,371 million, (€1,553 million and €1,631 million as of December 31, 2024 and 2023, respectively) representing direct rights of the insured employees held in the consolidated balance sheet, hence these benefits are effectively fully funded.

On the other hand, some pension commitments have been funded through insurance contracts with insurance companies not related to the Group. In this case the consolidated balance sheet reflects the value of the obligations net of the fair value of the qualifying insurance policies. As of December 31, 2025, 2024 and 2023, the value of the aforementioned insurance policies (€96 million, €114 million and €130 million, respectively) exactly matches the value of the corresponding obligations and therefore no amount for this item has been recorded in the consolidated balance sheet.

Pension benefits are paid by the insurance companies with whom BBVA has insurance contracts and to whom all insurance premiums have been paid. The premiums are determined by the insurance companies using cash flow matching techniques to ensure that benefits can be met when due, guaranteeing both the actuarial (see Glossary) and interest rate risk (see Note 7.3.1).

In Mexico, there is a defined benefit plan for employees hired prior to 2001. Other employees participate in a defined contribution plan. External funds/trusts have been constituted locally to meet benefit payments as required by local regulation.

In 2008, the Turkish government passed a law to unify the different existing pension systems under a single umbrella Social Security system. Such system provides for the transfer of the various previously established funds. The financial sector is in this *stage* at present, maintaining these pension commitments managed by external pension funds (foundations) established for that purpose.

The foundation that maintains the assets and liabilities relating to employees of Garanti BBVA in Turkey, as per the local regulatory requirements, has recognized an obligation amounting to €259 million as of December 31, 2025 pending future transfer to the Social Security system. Furthermore, Garanti BBVA has set up a defined benefit pension plan for employees, additional to the social security benefits, reflected in the consolidated balance sheet.

25.1.2 Medical benefit commitments

The change in defined benefit obligations and plan assets during the years 2025, 2024 and 2023 was as follows:

MEDICAL BENEFITS COMMITMENTS (MILLIONS OF EUROS)

	2025			2024			2023		
	Defined benefit obligation	Plan assets	Net liability (asset)	Defined benefit obligation	Plan assets	Net liability (asset)	Defined benefit obligation	Plan assets	Net liability (asset)
Balance at the beginning	**1,269**	**1,367**	**(98)**	**1,728**	**1,744**	**(16)**	**1,448**	**1,476**	**(28)**
Current service cost	13	—	13	18	—	18	20	—	20
Interest income or expense	145	161	(16)	167	168	(2)	167	165	2
Contributions by plan participants	—	—	—	—	—	—	—	—	—
Employer contributions	—	106	(106)	—	15	(15)	—	17	(17)
Past service costs [1]	—	—	—	—	—	—	—	—	—
Remeasurements	332	167	165	(333)	(247)	(86)	(5)	(17)	12
Return on plan assets [2]	*—*	*167*	*(167)*	*—*	*(247)*	*247*	*—*	*(17)*	*17*
From changes in demographic assumptions	*—*	*—*	*—*	*15*	*—*	*15*	*(70)*	*—*	*(70)*
From changes in financial assumptions	*266*	*—*	*266*	*(293)*	*—*	*(293)*	*56*	*—*	*56*
Other actuarial gain and losses	*65*	*—*	*65*	*(55)*	*—*	*(55)*	*8*	*—*	*8*
Benefit payments	(86)	(86)	—	(71)	(70)	—	(70)	(70)	—
Settlement payments	—	—	—	—	—	—	—	—	—
Business combinations and disposals	—	—	—	—	—	—	—	—	—
Effect on changes in foreign exchange rates	30	32	(2)	(240)	(243)	3	168	173	(5)
Other effects	—	—	—	—	—	—	—	—	—
Balance at the end	**1,702**	**1,747**	**(45)**	**1,269**	**1,367**	**(98)**	**1,728**	**1,744**	**(16)**

(1) Including gains and losses arising from settlements.
(2) Excluding interest, which is recorded under "Interest income or expense".

In Mexico, there is a medical benefit plan for employees hired prior to 2007. New employees from 2007 are covered by a medical insurance policy. An external trust has been constituted locally to fund the plan, in accordance with local legislation and Group policy.

In Turkey, employees are currently provided with medical benefits through a foundation in collaboration with the Social Security system, although local legislation prescribes the future unification of this and similar systems into the general Social Security system itself.

The valuation of these benefits and their accounting treatment follow the same methodology as that employed in the valuation of pension commitments.

25.1.3 Estimated benefit payments

As of December 31, 2025, the estimated benefit payments over the next ten years for all the entities in Spain, Mexico and Turkey are as follows:

ESTIMATED BENEFIT PAYMENTS (MILLIONS OF EUROS)

	2026	2027	2028	2029	2030	2031 - 2035
Commitments in Spain	380	240	209	180	153	557
Commitments in Mexico	229	246	261	278	297	1,635
Commitments in Turkey	30	36	46	58	75	895
Total	**639**	**522**	**516**	**516**	**525**	**3,087**

25.1.4 Plan assets

The majority of the Group´s defined benefit plans are funded by plan assets held in external funds/trusts legally separate from the Group sponsoring entity. However, in accordance with local regulation, some commitments are not externally funded and covered through internally held provisions, principally those relating to early retirements.

Plan assets are those assets which will be used to directly settle the assumed commitments and which meet the following conditions: they are not part of the Group sponsoring entities assets, they are available only to pay post-employment benefits and they cannot be returned to the Group sponsoring entity.

To manage the assets associated with defined benefit plans, BBVA Group has established investment policies designed according to criteria of prudence and minimizing the financial risks associated with plan assets.

The investment policy consists of investing in a low risk and diversified portfolio of assets with maturities consistent with the term of the benefit obligation and which, together with contributions made to the plan, will be sufficient to meet benefit payments when due, thus mitigating the plans' risks.

In those countries where plan assets are held in pension funds or trusts, the investment policy is developed consistently with local regulation. When selecting specific assets, current market conditions, the risk profile of the assets and their future market outlook are all taken into consideration. In all the cases, the selection of assets takes into consideration the term of the benefit obligations as well as short-term liquidity requirements.

The risks associated with these commitments are those which give rise to a deficit in the plan assets. A deficit could arise from factors such as a fall in the market value of plan assets, an increase in long-term interest rates leading to a decrease in the fair value of fixed income securities, or a deterioration of the economy resulting in more write-downs and credit rating downgrades.

The table below shows the allocation of plan assets of the main companies of the BBVA Group as of December 31, 2025, 2024 and 2023:

PLAN ASSETS BREAKDOWN (MILLIONS OF EUROS)

	2025	2024	2023
Cash and cash equivalents	233	60	86
Debt securities (government bonds)	2,697	2,267	2,818
Mutual funds	1	1	—
Asset-backed securities	—	—	—
Structured debt	—	—	—
Insurance contracts	24	21	21
Total	**2,956**	**2,349**	**2,924**
Of which: Bank account in BBVA	*6*	*25*	*23*
Of which: Debt certificates issued by BBVA	—	—	—
Of which: Property occupied by BBVA	—	—	—

In addition to the above there are plan assets relating to the previously mentioned insurance contracts in Spain and the foundation in Turkey.

The following table provides details of investments in listed securities (level 1) as of December 31, 2025, 2024 and 2023:

INVESTMENTS IN LISTED MARKETS (MILLIONS OF EUROS)

	2025	2024	2023
Cash and cash equivalents	233	60	86
Debt securities (Government bonds)	2,697	2,267	2,818
Mutual funds	1	1	—
Total	**2,931**	**2,328**	**2,904**
Of which: Bank account in BBVA	*6*	*25*	*23*
Of which: Debt certificates issued by BBVA	—	—	—
Of which: Property occupied by BBVA	—	—	—

The remainder of the assets are mainly invested in Level 2 assets in in accordance with the classification established under IFRS 13 (mainly insurance contracts). As of December 31, 2025, almost all of the assets related to employee commitments corresponded to fixed income securities.

25.2 Defined contribution plans

Certain Group entities sponsor defined contribution plans. Some of these plans allow employees to make contributions which are then matched by the employer.

Contributions are recognized as and when they are accrued, with a charge to the consolidated income statement in the corresponding year. No liability is therefore recognized in the consolidated balance sheet (see Note 44.1).

26. Capital

As of December 31, 2025 and 2024 BBVA's share capital amounted to €2,797,394,663.00 and €2,824,009,877.85 divided into 5,708,968,700 and 5,763,285,465 shares, respectively. As of December 31, 2023 BBVA's share capital amounted to €2,860,590,786.20 divided into 5,837,940,380 shares. These decreases have been the result, respectively, of the partial execution of the share capital reduction resolution adopted by the Annual General Shareholders' Meeting of BBVA held on March 21, 2025, under agenda item three, and of the partial execution of the share capital reduction resolution adopted by the Annual General Shareholders' Meeting of BBVA held on March 15, 2024, under item 3 of the agenda, which were notified through Other Relevant Information notices on December 23, 2025 and on May 24, 2024, respectively (see Note 4).

As of December 31, 2025, 2024 and 2023, the shares were fully subscribed and paid-up, of the same class and series, of €0.49 par value each, and represented through book-entry accounts. All of the Bank´s shares carry the same voting and dividend rights, and no single stockholder enjoys special voting rights. Each and every share is part of the Bank's capital.

The Bank's shares are traded on the stock markets of Madrid, Barcelona, Bilbao and Valencia through the Sistema de Interconexión Bursátil Español (Mercado Continuo), as well as on the London and Mexico stock markets. BBVA American Depositary Shares (ADSs) traded on the New York Stock Exchange under the ticker "BBVA".

Additionally, as of December 31, 2025, the shares of Banco BBVA Peru, S.A., BBVA Banco Provincial, S.A., Banco BBVA Colombia, S.A., Banco BBVA Argentina, S.A., and Garanti BBVA A.S., were listed on their respective local stock markets. Banco BBVA Argentina, S.A. was also quoted in the Latin American market (Latibex) of the Madrid Stock Exchange and, through its American Depositary Shares (ADSs) on the New York Stock Exchange. Also, the Depositary Receipts ("DR") of Garanti BBVA, A.S. are listed in the London Stock Exchange. BBVA is also currently included, amongst other indexes, in the IBEX 35® Index, which is made up by the 35 most liquid securities traded on the Spanish Market and, technically, it is a price index that is weighted by capitalization and adjusted according to the free float of each company comprised in the index.

As of December 31, 2025, State Street Bank and Trust Company, The Bank of New York Mellon, Chase Nominees and Northern Trust Company, in their capacity as international custodian/depositary banks, held 13.87%, 11.33%, 9.69%, and 3.14% of BBVA ordinary shares, respectively. Of said positions held by the custodian banks, BBVA is not aware of any individual shareholders with direct or indirect holdings greater than or equal to 3% of BBVA ordinary shares outstanding.

On July 4, 2025, Blackrock, Inc. reported to the CNMV that it had an indirect holding of BBVA ordinary shares totaling 7.158%, of which 7.076% were voting rights attributed to shares and 0.082% were voting rights held through financial instruments.

On July 29, 2025, Capital Research and Management Company reported to the CNMV that it had an indirect holding of BBVA ordinary shares totaling 4.968%, corresponding to voting rights attributed to shares.

BBVA is not aware of any direct or indirect interests through which control of the Bank may be exercised. Furthermore, BBVA has not received any information on stockholder agreements, including agreements regulating the exercise of voting rights at its Annual General Shareholders' Meetings or restricting or placing conditions on the free transferability of BBVA shares. No agreement is known to BBVA that could give rise to changes in the control of the Bank.

BBVA banking subsidiaries, associates and joint ventures worldwide, are subject to supervision and regulation from a variety of regulatory bodies in relation to, among other aspects, the satisfaction of minimum capital requirements. The obligation to satisfy such capital requirements may affect the ability of such entities to transfer funds in the form of cash dividends, loans or advances. In addition, under the laws of the various jurisdictions where such entities are incorporated, dividends may only be paid out through funds legally available for such purpose. Even when the minimum capital requirements are met and funds are legally available, the relevant regulators or other public administrations could discourage or delay the transfer of funds to the Group in the form of cash, dividends, loans or advances for prudential reasons.

Resolutions adopted by the Annual General Shareholders' Meeting

Capital increase

BBVA's Annual General Shareholders' Meeting held on March 18, 2022 resolved, under agenda item four, to confer authority on the Board of Directors of BBVA to increase BBVA's share capital, on one or several occasions, within the legal term of five years to be counted as from the date on which this resolution was adopted, up to the maximum amount corresponding to 50% of BBVA's share capital at the time of this authorization. Likewise, the Annual General Shareholders' Meeting resolved to confer on the Board of Directors authority to exclude shareholders' pre-emptive subscription rights, in whole or in part, within the framework of a specific issue of shares that may be made thereunder.

However, the power to exclude pre-emptive subscription rights was limited, such that the nominal amount of any share capital increases resolved or effectively carried out with the exclusion of pre-emptive subscription rights and those that may be resolved or carried out to cover the conversion of convertible issuances that may equally be made with the exclusion of pre-emptive subscription rights in use of the authority delegated to issue convertible securities (other than contingently convertible securities, envisaged to meet regulatory requirements for their eligibility as capital instruments (CoCo)) as resolved by BBVA's Annual General Shareholders' Meeting held on March 18, 2022 under agenda item five and which is described in Note 22.4.1 (without prejudice to anti-dilution adjustments), may not exceed the nominal maximum overall amount of 10% of BBVA's share capital at the time of this authorization. This authority repealed the authority conferred by the Annual General Shareholders' Meeting held on March 17, 2017 under its agenda item four, which BBVA did not use.

As of the date of preparation of these Consolidated Financial Statements, the Bank has not made use of the delegation granted by the General Shareholders' Meeting.

The Extraordinary General Shareholders' Meeting of BBVA held on July 5, 2024 resolved, under item one of the agenda, to authorize an increase in BBVA's share capital for up to a maximum nominal amount of €551,906,524.05 by issuing and putting into circulation up to 1,126,339,845 ordinary shares with a par value of €0.49 each, of the same class and series, and with the same rights as the outstanding shares at such date, represented in book-entry form, with non-cash contributions for the purposes of covering the consideration of the voluntary tender offer for the acquisition of up to 100% of the shares of Banco de Sabadell, S.A. announced by BBVA.

BBVA's Annual General Shareholders' Meeting held on March 21, 2025 resolved, under item four of the agenda, to renew said agreement for its execution within a period of one (1) year from that date. The voluntary tender offer was terminated on October 16, 2025, after the CNMV published the results thereof and the minimum acceptance condition set by BBVA was not met; therefore, the Bank will not exercise the delegation granted by the Annual General Shareholders' Meeting.

Capital Decrease

BBVA's Annual General Shareholders' Meeting held on March 17, 2023 resolved, under agenda item three, to approve the share capital reduction of BBVA by up to a maximum amount of 10% of the share capital on the date of this resolution, through the redemption of own shares acquired derivatively by BBVA by virtue of the authorization granted by the General Shareholders' Meeting held on March 18, 2022 under item six of the agenda, through any mechanism whose objective or purpose is redemption. Pursuant to the resolution, its implementation period ended on the date of the following Annual General Shareholders' Meeting, being rendered null and void from that date in respect of the amount not executed. The Annual General Shareholders' Meeting conferred authority on the Board of Directors of BBVA, with sub-delegation powers, to totally or partially execute the aforementioned share capital reduction, on one or more occasions, repealing the resolution adopted by the Annual General Shareholders' Meeting held on March 18, 2022, under agenda item seven.

In execution of said resolution, (see Note 4), BBVA has carried out the following share capital reductions:

- On June 2, 2023, BBVA notified the partial execution of the resolution through the reduction of BBVA's share capital in a nominal amount of €31,675,343.91 and the consequent cancellation, charged to unrestricted reserves, of the 64,643,559

own shares of €0.49 par value each acquired derivatively by the Bank in execution of a share buyback program and which were held as treasury shares.

- On December 19, 2023, BBVA notified the second partial execution of the resolution through the reduction of BBVA's share capital in a nominal amount of €62,490,986.25 and the consequent cancellation, charged to unrestricted reserves, of the 127,532,625 own shares of €0.49 par value each acquired derivatively by the Bank in execution of a share buyback program and which were held as treasury share.

BBVA's Annual General Shareholders' Meeting held on March 15, 2024 resolved, under agenda item three, to approve the share capital reduction of BBVA by up to a maximum amount of 10% of the share capital on the date of this resolution, through the redemption of own shares acquired derivatively by BBVA by virtue of the authorization granted by the General Shareholders' Meeting held on March 18, 2022 under item six of the agenda, through any mechanism whose objective or purpose is redemption. Pursuant to the resolution, its implementation period will end on the date of the following Annual General Shareholders' Meeting, being rendered null and void from that date in respect of the amount not executed. The Annual General Shareholders' Meeting conferred authority on the Board of Directors of BBVA, with sub-delegation powers, to totally or partially execute the aforementioned share capital reduction, on one or more occasions, repealing the resolution adopted by the Annual General Shareholders' Meeting held on March 17, 2023, under agenda item three, whose executions are described above.

In execution of the resolution of the Annual General Shareholders' Meeting held on March 15, 2024, BBVA has carried out the following share capital reduction (see Note 4):

- On May 24, 2024, BBVA notified the partial execution of the resolution through the reduction of BBVA's share capital in a nominal amount of €36,580,908.35 and the consequent cancellation, charged to unrestricted reserves, of 74,654,915 own shares of €0.49 par value each acquired derivatively by the Bank in execution of a share buyback program and which were held as treasury shares.

The Annual General Shareholders' Meeting of BBVA held on March 21, 2025, in the third item of its agenda, agreed to approve the reduction of BBVA's share capital up to a maximum amount corresponding to 10% of the share capital on the date of the agreement, through the amortization of own shares that have been derivatively acquired by BBVA under the authorization conferred by the General Shareholders' Meeting of BBVA held on March 18, 2022 under its sixth item of the agenda, through any mechanism with the aim of being amortized and whose execution period was determined to be until the date of the next Annual General Shareholders' Meeting, with any unexecuted part remaining without effect as of said date. The Annual General Shareholders' Meeting authorized the Board of Directors, with powers of subdelegation, to execute all or part of the reduction of the share capital, in one or several times, leaving without effect, in its unused part, the resolution adopted by the Annual General Shareholders' Meeting held on March 15, 2024, in the third item of the agenda, whose partial executions have been described above.

In the execution of the Annual General Shareholders' Meeting held on March 21, 2025, BBVA has executed the following share capital reduction (see Note 4):

- On December 23, 2025, BBVA notified the partial execution of the aforementioned resolution through the reduction of BBVA's share capital in a nominal amount of €26,615,214.85 and the consequent cancellation, charged to unrestricted reserves, of 54,316,765 own shares of €0.49 par value each acquired derivatively by the Bank in execution of a share buyback program and which were held as treasury shares.

Convertible and/or exchangeable securities

Note 22.4 introduces the details of the convertible and/or exchangeable securities.

27. Share premium

As of December 31, 2025, the balance under this heading in the consolidated balance sheets was €18,469 million. As of December 31, 2024 and 2023, the balance under this heading was €19,184 million and €19,769 million, respectively (see Note 4).

The amended Spanish Corporation Act expressly permits the use of the share premium balance to increase capital and establishes no specific restrictions as to its use (see Note 26).

28. Retained earnings and other reserves

28.1 Breakdown of the balance

The breakdown of the balance under this heading in the consolidated balance sheets is as follows:

RETAINED EARNINGS AND OTHER RESERVES. BREAKDOWN BY CONCEPTS (MILLIONS OF EUROS)

	2025	2024	2023
Legal reserve	559	565	572
Restricted reserve	746	582	561
Voluntary reserves	10,529	6,470	5,478
Total reserves holding company (1)	**11,834**	**7,616**	**6,612**
Consolidation reserves attributed to the Bank and subsidiary consolidated companies	34,715	34,891	31,639
Total	**46,550**	**42,507**	**38,251**

(1) Total reserves of BBVA, S.A. (See Appendix IX).

28.2 Legal reserve

Under the amended Spanish Corporations Act, 10% of any profit made each year must be transferred to the legal reserve. The transfer must be made until the legal reserve reaches 20% of the common stock.

The legal reserve can be used to increase the common stock provided that the remaining reserve balance does not fall below 10% of the increased capital. While it does not exceed 20% of the common stock, it can only be allocated to offset losses exclusively in the case that there are not sufficient reserves available.

28.3 Restricted reserves

As of December 31, 2025, 2024 and 2023, the Bank's restricted reserves are as follows:

RESTRICTED RESERVES. BREAKDOWN BY CONCEPTS (MILLIONS OF EUROS)

	2025	2024	2023
Restricted reserve for retired capital	558	531	495
Restricted reserve for Parent Company shares and loans for those shares	187	49	65
Restricted reserve for redenomination of capital in euros	2	2	2
Total	**746**	**582**	**561**

The restricted reserve for retired capital includes the partial executions of the capital reduction resolutions adopted by BBVA's General Shareholders' Meeting held on March 21, 2025, March 15, 2024 and March 17, 2023, respectively (see Note 26).

The second heading corresponds to restricted reserves related to the amount of shares issued by the Bank in its possession at each date, as well as the amount of customer loans outstanding at those dates that were granted for the purchase of, or are secured by, the parent company shares.

Finally, pursuant to Law 46/1998 on the Introduction of the Euro, a restricted reserve is recognized as a result of the rounding effect of the redenomination of the parent company common stock in euros.

28.4 Retained earnings and other reserves by entity

The breakdown, by company or corporate group, under the headings "Retained earnings" and "other reserves" in the consolidated balance sheets is as follows:

RETAINED EARNINGS AND OTHER RESERVES. BREAKDOWN BY COMPANY OR CORPORATE GROUP (MILLIONS OF EUROS)

	2025	2024	2023
Retained earnings (losses), revaluation reserves and other reserves			
Holding Company	19,311	18,157	15,672
BBVA Mexico Group	19,235	17,209	15,705
Garanti BBVA Group	6,291	6,065	5,857
BBVA Provincial Group	1,803	1,774	1,758
BBVA Colombia Group	1,655	1,639	1,573
BBVA Argentina Group	1,427	1,315	1,474
BBVA Peru Group	1,356	1,245	1,158
Forum Chile Group	672	663	652
BBVA Uruguay Group	215	166	139
Corporación General Financiera, S.A.	494	410	368
BV America, S.L.	474	469	374
BBVA Leasing México, S.A. DE CV	252	221	181
Bilbao Vizcaya Holding, S.A.	140	205	198
Gran Jorge Juan, S.A.	105	83	66
BBVA Technology América S.A.	109	92	87
Anida Operaciones Singulares, S.A.	(5,509)	(5,524)	(5,497)
Tree Invesiones Inmboliarias, S.A.	(231)	(288)	(357)
Other Real State Spanish Companies (1)	(1,063)	(1,152)	(1,164)
Other	41	(14)	243
Subtotal	**46,778**	**42,734**	**38,488**
Other reserves or accumulated losses of investments in joint ventures and associates			
ATOM Holdco Limited	(167)	(169)	(181)
Metrovacesa, S.A.	(120)	(84)	(84)
Other	59	26	28
Subtotal	**(228)**	**(227)**	**(237)**
Total	**46,550**	**42,507**	**38,251**

(1) Includes balances corresponding to Sociedades inmobiliarias CX, Anida Grupo Inmobiliario and Sociedades inmobiliarias Unnim.

For the purpose of allocating the reserves and accumulated losses to the consolidated entities and to the parent company, the transfers of reserves arising from the dividends paid and transactions between these entities are taken into account in the period in which they took place.

29. Treasury shares

In the years ended December 31, 2025, 2024 and 2023 the Group entities performed the following transactions with shares issued by the Bank:

TREASURY SHARES (MILLIONS OF EUROS)

	2025		2024		2023	
	Number of Shares	Millions of Euros	Number of Shares	Millions of Euros	Number of Shares	Millions of Euros
Balance at beginning	**6,666,856**	**66**	**4,386,625**	**34**	**5,485,414**	**29**
+ Purchases	126,490,393	1,994	154,564,499	1,528	301,882,728	2,166
- Sales and other changes	(115,548,741)	(1,761)	(152,284,268)	(1,497)	(302,981,517)	(2,161)
Balance at the end	**17,608,508**	**299**	**6,666,856**	**66**	**4,386,625**	**34**
Of which:						
Held by BBVA, S.A.	*7,496,937*	*152*	*410,370*	*7*	—	*3*
Held by Corporación General Financiera, S.A.	*10,111,571*	*148*	*6,256,486*	*59*	*4,354,004*	*31*
Held by other subsidiaries	—	—	—	—	*32,621*	—
Average purchase price in Euros	15.77	—	9.89	—	7.18	—
Average selling price in Euros (including other changes)	15.20	—	9.89	—	7.14	—
Net gains or losses on transactions (Shareholders' funds-Reserves)		26		10		1

In 2025, 2024 and 2023 there were transactions included in the share buyback program (see Note 4).

The percentages of treasury shares held by the Group in the years ended December 31, 2025, 2024 and 2023 are as follows:

TREASURY SHARE

	2025			2024			2023		
	Min	Max	Closing	Min	Max	Closing	Min	Max	Closing
% treasury share	0.080 %	1.146 %	0.314 %	0.076 %	1.513 %	0.116 %	0.038 %	2.214 %	0.075 %

The number of BBVA shares accepted by the Group in pledge of loans as of December 31, 2025, 2024 and 2023 is as follows:

SHARES OF BBVA ACCEPTED IN PLEDGE

	2025	2024	2023
Number of shares in pledge	5,476,895	13,308,677	17,492,194
Nominal value (in Euros)	0.49	0.49	0.49
% of share capital	0.10 %	0.23 %	0.29 %

The number of BBVA shares owned by third parties but under management of a company within the Group as of December 31, 2025, 2024 and 2023 is as follows:

SHARES OF BBVA OWNED BY THIRD PARTIES BUT MANAGED BY THE GROUP

	2025	2024	2023
Number of shares owned by third parties	11,752,103	11,834,596	13,258,994
Nominal value (in Euros)	0.49	0.49	0.49
% of share capital	0.21 %	0.21 %	0.23 %

30. Accumulated other comprehensive income (loss)

The breakdown of the balance under this heading in the consolidated balance sheets is as follows:

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS). BREAKDOWN BY CONCEPTS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Items that will not be reclassified to profit or loss		**(2,505)**	**(1,988)**	**(2,105)**
Actuarial gains (losses) on defined benefit pension plans		(1,396)	(1,067)	(1,049)
Fair value changes of equity instruments measured at fair value through other comprehensive income	13.4	(983)	(905)	(1,112)
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk		(127)	(17)	55
Items that may be reclassified to profit or loss		**(16,366)**	**(15,232)**	**(14,148)**
Hedge of net investments in foreign operations (effective portion)		(3,117)	(2,329)	(2,498)
Mexican peso		*(3,454)*	*(2,697)*	*(3,147)*
Turkish lira		*368*	*394*	*670*
Other exchanges		*(31)*	*(25)*	*(21)*
Foreign currency translation		(13,340)	(12,702)	(11,419)
Mexican peso		*(3,139)*	*(3,644)*	*(640)*
Turkish lira		*(6,625)*	*(5,835)*	*(6,908)*
Argentine peso		*(832)*	*(555)*	*(1,296)*
Venezuelan bolivar		*(1,910)*	*(1,865)*	*(1,865)*
Other exchanges		*(834)*	*(803)*	*(711)*
Hedging derivatives. Cash flow hedges (effective portion)		311	370	133
Fair value changes of debt instruments measured at fair value through other comprehensive income	13.4	(209)	(576)	(357)
Hedging instruments (non-designated items)		(4)	—	—
Share of other recognized income and expense of investments in joint ventures and associates		(7)	5	(8)
Total		**(18,871)**	**(17,220)**	**(16,254)**

The balances recognized under these headings are presented net of tax.

The main changes in 2025 are explained by the depreciation against the euro of some of the currencies of the main geographical areas where the Group operates against the euro, mainly the Turkish lira (27%) and the Argentine peso (37%), and the application of IAS 29 "Financial Reporting in Hyperinflationary Economies" in Turkey and Argentina (see Note 2.2.18).

31. Minority interests (non-controlling interests)

The breakdown by groups of consolidated entities of the balance under the heading "Minority interests (non-controlling interests)" of total equity in the consolidated balance sheets is as follows:

MINORITY INTERESTS (NON-CONTROLLING INTERESTS). BREAKDOWN BY SUBGROUPS (MILLIONS OF EUROS)

	2025	2024	2023
Garanti BBVA	1,315	1,351	1,129
BBVA Peru	2,004	1,779	1,586
BBVA Argentina	729	843	544
BBVA Colombia	53	60	82
BBVA Venezuela	133	134	108
Other entities	206	191	115
Total	**4,441**	**4,359**	**3,564**

These amounts are broken down by groups of consolidated entities under the heading "Attributable to minority interests (non-controlling interests)" in the consolidated income statements:

PROFIT ATTRIBUTABLE TO MINORITY INTERESTS (NON-CONTROLLING INTERESTS). BREAKDOWN BY SUBGROUPS (MILLIONS OF EUROS)

	2025	2024	2023
Garanti BBVA	154	116	95
BBVA Peru	335	260	236
BBVA Argentina	70	105	59
BBVA Colombia	3	(1)	(16)
BBVA Venezuela	44	32	24
Other entities	9	9	(1)
Total	**615**	**521**	**397**

Dividends distributed to minority interests of the Group during the year 2025 related to: BBVA Peru Group €127 million, Garanti BBVA Group €88 million, BBVA Argentina Group €27 million and other Group entities €12 million.

32. Capital base and capital management

32.1 Capital base

The entry into force of Regulation (EU) 2024/1623 (commonly referred to as 'CRR3') on January 1, 2025 brought about substantial changes in the calculation of minimum capital requirements. The impact of these changes on the Group's CET1 ratio was not significant at that date.

As of December 31, 2025, 2024 and 2023, own funds are calculated in accordance with the applicable regulation of each year on minimum capital requirements for Spanish credit institutions –both as individual entities and as consolidated group– that establish how to calculate them, as well as the various required internal capital adequacy assessment processes and the information required to be disclosed to the market.

The CET1 fully loaded ratio of the BBVA Group stood at 12.70% at the end of December 2025, representing a large management buffer over the Group's CET 1 requirement (9.28%[3]) and over the Group's target management range of between 11.5 - 12% of CET 1. With regard to the minimum total capital requirements applicable to the Group as of December 31, 2025, these amount to 13.44%[3].

Following the latest decision of the SREP (Supervisory Review and Evaluation Process), which came into force on January 1, 2026, the ECB has notified the Group that the Pillar 2 requirement is maintained at 1.62% (of which 0.96% at least should be covered by CET1). In addition, the Bank of Spain has reduced the D-SIB (Domestic Systemically Important Banks) buffer requirement which the Group must maintain to 0.75% since January 1, 2026, 0.25% less than that in force on December 31, 2025. Therefore, BBVA must maintain a CET1 capital ratio of 8.97%[3] and a total capital ratio of 13.13%[3] at a consolidated level.

A reconciliation of the main figures between the accounting and regulatory own funds as of December 31, 2025, 2024 and 2023 is shown below:

ELIGIBLE CAPITAL RESOURCES (MILLIONS OF EUROS)

	Notes	2025 (1)	2024	2023
Capital	26	2,797	2,824	2,861
Share premium	27	18,469	19,184	19,769
Retained earnings, revaluation reserves and other reserves	28	46,550	42,507	38,251
Other equity instruments, net		40	40	40
Treasury shares	29	(299)	(66)	(34)
Profit (loss) attributable to the parent company	5	10,511	10,054	8,019
Interim dividend		(1,840)	(1,668)	(951)
Total equity		**76,228**	**72,875**	**67,955**
Accumulated other comprehensive income (loss)	30	(18,871)	(17,220)	(16,254)
Minority interests	31	4,441	4,359	3,564
Shareholders' equity		**61,798**	**60,014**	**55,265**
Goodwill and other intangible assets		**(1,691)**	**(1,553)**	**(1,421)**
Equity not eligible at solvency level		**(231)**	**(185)**	**(137)**
Other adjustments and deductions (2)		**(9,430)**	**(7,476)**	**(7,591)**
Common Equity Tier 1 (CET 1)		**50,446**	**50,799**	**46,116**
Additional Tier 1		**5,488**	**6,023**	**6,033**
Tier 2		**12,431**	**9,858**	**8,182**
Total Capital (Total Capital = Tier 1 + Tier 2)		**68,365**	**66,680**	**60,332**
Total Minimum equity required (3)		**53,403**	**52,427**	**47,455**

(1)Provisional Data
(2) Other adjustments and deductions include, among others, the adjustment for non-computable minority interests, the amount of dividends pending distribution and in 2025 the amount corresponding to the maximum limit authorized by the ECB for the repurchase of BBVA Group's own shares (excluding the amount corresponding to the tranches already initiated and recognized to date).
(3) Calculated based on total minimum capital requirements applicable in each period.

[3] Considering the latest official updates to the countercyclical capital buffer and the buffer against systemic risks, applied on the basis of exposure as of September 30, 2025, and incorporating the increase in the percentage of the countercyclical capital buffer applicable to exposures located in Spain approved by the Bank of Spain and published on October 1, 2025, applied on said exposure basis.

The Group's eligible own funds and risk-weighted assets (RWAs) in accordance with the aforementioned applicable regulation as of December 31, 2025, 2024 and 2023 are shown below:

AMOUNT OF CAPITAL CC1 (MILLIONS OF EUROS)

	2025 (1)	2024	2023
Capital and share premium	21,266	22,008	22,629
Retained earnings and equity instruments (2)	42,657	39,652	34,889
Other accumulated income and other reserves	(17,459)	(14,334)	(12,872)
Minority interests	2,762	2,343	1,864
Net attributable profit (3)	5,244	5,013	4,759
Common Equity Tier I (CET1) before other regulatory adjustments	**54,471**	**54,681**	**51,269**
Goodwill and intangible assets	(1,691)	(1,553)	(1,421)
Direct, indirect and synthetic holdings in own Common Equity Tier I instruments	(390)	(243)	(331)
Deferred tax assets	(815)	(844)	(988)
Other deductions and filters (4)	(1,129)	(1,242)	(2,412)
Total common equity Tier 1 regulatory adjustments	**(4,024)**	**(3,882)**	**(5,153)**
Common equity TIER 1 (CET1)	**50,446**	**50,799**	**46,116**
Capital instruments and share premium accounts classified as liabilities and qualifying as Additional Tier I	5,303	5,638	5,715
Qualifying Tier 1 capital included in consolidated AT1 capital issued by subsidiaries and held by third parties	185	386	319
Additional Tier 1 (AT 1) before regulatory adjustments	**5,488**	**6,023**	**6,033**
Transitional Tier 1 adjustments	—	—	—
Total regulatory adjustments to additional Tier 1	**—**	**—**	**—**
Additional Tier 1 (AT1)	**5,488**	**6,023**	**6,033**
Tier 1 (Common equity TIER 1 + additional TIER 1)	**55,934**	**56,822**	**52,150**
Capital instruments and share premium accounted as Tier 2	6,239	5,629	5,214
Qualifying Tier 2 capital included in consolidated T2 capital issued by subsidiaries and held by third parties	6,022	4,192	2,890
Credit risk adjustments	180	47	88
Tier 2 before regulatory adjustments	**12,441**	**9,868**	**8,192**
Tier 2 regulatory adjustments	**(10)**	**(10)**	**(10)**
Tier 2	**12,431**	**9,858**	**8,182**
Total capital (Total capital = Tier 1 + Tier 2)	**68,365**	**66,680**	**60,332**
Total RWA	**397,241**	**394,468**	**363,915**
CET 1 ratio	12.70 %	12.88 %	12.67 %
Tier 1 ratio	14.08 %	14.40 %	14.33 %
Total capital ratio	17.21 %	16.90 %	16.58 %

(1) Provisional Data.
(2) It includes the amount of the share buyback program not recognized for accounting purposes.
(3) As of December 31, 2025, the expected total shareholder remuneration corresponding to the year 2025, which is subject to approval by the next General Shareholders' Meeting, is deducted. As of December 31, 2024, the total shareholder remuneration corresponding to the year 2024, approved by the General Shareholders' Meeting, is deducted. As of December 31, 2023, the cash amount is deducted from the total shareholder remuneration corresponding to 2023, approved by the General Shareholders' Meeting.
(4) As of December 31, 2023, the amount of the share buyback program, considered as dividend approved by the General Shareholders' Meetings, was deducted from the total shareholder remuneration corresponding to the year 2023.

The strength of the BBVA Group's earnings has contributed to achieving a consolidated CET1 ratio of 12.70% as of December 31, 2025, which allows it to maintain a large management buffer over the Group's CET1 requirement as of that date (9.28%[4]), which is also above the Group's target management range of 11.5 - 12.0% CET1.

[4] Considering the latest official updates to the countercyclical capital buffer and the buffer against systemic risks, applied on the basis of exposure as of September 30, 2025, and incorporating the increase in the percentage of the countercyclical capital buffer applicable to exposures located in Spain approved by the Bank of Spain and published on October 1, 2025, applied on said exposure basis.

The CET1 ratio decreased by 18 basis points, mainly explained by the impact of -105 basis points from the extraordinary share buyback program (SBB).

Among the recurring impacts, there has been a great generation of earnings in the year (265 basis points) which, net of shareholder remuneration and payment of convertible contingent instrument coupons (CoCos), generated a positive contribution of 122 basis points.

Meanwhile, the growth in risk-weighted assets (RWA) derived from the organic growth of the business in constant terms, mainly as a result of the increase in the loan portfolio, and, to a lesser extent, debt securities, as well as risk transfer initiatives drained the ratio by 152 basis points.

Finally, the other elements that make up CET1 had a positive contribution of 61 basis points; these include the calculation of minority interests and the positive impact in Other Comprehensive Income (OCI) equivalent to the net monetary position value loss in hyperinflationary economies, as well as the portfolio recorded in fair value through other comprehensive income (corresponding to assets classified as Held to Collect and Sell) HTC&S. In addition, the negative effects of market evolution are also included, particularly the variation of the foreign exchange, mainly represented by the variation of Turkish lira and, to a lesser extent, the Mexican peso, partially offset by the depreciation of US dollar, throughout the year.

Consolidated Additional Tier 1 (AT1) capital fully loaded stood at 1.38% as of December 31, 2025, 15 basis points lower than in 2024. In January 2025, BBVA, S.A. issued contingent convertible instruments (CoCos) for USD 1 billion, and it made a further issuance in November 2025 for €1 billion. On the other hand, in March 2025, BBVA redeemed an issuance of contingent convertible bonds of USD 1 billion. Additionally, in December 2025, the early redemption of a CoCo issuance with a nominal value of €1 billion was announced, which took place in January 2026.

The Tier 2 fully stood at 3.13% which represents an increase of 63 basis points compared to 2024, mainly due to the issuance of a subordinated bond in Spain €1 billion in February 2025 and, to a lesser extent, the issuance in Mexico, also in February 2025 of subordinated debt for amount of USD 1 billion, in addition to the issuances in July and October of USD 500 million and USD 700 million of subordinated debt in Turkey, respectively.

As a result of the above, the total capital ratio stood at 17.21% as of December 31, 2025.

With regard to MREL (Minimum Requirement for own funds and Eligible Liabilities) BBVA, as an MPE[5], has sub-consolidated requirements, based on its resolution group[6].

On June 12, 2025 the Group made public that it had received a communication from the Bank of Spain regarding its MREL requirement, established by the Single Resolution Board ("SRB"). According to this communication, BBVA must maintain, as from June 12, 2025, an MREL in RWA of 23.13%[7], not taking into account the current[8] combined buffer requirement (CBR) of 3.97%. In addition, BBVA must keep, also as from June 12, 2025, a volume of own funds and eligible liabilities in terms of total exposure considered for purposes of calculating the leverage ratio of 8.59% (the "MREL in LR")[9].

With respect to the MREL ratios achieved as of December 31, 2025, these were 28.89% and 10.21%, respectively for MREL in RWA and MREL in LR, reaching the subordinated ratios of both 24.67% and 8.72%, respectively.

[5] Multiple Point of Entry established by the Single Resolution Board (SRB). Being an MPE implies that, should any of the group's subsidiaries have solvency, liquidity or operational problems, the resolution authority could liquidate/resolve that entity without affecting the rest of the companies in the banking group.

[6] The resolution group is made up of Banco Bilbao Vizcaya Argentaria, S.A. and the subsidiaries belonging to the same European resolution group.

[7] The subordinated requirement in RWA is 13.50%.

[8] Considering the latest official updates of the countercyclical capital buffer and the buffer against systemic risks, applied on the basis of exposure as of September 30, 2025, and incorporating the increase in the percentage of the countercyclical capital buffer applicable to exposures located in Spain approved by the Bank of Spain and published on October 1, 2025, applied on said exposure basis. .

[9] The subordinated requirement in LR is 5.66%.

Given the structure of the resolution group's own funds and eligible liabilities, as of December 31, 2025, the Group meets the aforementioned requirements.

32.2 Leverage ratio

The leverage ratio (LR) is a regulatory measure complementing capital designed to promote the financial strength of institutions in terms of indebtedness. This measurement can be used to estimate the percentage of the assets and off-balance sheet arrangements financed with Tier 1 capital, being the carrying amount of the assets used in this ratio adjusted to reflect the Group's current or potential leverage of a given balance-sheet position (Leverage ratio exposure).

Breakdown of leverage ratio as of December 31, 2025, 2024 and 2023, calculated according to CCR, is as follows:

LEVERAGE RATIO

	2025 (1)	2024	2023
Tier 1 (millions of Euros) (a)	55,934	56,822	52,150
Exposure to leverage ratio (millions of Euros) (b)	908,869	834,488	797,888
Leverage ratio (a)/(b) (percentage)	6.15 %	6.81 %	6.54 %

(1) Provisional Data.

32.3 Capital management

The aim of capital management within BBVA and the Group is to ensure that both BBVA and the Group have the necessary capital at any given time to develop the corporate strategy reflected in the Strategic Plan, in line with the risk profile set out in the Group Risk Appetite Framework (RAF).

In this regard, BBVA's capital management is also part of the most relevant forward-looking strategic decisions in the Group's management and monitoring, which include the Budget and the Liquidity and Funding Plan, with which it is coordinated — all with the aim of achieving the Group's overall strategy.

Capital must be allocated optimally in order to meet the need to preserve the solvency of BBVA and the Group at all times. Together with the Group's solvency risk profile included in the RAF, this optimal allocation serves as a guide for the Group's capital management and seeks a solid capital position that makes it possible to:

- anticipate ordinary and extraordinary consumption that may occur, even under stress;
- promote the development of the Group's business and align it with capital and profitability objectives by allocating resources appropriately and efficiently;
- cover all risks —including potential risks— to which it is exposed;
- comply with regulatory and internal management requirements at all times; and
- remunerate BBVA shareholders in accordance with the Shareholder Remuneration Policy in force at any given time.

The areas involved in capital management in the Group shall follow and respect the following principles in their respective areas of responsibility:

- ensuring that capital management is integrated and consistent with the Group's Strategic Plan, RAF, Budget and other strategic-prospective processes, to help achieve the Group's long-term sustainability;

- taking into account both the applicable regulatory and supervisory requirements and the risks to which the Group is —or may be— exposed when conducting its business (economic view), when establishing a target capital level, all while adopting a forward-looking vision that takes adverse scenarios into consideration;
- carrying out efficient capital allocation that promotes good business development, ensuring that expectations for the evolution of activity meet the strategic objectives of the Group and anticipating the ordinary and extraordinary consumption that may occur;
- ensuring compliance with the solvency levels, including the MREL, required at any given time;
- compensating BBVA shareholders in an adequate and sustainable manner; and
- optimizing the cost of all instruments used for the purpose of meeting the target capital level at any given time.

To achieve the aforementioned principles, capital management will be based on the following essential elements:

- an adequate governance and management scheme, both at the corporate body level and at the executive level;
- planning, managing and monitoring capital properly, using the measurement systems, tools, structures, resources and quality data necessary to do so;
- a set of metrics, which is duly updated, to facilitate the tracking of the capital situation and to identify any relevant deviations from the target capital level;
- a transparent, correct, consistent and timely communication and dissemination of capital information outside the Group;
- an internal regulatory body, which is duly updated, including with respect to the regulations and procedures that ensure adequate capital management.

33. Commitments and guarantees given

The breakdown of the off-balance sheet exposures is as follows:

COMMITMENTS AND GUARANTEES GIVEN (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Loan commitments given	**7.2.2**	**227,554**	**188,515**	**152,868**
Of which: impaired		*179*	*160*	*165*
Central banks		—	254	—
General governments		3,886	3,247	3,115
Credit institutions		18,223	13,441	15,595
Other financial corporations		14,295	8,656	7,063
Non-financial corporations		92,124	82,891	71,303
Households		99,026	80,026	55,791
Financial guarantees given	**7.2.2**	**24,865**	**22,503**	**18,839**
Of which: impaired (1)		*138*	*192*	*229*
Central banks		—	—	—
General governments		147	183	74
Credit institutions		774	636	978
Other financial corporations		3,204	2,843	2,177
Non-financial corporations		20,512	18,724	15,460
Households		228	116	150
Other commitments given	**7.2.2**	**60,159**	**51,215**	**42,577**
Of which: impaired (1)		*359*	*439*	*636*
Central banks		—	—	—
General governments		368	354	327
Credit institutions		7,265	6,447	3,607
Other financial corporations		4,043	3,256	1,837
Non-financial corporations		48,291	41,005	36,681
Households		192	153	125
Total	**7.2.2**	**312,578**	**262,233**	**214,283**

(1) Non-performing financial guarantees given amounted to €497 million, €631 million and €865 million, respectively, as of December 31, 2025, 2024 and 2023.

As of December 31, 2025 and 2024, the provisions for loan commitments, financial guarantees and other commitments given, recorded in the consolidated balance sheet amounted to €482 million, €110 million and €133 million, and €372 million, €140 million and €155 million, respectively (see Note 24).

Since a significant portion of the amounts above will expire without any payment being made by the consolidated entities, the aggregate balance of these commitments cannot be considered to be the actual future requirement for financing or liquidity to be provided by the BBVA Group to third parties.

In the years 2025, 2024 and 2023, no issuance of debt securities carried out by associates of the BBVA Group, joint venture entities or non-Group entities have been guaranteed.

34. Other contingent assets and liabilities

As of December 31, 2025, 2024 and 2023 there were no other material contingent assets or liabilities other than those disclosed in the Consolidated Financial Statements or those referred to in these Notes.

35. Purchase and sale commitments and future payment obligations

The purchase and sale commitments of the BBVA Group are disclosed in Notes 10, 14 and 22.

Future payment obligations mainly correspond to leases payable derived from operating lease contracts, as detailed in Note 22.5, and estimated employee benefit payments, as detailed in Note 25.1.3.

36. Transactions on behalf of third parties

The details of the relevant transactions on behalf of third parties are as follows:

TRANSACTIONS ON BEHALF OF THIRD PARTIES. BREAKDOWN BY CONCEPTS (MILLIONS OF EUROS)

	2025	2024	2023
Financial instruments entrusted to BBVA by third parties	572,336	496,082	430,377
Conditional bills and other securities received for collection	14,536	13,460	12,125
Securities lending	6,065	5,700	6,397
Total	**592,938**	**515,241**	**448,899**

37. Net interest income

37.1 Interest and other income

The breakdown of the interest and other income recognized in the consolidated income statement is as follows:

INTEREST AND OTHER INCOME. BREAKDOWN BY ORIGIN (MILLIONS OF EUROS)

	2025	2024	2023
Financial assets at fair value through profit or loss	5,299	6,243	5,497
Financial assets at fair value through other comprehensive income	3,342	4,108	3,505
Financial assets at amortized cost (1)	48,695	50,393	38,545
Adjustments of income as a result of hedging transactions	777	701	72
Other income	233	214	231
Total	**58,345**	**61,659**	**47,850**
Of which: Insurance activity	*1,432*	*1,448*	*1,052*

(1) Includes interest on demand deposits at central banks and credit institutions.

The amounts recognized in consolidated equity in connection with hedging derivatives for the years ended December 31, 2025, 2024 and 2023 and the amounts derecognized from the consolidated equity and taken to the consolidated income statements during those years are included in the "Consolidated statements of recognized income and expense".

37.2 Interest expense

The breakdown of the balance under this heading in the consolidated income statements is as follows:

INTEREST EXPENSE. BREAKDOWN BY ORIGIN (MILLIONS OF EUROS)

	2025	2024	2023
Financial liabilities at fair value through profit or loss	4,392	5,633	3,979
Financial liabilities at amortized cost	26,182	28,506	19,276
Adjustments of expense as a result of hedging transactions	388	1,097	809
Cost attributable to pension funds	234	228	174
Other expense	869	929	523
Total	**32,065**	**36,392**	**24,761**
Of which: Insurance activity	*979*	*1,016*	*633*

38. Dividend income

The balances for this heading in the consolidated income statements correspond to dividends on shares and equity instruments other than those from shares in entities accounted for using the equity method (see Note 39), as shown in the breakdown below:

DIVIDEND INCOME (MILLIONS OF EUROS)

	2025	2024	2023
Non-trading financial assets mandatorily at fair value through profit or loss	10	10	11
Financial assets at fair value through other comprehensive income (1)	113	109	107
Total	**123**	**120**	**118**

(1) Dividend income corresponds mainly to investments held at the end of the year.

39. Share of profit or loss of entities accounted for using the equity method

Results from "Share of profit or loss of entities accounted for using the equity method" resulted in a positive impact of €62 million for the year ended December 31, 2025, compared with the positive impact of €40 million and the positive impact of €26 million recorded for the years ended December 31, 2024 and 2023, respectively (see Note 16.1).

40. Fee and commission income and expense

The breakdown of the balance under these headings in the consolidated income statements is as follows:

FEE AND COMMISSION INCOME. BREAKDOWN BY ORIGIN (MILLIONS OF EUROS)

	2025	2024	2023
Bills receivables	19	21	24
Demand accounts	298	300	300
Credit and debit cards and POS	7,308	7,106	4,665
Checks	134	166	175
Transfers and other payment orders	970	961	862
Insurance product commissions	524	461	384
Loan commitments given	371	322	307
Other commitments and financial guarantees given	548	530	471
Asset management	1,845	1,685	1,407
Securities fees	401	360	345
Custody securities	219	221	207
Other fees and commissions	1,105	902	751
Total	**13,743**	**13,036**	**9,899**

The breakdown of fee and commission expense under this heading in the consolidated income statements is as follows:

FEE AND COMMISSION EXPENSE. BREAKDOWN BY ORIGIN (MILLIONS OF EUROS)

	2025	2024	2023
Demand accounts	9	7	6
Credit and debit cards	3,654	3,534	2,337
Transfers and other payment orders	192	153	156
Commissions for selling insurance	44	47	40
Custody securities	96	101	111
Other fees and commissions	1,533	1,206	961
Total	**5,528**	**5,048**	**3,611**

41. Gains (losses) on financial assets and liabilities, hedge accounting and exchange differences, net

The breakdown of the balance under this heading, by source of the related items, in the consolidated income statements is as follows:

GAINS (LOSSES) ON FINANCIAL ASSETS AND LIABILITIES, HEDGE ACCOUNTING AND EXCHANGE DIFFERENCES, NET (MILLIONS OF EUROS)

	2025	2024	2023
Gains (losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	423	327	76
Financial assets at amortized cost	*24*	*20*	*41*
Other financial assets and liabilities	*398*	*307*	*35*
Gains (losses) on financial assets and liabilities held for trading, net	2,255	2,458	1,352
Reclassification of financial assets from fair value through other comprehensive income	—	—	—
Reclassification of financial assets from amortized cost	—	—	—
Other gains (losses)	2,255	*2,458*	*1,352*
Gains (losses) on non-trading financial assets mandatorily at fair value through profit or loss, net	236	179	337
Reclassification of financial assets from fair value through other comprehensive income	—	—	—
Reclassification of financial assets from amortized cost	—	—	—
Other gains (losses)	*236*	*179*	*337*
Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net	28	249	96
Gains (losses) from hedge accounting, net	(1)	5	(17)
Subtotal gains (losses) on financial assets and liabilities and hedge accounting	**2,941**	**3,218**	**1,844**
Exchange differences, net	(285)	695	339
Total	**2,656**	**3,913**	**2,183**

The breakdown of the balance (excluding exchange rate differences) under this heading in the consolidated income statements by the nature of the financial instrument is as follows:

GAINS (LOSSES) ON FINANCIAL ASSETS AND LIABILITIES AND HEDGE ACCOUNTING. BREAKDOWN BY NATURE OF THE FINANCIAL INSTRUMENT (MILLIONS OF EUROS)

	2025	2024	2023
Debt instruments	430	841	799
Equity instruments	1,817	553	669
Trading derivatives and hedge accounting	(695)	181	(812)
Loans and advances to customers	(30)	236	165
Customer deposits	(21)	(81)	(95)
Other	1,439	1,488	1,118
Total	**2,941**	**3,218**	**1,844**

The breakdown of the balance of the impact of the derivatives (trading and hedging) under this heading in the consolidated income statements is as follows:

DERIVATIVES - HEDGE ACCOUNTING (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Derivatives				
Interest rate agreements		(505)	(21)	427
Securities agreements		(1,001)	236	(402)
Credit derivative agreements		(44)	(123)	(56)
Foreign-exchange agreements		775	(15)	(431)
Commodity and other agreements		81	99	(332)
Subtotal		**(694)**	**176**	**(795)**
Hedging derivatives ineffectiveness				
Fair value hedges	15	—	8	(10)
Hedging derivative		*329*	*(512)*	*(114)*
Hedged item		*(328)*	*520*	*103*
Cash flow hedges	15	(2)	(3)	(7)
Subtotal		**(1)**	**5**	**(17)**
Total		**(695)**	**181**	**(812)**

42. Other operating income and expense

The breakdown of the balance under the heading "Other operating income" in the consolidated income statements is as follows:

OTHER OPERATING INCOME (MILLIONS OF EUROS)

	2025	2024	2023
Gains from sales of non-financial services	373	354	347
Other operating income	316	269	272
Total	**688**	**623**	**619**

The breakdown of the balance under the heading "Other operating expense" in the consolidated income statements is as follows:

OTHER OPERATING EXPENSE (MILLIONS OF EUROS)

	2025	2024	2023
Change in inventories	149	165	151
Contributions to guaranteed banks deposits funds (1)	656	636	1,017
Hyperinflation adjustment (2)	742	1,775	2,007
Other operating expense (3)	1,066	1,374	867
Total	**2,614**	**3,951**	**4,042**

(1) In 2025 and 2024, no contributions were made to the European Single Resolution Fund (SRF) since the constitution phase of the fund has been completed. Likewise, the Deposits Guarantee Fund of Credit Institutions in Spain reached in 2023 the minimum coverage level established by the European Regulation with respect to covered deposits, so no additional contributions were necessary for this purpose during 2025 and 2024.
(2) For the years ended December 31, 2025, 2024 and 2023 it includes €356 million, €1,419 million and €1,062 million related to Argentina; €204 million, €348 million and €916 million related to Turkey; and €183 million, €9 million and €28 million related to Venezuela, respectively (see Note 2.2.18).
(3) For the year ended December 2024 and 2023, it includes €285 million and €215 million, respectively, corresponding to the total annual amount disbursed under the temporary tax on credit institutions and financial credit establishments, according to Law 38/2022 of December 27, 2022.

43. Income and expense from insurance and reinsurance contracts

The balances of the headings "Income and expense from insurance and reinsurance contracts" in the consolidated income statements stem from the insurance activity and include the following:

INCOME AND EXPENSE FROM INSURANCE AND REINSURANCE CONTRACTS (MILLIONS OF EUROS)

	2025	2024	2023
Income from insurance and reinsurance contracts	3,890	3,720	3,081
Expense from insurance and reinsurance contracts	(2,370)	(2,238)	(1,821)
Total	**1,520**	**1,482**	**1,261**

The table below shows the contribution of each insurance product to the Group´s income for the years ended December 31, 2025, 2024 and 2023:

NET INCOME BY TYPE OF PRODUCT (MILLIONS OF EUROS)

	2025	2024	2023
Life insurance	**683**	**752**	**617**
Individual	513	656	590
Group insurance	170	96	27
Non-Life insurance	**837**	**730**	**643**
Home insurance	—	—	—
Other non-life insurance products	837	730	643
Total	**1,520**	**1,482**	**1,261**

44. Administration costs

44.1 Personnel expense

The breakdown of the balance under this heading in the consolidated income statements is as follows:

PERSONNEL EXPENSE (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Wages and salaries		6,088	5,937	5,068
Social security costs		1,070	1,007	834
Defined contribution plan expense	25	152	158	139
Defined benefit plan expense	25	43	51	49
Other personnel expense		420	506	440
Total		**7,773**	**7,659**	**6,530**

44.1.1 Share-based employee remuneration

The amounts recognized under the heading "Administration costs - Personnel expense - Other personnel expense" in the consolidated income statements for the year ended December 31, 2025, 2024 and 2023, corresponding to the remuneration plans based on equity instruments in each year, amounted to €25 million, €23 million and €24 million, respectively. These amounts have been recognized with a corresponding entry under the heading "Shareholders' funds - Other equity" in the consolidated balance sheets, net of tax effect.

The characteristics of the Group's remuneration plans based on equity instruments are described below.

Variable remuneration in shares

BBVA has a specific remuneration scheme applicable to those employees whose professional activities have a material impact on the risk profile of BBVA and/or its Group (hereinafter "Identified Staff") involving the delivery of BBVA shares or instruments linked to BBVA shares, designed within the framework of applicable regulations to credit institutions and considering best practices and recommendations at the local and international levels in this matter.

In 2025, this remuneration scheme is reflected in the following remuneration policies:

- BBVA Group General Remuneration Policy, approved by the Board of Directors on March 29, 2023, that applies to employees and BBVA Senior Management (excluding BBVA executive directors) and at Group companies with respect to which BBVA exercises control over management. This policy includes the specific rules applicable to the members of the Identified Staff, including BBVA Senior Management.

- BBVA Directors' Remuneration Policy, approved by the General Shareholders' Meeting of BBVA held on March 17, 2023, that is applicable to the members of the Board of Directors of BBVA. The remuneration system for executive directors corresponds, generally, with the applicable system to the Identified Staff, incorporating some particularities of their own, derived from their condition of directors.

Thus, according to the applicable remuneration policies, the variable remuneration for the Identified Staff members is subject, principally, to the following rules:

- The Annual Variable Remuneration for Identified Staff members for each financial year will not accrue or will be reduced upon accrual, if certain profit and capital ratio levels are not achieved.

- A maximum of 40% of the Annual Variable Remuneration for those members of the Identified Staff who receive particularly high amounts of variable remuneration and members of BBVA's Senior Management and 60% for the rest of the Identified Staff (the "Upfront Portion" of the Annual Variable Remuneration) shall vest and be paid, provided the relevant conditions for payment are met, as a general rule, in the first quarter of the following financial year to which the Annual Variable Remuneration corresponds.

- The remaining amount, and at least 60% of the Annual Variable Remuneration for those members of the Identified Staff who receive particularly high amounts of variable remuneration and members of BBVA's Senior Management, and 40% for the rest of the Identified Staff, will be deferred over a period of 4 years (the "Deferred Portion" of the Annual Variable Remuneration). However, for members of BBVA's Senior Management the deferral period shall be 5 years. In both cases, the Deferred Portion will be paid, provided the relevant conditions are met, once each of the years of deferral has elapsed. In no event will this Deferred Portion be paid faster than in a proportionate way.

- Both the Upfront Portion and the Deferred Portion of the Annual Variable Remuneration of each member of the Identified Staff will be paid 50% in cash and 50% in BBVA shares or in instruments linked to BBVA shares. For members of BBVA's Senior Management, the Deferred Portion will be paid 40% in cash and 60% in BBVA shares and/or in instruments linked to BBVA shares.

- Shares or instruments received as Annual Variable Remuneration shall be withheld for one year running from the date of delivery. The foregoing shall not apply to those shares that are sold, where appropriate, in order to meet the payment of tax obligations accruing on the delivery of the shares and/or instruments.

- The Deferred Portion of the Annual Variable Remuneration may undergo certain ex post risk adjustments, meaning that it will not vest, or may be reduced, if certain capital and liquidity thresholds are not met.

- Up to 100% of the Annual Variable Remuneration of each member of the Identified Staff corresponding to each financial year, both in cash and in shares or instruments, will be subject to arrangements for the reduction of variable remuneration (malus) and arrangements for the recovery of variable remuneration already paid (clawback), which will remain in effect during the applicable deferral and retention period, and will be applicable in the event of the occurrence of any of the circumstances expressly named in the remuneration policies.

- The cash amounts of the Deferred Portion of the Annual Variable Remuneration that ultimately vest will be updated by applying the consumer price index (hereinafter "CPI") measured as the year-on-year change in prices, or any other criteria established for that purpose by the Board of Directors.

- Identified Staff members may not use personal hedging strategies or insurance in connection with the Annual Variable Remuneration and the responsibility that may undermine the effects of alignment with prudent risk management.

- If the members of the Identified Staff are entitled to receive any variable remuneration other than the Annual Variable Remuneration but which qualifies as variable remuneration, such variable remuneration shall be subject to the rules regarding accrual, award, vesting and payment in accordance with the type and nature of the remuneration component itself.

- The variable remuneration of the Identified Staff for a financial year (understood as the sum of all variable remuneration) shall be limited to a maximum amount of 100% of the fixed component (understood as the sum of all fixed remuneration) of the total remuneration, unless the BBVA General Shareholders' Meeting resolves to increase this percentage up to a maximum of 200%.

- In this regard, the General Shareholders' Meeting of BBVA held on March 21, 2025 resolved to increase this limit to a maximum level of 200% of the fixed component of the total remuneration for a given number of the Identified Staff members, in the terms indicated in the report issued for this purpose by the Board of Directors dated February 11, 2025.

The delivery of shares in 2025 to the members of the Identified Staff is derived from the settlement of the Annual Variable Remuneration for 2024 and deferred variable remuneration from previous years, which are subject to the vesting and payment rules established in the remuneration policies applicable in the year to which they correspond.

According to the remuneration policy applicable in 2024, during 2025 a total amount of 2,383,411 BBVA shares or instruments linked to BBVA shares, corresponding, mostly, to the Upfront Portion of 2024 Annual Variable Remuneration of the Identified Staff, which includes executive directors and other members of BBVA's Senior Management, as well as to other variable components of remuneration, were delivered.

Additionally, according to the remuneration policy applicable in 2019, during 2025 a total amount of 220,803 BBVA shares, corresponding mostly to the third and last payment of the Deferred Portion of 2019 Annual Variable Remuneration of the Identified Staff, which includes executive directors and other members of BBVA's Senior Management, as well as to other variable components of remuneration, were delivered.

Likewise, according to the remuneration policy applicable in 2020, during 2025 a total amount of 14,340 BBVA shares were delivered, corresponding to other variable components of remuneration. In 2020, the executive directors and other members of BBVA's Senior Management, as a gesture of responsibility and commitment in response to the exceptional circumstances arising from the COVID-19 crisis, waived their entire 2020 Annual Variable Remuneration.

In accordance with the remuneration policy applicable in 2021, during 2025 a total of 744,077 BBVA shares were delivered, the majority corresponding to the third payment of the Deferred Portion of 2021 Annual Variable Remuneration of the Identified Staff, which includes executive directors and other members of BBVA's Senior Management, as well as to other variable components of remuneration.

According to the remuneration policy applicable in 2022, during 2025 a total amount of 728,081 BBVA shares were delivered, corresponding, mainly, to the second payment of the Deferred Portion of 2022 Annual Variable Remuneration of the Identified Staff, among which executive directors and the rest of the members of BBVA's Senior Management are included, as well as to other variable components of remuneration.

Finally, In accordance with the remuneration policy applicable in 2023, during 2025 a total of 577,686 BBVA shares were delivered, the majority corresponding to the first payment of the Deferred Portion of 2023 Annual Variable Remuneration of the Identified Staff, which includes executive directors and other members of BBVA's Senior Management, as well as to other variable components of remuneration.

Detailed information on the delivery of shares to executive directors and the rest of the members of BBVA's Senior Management who held this position as of December 31, 2025, is included in Note 54.

Lastly, in line with specific regulation applicable in Brazil and Portugal, BBVA Brazil Banco de Investimento and BBVA IFIC have identified (on an individual basis, respectively) the staff in these countries whose annual variable remuneration should be subject to a specific settlement and payment scheme established in their corresponding remuneration policies, more specifically:

- A percentage of the annual variable remuneration is subject to a three-year deferral that shall be paid yearly over the mentioned period.
- 50% of the annual variable remuneration, both the upfront portion and deferred portion, shall be established in BBVA shares.
- In BBVA Brazil Banco de Investimento, both the cash amounts and share amounts of the deferred portion may be subject to update adjustments which are payable in cash.
- In BBVA IFIC the deferred portion of the annual variable remuneration may be reduced, but never increased, depending on the result of multi-year performance indicators. The cash amounts of the deferred portion that are finally paid will be subject to updating by applying the CPI measured as a year-on-year change in prices.

According to this remuneration scheme, during financial year 2025 a total of 7,376 BBVA shares corresponding to the upfront portion of 2024 annual variable remuneration were delivered to the staff of BBVA Brazil Banco de Investimento.

Additionally, during 2025 a total of 1,463 BBVA shares corresponding to the first third of the deferred portion of 2023 annual variable remuneration were delivered as well as a total of €1,053 as adjustments for updates, a total of 1,832 BBVA shares corresponding to the second third of the deferred portion of 2022 annual variable remuneration and €2,230 as adjustments for updates, and a total of 1,624 BBVA shares corresponding to the last third of the deferred portion of 2021 annual variable remuneration and €2,579 as adjustments for updates.

With regard to the BBVA IFIC group, it should be noted that the exception provided for in the remuneration policy for said year corresponding to payment in shares has been applied to the annual variable remuneration for the year 2024 of some members of this group, in line with the provisions of the regulations in force. For this reason in 2025 just 2,659 BBVA shares have been delivered to BBVA IFIC identified members corresponding to 2024 variable remuneration.

Additionally, during 2025 a total of 326 BBVA shares corresponding to the first third of the deferred portion of 2023 annual variable remuneration and a total of 3,218 BBVA shares corresponding to the last third of the deferred portion of 2021 annual variable remuneration were delivered to this group.

44.2 Other administrative expense

The breakdown of the balance under this heading in the consolidated income statements is as follows:

OTHER ADMINISTRATIVE EXPENSE. BREAKDOWN BY MAIN CONCEPTS (MILLIONS OF EUROS)

	2025	2024	2023
Technology and systems	1,778	1,732	1,512
Communications	247	261	219
Advertising	564	441	349
Property, fixtures and materials	561	577	520
Taxes other than income tax (1)	322	481	451
Surveillance and cash courier services	244	255	234
Other expense	1,323	1,253	1,090
Total	**5,038**	**5,001**	**4,375**

(1) The year-on-year variation is mainly explained by the recognition of a lower expense corresponding to the value added tax in BBVA, S.A., during the first half of 2025 as a result of the upward re-estimation of its pro-rata portion applied both to previous years and to financial year 2025 (see Note 19).

45. Depreciation and amortization

The breakdown of the balance under this heading in the consolidated income statements for the years ended December 31, 2025, 2024 and 2023 is as follows:

DEPRECIATION AND AMORTIZATION (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Tangible assets	17	946	972	867
For own use		*607*	*623*	*547*
Right-of-use assets		*335*	*343*	*317*
Investment properties and other		*4*	*5*	*3*
Intangible assets	18.2	575	561	536
Total		**1,521**	**1,533**	**1,403**

46. Provisions or reversal of provisions

For the years ended December 31, 2025, 2024 and 2023, the net provisions recognized in this income statement line item were as follows:

PROVISIONS OR REVERSAL OF PROVISIONS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Pensions and other post-employment defined benefit obligations	23	2	3	31
Commitments and guarantees given		112	(84)	76
Pending legal issues and tax litigation		213	191	171
Other provisions		46	88	95
Total		**373**	**198**	**373**

47. Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification

The breakdown of impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification by the nature of those assets in the consolidated income statements is as follows:

IMPAIRMENT OR REVERSAL OF IMPAIRMENT ON FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS OR NET GAINS BY MODIFICATION (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Financial assets at fair value through other comprehensive income - Debt securities		(28)	58	42
Financial assets at amortized cost		6,101	5,687	4,386
Of which: recovery of written-off assets by cash collection	*7.2.5*	*(396)*	*(403)*	*(369)*
Total		**6,073**	**5,745**	**4,428**

48. Impairment or reversal of impairment of investments in joint ventures and associates

The heading "Impairment or reversal of the impairment of investments in joint ventures or associates" included a net reversal of impairment of €32 million in the year ended December 31, 2025. This heading included a net impairment of €63 million for the year ended December 31, 2024, and it included a net reversal of impairment of €42 million for the year ended December 31, 2023 (see Note 16.3).

49. Impairment or reversal of impairment of non-financial assets

The impairment losses on non-financial assets broken down by the nature of those assets in the consolidated income statements are as follows:

IMPAIRMENT OR REVERSAL OF IMPAIRMENT ON NON-FINANCIAL ASSETS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Tangible assets	17	(5)	(29)	16
Intangible assets		14	15	26
Others		3	13	12
Total		**13**	**(1)**	**54**

50. Gains (losses) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations

The main items included in the balance under this heading in the consolidated income statements are as follows:

GAINS (LOSSES) FROM NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE NOT QUALIFYING AS DISCONTINUED OPERATIONS (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Gains on sale of real estate		54	66	64
Impairment of non-current assets held for sale	21	(36)	(83)	(42)
Gains (losses) on sale of investments classified as non-current assets held for sale		—	—	—
Gains on sale of equity instruments classified as non-current assets held for sale		—	—	—
Total		**18**	**(17)**	**22**

(1) In 2022 it includes the closing of the transaction with Merlin Properties in which 100% of the shares of Tree Inversiones Inmobiliarias, SOCIMI, S.A. were acquired by the BBVA Group (see Note 17).

51. Consolidated statements of cash flows

The variation between 2025, 2024 and 2023 of the financial liabilities from financing activities is the following:

LIABILITIES FROM FINANCING ACTIVITIES (MILLIONS OF EUROS)

	Liabilities at amortized cost: Debt certificates			Of which: Issuances of subordinated liabilities (1)		
	2025	2024	2023	2025	2024	2023
Balance at the beginning	**69,867**	**68,707**	**55,429**	**19,556**	**15,832**	**12,485**
Cash flows	15,120	627	13,283	2,738	3,303	3,388
Non-cash changes	(3,145)	532	(5)	(1,345)	421	(40)
Acquisition	—	—	—	—	—	—
Disposal	—	—	—	—	—	—
Disposals by companies held for sale	—	—	—	—	—	—
Fair value changes	—	—	—	—	—	—
Foreign exchange movement and others	*(3,145)*	*532*	*(5)*	*(1,345)*	*421*	*(40)*
Balance at the end	**81,842**	**69,867**	**68,707**	**20,949**	**19,556**	**15,832**

(1) There were €104 million, €56 million and €35 million of subordinated deposits as of December 31, 2025, 2024 and 2023, respectively (see Note 22.4). In addition, there were coupon payments on subordinated liabilities for €397 million, €388 million and €345 million in 2025, 2024 and 2023, respectively. Appendix VI details the outstanding subordinated debt issued by their nominal value.

52. Accountant fees and services

The details of the fees for the services contracted by entities of the BBVA Group for the year ended December 31, 2025, with their respective auditors and other audit entities are as follows:

FEES FOR AUDITS CONDUCTED AND OTHER RELATED SERVICES [1] (MILLIONS OF EUROS)

	2025	2024	2023
Audits of the companies audited by firms belonging to the EY worldwide organization and other reports related with the audit [2]	33.0	32.8	28.5
Other reports required pursuant to applicable legislation and tax regulations issued by the national supervisory bodies of the countries in which the Group operates, reviewed by firms belonging to the EY worldwide organization	1.6	1.5	1.4
Fees for audits conducted by other firms	0.1	0.1	0.1

(1) Regardless of the billed year.
(2) Including fees pertaining to annual audits and other financial statements (€26.7 million as of December 31, 2025).

In the year ended December 31, 2025, certain entities in the BBVA Group contracted other services (other than audits) as follows:

OTHER SERVICES RENDERED (MILLIONS OF EUROS)

	2025	2024	2023
Firms belonging to the EY worldwide organization	0.2	0.2	0.2

This total of contracted services includes the detail of the services provided by Ernst & Young, S.L. to BBVA, S.A. or its controlled companies at the date of preparation of these consolidated financial statements as follows:

FEES FOR AUDITS CONDUCTED [1] (MILLIONS OF EUROS)

	2025	2024	2023
Legal audit of BBVA,S.A. or its companies under control	8.8	8.5	7.9
Other audit services of BBVA, S.A. or its companies under control	5.8	5.6	5.4
Limited Review of BBVA, S.A. or its companies under control	2.0	2.0	1.9
Reports related to issuances	0.9	1.2	1.0
Assurance services and other required by the regulator	1.2	1.2	0.8
Other	0.1	—	—

(1) Services provided by Ernst & Young, S.L. to companies located in Spain, to the branch of BBVA in New York, the branch of BBVA in London and the branch of BBVA in Frankfurt.

The services provided by the auditors meet the independence requirements of the external auditor established under Audit of Accounts Law (Law 22/2015) and under the Sarbanes-Oxley Act of 2002 adopted by the SEC.

53. Related-party transactions

BBVA and other Group companies, in their capacity as financial institutions, maintain transactions with their related parties within the ordinary course of their businesses. These transactions are of minor significance and are carried out under normal market conditions. As of December 31, 2025, 2024 and 2023, transactions with the following related parties have been identified:

53.1 Transactions with significant shareholders

As of December 31, 2025, 2024 and 2023, there were no shareholders with significant influence (see Note 26).

53.2 Transactions of BBVA Group entities with joint ventures and associates

The balances of the main captions in the consolidated balance sheets arising from the transactions carried out by the BBVA Group with joint ventures and associates are as follows:

BALANCES ARISING FROM TRANSACTIONS OF BBVA GROUP ENTITIES WITH JOINT VENTURES AND ASSOCIATES (MILLIONS OF EUROS)

	2025	2024	2023
Assets			
Loans and advances to credit institutions	38	13	5
Loans and advances to customers	632	639	791
Debt securities	4	4	4
Liabilities			
Deposits from credit institutions	1	1	—
Customer deposits	109	160	134
Memorandum accounts			
Financial guarantees given	100	171	177
Other commitments given	625	784	595
Loan commitments given	82	117	119

The balances of the main captions in the consolidated income statements resulting from transactions with joint ventures and associates are as follows:

BALANCES OF CONSOLIDATED INCOME STATEMENT ARISING FROM TRANSACTIONS OF BBVA GROUP ENTITIES WITH JOINT VENTURES AND ASSOCIATES (MILLIONS OF EUROS)

	2025	2024	2023
Income statement			
Interest and other income	29	37	44
Interest expense	1	4	4
Fee and commission income	9	7	4
Fee and commission expense	46	55	49

There were no other material effects in the consolidated financial statements arising from dealings with these entities, other than the effects from using the equity method (see Note 2.1), from the insurance policies to cover pension or similar commitments (see Note 25), and from the derivatives transactions arranged by BBVA Group with these entities, associates and joint ventures.

In addition, as part of its normal activity, the BBVA Group has entered into agreements and commitments of various types with shareholders of subsidiaries and associates, which have no material effects on the consolidated financial statements.

53.3 Transactions with members of the Board of Directors and Senior Management

The transactions entered into between BBVA or its Group companies with members of the Board of Directors and Senior Management of the Bank or their related parties were within the scope of the ordinary course of business of the Bank and were immaterial, defined as transactions the disclosure of which is not necessary to present a true and fair view of the Bank's equity, financial position and results, and were concluded on normal markets terms or on terms applicable to the rest of employees.

The amount and nature of the main transactions carried out with members of the Board of Directors and Senior Management of the Bank, or their respective related parties, are shown below.

BALANCE AT 31ST DECEMBER OF EACH YEAR (THOUSANDS OF EUROS)

	2025				2024				2023			
	Directors	Related parties of Directors	Senior Management (1)	Related parties of Senior Management	Directors	Related parties of Directors	Senior Management (1)	Related parties of Senior Management	Directors	Related parties of Directors	Senior Management (1)	Related parties of Senior Management
Loans and credits	1,741	204	5,285	369	2,176	210	4,664	688	531	243	5,553	727
Bank guarantees	—	—	10	—	—	—	10	—	—	—	10	—

(1) Excluding executive directors.

Information on remuneration paid and other benefits granted to members of the Board of Directors and Senior Management of BBVA is provided in Note 54.

54. Remuneration and other benefits of the Board of Directors and members of the Bank's Senior Management

Remuneration of non-executive directors

The remuneration of the non-executive directors corresponding to the financial years 2025 and 2024 is as follows, individually and by remuneration item:

REMUNERATION OF NON-EXECUTIVE DIRECTORS (THOUSANDS OF EUROS) (1)

	Board of Directors	Executive Committee	Audit Committee	Risk and Compliance Committee	Remuneration Committee	Appointments and Corporate Governance Committee	Technology and Cybersecurity Committee	Other positions (2)	Total 2025	Total 2024
José Miguel Andrés Torrecillas	129	167	165	—	—	115	—	50	625	625
Jaime Caruana Lacorte	129	167	—	107	—	46	—	—	449	455
Enrique Casanueva Nárdiz (3)	129	—	66	107	—	—	—	—	302	223
Sonia Dulá	129	—	66	107	—	—	—	—	302	302
Raúl Galamba de Oliveira	129	—	—	214	—	46	43	80	512	512
Belén Garijo López	129	167	—	—	—	46	—	—	342	378
Connie Hedegaard Koksbang	129	—	66	—	—	—	—	—	195	195
Lourdes Máiz Carro	129	—	66	—	43	—	—	—	238	238
Cristina de Parias Halcón (4)	129	—	—	—	—	46	43	—	218	167
Ana Peralta Moreno	129	—	66	—	43	—	—	—	238	238
Ana Revenga Shanklin	129	—	—	107	107	—	43	—	386	364
Carlos Salazar Lomelín (5)	129	—	—	—	43	—	—	—	172	172
Jan Verplancke	129	—	—	—	43	—	43	—	214	214
Total (6)	**1,673**	**500**	**497**	**642**	**278**	**301**	**171**	**130**	**4,193**	**4,083**

(1)Includes the amounts corresponding to the positions on the Board of Directors and its various Committees, the composition of which was last modified on April 26, 2024.
(2) Amounts corresponding to the positions of Deputy Chair of the Board of Directors and Lead Director.
(3) Director appointed by the General Shareholders´ Meeting held on March 15, 2024. Remuneration in 2024 corresponding to the term in office in that financial year.
(4) Director appointed by the General Shareholders´ Meeting held on March 15, 2024. Remuneration in 2024 corresponding to the term in office in that financial year. In addition, in 2025 and 2024, she received €30 thousand and 7,593 BBVA shares and €56 thousand and 14,697 BBVA shares, respectively, corresponding to the deferred portion of 2018 and 2019 annual variable remuneration accrued in her former condition of BBVA's member of Senior Management, including the update of its cash portion. Likewise, in 2024, she received €72 thousand, as per diems for her attendance to the meetings of the management body of BBVA México, S.A. de C.V. and Grupo Financiero BBVA México, S.A. de C.V; positions from which she resigned in 2024.
(5) In addition, in the financial years 2025 and 2024, the director Carlos Salazar Lomelín has received €171 thousand and €113 thousand, respectively, as per diems for his attendance to the meetings of the management body of BBVA México, S.A. de C.V. and Grupo Financiero BBVA México, S.A. de C.V. and of the strategy forum of BBVA México, S.A. de C.V.
(6) The total amount reported for the 2024 financial year does not include amounts corresponding to the positions on the Board and its various Committees received by José Maldonado Ramos and Juan Pi Llorens, who ceased to hold office on March 15, 2024, and whose remuneration for those items in 2024 amounted to €85 thousand and €81 thousand, respectively.

Likewise, during financial years 2025 and 2024, €103 thousand and €112 thousand were paid out, respectively, in healthcare and casualty insurance premiums for non-executive directors.

Remuneration system with deferred delivery of shares for non-executive directors

BBVA has a fixed remuneration system with deferred delivery of shares for its non-executive directors, which was approved by the General Shareholders' Meeting held on March 18, 2006 and extended successively by resolutions of the General Shareholders' Meetings held on 2011, 2016, 2021 and 2023.

This system is based on the annual allocation to non-executive directors of a number of theoretical shares of BBVA equivalent to 20% of the total annual fixed allowance in cash received by each director in the previous financial year, calculated according to the average closing price of the BBVA share during 60 trading sessions prior to the date of the Annual General Shareholders' Meeting approving the financial statements for each financial year.

The BBVA shares, in a number equivalent to the theoretical shares accumulated by each non-executive director, will be delivered to each beneficiary, where applicable, after they leave directorship for any reason other than serious breach of their duties.

During financial years 2025 and 2024, the following theoretical shares derived from this system were allocated:

	2025		2024	
	Theoretical shares allocated (1)	Theoretical shares accumulated as of December 31	Theoretical shares allocated (1)	Theoretical shares accumulated as of December 31
José Miguel Andrés Torrecillas	10,930	158,385	13,407	147,455
Jaime Caruana Lacorte	7,959	114,269	11,350	106,310
Enrique Casanueva Nárdiz (2)	3,894	3,894	—	—
Sonia Dulá	5,279	10,321	5,042	5,042
Raúl Galamba de Oliveira	8,944	49,135	10,423	40,191
Belén Garijo López	6,598	117,191	9,401	110,593
Connie Hedegaard Koksbang	3,410	10,587	3,914	7,177
Lourdes Máiz Carro	4,159	81,136	5,384	76,977
Cristina de Parias Halcón (2)	2,915	2,915	—	—
Ana Peralta Moreno	4,159	51,872	5,384	47,713
Ana Revenga Shanklin	6,364	37,525	6,947	31,161
Carlos Salazar Lomelín	2,998	24,010	3,882	21,012
Jan Verplancke	3,747	44,370	4,851	40,623
Total (3)	**71,356**	**705,610**	**79,985**	**634,254**

(1) The number of theoretical shares was calculated according to the average closing price of the BBVA share during the 60 trading sessions prior to the dates of the General Shareholders' Meetings of March 21, 2025 and March 15, 2024 which were €11.45 and €8.84 per share, respectively.
(2) Directors appointed by the General Shareholders' Meeting held on March 15, 2024, therefore the allocation of theoretical shares was made for the first time in 2025.
(3) The total number of theoretical shares allocated during the 2024 financial year does not include 7,735 and 8,157 theoretical shares allocated to José Maldonado Ramos and Juan Pi Llorens, respectively, whose terms of office ended on March 15, 2024, and who after leaving office, in application of the system, received a total of 154,609 and 156,699 BBVA shares, respectively, which is equivalent to the total theoretical shares accumulated up to that date by each of them.

Remuneration of executive directors

The remuneration of executive directors for financial years 2025 and 2024 indicated below, individually and by remuneration item, is the result of applying the BBVA Directors' Remuneration Policies approved by the General Shareholders' Meeting.

ANNUAL FIXED REMUNERATION (THOUSANDS OF EUROS)

	2025	2024
Chair	2,924	2,924
Chief Executive Officer	2,179	2,179
Total	**5,103**	**5,103**

In addition to the amounts indicated in the table, during the 2025 and 2024 financial years, the Chair received, each year, the amount of €41 thousand of fixed allowances for vehicle rental and others. Meanwhile, the Chief Executive Officer received, each year, the amount of €654 thousand of fixed remuneration in cash in lieu of pension (equivalent to 30% of his Annual Fixed Remuneration), as he is not entitled to receive a retirement benefit (see section on "Pension commitments with executive directors" in this Note), and the amount of €600 thousand as mobility allowance.

REMUNERATION IN KIND (THOUSANDS OF EUROS)

Likewise, the executive directors received remuneration in kind during the financial years 2025 and 2024, including insurance premiums and others, €132 thousand and €140 thousand, respectively, in the case of the Chair and €128 thousand, in each financial year, in the case of the Chief Executive Officer.

VARIABLE REMUNERATION

With regard to variable remuneration, the BBVA Directors' Remuneration Policy approved by the General Shareholders' Meeting in 2023 establishes a model whereby the Annual Variable Remuneration ("AVR") of the executive directors comprises two components: a Short-Term Incentive ("STI") and a Long-Term Incentive ("LTI"). The award of both incentives is contingent upon the achievement by the Group of the minimum profit and capital ratio thresholds approved by the Board of Directors. The sum of the STI and LTI constitutes the AVR for the year of each executive director.

The STI will be awarded once the reference year for measuring the annual indicators used for its calculation has ended. The amount of the STI will be determined based on the results of these indicators, taking into account the targets, scales of achievement and weightings established for each of them, which may range between 0% and 150% of the "Target STI". The "Target STI" represents the amount of the STI if 100% of the pre-established targets for these indicators are achieved.

Once the aforementioned minimum profit and capital ratio thresholds have been reached, the right to the LTI will accrue, the final amount of which may range between 0% and 150% of the "Target LTI". The "Target LTI" represents the amount of the LTI if 100% of the pre-established targets for the long-term indicators approved for its calculation are achieved. The final amount of the LTI will be determined once the last year of the measurement period of the long-term indicators has ended, based on their results and taking into account the targets, scales of achievement and weightings established for each of them.

A percentage not exceeding 40% of the AVR will vest and be paid, provided that the relevant conditions are met, as a general rule, in the first quarter of the year following to the one to which it corresponds (the "Upfront Portion"), in equal parts in cash and BBVA shares. The remaining amount, and at least 60% of the AVR, will be deferred over a five-year period and paid, if conditions are met, at the end of each of the five years of deferral, 40% in cash and 60% in BBVA shares and/or instruments linked to BBVA shares (the "Deferred Portion" or the "Deferred AVR").

Within said deferral period, the payment of the LTI shall only begin after the end of the measurement period of the long-term indicators' targets, to the result of which its final amount is subject. Therefore, the LTI is part of the Deferred Portion of the AVR of executive directors.

In accordance with the foregoing, in 2025 the executive directors accrued a Short-Term Incentive amounting to €2,627 thousand in the case of the Chair and €1,965 thousand in the case of the Chief Executive Officer.

In addition, the executive directors accrued the right to a Long-Term Incentive for a maximum theoretical amount of €1,929 thousand in the case of the Chair and €1,443 thousand for the Chief Executive Officer, which is equivalent, in both cases, to 150% of their "Target LTI". Once the measurement period for the long-term indicators established for their calculation has ended (at the end of 2028), their final amount will be determined, which may range between 0% and 150% of the "Target LTI". Therefore, if 100% of the pre-established targets are met, this incentive will amount to €1,286 thousand in the case of the Chair and €962 thousand in the case of the Chief Executive Officer.

In addition, the remaining rules applicable to the Annual Variable Remuneration of the executive directors set out in the BBVA Directors' Remuneration Policy will apply to the Annual Variable Remuneration for financial year 2025, which include: (i) a retention period of one year following delivery of the BBVA shares or instruments linked to BBVA shares received; (ii) the prohibition of hedging strategies or insurance that may undermine the effects of alignment with prudent risk management; (iii) update of the finally vested Deferred Portion in cash in accordance with the CPI; (iv) potential application of *ex post* risk adjustments; (v) malus and clawback arrangements throughout the whole periods of deferral and retention of the shares or instruments; and (vi) the limitation of variable remuneration to a maximum amount of 200% of the fixed component of total remuneration, in accordance with the resolution approved by the General Shareholders' Meeting held in 2025.

Taking into account the above, the Upfront Portion of the AVR for the financial years 2025 and 2024 of the executive directors, which is due for payment once each of said financial years has ended, in equal parts in cash and BBVA shares, is indicated below.

ANNUAL VARIABLE REMUNERATION (AVR)

	2025 (1)		2024 (2)	
	In cash (thousands of Euros)	In shares	In cash (thousands of Euros)	In shares
Chair	821	40,850	897	92,803
Chief Executive Officer	614	30,552	671	69,408
Total	**1,435**	**71,402**	**1,568**	**162,211**

(1) Upfront Portion (36%) of the Annual Variable Remuneration, which represents the first payment of the Short-Term Incentive for financial year 2025 and will be paid during the first quarter of financial year 2026, in equal parts in cash and BBVA shares. The remaining amount of the 2025 Annual Variable Remuneration (which includes the Long-Term Incentive of the 2025 financial year) will be deferred over a 5-year period (40% in cash and 60% in shares and/or instruments linked to shares).

The final amount of the Deferred AVR will depend on the result of the long-term indicators to be used to calculate the Long-Term Incentive of the 2025 financial year. Likewise, and as an *ex post* risk adjustment mechanism, the Deferred AVR may be reduced if the capital and liquidity thresholds established to guarantee that payment occurs only if it is sustainable, in accordance with the Bank's payment capacity, are not reached.

(2) Upfront Portion (37%) of the Annual Variable Remuneration, which represents the first payment of the Short-Term Incentive for financial year 2024 and which was paid in 2025, in equal parts in cash and BBVA shares. The remaining amount of the 2024 Annual Variable Remuneration (which includes the Long-Term Incentive for the 2024 financial year) was deferred over a 5-year period (40% in cash and 60% in BBVA shares and/or instruments linked to shares).

The final amount of the Deferred AVR will depend on the result of the long-term indicators to be used to calculate the Long-Term Incentive of the 2024 financial year. Likewise, and as an *ex post* risk adjustment mechanism, the Deferred AVR may be reduced if the capital and liquidity thresholds established to guarantee that payment occurs only if it is sustainable, in accordance with the Bank's payment capacity, are not reached.

DEFERRED ANNUAL VARIABLE REMUNERATION (AVR) FROM PREVIOUS FINANCIAL YEARS

		2025 (1)			2024 (2)		
	Deferred AVR	In cash (thousands of Euros)	In shares	In stock-options (3)	In cash (thousands of Euros)	In shares	In stock-options (3)
Chair	2024	222	33,410	—	—	—	—
	2023	228	11,862	189,609	221	38,821	—
	2022	243	56,941	—	236	56,941	—
	2021	235	57,325	—	228	57,325	—
	2020	0	0	0	0	0	0
	2019	—	—	—	181	45,529	—
Subtotal		**927**	**159,538**	**189,609**	**867**	**198,616**	—
Chief Executive Officer	2024	166	24,987	—	—	—	—
	2023	170	8,872	141,809	166	29,034	—
	2022	187	43,793	—	181	43,793	—
	2021	179	43,552	—	173	43,552	—
	2020	0	0	0	0	0	0
	2019	—	—	—	163	40,858	—
Subtotal		**701**	**121,204**	**141,809**	**683**	**157,237**	—
Total		**1,629**	**280,742**	**331,418**	**1,550**	**355,853**	—

(1) Deferred remuneration payable after the 2025 year-end, including the update of its cash portion. Payment to the Chair and Chief Executive Officer will take place in 2026 in accordance with the vesting and payment rules set out in the remuneration policies applicable for each financial year:

- 2024 Deferred AVR: the first payment of the Deferred STI (17.9% of the Deferred Portion) is due to the executive directors. Thereafter, the second payment of the Deferred STI (17.9% of the Deferred Portion) and 2024 LTI (64.2% of the Deferred Portion), will be deferred for both executive directors. The 2024 LTI will depend on the result of the long-term indicators approved for its calculation once its measurement period has elapsed (at the end of 2027), which may range between an achievement of 0% to 150%. If the relevant conditions are met, the second payment of the Deferred STI will be made in 2027 and the three payments of the 2024 LTI will be made in 2028, 2029 and 2030.

- 2023 Deferred AVR: the second payment of the Deferred STI (17.9% of the Deferred Portion) is due to the executive directors. Thereafter, 2023 LTI (64.2% of the Deferred Portion), will be deferred for both executive directors. The 2023 LTI will depend on the result of the long-term indicators approved for its calculation once its measurement period has elapsed (at the end of 2026), which may range between an achievement of 0% to 150%. If the relevant conditions are met, the three payments of the 2023 LTI will be made in 2027, 2028 and 2029.

- 2022 Deferred AVR: the third payment (20% of the Deferred Portion) is due to executive directors, after having verified that no reduction had to be made according to the result of the multi-year performance indicators approved in 2022 by the Board of Directors. Thereafter, 40% of the 2022 Deferred AVR will be deferred for both executive directors, which, if the relevant conditions are met, will be paid in 2027 and 2028.

- 2021 Deferred AVR: the fourth payment (20% of the Deferred Portion) is due to executive directors. Thereafter, 20% of the 2021 Deferred AVR will be deferred for both executive directors, which, if the relevant conditions are met, will be paid in 2027.

- 2020 Deferred AVR: given the exceptional circumstances arising from the COVID-19 crisis, executive directors voluntarily waived the whole of their 2020 AVR.

(2) Deferred remuneration which was payable after the 2024 year-end, including the update of its cash portion. Its payment to the Chair and Chief Executive Officer took place in 2025, in accordance with the vesting and payment rules established in the remuneration policies applicable in each financial year:

- 2023 Deferred AVR: in 2025, the first payment of the Deferred STI (17.9% of the Deferred Portion) was made to executive directors.
- 2022 Deferred AVR: in 2025, the second payment (20% of the Deferred Portion) was made to executive directors.
- 2021 Deferred AVR: in 2025, the third payment (20% of the Deferred Portion) was made to executive directors.
- 2020 Deferred AVR: given the exceptional circumstances arising from the COVID-19 crisis, executive directors voluntarily waived the whole of their 2020 AVR.
- 2019 Deferred AVR: in 2025, the third and final payment (20% of the Deferred Portion) was made to executive directors. Following this, the payment of the 2019 Deferred AVR to both executive directors was completed.

(3) The delivery of the stock options awarded as part of the 2023 Deferred AVR is part of the second payment of the Deferred STI, which is due after the 2025 year-end (in 2026). The delivery of the stock options awarded as part of the 2024 Deferred AVR is part of the second payment of the Deferred STI, which, if the relevant conditions are met, will be due after the 2026 year-end (in 2027).

Pension commitments with executive directors

The Bank has not assumed any pension commitments with non-executive directors.

With regard to the executive directors, the BBVA Directors' Remuneration Policy establishes a pension framework whereby, in the case of the Chair, he is eligible to receive a retirement pension, paid in either income or capital, when he reaches the legally established retirement age, provided that he does not leave his position as a result of serious dereliction of his duties. The amount of this pension will be determined by the annual contributions made by the Bank, together with their corresponding accumulated yields at that date.

The agreed annual contribution to cover the retirement contingency under the defined contribution system for the Chair, as set out in the BBVA Directors' Remuneration Policy, is €439 thousand. The Board of Directors may update this amount during the term of the Policy, in the same manner as it may update the Annual Fixed Remuneration, pursuant to the terms established therein.

A portion of 15% of this annual contribution will be based on variable components and considered "discretionary pension benefits". It will, therefore, be subject to the conditions regarding delivery in shares, withholding, reduction and clawback established in the applicable regulations, as well as any other conditions concerning variable remuneration that may be applicable in accordance with the BBVA Directors' Remuneration Policy.

In the event that the Chair's contractual relationship is terminated before he reaches retirement age for reasons other than serious dereliction of duties, the retirement pension payable to the Chair upon him reaching the legally established retirement age will be calculated based on the funds accumulated through the contributions made by the Bank up to that date, as per the terms set out above, plus the corresponding accumulated yield, with no additional contributions to be made by the Bank as of the time of termination.

With respect to the commitments in favor of the Chair to cover the contingencies of death and disability, the Bank will pay the corresponding annual insurance premiums in order to top up this coverage.

In accordance with the foregoing, in the financial year 2025, an amount of €456 thousand was recorded, comprising the agreed annual contribution to cover the retirement contingency, which is €439 thousand, and a further amount of €17 thousand relating to the adjustment of the "discretionary pension benefits" for the financial year 2024, which were declared at the end of that year and which had to be included in the accumulated fund in 2025. Likewise, an amount of €236 thousand was paid in insurance premiums for the death and disability contingencies.

As of December 31, 2025, the total accumulated fund to meet the retirement commitments with the Chair amounted to €29,821 thousand.

Of the annual contribution for the retirement contingency corresponding to the financial year 2025, 15% (€66 thousand) was recorded in that year as "discretionary pension benefits". Following the end of the financial year, this amount was adjusted by applying the same criteria used to determine the Short-Term Incentive that is part of the Chair's Annual Variable Remuneration for the 2025 financial year, being determined in an amount of €76 thousand, which represents an upward adjustment of €10 thousand. These "discretionary pension benefits" will be included in the accumulated fund in the 2026 financial year and will be subject to the conditions established for them in the BBVA Directors' Remuneration Policy.

With regard to the Chief Executive Officer, in accordance with the provisions of the BBVA Directors' Remuneration Policy and those in his contract, the Bank has not undertaken any retirement commitments, although he is entitled to an annual cash sum instead of a retirement pension ("cash in lieu of pension") equal to 30% of his Annual Fixed Remuneration. In accordance with the above, in the 2025 financial year, the Bank paid the Chief Executive Officer the amount of €654 thousand as "cash in lieu of pension", as described in the "Remuneration of executive directors" section of this Note.

For its part, the Bank has undertaken commitments to cover the death and disability contingencies with the Chief Executive Officer. For this purpose, in 2025, €220 thousand was paid corresponding to annual insurance premiums.

PENSION SYSTEMS (THOUSANDS OF EUROS)

	Contributions (1)					
	Retirement		Death and disability		Accumulated funds	
	2025	2024	2025	2024	2025	2024
Chair	456	456	236	252	29,821	26,893
Chief Executive Officer	—	—	220	221		—
Total	**456**	**456**	**457**	**472**	**29,821**	**26,893**

(1) Contributions recognized to meet the pension commitments with the executive directors in financial years 2025 and 2024. In the case of the Chair, these relate to the sum of the annual retirement pension contribution and the adjustment made to the "discretionary pension benefits" for the financial years 2024 and 2023, the contribution of which to the accumulated fund was to be made in the financial years 2025 and 2024, respectively, as well as to the premiums for the death and disability contingencies. In the case of the Chief Executive Officer, the contributions recognized correspond exclusively to the insurance premiums paid by the Bank in 2025 and 2024 to cover the death and disability contingencies given that, in his case, the Bank has not undertaken any commitments to cover the contingency of retirement.

Payments for termination of the contractual relationship

In accordance with the BBVA Directors' Remuneration Policy, the Bank has no commitments to make severance payments to executive directors.

Remuneration of Senior Management

The remuneration of Senior Management, excluding executive directors, for financial years 2025 and 2024 (16 members with this position as of December 31, 2025 and 2024) as indicated below, broken down by remuneration item, are the result of applying the BBVA Group's General Remuneration Policy approved by the Board of Directors.

FIXED REMUNERATION (THOUSANDS OF EUROS)

	2025	2024
Senior Management Total	20,787	19,928

In addition to the amounts indicated in the table, during the 2025 and 2024 financial years, the members of Senior Management collectively received fixed allowances for vehicle rental and others totaling €257 thousands and €347 thousands, respectively.

REMUNERATION IN KIND (THOUSANDS OF EUROS)

During the 2025 and 2024 financial years, remuneration in kind, including insurance premiums and others, totaling €640 thousand and €603 thousand, respectively, was collectively paid to members of Senior Management.

VARIABLE REMUNERATION

With regard to variable remuneration, the BBVA Group's General Remuneration Policy establishes a model whereby the Annual Variable Remuneration ("AVR") for members of Senior Management, like that of executive directors, comprises two components: a Short-Term Incentive ("STI") and a Long-Term Incentive ("LTI"). The award of both incentives is contingent upon the achievement of the minimum profit and capital ratio thresholds approved by the Board of Directors for this purpose. The sum of the STI and the LTI constitutes the AVR for the year of each member of Senior Management.

Under this model, and in the same terms set out above for the executive directors, in 2025 financial year, all members of Senior Management accrued a Short-Term Incentive for a total combined amount of €7,299 thousand.

In addition, all members of Senior Management accrued the right to a Long-Term Incentive for a maximum theoretical amount of €5,149 thousand, which is equivalent to the sum of 150% of the "Target LTI" of each beneficiary. The final amount of the LTI of each beneficiary will be determined at the end of the measurement period of the long-term indicators established for its calculation (at the end of 2028). This final amount may range between 0% and 150% of the "Target LTI". Therefore, if 100% of the pre-established targets are achieved, it will amount to a total of €3,433 thousand.

Moreover, the remaining rules applicable to the Annual Variable Remuneration of the members of the Senior Management established in the BBVA Group's General Remuneration Policy will apply to the Annual Variable Remuneration for financial year 2025, which include: (i) a retention period of one year following delivery of the BBVA shares or instruments linked to BBVA shares; (ii) the prohibition of hedging strategies or insurance that may undermine the effects of alignment with prudent risk management; (iii) update of the finally vested Deferred Portion in cash in accordance with the CPI; (iv) potential application of *ex post* risk adjustments; (v) malus and clawback arrangements throughout the whole periods of deferral and retention of the shares or instruments; and (vi) the limitation of variable remuneration to a maximum amount of 200% of the fixed component of total remuneration, in accordance with the resolution approved by the General Shareholders' Meeting in 2025.

Taking into account the above, the total sum of the Upfront Portion of the AVR for financial years 2025 and 2024 of the members of Senior Management, due for payment once each of said financial years has ended, in equal parts in cash and BBVA shares, is indicated below.

ANNUAL VARIABLE REMUNERATION (AVR)

	2025 (1)		2024 (2)	
	In cash (thousands of Euros)	In shares	In cash (thousands of Euros)	In shares
Senior Management Total	2,281	112,500	2,266	235,016

(1) Upfront Portion of the Annual Variable Remuneration, which represents the first payment of the 2025 Short-Term Incentive and will be paid during the first quarter of 2026 financial year, in equal parts in cash and BBVA shares. The remaining amount of the 2025 Annual Variable Remuneration (which includes the 2025 Long-Term Incentive) will be deferred over a 5-year period (40% in cash and 60% in shares and/or instruments linked to shares).

The final amount of the Deferred AVR will depend on the result of the long-term indicators to be used to calculate the 2025 Long-Term Incentive. Likewise, and as an *ex post* risk adjustment mechanism, the Deferred AVR may be reduced if the capital and liquidity thresholds established to guarantee that payment occurs only if it is sustainable, in accordance with the Bank's payment capacity, are not reached.

(2) Upfront Portion of the Annual Variable Remuneration, which represents the first payment of the Short-Term Incentive for financial year 2024 and which was paid in 2025, in equal parts in cash and BBVA shares. The remaining amount of the 2024 Annual Variable Remuneration (which includes the 2024 Long-Term Incentive) was deferred over a 5-year period (40% in cash and 60% in shares and/or instruments linked to shares). The final amount of the Deferred AVR will depend on the result of the long-term indicators to be used to calculate the 2024 Long-Term Incentive. Likewise, and as an *ex post* risk adjustment mechanism, the Deferred AVR may be reduced if the capital and liquidity thresholds established to guarantee that payment occurs only if it is sustainable, in accordance with the Bank's payment capacity, are not reached.

DEFERRED ANNUAL VARIABLE REMUNERATION (AVR) FROM PREVIOUS FINANCIAL YEARS

		2025 (1)			2024 (2)		
	Deferred AVR	In cash (thousands of Euros)	In shares	In stock-options (3)	In cash (thousands of Euros)	In shares	In stock-options (3)
Senior Management Total	2024	534	81,445	—	—	—	—
	2023	549	30,492	444,545	574	98,636	—
	2022	501	117,265	—	526	125,129	—
	2021	469	112,536	—	488	119,207	—
	2020	51	14,340	—	56	14,340	—
	2019	—	—	—	314	77,447	—
Total		**2,104**	**356,078**	**444,545**	**1,957**	**434,759**	**—**

(1) Deferred remuneration payable after 2025 year-end, including the update of its cash portion. Payment thereof to members of Senior Management who are beneficiaries will take place in 2026 in accordance with the remuneration policies applicable in each financial year and the vesting and payment rules set forth therein applicable to each member of Senior Management, based on when they became such a member:

- 2024 Deferred AVR: the first payment of the Deferred STI is due.
- 2023 Deferred AVR: the second payment of the Deferred STI is due.

- 2022 Deferred AVR: the third payment of the Deferred STI is due, after having verified that no reduction had to be made according to the result of the multi-year performance indicators approved in 2022 by the Board of Directors.
- 2021 Deferred AVR: the fourth payment is due.
- 2020 Deferred AVR: given the exceptional circumstances arising from the COVID-19 crisis, all members of Senior Management voluntarily waived the whole of their 2020 AVR. Without prejudice to the foregoing, the third and final payment of the deferred portion of a success bonus on the sale of BBVA USA is due to one member of Senior Management, who was an executive of BBVA USA at that time.

(2) Deferred remuneration which was payable after the 2024 year-end, including the update of its cash portion. Payment thereof to members of Senior Management who were beneficiaries took place in 2025 in accordance with the vesting and payment rules set forth in the remuneration policies applicable in each financial year:

- 2023 Deferred AVR: in 2025, the first payment of the Deferred STI was made.
- 2022 Deferred AVR: in 2025, the second payment was made.
- 2021 Deferred AVR: in 2025, the third payment was made.
- 2020 Deferred AVR: given the exceptional circumstances arising from the COVID-19 crisis, all members of Senior Management voluntarily waived the whole of their 2020 AVR. Without prejudice to the foregoing, the third and final payment of the deferred portion of a success bonus on the sale of BBVA USA is due to one member of Senior Management — an executive of BBVA USA at that time.
- 2019 Deferred AVR: in 2025, the third and final payment was made.

(3) The delivery of the stock options awarded as part of the 2023 Deferred AVR is part of the second payment of the Deferred STI, which is due after the 2025 year-end (in 2026). The delivery of the stock options awarded as part of the 2024 Deferred AVR is part of the second payment of the Deferred STI, which, if the relevant conditions are met, will be due after the 2026 year-end (in 2027).

Pension commitments with members of Senior Management

In order to meet the pension commitments made to members of Senior Management (16 members as of December 31, 2025, excluding the executive directors), a total aggregate amount of €4,411 thousand was recognized in financial year 2025 for the contingency of retirement. This amount is equivalent to the annual contribution agreed to cover the contingency of retirement, plus a further amount of €139 thousand pertaining to the adjustment of the "discretionary pension benefits" for financial year 2024, which had to be included in the accumulated fund in 2025. In addition, an aggregate total amount of €1,115 thousand was paid in insurance premiums to cover the contingencies of death and disability.

As of December 31, 2025, the total accumulated fund to meet the retirement commitments with members of Senior Management amounted to €47,281 thousand.

As in the case of executive directors, 15% of the annual contributions agreed to cover the contingency of retirement for members of Senior Management, will be based on variable components and will be considered "discretionary pension benefits", and will therefore be subject to the conditions regarding delivery in shares, withholding, reduction and recovery established in the applicable regulations, as well as to any other conditions concerning variable remuneration that may be applicable to them in accordance with the remuneration policy applicable to members of Senior Management.

For these purposes, of the annual contribution for the retirement contingency recognized in the 2025 financial year, a total amount of €625 thousand was recognized in 2025 as "discretionary pension benefits". Following the end of the financial year, this amount

was adjusted by applying the same criteria used to determine the Short-Term Incentive that is part of the Annual Variable Remuneration of the members of Senior Management for the 2025 financial year. As a result, the "discretionary pension benefits" for the year, corresponding to all members of Senior Management, have been calculated at a total combined amount of €747 thousand, which represents an upward adjustment of €122 thousand. These "discretionary pension benefits" will be included in the accumulated fund in the 2026 financial year, and will be subject to the conditions established for them in the remuneration policy applicable to members of Senior Management, in accordance with the regulations applicable to the Bank on this regard.

PENSION SYSTEMS (THOUSANDS OF EUROS)

	Contributions (1)					
	Retirement		Death and disability		Accumulated funds	
	2025	2024	2025	2024	2025	2024
Senior Management Total	4,411	4,226	1,115	1,181	47,281	40,549

(1) Contributions recognized in financial years 2025 and 2024 to meet pension commitments with members of Senior Management with such position on December 31, 2025 and 2024 (16 members in both cases, excluding the executive directors), which relate to the sum of the annual retirement pension contributions and the adjustments made to the "discretionary pension benefits" for 2024 and 2023 which were included in the accumulated fund in 2025 and 2024, respectively, and to the insurance premiums paid by the Bank for death and disability contingencies.

Payments for termination of the contractual relationship

Regarding Senior Management, excluding the executive directors, in 2025 the contractual relationship of a member of Senior Management was terminated, giving rise to the right of a severance payment of €1,908 thousand. In this regard, the Senior Management contracts include, among others, the right to receive the severance payment that legally corresponds, provided that termination of the contractual relationship is not pursuant to the member's own will, retirement, disability or serious dereliction of duties, the amount of which will be calculated in accordance with the provisions in the applicable labor regulations. Likewise, the contract establishes a post-contractual non-compete agreement for a one-year term duration, which shall be compensated with an amount of €885 thousand which shall be paid on a monthly basis during the non-competition period.

In 2024 there were no terminations of contractual relationships of members of Senior Management.

55. Other information

55.1 Environmental impact

Given the activities BBVA Group entities engage in, the Group has no environmental liabilities, expenses, assets, provisions or contingencies that could have a significant effect on its consolidated equity, financial situation and profits. Consequently, as of December 31, 2025, there is no item included in the Consolidated Financial Statements that requires disclosure in an environmental information report pursuant to Ministry JUS/616/2022, of June 30, by which the new model for the presentation of consolidated financial statements in the Commercial Register is approved. The accompanying Consolidated Management Report presents in more detail the BBVA Group's management of environmental impacts and risks.

55.2 Information required regarding dividends, business segmentation and employees

Dividends paid

The table below presents the dividends per share paid in cash during 2025, 2024 and 2023 (cash basis dividend, regardless of the year in which they were accrued). For a complete analysis of all remuneration awarded to the shareholders in 2025, 2024 and 2023 (see Note 4).

PAID DIVIDENDS

	2025			2024			2023		
	% Over nominal	Euros per share	Amount (Millions of Euros)	% Over nominal	Euros per share	Amount (Millions of Euros)	% Over nominal	Euros per share	Amount (Millions of Euros)
Ordinary shares	148.98 %	0.73	4,205	138.78 %	0.68	3,921	95.92 %	0.47	2,812
Rest of shares	—	—	—	—	—	—	—	—	—
Total dividends paid in cash	**148.98 %**	**0.73**	**4,205**	**138.78 %**	**0.68**	**3,921**	**95.92 %**	**0.47**	**2,812**
Dividends with charge to income	148.98 %	0.73	4,205	138.78 %	0.68	3,921	95.92 %	0.47	2,812
Dividends with charge to reserve or share premium	—	—	—	—	—	—	—	—	—
Dividends in kind	—	—	—	—	—	—	—	—	—
Flexible payment	—	—	—	—	—	—	—	—	—

Ordinary income and attributable profit by operating segment

The detail of the consolidated ordinary income and profit for each operating segment is as follows as of December 31, 2025, 2024 and 2023:

ORDINARY INCOME AND ATTRIBUTABLE PROFIT BY OPERATING SEGMENT (MILLIONS OF EUROS)

	Income from ordinary activities [1]			Profit/ (loss) [2]		
	2025	2024 [3]	2023	2025	2024 [3]	2023
Spain	17,387	19,094	16,401	4,175	3,752	2,720
Mexico	24,375	25,498	22,822	5,264	5,447	5,319
Turkey	22,957	21,414	10,674	805	611	527
South America	10,881	12,260	10,913	726	635	601
Rest of Business	3,994	3,968	3,053	627	511	396
Subtotal operating segments	**79,594**	**82,234**	**63,862**	**11,597**	**10,956**	**9,564**
Corporate Center and adjustments	137	142	(452)	(1,086)	(901)	(1,544)
Total	**79,731**	**82,376**	**63,411**	**10,511**	**10,054**	**8,019**

(1) The line comprises interest income; dividend income; fee and commission income; gains (losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net; gains (losses) on financial assets and liabilities held for trading, net; gains (losses) on non-trading financial assets mandatorily at fair value through profit or loss, net; gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net; gains (losses) from hedge accounting, net; other operating income; and income from insurance and reinsurance contracts.
(2) See Note 6.
(3) In the first quarter of 2025 certain immaterial balance sheet amounts related to specific activities undertaken by the business units were reallocated between the operating segments and the Corporate Center. As a result, certain expenses were reallocated, in particular, between Spain, Rest of Business and the Corporate Center. In order to make the period-on-period comparison homogeneous, the figures for years 2024 and 2023 have been revised, which has not affected the consolidated financial information of the Group.

Interest income by geographical area

The breakdown of the balance of "Interest income and similar income" in the consolidated income statements by geographical area is as follows:

INTEREST INCOME. BREAKDOWN BY GEOGRAPHICAL AREA (MILLIONS OF EUROS)

	Notes	2025	2024	2023
Domestic		12,719	14,758	12,621
Foreign		45,627	46,901	35,229
European Union		*1,887*	*1,685*	*1,149*
Eurozone		*1,639*	*1,426*	*925*
Not Eurozone		*248*	*259*	*224*
Other countries		*43,739*	*45,216*	*34,081*
Total	**37.1**	**58,345**	**61,659**	**47,850**

Number of employees

The detail of the average number of employees is as follows as of December 31, 2025, 2024 and 2023:

AVERAGE NUMBER OF EMPLOYEES

	2025	2024	2023
Men	61,237	59,754	56,907
Women	64,968	63,846	62,078
Total	**126,204**	**123,600**	**118,985**

The breakdown of the average number of employees in the BBVA Group as of December 31, 2025, 2024 and 2023 is as follows:

AVERAGE NUMBER OF EMPLOYEES

	2025	2024	2023
Spanish banks			
Management Team	2,005	1,834	1,722
Managers	10,402	10,150	9,582
Other line personnel and clerical staff	9,796	9,796	9,878
Branches abroad	1,561	1,259	1,131
Subtotal	**23,764**	**23,039**	**22,313**
Banks abroad			
Mexico	44,666	44,991	42,834
Turkey	23,079	22,254	21,810
Venezuela	1,823	1,794	1,772
Argentina	6,365	5,914	5,771
Colombia	5,208	5,398	5,419
Peru	7,482	7,266	6,990
Other	691	662	650
Subtotal	**89,314**	**88,278**	**85,245**
Pension fund managers	**40**	**79**	**258**
Other non-banking companies	**13,086**	**12,204**	**11,169**
Total	**126,204**	**123,600**	**118,985**

The breakdown of the number of employees in the BBVA Group as of December 31, 2025, 2024 and 2023 by category and gender is as follows:

NUMBER OF EMPLOYEES AT THE YEAR END. PROFESSIONAL CATEGORY AND GENDER

	2025		2024		2023	
	Male	Female	Male	Female	Male	Female
Management team	3,966	2,240	3,753	2,057	3,557	1,886
Managers	23,337	21,896	21,901	21,213	20,741	19,986
Other line personnel and clerical staff	34,446	41,289	35,345	41,647	34,203	41,113
Total	**61,749**	**65,425**	**60,999**	**64,917**	**58,501**	**62,985**

55.3 Payments made and outstanding balances

The information required by Final Provision second of Law 31/2014 of December 3, which amends the Corporate Law to improve corporate governance modifies Additional Provision third of Law 15/2010, of July 5, amending the Law 3/2004 of December 29, through which measures for combating late payment in commercial transactions are set, is as follows:

PAYMENTS MADE AND PENDING PAYMENTS (MILLIONS OF EUROS)

	2025	2024
Average payment period to third parties (days)	26	28
Ratio of outstanding payment transactions (days) (1)	27	28
Ratio outstanding payment transactions (days) (1)	18	19
Total payments	3,444	3,028
Total outstanding payments	153	166

(1) To obtain these ratios, the total number of registered invoices is taken into account.

Including other BBVA Group companies in Spain, the total payments made for the years 2025 and 2024 amounted to €3,450 million and €3,033 million, respectively.

The data shown in the table above on payments to suppliers refer to those which by their nature are trade creditors for the supply of goods and services, so data relating to "Other financial liabilities - Creditors for other payment obligations " is included in the balance.

As of December 31, 2025, according to Law 18/2022, of September 28, on creation and development of entities, BBVA paid a total of 148,997 invoices (representing 96.3% of the total invoices received) with a total amount of €2,300 million (representing 95.1% of the volume invoiced) in a period less than or equal to the maximum established in the delinquency regulations.

56. Subsequent events

On January 15, 2026, once the prior consent from the Regulator had been obtained, the Bank redeemed the issuance of green contingently convertible preferred securities carried out on July 15, 2020, for an amount of €1 billion, on the First Reset Date of said issuance (see Note 22.4).

On February 5, 2026, BBVA announced by means of an inside information notice filing with the CNMV a cash distribution in the amount of €0.60 gross, for each of the outstanding shares entitled to receive said distribution, to be paid presumably in April 2026 as the final dividend for the year 2025, was planned to be proposed to the corresponding governing bodies for consideration as ordinary remuneration to shareholders for 2025 (see Note 4).

From January 1, 2026 to the date of preparation of these Consolidated Financial Statements, no subsequent events not mentioned in these Consolidated Financial Statements have taken place that could significantly affect the Group's earnings or its equity position.

57. Explanation added for translation into English

These consolidated financial statements are presented on the basis of IFRS, as adopted by the European Union. Certain accounting practices applied by the Group that conform to EU-IFRS may not conform to other generally accepted accounting principles.

Appendices

APPENDIX I. Additional information on subsidiaries and structured entities composing the BBVA Group as of December 31, 2025

			% share of participation [1]			Millions of Euros [2]		
						Affiliate entity data		
Company	Location	Activity	Direct	Indirect	Total	Net carrying amount	Equity excluding profit (loss) 31.12.2025	Profit (loss) 31.12.2025
ADELANTE CLASSE DE INVESTIMENTO MULTIMERCADO CREDITO PRIVADO IE - RESP LIMITADA	BRAZIL	OTHER INVESTMENT COMPANIES	100.00	—	100.00	4	4	—
ADQUIRA MEXICO SA DE CV	MEXICO	SERVICES	—	100.00	100.00	10	7	3
ALCALA 120 PROMOC. Y GEST.IMMOB. S.L.(SOCIEDAD UNIPERSINAL)	SPAIN	REAL ESTATE	—	100.00	100.00	19	19	—
ANIDA GRUPO INMOBILIARIO SL	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	661	668	(2)
ANIDA INMOBILIARIA, S.A. DE C.V.	MEXICO	INVESTMENT COMPANY	—	100.00	100.00	11	11	1
ANIDA OPERACIONES SINGULARES, S.A.(SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	—	100.00	100.00	605	608	(3)
ANIDA PROYECTOS INMOBILIARIOS, S.A. DE C.V.	MEXICO	REAL ESTATE	—	100.00	100.00	8	9	—
ANIDAPORT INVESTIMENTOS IMOBILIARIOS, UNIPESSOAL, LTDA	PORTUGAL	REAL ESTATE	—	100.00	100.00	20	16	3
ANTHEMIS BBVA VENTURE PARTNERSHIP LLP	UNITED KINGDOM	INVESTMENT COMPANY	—	100.00	100.00	11	13	(1)
ARRAHONA NEXUS, S.L. (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	—	100.00	100.00	56	62	—
ARRELS CT FINSOL, S.A. (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	—	100.00	100.00	56	72	—
ARRELS CT PROMOU SA (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	—	100.00	100.00	14	27	—
BANCO BBVA ARGENTINA S.A.	ARGENTINA	BANKING	40.01	26.54	66.55	158	1,137	497
BANCO BBVA PERÚ SA [3]	PERU	BANKING	—	47.13	47.13	1,788	3,202	594
BANCO BILBAO VIZCAYA ARGENTARIA URUGUAY SA	URUGUAY	BANKING	100.00	—	100.00	110	308	64
BANCO OCCIDENTAL SA	SPAIN	BANKING	49.43	50.57	100.00	17	20	—
BANCO PROVINCIAL OVERSEAS NV	CURAÇAO	BANKING	—	100.00	100.00	50	43	7
BANCO PROVINCIAL SA - BANCO UNIVERSAL	VENEZUELA	BANKING	1.46	53.75	55.21	40	276	(34)
BBV AMERICA SL	SPAIN	INVESTMENT COMPANY	99.80	0.20	100.00	—	760	13
BBVA (SUIZA) SA	SWITZERLAND	BANKING	100.00	—	100.00	114	159	12
BBVA AGENCIA DE SEGUROS COLOMBIA LTDA	COLOMBIA	INSURANCES SERVICES	—	100.00	100.00	—	—	—
BBVA ASSET MANAGEMENT ARGENTINA SAU SOCIEDAD GERENTE DE FONDOS COMUNES DE INVERSIÓN	ARGENTINA	INVESTMENT FUND MANAGEMENT	—	100.00	100.00	49	18	31
BBVA ASSET MANAGEMENT MEXICO SA DE CV, SOC.OPERADORA DE FONDOS DE INVERSION, GRUPO FRO. BBVA MEXICO	MEXICO	INVESTMENT FUND MANAGEMENT	—	100.00	100.00	45	13	32
BBVA ASSET MANAGEMENT SA SAF	PERU	INVESTMENT FUND MANAGEMENT	—	100.00	100.00	10	6	5
BBVA ASSET MANAGEMENT SA SGIIC	SPAIN	INVESTMENT FUND MANAGEMENT	100.00	—	100.00	36	(122)	199
BBVA ASSET MANAGEMENT SA SOCIEDAD FIDUCIARIA (BBVA FIDUCIARIA)	COLOMBIA	INVESTMENT FUND MANAGEMENT	—	100.00	100.00	33	19	14
BBVA BOLSA SOCIEDAD AGENTE DE BOLSA S.A.	PERU	SECURITIES DEALER	—	100.00	100.00	4	4	1
BBVA BRASIL BANCO DE INVESTIMENTO SA	BRAZIL	BANKING	100.00	—	100.00	172	171	1
BBVA BROKER ARGENTINA SA	ARGENTINA	INSURANCES SERVICES	—	99.96	99.96	—	2	7
BBVA BROKER CORREDURIA DE SEGUROS Y REASEGUROS SA	SPAIN	FINANCIAL SERVICES	99.94	0.06	100.00	—	4	8
BBVA COLOMBIA SA	COLOMBIA	BANKING	78.12	18.22	96.34	740	1,571	100
BBVA DISTRIBUIDORA DE SEGUROS S.R.L.	URUGUAY	FINANCIAL SERVICES	—	100.00	100.00	7	3	5
BBVA FUNDOS S.GESTORA FUNDOS PENSOES SA	PORTUGAL	PENSION FUND MANAGEMENT	100.00	—	100.00	13	11	2
BBVA GLOBAL MARKETS BV	NETHERLANDS	OTHER ISSUANCE COMPANIES	100.00	—	100.00	—	—	—
BBVA GLOBAL SECURITIES, B.V.	NETHERLANDS	OTHER ISSUANCE COMPANIES	100.00	—	100.00	—	—	—
BBVA GLOBAL WEALTH ADVISORS INC	UNITED STATES	FINANCIAL SERVICES	—	100.00	100.00	19	19	(12)
BBVA GLOBAL WEALTH INSURANCE AGENCY, INC	UNITED STATES	FINANCIAL SERVICES	—	100.00	100.00	1	1	—

(1) In accordance with Article 3 of Royal Decree 1159/2010, of September 17, in order to determine the state, the voting power relating to subsidiaries was added to the voting power directly held by the parent. Therefore, the number of votes corresponding to the parent company (including indirect control subsidiaries), corresponds to each subsidiary holding a direct ownership interest.
(2) Amount considering the interim dividends of the year, according to the provisional financial statements of each company, generally as of December 31, 2025. In the carrying amount (net of provision and hedge in foreign operations), the Group´s ownership percentage has been applied, without considering the impairment of goodwill. Information on individual companies and foreign companies at exchange rate as of December 31, 2025. The data of the companies in Turkey and Argentina are prior to the application of hyperinflation accounting.
(3) Full consolidation method is used according to accounting rules (see Glossary).

Additional information on subsidiaries and structured entities composing the BBVA Group as of December 31, 2025 (continued)

Company	Location	Activity	% share of participation (1)			Millions of Euros (2) Affiliate entity data		
			Direct	Indirect	Total	Net carrying amount	Equity excluding profit (loss) 31.12.2025	Profit (loss) 31.12.2025
BBVA HOLDING CHILE SA	CHILE	INVESTMENT COMPANY	61.22	38.78	100.00	158	288	37
BBVA INSTITUIÇAO FINANCEIRA DE CREDITO SA	PORTUGAL	FINANCIAL SERVICES	49.90	50.10	100.00	39	65	3
BBVA LEASING MEXICO SA DE CV	MEXICO	FINANCIAL SERVICES	—	100.00	100.00	51	287	31
BBVA MEDIACION OPERADOR DE BANCA-SEGUROS VINCULADO, S.A.	SPAIN	FINANCIAL SERVICES	99.99	0.01	100.00	11	(17)	34
BBVA MEXICO SA INSTITUCION DE BANCA MULTIPLE GRUPO FINANCIERO BBVA MEXICO	MEXICO	BANKING	—	100.00	100.00	18,942	14,377	4,565
BBVA OPERADORA MEXICO SA DE CV	MEXICO	SERVICES	100.00	—	100.00	62	65	(2)
BBVA PENSIONES MEXICO, S.A. DE C.V., GRUPO FINANCIERO BBVA MEXICO	MEXICO	INSURANCES SERVICES	—	100.00	100.00	412	322	90
BBVA PENSIONES SA ENTIDAD GESTORA DE FONDOS DE PENSIONES	SPAIN	PENSION FUND MANAGEMENT	100.00	—	100.00	13	(21)	50
BBVA PERU HOLDING SAC	PERU	INVESTMENT COMPANY	100.00	—	100.00	151	1,518	280
BBVA PREVISION AFP SA ADM.DE FONDOS DE PENSIONES	BOLIVIA	PENSION FUND MANAGEMENT	75.00	5.00	80.00	2	4	—
BBVA PROCESSING SERVICES INC.	UNITED STATES	FINANCIAL SERVICES	—	100.00	100.00	2	2	—
BBVA RE INHOUSE COMPAÑIA DE REASEGUROS, S.E.	SPAIN	INSURANCES SERVICES	100.00	—	100.00	63	65	12
BBVA SECURITIES INC	UNITED STATES	FINANCIAL SERVICES	—	100.00	100.00	263	226	53
BBVA SEGUROS ARGENTINA SA	ARGENTINA	INSURANCES SERVICES	87.78	12.22	100.00	9	26	14
BBVA SEGUROS CA	VENEZUELA	INSURANCES SERVICES	—	100.00	100.00	6	8	(2)
BBVA SEGUROS COLOMBIA SA	COLOMBIA	INSURANCES SERVICES	94.00	6.00	100.00	10	34	7
BBVA SEGUROS DE VIDA COLOMBIA SA	COLOMBIA	INSURANCES SERVICES	94.00	6.00	100.00	14	161	9
BBVA SEGUROS MÉXICO SA DE CV GRUPO FINANCIERO BBVA MEXICO	MEXICO	INSURANCES SERVICES	—	100.00	100.00	998	341	657
BBVA SEGUROS SA DE SEGUROS Y REASEGUROS	SPAIN	INSURANCES SERVICES	99.96	—	99.96	713	361	285
BBVA SEGUROS SALUD MEXICO SA DE CV GRUPO FRO. BBVA MEXICO.	MEXICO	INSURANCES SERVICES	—	100.00	100.00	20	28	(9)
BBVA SERVICIOS ADMINISTRATIVOS MEXICO, S.A. DE C.V.	MEXICO	SERVICES	—	100.00	100.00	17	16	1
BBVA SERVICIOS, S.A.	SPAIN	COMMERCIAL	—	100.00	100.00	—	—	—
BBVA SOCIEDAD TITULIZADORA S.A.	PERU	OTHER ISSUANCE COMPANIES	—	100.00	100.00	2	1	—
BBVA TECHNOLOGY AMERICA SA	MEXICO	SERVICES	100.00	—	100.00	240	269	13
BBVA TECHNOLOGY SLU	SPAIN	SERVICES	100.00	—	100.00	44	54	9
BBVA TRADE, S.A.	SPAIN	INVESTMENT COMPANY	—	100.00	100.00	10	10	—
BBVA USD INVESTMENTS SA	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	2,134	2,089	33
BBVA VALORES COLOMBIA SA COMISIONISTA DE BOLSA	COLOMBIA	SECURITIES DEALER	—	100.00	100.00	18	13	5
BILBAO VIZCAYA INVESTMENTS SA UNIPERSONAL	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	582	642	(16)
CARTERA E INVERSIONES SA	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	92	139	—
CASA DE BOLSA BBVA MEXICO SA DE CV	MEXICO	SECURITIES DEALER	—	100.00	100.00	70	24	45
CATALUNYACAIXA IMMOBILIARIA SA (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	100.00	—	100.00	158	139	19
CATALUNYACAIXA SERVEIS SA	SPAIN	SERVICES	100.00	—	100.00	2	2	—
CIDESSA DOS, S.L.	SPAIN	INVESTMENT COMPANY	—	100.00	100.00	2	2	—
CIERVANA SL	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	53	85	1
COMERCIALIZADORA CORPORATIVA SAC	PERU	FINANCIAL SERVICES	—	50.00	50.00	—	—	1
COMERCIALIZADORA DE SERVICIOS FINANCIEROS, S.A.	COLOMBIA	SERVICES	—	100.00	100.00	5	5	—

(1) In accordance with Article 3 of Royal Decree 1159/2010, of September 17, in order to determine the state, the voting power relating to subsidiaries was added to the voting power directly held by the parent. Therefore, the number of votes corresponding to the parent company (including indirect control subsidiaries), corresponds to each subsidiary holding a direct ownership interest.
(2) Amount considering the interim dividends of the year, according to the provisional financial statements of each company, generally as of December 31, 2025. In the carrying amount (net of provision and hedge in foreign operations), the Group´s ownership percentage has been applied, without considering the impairment of goodwill. Information on individual companies and foreign companies at exchange rate as of December 31, 2025. The data of the companies in Turkey and Argentina are prior to the application of hyperinflation accounting.

Additional information on subsidiaries and structured entities composing the BBVA Group as of December 31, 2025 (continued)

Company	Location	Activity	% share of participation (1)			Millions of Euros (2)		
						Affiliate entity data		
			Direct	Indirect	Total	Net carrying amount	Equity excluding profit (loss) 31.12.2025	Profit (loss) 31.12.2025
COMPAÑIA CHILENA DE INVERSIONES SL	SPAIN	INVESTMENT COMPANY	99.97	0.03	100.00	221	276	6
CONSOLIDAR A.F.J.P SA	ARGENTINA	IN LIQUIDATION	46.11	53.89	100.00	1	—	—
CONTENTS AREA, S.L.	SPAIN	SERVICES	—	100.00	100.00	6	5	—
CONTINENTAL DPR FINANCE COMPANY BV	NETHERLANDS	FINANCIAL SERVICES	—	100.00	100.00	—	—	—
CORPORACION GENERAL FINANCIERA SAU	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	510	1,006	56
CREA MADRID NUEVO NORTE SA	SPAIN	REAL ESTATE	—	75.54	75.54	392	527	(8)
DEUTSCHE BANK MEXICO SA FIDEICOMISO F/1859	MEXICO	FINANCIAL SERVICES	—	100.00	100.00	—	—	—
DEUTSCHE BANK MEXICO SA FIDEICOMISO F/1860	MEXICO	FINANCIAL SERVICES	—	100.00	100.00	—	—	—
DIGITAL INVESTMENTS SL	SPAIN	HOLDING THAT MANAGES MOSTLY FINANCIAL SUBSIDIARIES	99.98	0.03	100.00	133	83	(22)
ECASA, S.A.	CHILE	FINANCIAL SERVICES	—	100.00	100.00	15	13	1
EMPRENDIMIENTOS DE VALOR S.A.	URUGUAY	FINANCIAL SERVICES	—	100.00	100.00	2	2	(1)
EUROPEA DE TITULIZACION SA SGFT .	SPAIN	NON-MORTGAGE SECURITIZATION ENTITIES	88.24	—	88.24	2	20	3
F/11395 FIDEICOMISO IRREVOCABLE DE ADMINISTRACION CON DERECHO DE REVERSION (3)	MEXICO	REAL ESTATE	—	42.40	42.40	—	1	—
F/253863 EL DESEO RESIDENCIAL	MEXICO	REAL ESTATE	—	65.00	65.00	—	1	—
FIAT CREDITO ARGENTINA COMPAÑIA FINANCIERA SA	ARGENTINA	FINANCIAL SERVICES	—	50.00	50.00	18	36	—
FIDEICOMISO 28991-8 TRADING EN LOS MCADOS FINANCIEROS	MEXICO	FINANCIAL SERVICES	—	100.00	100.00	5	4	—
FIDEICOMISO F/29764-8 SOCIO LIQUIDADOR DE OPERACIONES FINANCIERAS DERIVADAS	MEXICO	FINANCIAL SERVICES	—	100.00	100.00	71	59	12
FIDEICOMISO F/403112-6 DE ADMINISTRACION DOS LAGOS	MEXICO	REAL ESTATE	—	100.00	100.00	—	—	—
FIDEICOMISO HARES BBVA BANCOMER F/ 47997-2	MEXICO	REAL ESTATE	—	100.00	100.00	—	1	—
FIDEICOMISO INMUEBLES CONJUNTO RESIDENCIAL HORIZONTES DE VILLA CAMPESTRE	COLOMBIA	REAL ESTATE	—	100.00	100.00	—	1	—
FIDEICOMISO LOTE 6.1 ZARAGOZA	COLOMBIA	REAL ESTATE	—	59.99	59.99	—	2	—
FIDEICOMISO SCOTIABANK INVERLAT S A F100322908	MEXICO	REAL ESTATE	—	100.00	100.00	—	—	—
FOMENTO Y DESARROLLO DE CONJUNTOS RESIDENCIALES S.L. EN LIQUIDACION	SPAIN	IN LIQUIDATION	—	60.00	60.00	—	—	—
FORUM DISTRIBUIDORA DEL PERU SA	PERU	FINANCIAL SERVICES	—	100.00	100.00	8	8	—
FORUM DISTRIBUIDORA, S.A.	CHILE	FINANCIAL SERVICES	—	100.00	100.00	379	367	10
FORUM SERVICIOS FINANCIEROS, S.A.	CHILE	FINANCIAL SERVICES	—	100.00	100.00	238	201	28
G NETHERLANDS BV	NETHERLANDS	INVESTMENT COMPANY	—	100.00	100.00	393	315	—
GARANTI BANK SA	ROMANIA	BANKING	—	100.00	100.00	246	421	24
GARANTI BBVA AS	TURKEY	BANKING	85.97	—	85.97	7,490	6,891	2,042
GARANTI BBVA EMEKLILIK AS	TURKEY	INSURANCES SERVICES	—	84.91	84.91	169	70	132
GARANTI BBVA FACTORING AS	TURKEY	FINANCIAL SERVICES	—	81.84	81.84	86	63	42
GARANTI BBVA FILO AS	TURKEY	SERVICES	—	100.00	100.00	300	226	72
GARANTI BBVA FINANSAL TEKNOLOJILER AS	TURKEY	FINANCIAL SERVICES	—	100.00	100.00	31	43	—
GARANTI BBVA LEASING AS	TURKEY	FINANCIAL SERVICES	—	100.00	100.00	474	347	126
GARANTI BBVA PORTFOY YONETIMI AS	TURKEY	INVESTMENT FUND MANAGEMENT	—	100.00	100.00	70	22	48
GARANTI BBVA YATIRIM AS	TURKEY	FINANCIAL SERVICES	—	100.00	100.00	280	177	104
GARANTI DIVERSIFIED PAYMENT RIGHTS FINANCE COMPANY	CAYMAN ISLANDS	OTHER ISSUANCE COMPANIES	—	100.00	100.00	—	(10)	2

(1) In accordance with Article 3 of Royal Decree 1159/2010, of September 17, in order to determine the state, the voting power relating to subsidiaries was added to the voting power directly held by the parent. Therefore, the number of votes corresponding to the parent company (including indirect control subsidiaries), corresponds to each subsidiary holding a direct ownership interest.
(2) Amount considering the interim dividends of the year, according to the provisional financial statements of each company, generally as of December 31, 2025. In the carrying amount (net of provision and hedge in foreign operations), the Group´s ownership percentage has been applied, without considering the impairment of goodwill. Information on individual companies and foreign companies at exchange rate as of December 31, 2025. The data of the companies in Turkey and Argentina are prior to the application of hyperinflation accounting.
(3) Full consolidation method is used according to accounting rules (see Glossary).

Additional information on subsidiaries and structured entities composing the BBVA Group as of December 31, 2025 (continued)

Company	Location	Activity	% share of participation (1)			Millions of Euros (2) Affiliate entity data		
			Direct	Indirect	Total	Net carrying amount	Equity excluding profit (loss) 31.12.2025	Profit (loss) 31.12.2025
GARANTI FILO SIGORTA ARACILIK HIZMETLERI A.S.	TURKEY	FINANCIAL SERVICES	—	100.00	100.00	—	—	1
GARANTI HOLDING BV	NETHERLANDS	INVESTMENT COMPANY	—	100.00	100.00	692	393	—
GARANTI KRIPTO VARLIK ALM SATM PLATFORMU ANONIM SIRKETI	TURKEY	FINANCIAL SERVICES	—	100.00	100.00	43	39	(8)
GARANTI KULTUR AS	TURKEY	SERVICES	—	100.00	100.00	—	—	—
GARANTI ODEME SISTEMLERI AS (GOSAS)	TURKEY	FINANCIAL SERVICES	—	100.00	100.00	22	11	12
GARANTI ODEME VE ELEKTRONIK PARA HIZMETLERI ANONIM SIRKETI	TURKEY	PAYMENT ENTITIES	—	100.00	100.00	16	20	(5)
GARANTI PORTFOLIO BESINCI SERBEST FON	TURKEY	INVESTMENT COMPANY	—	83.98	83.98	74	88	12
GARANTI YATIRIM ORTAKLIGI AS (3) (4)	TURKEY	INVESTMENT COMPANY	—	3.61	3.61	—	2	—
GARANTIBANK BBVA INTERNATIONAL N.V.	NETHERLANDS	BANKING	—	100.00	100.00	1,323	1,100	119
GESCAT GESTIO DE SOL SL (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	100.00	—	100.00	18	7	11
GESCAT LLEVANT, S.L.(SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	—	100.00	100.00	1	—	1
GESCAT VIVENDES EN COMERCIALITZACIO SL (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	100.00	—	100.00	27	27	—
GESTION DE PREVISION Y PENSIONES SA	SPAIN	PENSION FUND MANAGEMENT	60.00	—	60.00	9	16	6
GESTION Y ADMINISTRACION DE RECIBOS, S.A. - GARSA	SPAIN	SERVICES	—	100.00	100.00	1	2	—
GRAN JORGE JUAN SA	SPAIN	REAL ESTATE	100.00	—	100.00	424	478	18
GRUPO FINANCIERO BBVA MEXICO SA DE CV	MEXICO	FINANCIAL SERVICES	99.98	—	99.98	10,072	17,201	5,368
HANS FACTORY SL	SPAIN	FINANCIAL SERVICES	—	100.00	100.00	11	9	(3)
INMUEBLES Y RECUPERACIONES BBVA SA	PERU	REAL ESTATE	—	100.00	100.00	39	39	—
INVERAHORRO SL	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	378	385	(7)
INVERSIONES ALDAMA, C.A.	VENEZUELA	IN LIQUIDATION	—	100.00	100.00	—	—	—
INVERSIONES BANPRO INTERNATIONAL INC NV (3)	CURAÇAO	INVESTMENT COMPANY	48.00	—	48.00	16	45	7
INVERSIONES BAPROBA CA	VENEZUELA	FINANCIAL SERVICES	100.00	—	100.00	—	—	—
INVERSIONES P.H.R.4, C.A.	VENEZUELA	INACTIVE	—	60.46	60.46	—	—	—
MADIVA SOLUCIONES, S.L.	SPAIN	SERVICES	—	100.00	100.00	4	4	—
MOTORACTIVE IFN SA	ROMANIA	FINANCIAL SERVICES	—	100.00	100.00	34	41	4
MOTORACTIVE MULTISERVICES SRL	ROMANIA	SERVICES	—	100.00	100.00	—	5	—
MOVISTAR CONSUMER FINANCE COLOMBIA SAS	COLOMBIA	IN LIQUIDATION	—	50.00	50.00	—	6	(3)
MULTIASISTENCIA, S.A. DE C.V.	MEXICO	INSURANCES SERVICES	—	100.00	100.00	68	44	23
OPENPAY ARGENTINA SA	ARGENTINA	PAYMENT ENTITIES	—	100.00	100.00	10	5	(1)
OPENPAY COLOMBIA SAS	COLOMBIA	PAYMENT ENTITIES	—	100.00	100.00	3	3	(1)
OPENPAY PERÚ SA	PERU	PAYMENT ENTITIES	—	100.00	100.00	2	8	(7)
OPENPAY SA DE CV	MEXICO	PAYMENT ENTITIES	—	100.00	100.00	72	50	(20)
OPENPAY SERVICIOS S.A. DE C.V.	MEXICO	SERVICES	—	100.00	100.00	—	—	—
OPERADORA DOS LAGOS S.A. DE C.V.	MEXICO	SERVICES	—	100.00	100.00	—	—	—
OPPLUS OPERACIONES Y SERVICIOS SA	SPAIN	SERVICES	100.00	—	100.00	1	51	8
PECRI INVERSION SL	SPAIN	INVESTMENT COMPANY	100.00	—	100.00	71	68	2
PROMOTORA DEL VALLES, S.L. (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	—	100.00	100.00	13	19	7

(1) In accordance with Article 3 of Royal Decree 1159/2010, of September 17, in order to determine the state, the voting power relating to subsidiaries was added to the voting power directly held by the parent. Therefore, the number of votes corresponding to the parent company (including indirect control subsidiaries), corresponds to each subsidiary holding a direct ownership interest.
(2) Amount considering the interim dividends of the year, according to the provisional financial statements of each company, generally as of December 31, 2025. In the carrying amount (net of provision and hedge in foreign operations), the Group´s ownership percentage has been applied, without considering the impairment of goodwill. Information on individual companies and foreign companies at exchange rate as of December 31, 2025. The data of the companies in Turkey and Argentina are prior to the application of hyperinflation accounting.
(3) Full consolidation method is used according to accounting rules (see Glossary).
(4) The percentage of voting rights owned by the Group entities in this company is 99.97%.

Additional information on subsidiaries and structured entities composing the BBVA Group as of December 31, 2025 (continued)

Company	Location	Activity	% share of participation (1)			Millions of Euros (2) Affiliate entity data		
			Direct	Indirect	Total	Net carrying amount	Equity excluding profit (loss) 31.12.2025	Profit (loss) 31.12.2025
PRONORTE UNO PROCAM, S.A.(SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	—	100.00	100.00	1	1	—
PROPEL EXPLORER FUND I LP	UNITED STATES	INVESTMENT COMPANY	—	99.50	99.50	39	36	2
PROPEL EXPLORER FUND II LP	UNITED STATES	INVESTMENT COMPANY	—	99.50	99.50	22	21	(1)
PROPEL VENTURE PARTNERS BRAZIL US LP	UNITED STATES	INVESTMENT COMPANY	—	99.80	99.80	12	13	—
PROPEL VENTURE PARTNERS GLOBAL US, LP	UNITED STATES	INVESTMENT COMPANY	—	99.50	99.50	102	128	99
PROPEL VENTURE PARTNERS US FUND I, L.P.	UNITED STATES	VENTURE CAPITAL	—	99.50	99.50	146	174	(22)
PROPEL XYZ I LP	UNITED STATES	INVESTMENT COMPANY	—	99.40	99.40	19	19	2
PRO-SALUD, C.A.	VENEZUELA	INACTIVE	—	58.86	58.86	—	—	—
PROVINCIAL DE VALORES CASA DE BOLSA CA	VENEZUELA	SECURITIES DEALER	—	60.00	60.00	1	1	1
PROVINCIAL SDAD.ADMIN.DE ENTIDADES DE INV.COLECTIVA CA	VENEZUELA	INVESTMENT FUND MANAGEMENT	—	100.00	100.00	1	1	—
PROVIVIENDA ENTIDAD RECAUDADORA Y ADMIN.DE APORTES, S.A.	BOLIVIA	PENSION FUND MANAGEMENT	—	100.00	100.00	—	—	—
PSA FINANCE ARGENTINA COMPAÑIA FINANCIERA SA	ARGENTINA	BANKING	—	50.00	50.00	17	16	18
RALFI IFN SA	ROMANIA	FINANCIAL SERVICES	—	100.00	100.00	36	6	—
RPV COMPANY	CAYMAN ISLANDS	OTHER ISSUANCE COMPANIES	—	100.00	100.00	—	—	—
SATICEM GESTIO SL (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	100.00	—	100.00	6	2	3
SATICEM HOLDING SL (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	100.00	—	100.00	5	5	—
SOCIEDAD DE ESTUDIOS Y ANALISIS FINANCIERO SA	SPAIN	SERVICES	100.00	—	100.00	19	19	—
SOCIEDAD PERUANA DE FINANCIAMIENTO SAC	PERU	FINANCIAL SERVICES	—	50.00	50.00	3	6	(3)
TREE INVERSIONES INMOBILIARIAS SA SOCIEDAD UNIPERSONAL	SPAIN	REAL ESTATE	100.00	—	100.00	1,096	217	72
TRIFOI REAL ESTATE SRL	ROMANIA	REAL ESTATE	—	100.00	100.00	1	1	—
UNNIM SOCIEDAD PARA LA GESTION DE ACTIVOS INMOBILIARIOS SA (SOCIEDAD UNIPERSONAL)	SPAIN	REAL ESTATE	100.00	—	100.00	471	422	2
URBANIZADORA SANT LLORENC SA	SPAIN	INACTIVE	60.60	—	60.60	—	—	—
VOLKSWAGEN FINANCIAL SERVICES COMPAÑIA FINANCIERA SA	ARGENTINA	BANKING	—	51.00	51.00	26	33	18

(1) In accordance with Article 3 of Royal Decree 1159/2010, of September 17, in order to determine the state, the voting power relating to subsidiaries was added to the voting power directly held by the parent. Therefore, the number of votes corresponding to the parent company (including indirect control subsidiaries), corresponds to each subsidiary holding a direct ownership interest.
(2) Amount considering the interim dividends of the year, according to the provisional financial statements of each company, generally as of December 31, 2025. In the carrying amount (net of provision and hedge in foreign operations), the Group´s ownership percentage has been applied, without considering the impairment of goodwill. Information on individual companies and foreign companies at exchange rate as of December 31, 2025. The data of the companies in Turkey and Argentina are prior to the application of hyperinflation accounting.

This Appendix is an integral part of Note 3 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX II. Additional information on investments in joint ventures and associates in the BBVA Group as of December 31, 2025

Most significant companies are included, which together represent 99.58% of the total investment in this group.

			% share of participation			Millions of Euros (1)				
						Affiliate entity data				
Company	Location	Activity	Direct	Indirect	Total	Consolidated Net carrying amount	Assets 31.12.2025	Liabilities 31.12.2025	Equity excluding profit (loss) 31.12.2025	Profit (loss) 31.12.2025
ASSOCIATES										
ADQUIRA ESPAÑA, S.A.	SPAIN	SERVICES	—	44.44	44.44	5	20	9	10	1
ATOM HOLDCO LIMITED	UNITED KINGDOM	INVESTMENT COMPANY	49.45	—	49.45	222	11,656	11,102	533	20
BBVA ALLIANZ SEGUROS Y REASEGUROS, S.A.	SPAIN	INSURANCES SERVICES	—	50.00	50.00	277	1,188	601	543	44
COMPAÑIA PERUANA DE MEDIOS DE PAGO SAC (VISANET PERU)	PERU	PAYMENT ENTITIES	—	20.20	20.20	2	329	317	9	3
CORPORACION SUICHE 7B CA	VENEZUELA	FINANCIAL SERVICES	—	19.80	19.80	2	12	3	5	4
FIDEICOMISO F/00185 FIMPE - FIDEICOMISO F/00185 PARA EXTENDER A LA SOCIEDAD LOS BENEFICIOS DEL ACCESO A LA INFRAESTRUCTURA DE LOS MEDIOS DE PAGO ELECTRONICOS	MEXICO	FINANCIAL SERVICES	—	28.50	28.50	2	5	—	5	1
METROVACESA SA	SPAIN	REAL ESTATE	20.85	—	20.85	282	2,304	950	1,357	(4)
PROMOCIONS TERRES CAVADES, S.A.	SPAIN	REAL ESTATE	—	39.11	39.11	1	3	—	3	—
REDSYS SERVICIOS DE PROCESAMIENTO SL	SPAIN	FINANCIAL SERVICES	24.90	—	24.90	17	135	58	63	14
SBD CREIXENT, S.A.	SPAIN	REAL ESTATE	—	23.05	23.05	1	6	—	6	—
SEGURIDAD Y PROTECCION BANCARIAS SA DE CV	MEXICO	SERVICES	—	26.14	26.14	1	5	—	4	1
SERVICIOS ELECTRONICOS GLOBALES SA DE CV	MEXICO	PAYMENT ENTITIES	—	46.14	46.14	56	122	—	96	26
SISTEMAS DE TARJETAS Y MEDIOS DE PAGO SA	SPAIN	PAYMENT ENTITIES	20.61	—	20.61	2	610	601	7	2
TELEFONICA FACTORING ESPAÑA SA (2)	SPAIN	FINANCIAL SERVICES	30.00	—	30.00	5	277	260	7	10
VERIDAS DIGITAL AUTHENTICATION SOLUTIONS S.L.	SPAIN	SERVICES	—	29.38	29.38	3	26	16	13	(3)
JOINT VENTURES										
ALTURA MARKETS SOCIEDAD DE VALORES SA	SPAIN	SECURITIES DEALER	50.00	—	50.00	44	2,107	2,019	76	12
COMPAÑIA MEXICANA DE PROCESAMIENTO SA DE CV	MEXICO	SERVICES	—	50.00	50.00	5	11	—	12	(1)
CORPORACION IBV PARTICIPACIONES EMPRESARIALES, S.A. (3)	SPAIN	INVESTMENT COMPANY	—	50.00	50.00	31	110	48	61	—
F/ 5356 FIDEICOMISO IRREVOCABLE DE ADM. INMOBILIARIA CON DERECHO DE REVERSIÓN-FIDEICOMISO SELVA	MEXICO	REAL ESTATE	—	42.40	42.40	7	17	—	17	—
FIDEICOMISO 1729 INVEX ENAJENACION DE CARTERA (3)	MEXICO	REAL ESTATE	—	44.09	44.09	5	96	—	96	—
INVERSIONES PLATCO CA	VENEZUELA	FINANCIAL SERVICES	—	50.00	50.00	4	9	1	8	—
RCI COLOMBIA SA COMPAÑIA DE FINANCIAMIENTO	COLOMBIA	FINANCIAL SERVICES	—	49.00	49.00	37	804	727	77	(1)
ROMBO COMPAÑIA FINANCIERA SA	ARGENTINA	BANKING	—	40.00	40.00	13	191	159	15	18

(1) In foreign companies the exchange rate of December 31, 2025 is applied.
(2) Financial Statements as of December 31, 2024.
(3) Classified as Non-current asset held for sale.

This Appendix is an integral part of Notes 3 and 16.1 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX III. Changes and notifications of participations in the BBVA Group in 2025

Acquisitions or increases of interest ownership in consolidated subsidiaries

Company (1)	Type of transaction	Total voting rights controlled after the disposal	Effective date for the last transaction (or notification Date)
ADELANTE CLASSE DE INVESTIMENTO MULTIMERCADO CREDITO PRIVADO IE - RESP LIMITADA	FOUNDING	100.00	03-Oct-25
BBVA GLOBAL WEALTH INSURANCE AGENCY, INC	FOUNDING	100.00	05-Feb-25
FIAT CREDITO ARGENTINA COMPAÑIA FINANCIERA SA	ACQUISITION	50.00	10-Dec-25
GARANTI PORTFOLIO BESINCI SERBEST FON	FOUNDING	83.98	01-Sep-25

(1) Variations of less than 0.1% have not been considered due to immateriality.

Disposals or reduction of interest ownership in consolidated subsidiaries

Company (1)	Type of transaction	Total voting rights controlled after the disposal	Effective date for the last transaction (or notification Date)
ACTIVOS MACORP SL EN LIQUIDACIÓN	LIQUIDATION	—	16-Dec-25
ARRELS CT PATRIMONI I PROJECTES, S.A. (SOCIEDAD UNIPERSONAL)EN LIQUIDACIÓN	LIQUIDATION	—	11-Dec-25
BBVA CONSUMER FINANCE ENTIDAD DE DESARROLLO A LA PEQUEÑA Y MICRO EMPRESA EDPYME SA (BBVA CONSUMER FINANCE - EDPYME)	LIQUIDATION	—	16-Jul-25
BBVA GLOBAL FINANCE LTD	LIQUIDATION	—	31-Dec-25
FORUM COMERCIALIZADORA DEL PERU SA	LIQUIDATION	—	09-Jun-25
GESCAT LLOGUERS SL	LIQUIDATION	—	18-Apr-25
LA ESMERALDA DESARROLLOS, S.L.(SOCIEDAD UNIPERSONAL EN LIQUIDACIÓN)	LIQUIDATION	—	17-Nov-25
PROVINCIAL DE VALORES CASA DE BOLSA CA	DISPOSAL	60	01-Jun-25
TASFIYE HALINDE GARANTI KONUT FINANSMANI DANISMANLIK HIZMETLERI ANONIM SIRKETI	LIQUIDATION	—	30-Dec-25

(1) Variations of less than 0.1% have not been considered due to immateriality.

Changes and notifications of participations in the BBVA Group in 2025 (continued)

Business combinations and other acquisitions or increases of interest ownership in associates and joint ventures accounted for under the equity method

Company (1)	Type of transaction	Total voting rights controlled after the disposal	Effective date for the last transaction (or notification Date)
ALFA TECH CORE SERVICES S DE RL DE CV	FOUNDING	20.00	01-Oct-25
ALFATECH CORE SERVICES SL	FOUNDING	20.00	01-Oct-25
CIBERENTIDAD MEXICO SA DE CV	FOUNDING	20.00	01-Aug-25

(1) Variations of less than 0.1% have not been considered due to immateriality.

Disposal or reduction of interest ownership in associates and joint ventures companies accounted for under the equity method

Company (1)	Type of transaction	Total voting rights controlled after the disposal	Effective date for the last transaction (or notification Date)
CAMARATE GOLF, S.A. EN LIQUIDACIÓN	LIQUIDATION	—	04-Nov-25
FIDEICOMISO F/402770-2 ALAMAR	DISPOSAL	—	28-Apr-25
OPERADORA ALAMAR SA DE CV	DISPOSAL	—	15-Dec-25

(1) Variations of less than 0.1% have not been considered due to immateriality.

This Appendix is an integral part of Notes 3 and 16.1 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX IV. Fully consolidated subsidiaries with more than 10% owned by non-Group shareholders as of December 31, 2025

Company	Activity	% of voting rights controlled by the Bank		
		Direct	Indirect	Total
BANCO BBVA PERÚ SA	BANKING	—	47.13	47.13
BANCO PROVINCIAL SA - BANCO UNIVERSAL	BANKING	1.46	53.75	55.21
COMERCIALIZADORA CORPORATIVA SAC	FINANCIAL SERVICES	—	50.00	50.00
CREA MADRID NUEVO NORTE SA	REAL ESTATE	—	75.54	75.54
F/11395 FIDEICOMISO IRREVOCABLE DE ADMINISTRACION CON DERECHO DE REVERSION	REAL ESTATE	—	42.40	42.40
F/253863 EL DESEO RESIDENCIAL	REAL ESTATE	—	65.00	65.00
FIAT CREDITO ARGENTINA COMPAÑIA FINANCIERA SA	FINANCIAL SERVICES	—	50.00	50.00
FIDEICOMISO LOTE 6.1 ZARAGOZA	REAL ESTATE	—	59.99	59.99
FOMENTO Y DESARROLLO DE CONJUNTOS RESIDENCIALES S.L. EN LIQUIDACION	IN LIQUIDATION	—	60.00	60.00
GARANTI BBVA EMEKLILIK AS	INSURANCES	—	84.91	84.91
GESTION DE PREVISION Y PENSIONES SA	PENSION FUND MANAGEMENT	60.00	—	60.00
INVERSIONES BANPRO INTERNATIONAL INC NV	INVESTMENT COMPANY	48.00	—	48.00
INVERSIONES P.H.R.4, C.A.	NO ACTIVITY	—	60.46	60.46
MOVISTAR CONSUMER FINANCE COLOMBIA SAS	IN LIQUIDATION	—	50.00	50.00
PRO-SALUD, C.A.	NO ACTIVITY	—	58.86	58.86
PROVINCIAL DE VALORES CASA DE BOLSA CA	SECURITIES DEALER	—	60.00	60.00
PSA FINANCE ARGENTINA COMPAÑIA FINANCIERA SA	BANKING	—	50.00	50.00
SOCIEDAD PERUANA DE FINANCIAMIENTO SAC	FINANCIAL SERVICES	—	50.00	50.00
VOLKSWAGEN FINANCIAL SERVICES COMPAÑIA FINANCIERA SA	BANKING	—	51.00	51.00

This Appendix is an integral part of Note 3 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX V. BBVA Group's securitization funds. Structured entities in 2025

			Millions of Euros	
Securitization fund (consolidated)	Company	Origination date	Total securitized exposures at the origination date	Total securitized exposures as of December 31, 2025
TDA 22 Mixto FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	9-dic.-04	592	26
HIPOCAT 9 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	25-nov.-05	1,016	68
HIPOCAT 10 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	5-jul.-06	1,526	101
TDA 27 Mixto FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	22-dic.-06	275	88
BBVA RMBS 1 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	19-feb.-07	2,500	378
HIPOCAT 11 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	9-mar.-07	1,628	118
BBVA RMBS 2 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	26-mar.-07	5,000	714
BBVA LEASING 1 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	24-jun.-07	2,500	84
BBVA RMBS 3 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	22-jul.-07	3,000	711
TDA 28 Mixto FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	23-jul.-07	250	66
TDA TARRAGONA 1 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	30-nov.-07	397	36
GAT VPO	BANCO BILBAO VIZCAYA ARGENTARIA SA	25-jun.-09	780	5
BBVA RMBS 14 FTA	BANCO BILBAO VIZCAYA ARGENTARIA SA	24-nov.-14	700	213
BBVA Consumer Auto 2020-1	BANCO BILBAO VIZCAYA ARGENTARIA SA	15-jun.-20	1,100	184
BBVA CONSUMO 11 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	12-mar.-21	2,500	271
BBVA RMBS 20 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	14-jun.-21	2,500	1,580
BBVA RMBS 21 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	17-mar.-22	12,400	7,910
BBVA CONSUMER AUTO 2022-1	BANCO BILBAO VIZCAYA ARGENTARIA SA	13-jun.-22	1,200	341
BBVA RMBS 22 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	28-nov.-22	1,400	1,094
BBVA CONSUMO 12 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	13-mar.-23	3,000	1,114
BBVA CONSUMER AUTO 2023-1	BANCO BILBAO VIZCAYA ARGENTARIA SA	8-jun.-23	800	409
BBVA LEASING 3 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	27-nov.-23	2,400	909
BBVA CONSUMO 13 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	11-mar.-24	2,000	1,057
BBVA CONSUMER 2024-1	BANCO BILBAO VIZCAYA ARGENTARIA SA	20-may.-24	800	477
BBVA RMBS 23 FT	BANCO BILBAO VIZCAYA ARGENTARIA SA	13-jun.-24	5,450	4,672
BBVA CONSUMER AUTO 2024-1	BANCO BILBAO VIZCAYA ARGENTARIA SA	16-sep.-24	1,000	744
BBVA CONSUMER 2025-1	BANCO BILBAO VIZCAYA ARGENTARIA SA	26-may.-25	2,350	1,993
BBVA CONSUMER AUTO 2025-1	BANCO BILBAO VIZCAYA ARGENTARIA SA	11-sep.-25	1,000	951

APPENDIX VI. Details of the outstanding subordinated debt and preferred securities issued by the Bank or entities in the Group consolidated as of December 31, 2025, 2024 and 2023

Outstanding as of December 31, 2025, 2024 and 2023 of subordinated issues

Issuer entity and issued date	Currency	Nominal value. Millions of Euros			Prevailing Interest Rate as of December 31, 2025	Maturity Date
		December 2025	December 2024	December 2023		
BANCO BILBAO VIZCAYA ARGENTARIA S.A.						
March-08	EUR	125	125	125	6.03 %	March-33
March-19	EUR	—	—	1,000	6.00 %	Perpetual
July-20	EUR	1,000	1,000	1,000	6.00 %	Perpetual
February-17	EUR	1,000	999	1,000	3.50 %	February-27
February-17	EUR	165	165	165	4.00 %	February-32
May-17	EUR	150	150	150	2.54 %	May-27
February-19	EUR	—	—	750	2.58 %	February-29
January-20	EUR	—	994	994	1.00 %	January-30
June-23	EUR	745	745	741	5.75 %	September-33
June-23	EUR	1,000	1,000	1,000	8.38 %	Perpetual
February-24	EUR	1,248	1,247	—	4.87 %	February-36
June-24	EUR	750	750	—	6.88 %	Perpetual
August-24	EUR	997	996	—	4.38 %	August-36
February-25	EUR	999	—	—	4.00 %	February-37
November-25	EUR	1,000	—	—	5.63 %	Perpetual
Different issued	EUR	128	128	127	—	
November-17	USD	851	963	905	6.13 %	Perpetual
September-19	USD	—	963	905	6.50 %	Perpetual
March-17	USD	102	116	109	5.70 %	March-32
May-18	USD	253	287	269	5.25 %	May-33
September-23	USD	851	963	905	9.38 %	Perpetual
November-23	USD	638	722	679	7.88 %	November-34
January-25	USD	851	—	—	7.75 %	Perpetual
May-17	CHF	21	21	22	1.60 %	May-27
July-20	GBP	344	362	345	3.10 %	July-31
August-23	GBP	343	361	345	8.25 %	November-33
Subtotal		**13,562**	**13,055**	**11,534**		

Outstanding as of December 31, 2025, 2024 and 2023 of subordinated issues

Issuer entity and issued date	Currency	Nominal value. Millions of Euros			Prevailing Interest Rate as of December 31, 2025	Maturity Date
		December 2025	December 2024	December 2023		
BBVA GLOBAL FINANCE LTD						
December-95	USD	—	192	179	7.00 %	December-25
Subtotal		**—**	**192**	**179**		
BBVA BANCOMER S.A. INSTITUCION DE BANCA MULTIPLE GRUPO FINANCIERO BBVA BANCOMER						
November-14	USD	—	—	178	5.35%	November-29
January-18	USD	851	967	903	5.13%	January-33
September-19	USD	638	724	676	5.88%	September-34
June-23	USD	850	965	906	8.45%	June-38
January-24	USD	767	871	—	8.13%	January-39
February-25	USD	849	—	—	7.63%	February-39
Subtotal		**3,954**	**3,528**	**2,663**		
BBVA COLOMBIA S.A.						
September-11	COP	35	34	37	10.25%	September-26
February-13	COP	37	36	39	9.40%	February-28
November-14	COP	20	20	21	9.91%	November-29
November-14	COP	28	27	27	10.04%	November-34
April-15	USD	—	385	362	4.88%	April-25
November-24	USD	42	48	—	7.48%	November-34
April-25	USD	38	—	—	7.43%	April-35
Subtotal		**201**	**550**	**486**		
BANCO BBVA PERÚ						
June-07	PEN	25	25	24	3.47%	June-32
November-07	PEN	23	23	21	3.56%	November-32
December-08	PEN	13	13	12	4.19%	December-33
February-08	USD	17	20	18	6.47%	February-28
September-14	USD	—	—	267	5.25%	September-29
March-24	USD	263	291	—	6.20%	March-34
Subtotal		**341**	**372**	**342**		
GARANTI BBVA AS						
May-17	USD	523	579	667	7.30%	May-27
February-24	USD	425	470	—	8.55%	February-34
December-24	USD	637	705	—	8.29%	January-35
July-25	USD	425	—	—	8.62%	January-36
October-25	USD	595	—	—	7.77%	April-36
October-19	TRY	—	—	8	46.02%	October-29
February-20	TRY	—	20	23	62.47%	February-30
Subtotal		**2,604**	**1,775**	**698**		
Total		**20,663**	**19,472**	**15,902**		

Additionally, the Group maintains an issuance of preferred shares in Colombia that amounts to €1 million as of December 31, 2025 and 2024.

APPENDIX VII. Consolidated balance sheets held in foreign currency as of December 31, 2025, 2024 and 2023

BALANCE SHEETS HELD IN FOREIGN CURRENCY (MILLIONS OF EUROS)

	U.S. dollar	Mexican peso	Turkish lira	Other foreign currencies	Total foreign currencies
December 2025					
Assets					
Cash, cash balances at central banks and other demand deposits	21,350	6,763	2,899	5,252	36,263
Financial assets held for trading	24,443	25,159	189	9,715	59,505
Non- trading financial assets mandatorily at fair value through profit or loss	1,266	8,938	114	81	10,400
Financial assets at fair value through comprehensive income	8,253	19,255	2,368	5,164	35,040
Financial assets at amortized cost	81,458	91,785	42,448	59,027	274,718
Joint ventures and associates	—	18	—	590	608
Tangible assets	200	2,295	1,858	1,214	5,567
Other assets	(1,857)	7,641	2,607	3,805	12,195
Total	**135,112**	**161,855**	**52,482**	**84,848**	**434,297**
Liabilities					
Financial liabilities held for trading	18,069	18,608	245	4,989	41,910
Financial liabilities at amortized cost	112,567	96,014	38,508	65,431	312,520
Other liabilities	5,670	25,213	1,440	2,623	34,947
Total	**136,306**	**139,834**	**40,193**	**73,043**	**389,377**
December 2024					
Assets					
Cash, cash balances at central banks and other demand deposits	20,836	6,899	3,334	4,400	35,469
Financial assets held for trading	18,727	22,117	259	6,171	47,274
Non- trading financial assets mandatorily at fair value through profit or loss	1,525	8,002	85	165	9,778
Financial assets at fair value through comprehensive income	9,674	18,493	2,299	4,994	35,461
Financial assets at amortized cost	67,256	83,444	40,105	52,379	243,185
Joint ventures and associates	—	17	—	590	607
Tangible assets	168	2,256	2,013	1,333	5,770
Other assets	(326)	7,125	2,457	3,363	12,619
Total	**117,860**	**148,353**	**50,553**	**73,396**	**390,162**
Liabilities					
Financial liabilities held for trading	14,474	18,660	268	2,776	36,178
Financial liabilities at amortized cost	95,613	88,375	39,187	55,748	278,923
Other liabilities	4,039	20,665	1,338	2,636	28,679
Total	**114,126**	**127,700**	**40,793**	**61,160**	**343,780**
December 2023					
Assets					
Cash, cash balances at central banks and other demand deposits	13,372	7,581	3,764	4,089	28,807
Financial assets held for trading	21,147	28,570	282	5,806	55,806
Non- trading financial assets mandatorily at fair value through profit or loss	1,292	6,596	5	186	8,079
Financial assets at fair value through comprehensive income	9,384	20,767	1,785	4,484	36,421
Financial assets at amortized cost	58,732	81,907	31,298	46,122	218,059
Joint ventures and associates	5	19	—	590	614
Tangible assets	105	2,609	1,446	995	5,155
Other assets	(1,049)	6,872	1,761	2,346	9,930
Total	**102,988**	**154,922**	**40,341**	**64,619**	**362,870**
Liabilities					
Financial liabilities held for trading	21,204	17,829	207	2,705	41,946
Financial liabilities at amortized cost	78,365	95,685	30,127	50,900	255,076
Other liabilities	3,223	20,186	1,048	2,801	27,258
Total	**102,792**	**133,700**	**31,382**	**56,406**	**324,280**

This Appendix is an integral part of Notes 2.2.17 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX VIII. Consolidated income statements for the first and second half of 2025 and 2024

CONSOLIDATED INCOME STATEMENTS (MILLIONS OF EUROS)

	Six months ended June 30, 2025	Six months ended December 31, 2025	Six months ended June 30, 2024 (1)	Six months ended December 31, 2024 (1)
Interest and other income	28,468	29,877	30,680	30,979
Interest income using effective interest rate method	*25,731*	*27,085*	*27,328*	*27,896*
Other interest income	*2,737*	*2,792*	*3,352*	*3,083*
Interest expense	(15,861)	(16,204)	(17,687)	(18,705)
NET INTEREST INCOME	**12,607**	**13,673**	**12,993**	**12,274**
Dividend income	76	47	76	44
Share of profit or loss of entities accounted for using the equity method	30	32	20	20
Fee and commission income	6,514	7,229	6,149	6,887
Fee and commission expense	(2,503)	(3,025)	(2,307)	(2,742)
Gains (losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	193	230	128	199
Financial assets at amortized cost	*30*	*(6)*	*9*	*12*
Other financial assets and liabilities	*163*	*235*	*119*	*187*
Gains (losses) on financial assets and liabilities held for trading, net	1,151	1,104	991	1,467
Reclassification of financial assets from fair value through other comprehensive income	*—*	*—*	*—*	*—*
Reclassification of financial assets from amortized cost	*—*	*—*	*—*	*—*
Other gains (losses)	*1,151*	*1,104*	*991*	*1,467*
Gains (losses) on non-trading financial assets mandatorily at fair value through profit or loss, net	188	49	53	126
Reclassification of financial assets from fair value through other comprehensive income	*—*	*—*	*—*	*—*
Reclassification of financial assets from amortized cost	*—*	*—*	*—*	*—*
Other gains (losses)	*188*	*49*	*53*	*126*
Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net	29	(1)	219	30
Gains (losses) from hedge accounting, net	(7)	6	98	(93)
Exchange differences, net	(123)	(162)	398	297
Other operating income	351	337	310	313
Other operating expense	(1,228)	(1,385)	(2,415)	(1,535)
Income from insurance and reinsurance contracts	1,866	2,024	1,800	1,921
Expense from insurance and reinsurance contracts	(1,109)	(1,261)	(1,066)	(1,173)
GROSS INCOME	**18,034**	**18,897**	**17,446**	**18,036**
Administration costs	(6,038)	(6,773)	(6,100)	(6,560)
Personnel expense	*(3,693)*	*(4,079)*	*(3,633)*	*(4,026)*
Other administrative expense	*(2,345)*	*(2,694)*	*(2,467)*	*(2,534)*
Depreciation and amortization	(749)	(772)	(759)	(774)
Provisions or reversal of provisions	(133)	(240)	(38)	(159)
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification	(2,761)	(3,311)	(2,839)	(2,906)
Financial assets measured at amortized cost	*(2,794)*	**(3,307)**	*(2,781)*	*(2,906)*
Financial assets at fair value through other comprehensive income	*33*	**(5)**	*(59)*	*—*
NET OPERATING INCOME	**8,353**	**7,800**	**7,708**	**7,636**
Impairment or reversal of impairment of investments in joint ventures and associates	32	—	52	10
Impairment or reversal of impairment on non-financial assets	(5)	(8)	30	(28)
Tangible assets	*—*	*5*	*45*	*(16)*
Intangible assets	*(4)*	*(10)*	*(11)*	*(4)*
Other assets	*—*	*(3)*	*(5)*	*(9)*
Gains (losses) on derecognition of non-financial assets and subsidiaries, net	7	29	(1)	15
Negative goodwill recognized in profit or loss	—	—	—	—
Gains (losses) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	37	(19)	(10)	(8)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**8,424**	**7,802**	**7,780**	**7,626**
Tax expense or income related to profit or loss from continuing operations	(2,626)	(2,475)	(2,525)	(2,306)
PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**5,798**	**5,328**	**5,255**	**5,320**
Profit (loss) after tax from discontinued operations	—	—	—	—
PROFIT (LOSS)	**5,798**	**5,328**	**5,255**	**5,320**
ATTRIBUTABLE TO MINORITY INTERESTS (NON-CONTROLLING INTERESTS)	**351**	**264**	**261**	**260**
ATTRIBUTABLE TO OWNERS OF THE PARENT	**5,447**	**5,064**	**4,994**	**5,060**

(1) Presented for comparison purposes only (see Note 1.3).

APPENDIX VIII. Consolidated income statements for the first and second half of 2025 and 2024 (continued)

EARNINGS (LOSSES) PER SHARE (EUROS)

	Six months ended June 30, 2025	Six months ended December 31, 2025	Six months ended June 30, 2024 (1)	Six months ended December 31, 2024 (1)
EARNINGS (LOSSES) PER SHARE (EUROS)	**0.91**	**0.85**	**0.83**	**0.84**
Basic earnings (losses) per share from continuing operations	0.91	0.85	0.83	0.84
Diluted earnings (losses) per share from continuing operations	0.91	0.85	0.83	0.84
Basic earnings (losses) per share from discontinued operations	—	—	—	—
Diluted earnings (losses) per share from discontinued operations	—	—	—	—

(1) Presented for comparison purposes only (see Note 1.3).

APPENDIX IX. Financial Statements of Banco Bilbao Vizcaya Argentaria, S.A.

Balance sheets as of December 31, 2025 and 2024

ASSETS (MILLIONS OF EUROS)

	2025	2024 (1)
CASH, CASH BALANCES AT CENTRAL BANKS AND OTHER DEMAND DEPOSITS	**31,176**	**20,755**
FINANCIAL ASSETS HELD FOR TRADING	**98,448**	**89,167**
Derivatives	32,640	36,405
Equity instruments	9,642	6,457
Debt securities	15,151	11,806
Loans and advances to central banks	620	556
Loans and advances to credit institutions	15,569	19,265
Loans and advances to customers	24,827	14,679
NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS	**569**	**895**
Equity instruments	448	626
Debt securities	121	269
Loans and advances to central banks	—	—
Loans and advances to credit institutions	—	—
Loans and advances to customers	—	—
FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**—**	**—**
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**14,091**	**14,842**
Equity instruments	1,091	1,193
Debt securities	12,577	13,649
Loans and advances	423	—
FINANCIAL ASSETS AT AMORTIZED COST	**338,143**	**295,471**
Debt securities	56,806	45,846
Loans and advances to central banks	73	33
Loans and advances to credit institutions	21,316	18,774
Loans and advances to customers	259,948	230,818
DERIVATIVES - HEDGE ACCOUNTING	**223**	**784**
FAIR VALUE CHANGES OF THE HEDGED ITEMS IN PORTFOLIO HEDGES OF INTEREST RATE RISK	**(87)**	**(65)**
INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES	**27,703**	**25,252**
Subsidiaries	27,101	24,683
Joint ventures	24	24
Associates	578	545
TANGIBLE ASSETS	**3,418**	**3,516**
Properties, plant and equipment	3,345	3,437
For own use	*3,345*	*3,437*
Other assets leased out under an operating lease	—	—
Investment properties	74	79
INTANGIBLE ASSETS	**1,132**	**983**
Goodwill	—	—
Other intangible assets	1,132	983
TAX ASSETS	**12,323**	**12,300**
Current tax assets	3,038	2,890
Deferred tax assets	9,285	9,410
OTHER ASSETS	**4,647**	**4,064**
Insurance contracts linked to pensions	1,117	1,260
Inventories	2,450	1,302
Other	1,080	1,501
NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE	**263**	**331**
TOTAL ASSETS	**532,047**	**468,295**

(1) Presented for comparison purposes only.

LIABILITIES AND EQUITY (MILLIONS OF EUROS)

	2025	2024 (1)
FINANCIAL LIABILITIES HELD FOR TRADING	**77,667**	**70,943**
Derivatives	28,193	30,287
Short positions	9,427	9,635
Deposits from central banks	3,399	360
Deposits from credit institutions	17,541	15,026
Customer deposits	19,107	15,636
Debt certificates	—	—
Other financial liabilities	—	—
FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**4,644**	**2,955**
Deposits from central banks	—	—
Deposits from credit institutions	—	—
Customer deposits	4,644	2,955
Debt certificates	—	—
Other financial liabilities	—	—
Subordinated liabilities	—	—
FINANCIAL LIABILITIES AT AMORTIZED COST	**405,055**	**349,381**
Deposits from central banks	13,678	6,985
Deposits from credit institutions	27,121	24,686
Customer deposits	301,478	260,366
Debt certificates	50,102	47,086
Other financial liabilities	12,676	10,258
Memorandum item: Subordinated liabilities	*13,688*	*13,355*
DERIVATIVES - HEDGE ACCOUNTING	**1,261**	**1,536**
FAIR VALUE CHANGES OF THE HEDGED ITEMS IN PORTFOLIO HEDGES OF INTEREST RATE RISK	**—**	**—**
PROVISIONS	**2,480**	**2,823**
Pensions and other post-employment defined benefit obligations	1,423	1,673
Other long-term employee benefits	298	351
Provisions for taxes and other legal contingencies	456	419
Commitments and guarantees given	180	178
Other provisions	122	201
TAX LIABILITIES	**1,483**	**1,137**
Current tax liabilities	533	225
Deferred tax liabilities	950	912
OTHER LIABILITIES	**2,391**	**2,454**
LIABILITIES INCLUDED IN DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE	**—**	**—**
TOTAL LIABILITIES	**494,979**	**431,229**

(1) Presented for comparison purposes only.

LIABILITIES AND EQUITY (CONTINUED) (MILLIONS OF EUROS)

	2025	2024 (1)
STOCKHOLDERS' FUNDS	**38,304**	**38,220**
Capital	**2,797**	**2,824**
Paid up capital	2,797	2,824
Unpaid capital which has been called up	—	—
Share premium	**18,469**	**19,184**
Equity instruments issued other than capital	**—**	**—**
Equity component of compound financial instruments	—	—
Other equity instruments issued	—	—
Other equity	**40**	**40**
Retained earnings	**14,487**	**8,663**
Revaluation reserves	**—**	**—**
Other reserves	**(2,653)**	**(1,047)**
Less: treasury shares	**(152)**	**(7)**
Profit or loss attributable to owners of the parent	**7,157**	**10,235**
Less: interim dividends	**(1,842)**	**(1,671)**
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	**(1,235)**	**(1,154)**
Items that will not be reclassified to profit or loss	**(1,349)**	**(1,140)**
Actuarial gains (losses) on defined benefit pension plans	(39)	(48)
Non-current assets and disposal groups classified as held for sale	—	—
Fair value changes of equity instruments measured at fair value through other comprehensive income	(1,183)	(1,075)
Hedge ineffectiveness of fair value hedges for equity instruments measured at fair value through other comprehensive income	—	—
Fair value changes of equity instruments measured at fair value through other comprehensive income (hedged item)	(14)	—
Fair value changes of equity instruments measured at fair value through other comprehensive income (hedging instrument)	14	—
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk	(127)	(17)
Items that may be reclassified to profit or loss	**114**	**(14)**
Hedge of net investments in foreign operations (effective portion)	—	—
Foreign currency translation	—	—
Hedging derivatives. Cash flow hedges (effective portion)	219	251
Fair value changes of debt instruments measured at fair value through other comprehensive income	(101)	(264)
Hedging instruments (non-designated items)	(4)	—
Non-current assets and disposal groups classified as held for sale	—	—
TOTAL EQUITY	**37,068**	**37,066**
TOTAL EQUITY AND TOTAL LIABILITIES	**532,047**	**468,295**

MEMORANDUM ITEM - OFF BALANCE SHEET EXPOSURES (MILLIONS OF EUROS)

	2025	2024 (1)
Loan commitments given	126,208	108,206
Financial guarantees given	26,758	21,811
Other commitments given	45,160	37,641

(1) Presented for comparison purposes only.

Income statements for the years ended December 31, 2025 and 2024

INCOME STATEMENTS (MILLIONS OF EUROS)

	2025	2024 (1)
Interest income	15,444	17,586
Interest expense	(8,802)	(11,190)
NET INTEREST INCOME	**6,642**	**6,396**
Dividend income	4,656	5,417
Fee and commission income	3,185	2,936
Fee and commission expense	(875)	(695)
Gains (losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	55	76
Financial assets at amortized cost	*32*	*28*
Other financial assets and liabilities	*23*	*48*
Gains or (losses) on financial assets and liabilities held for trading, net	587	684
Reclassification of financial assets from fair value through other comprehensive income	*—*	*—*
Reclassification of financial assets from amortized cost	*—*	*—*
Other profit or loss	*587*	*684*
Gains (losses) on non-trading financial assets mandatorily at fair value through profit or loss, net	40	77
Reclassification of financial assets from fair value through other comprehensive income	*—*	*—*
Reclassification of financial assets from amortized cost	*—*	*—*
Other profit or loss	*40*	*77*
Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net	(53)	174
Gains (losses) from hedge accounting, net	1	2
Exchange differences, net	11	258
Other operating income	636	563
Other operating expense	(174)	(516)
GROSS INCOME	**14,710**	**15,373**
Administrative expense	(4,760)	(4,540)
Personnel expense	*(2,808)*	*(2,613)*
Other administrative expense	*(1,952)*	*(1,927)*
Depreciation and amortization	(666)	(641)
Provisions or reversal of provisions	(166)	(132)
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss or net gains by modification	(728)	(741)
Financial assets measured at amortized cost	*(716)*	*(744)*
Financial assets at fair value through other comprehensive income	*(11)*	*3*
NET OPERATING INCOME	**8,390**	**9,319**
Impairment or reversal of impairment of investments in subsidiaries, joint ventures and associates	(58)	2,246
Impairment or reversal of impairment on non-financial assets	(9)	(11)
Tangible assets	*(1)*	*(5)*
Intangible assets	*(8)*	*(7)*
Other assets	*—*	*—*
Gains (losses) on derecognition of non - financial assets and subsidiaries, net	13	50
Negative goodwill recognized in profit or loss	—	—
Gains (losses) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	12	(14)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**8,347**	**11,590**
Tax expense or income related to profit or loss from continuing operations	(1,190)	(1,355)
PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**7,157**	**10,235**
Profit (loss) after tax from discontinued operations	—	—
PROFIT (LOSS) FOR THE YEAR	**7,157**	**10,235**

(1) Presented for comparison purposes only.

Statements of recognized income and expense for the years ended December 31, 2025 and 2024

STATEMENTS OF RECOGNIZED INCOME AND EXPENSE (MILLIONS OF EUROS)

	2025	2024 (1)
PROFIT RECOGNIZED IN INCOME STATEMENT	**7,157**	**10,235**
OTHER RECOGNIZED INCOME (EXPENSE)	**(80)**	**249**
ITEMS NOT SUBJECT TO RECLASSIFICATION TO INCOME STATEMENT	**(208)**	**33**
Actuarial gains (losses) from defined benefit pension plans	12	(25)
Non-current assets and disposal groups classified as held for sale	—	—
Fair value changes of equity instruments measured at fair value through other comprehensive income	(107)	146
Gains (losses) from hedge accounting of equity instruments at fair value through other comprehensive income, net	—	—
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk	(157)	(102)
Other valuation adjustments	—	—
Income tax related to items not subject to reclassification to income statement	44	13
ITEMS SUBJECT TO RECLASSIFICATION TO INCOME STATEMENT	**127**	**217**
Hedge of net investments in foreign operations [effective portion]	**—**	**—**
Valuation gains (losses) taken to equity	**—**	**—**
Transferred to profit or loss	—	—
Other reclassifications	—	—
Other reclassifications	—	—
Cash flow hedges [effective portion]	**(45)**	**294**
Valuation gains (losses) taken to equity	(45)	294
Transferred to profit or loss	—	—
Transferred to initial carrying amount of hedged items	—	—
Other reclassifications	—	—
Hedging instruments [non-designated elements]	**(6)**	**—**
Valuation gains (losses) taken to equity	(6)	—
Transferred to profit or loss	—	—
Other reclassifications	—	—
Debt securities at fair value through other comprehensive income	**231**	**16**
Valuation gains (losses) taken to equity	256	63
Transferred to profit or loss	(25)	(47)
Other reclassifications	—	—
Non-current assets and disposal groups held for sale	**—**	**—**
Valuation gains (losses) taken to equity	—	—
Income tax relating to items subject to reclassification to income statements	**(53)**	**(93)**
TOTAL RECOGNIZED INCOME/EXPENSE	**7,077**	**10,484**

(1) Presented for comparison purposes only.

Statement of changes in equity for the year ended December 31, 2025 of BBVA, S.A.

STATEMENT OF CHANGES IN EQUITY (MILLIONS OF EUROS)

2025	Capital	Share premium	Equity instruments issued other than capital	Other Equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or loss attributable to owners of the parent	(-) Interim dividends	Accumulated other comprehensive income	Total
Balances as of January 1, 2025	**2,824**	**19,184**	**—**	**40**	**8,663**	**—**	**(1,047)**	**(7)**	**10,235**	**(1,671)**	**(1,154)**	**37,066**
Total income/expense recognized	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**7,157**	**—**	**(80)**	**7,077**
Other changes in equity	**(27)**	**(715)**	**—**	**1**	**5,824**	**—**	**(1,606)**	**(145)**	**(10,235)**	**(171)**	**(1)**	**(7,074)**
Issuances of common shares	—	—	—	—	—	—	—	—	—	—	—	—
Issuances of preferred shares	—	—	—	—	—	—	—	—	—	—	—	—
Issuance of other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
Period or maturity of other issued equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
Conversion of debt on equity	—	—	—	—	—	—	—	—	—	—	—	—
Common stock reduction	(27)	(715)	—	—	21	—	(273)	993	—	—	—	—
Dividend distribution	—	—	—	—	(2,363)	—	—	—	—	(1,842)	—	(4,205)
Purchase of treasury shares	—	—	—	—	—	—	—	(1,736)	—	—	—	(1,736)
Sale or cancellation of treasury shares	—	—	—	—	—	—	(6)	598	—	—	—	592
Reclassification of financial liabilities to other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
Reclassification of other equity instruments to financial liabilities	—	—	—	—	—	—	—	—	—	—	—	—
Transfers between total equity entries	—	—	—	9	8,563	—	(8)	—	(10,235)	1,671	(1)	—
Increase/Reduction of equity due to business combinations	—	—	—	—	—	—	—	—	—	—	—	—
Share based payments	—	—	—	(26)	—	—	—	—	—	—	—	(26)
Other increases or (-) decreases in equity	—	—	—	18	(397)	—	(1,319)	—	—	—	—	(1,699)
Balances as of December 31, 2025	**2,797**	**18,469**	**—**	**40**	**14,487**	**—**	**(2,653)**	**(152)**	**7,157**	**(1,842)**	**(1,235)**	**37,068**

Statement of changes in equity for the year ended December 31, 2024 of BBVA, S.A.

STATEMENT OF CHANGES IN EQUITY (MILLIONS OF EUROS)

2024 (1)	Capital	Share premium	Equity instruments issued other than capital	Other Equity	Retained earnings	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or loss attributable to owners of the parent	(-) Interim dividends	Accumulated other comprehensive income	Total
Balances as of January 1, 2024	**2,861**	**19,769**	**—**	**40**	**7,416**	**—**	**(804)**	**(3)**	**4,807**	**(952)**	**(1,443)**	**31,691**
Total income/expense recognized	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**10,235**	**—**	**249**	**10,484**
Other changes in equity	**(37)**	**(585)**	**—**	**(1)**	**1,247**	**—**	**(243)**	**(4)**	**(4,807)**	**(719)**	**39**	**(5,109)**
Issuances of common shares	—	—	—	—	—	—	—	—	—	—	—	—
Issuances of preferred shares	—	—	—	—	—	—	—	—	—	—	—	—
Issuance of other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
Settlement or maturity of other equity instruments issued	—	—	—	—	—	—	—	—	—	—	—	—
Conversion of debt on equity	—	—	—	—	—	—	—	—	—	—	—	—
Common stock reduction	(37)	(585)	—	—	29	—	(189)	781	—	—	—	—
Dividend distribution	—	—	—	—	(2,249)	—	—	—	—	(1,671)	—	(3,921)
Purchase of treasury shares	—	—	—	—	—	—	—	(1,309)	—	—	—	(1,309)
Sale or cancellation of treasury shares	—	—	—	—	—	—	(6)	524	—	—	—	519
Reclassification of other equity instruments to financial liabilities	—	—	—	—	—	—	—	—	—	—	—	—
Reclassification of financial liabilities to other equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
Transfers within total equity	—	—	—	9	3,855	—	(48)	—	(4,807)	952	39	—
Increase/Reduction of equity due to business combinations	—	—	—	—	—	—	—	—	—	—	—	—
Share based payments	—	—	—	(26)	—	—	—	—	—	—	—	(26)
Other increases or (-) decreases in equity	—	—	—	16	(388)	—	—	—	—	—	—	(372)
Balances as of December 31, 2024	**2,824**	**19,184**	**—**	**40**	**8,663**	**—**	**(1,047)**	**(7)**	**10,235**	**(1,671)**	**(1,154)**	**37,066**

(1) Presented for comparison purposes only.

Statements of cash flows for the years ended December 31, 2025 and 2024

CASH FLOWS STATEMENTS (MILLIONS OF EUROS)

	2025	2024 (1)
A) CASH FLOWS FROM OPERATING ACTIVITIES (1+2+3+4+5)	**14,695**	**(23,846)**
1.Profit (loss) for the year	**7,157**	**10,235**
2.Adjustments to obtain the cash flow from operating activities	**917**	**(1,075)**
Depreciation and amortization	666	641
Other adjustments	252	(1,717)
3.Net increase/decrease in operating assets	**(52,379)**	**(2,045)**
Financial assets held for trading	(9,281)	27,661
Non-trading financial assets mandatorily at fair value through profit or loss	327	(166)
Other financial assets designated at fair value through profit or loss	—	—
Financial assets at fair value through other comprehensive income	751	4,610
Financial assets at amortized cost	(44,501)	(33,796)
Other operating assets	324	(355)
4.Net increase/decrease in operating liabilities	**60,289**	**(29,468)**
Financial liabilities held for trading	6,723	(37,406)
Other financial liabilities designated at fair value through profit or loss	1,689	594
Financial liabilities at amortized cost	53,782	7,882
Other operating liabilities	(1,905)	(539)
5.Collection/payments for income tax	**(1,289)**	**(1,492)**
B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2)	**(358)**	**(448)**
1.Investment	**(999)**	**(1,367)**
Tangible assets	(135)	(133)
Intangible assets	(496)	(410)
Investments in subsidiaries, joint ventures and associates	(368)	(824)
Other business units	—	—
Non-current assets and disposal groups classified as held for sale and associated liabilities	—	—
Other settlements related to investing activities	—	—
2.Divestments	**642**	**919**
Tangible assets	30	2
Intangible assets	—	—
Investments in subsidiaries, joint ventures and associates	511	656
Other business units	—	—
Non-current assets classified as held for sale and associated liabilities	101	261
Other collections related to investing activities	—	—
C) CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2)	**(5,441)**	**(3,522)**
1. Payments	**(8,856)**	**(7,368)**
Dividends (shareholders remuneration)	(4,205)	(3,921)
Subordinated liabilities	(2,547)	(2,138)
Treasury share amortization	(27)	(37)
Treasury share acquisition	(1,709)	(1,273)
Other items relating to financing activities	(368)	—
2. Collections	**3,415**	**3,846**
Subordinated liabilities	2,851	3,000
Common stock increase	—	—
Treasury share disposal	564	482
Other items relating to financing activities	—	364
D) EFFECT OF EXCHANGE RATE CHANGES	**1,524**	**(643)**
E) NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS (A+B+C+D)	**10,421**	**(28,459)**
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**20,755**	**49,213**
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (E+F)	**31,176**	**20,755**

COMPONENTS OF CASH AND EQUIVALENTS AT END OF THE YEAR (MILLIONS OF EUROS)

	2025	2024 (1)
Cash	1,049	1,027
Balance of cash equivalent in central banks	27,478	17,603
Other financial assets	2,649	2,124
Less: Bank overdraft refundable on demand	—	—
TOTAL CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**31,176**	**20,755**

This Appendix is an integral part of Notes 2.1 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX X. Quantitative information on refinancing and restructuring operations and other requirements under Bank of Spain Circular 6/2012

a. Quantitative information on refinancing and restructuring operations

The breakdown of refinancing and restructuring operations as of December 31, 2025, 2024 and 2023 is as follows:

	DECEMBER 2025 BALANCE OF FORBEARANCE (MILLIONS OF EUROS)						
	TOTAL						
	Unsecured loans		Secured loans				
					Maximum amount of secured loans that can be considered		
	Number of operations	Gross carrying amount	Number of operations	Gross carrying amount	Real estate mortgage secured	Rest of secured loans	Accumulated impairment or accumulated losses in fair value due to credit risk
Credit institutions	—	—	—	—	—	—	—
General Governments	30	29	—	—	—	—	(6)
Other financial corporations and individual entrepreneurs (financial business)	267	14	18	4	2	—	(6)
Non-financial corporations and individual entrepreneurs (corporate non-financial activities)	155,874	3,854	7,306	1,474	623	174	(1,851)
Of which: financing the construction and property (including land)	*379*	*222*	*488*	*126*	*69*	*6*	*(114)*
Other households [1]	337,495	2,390	48,637	3,681	2,772	30	(1,662)
Total	**493,666**	**6,286**	**55,961**	**5,159**	**3,397**	**204**	**(3,527)**
	Of which: IMPAIRED						
	Unsecured loans		Secured loans				
					Maximum amount of secured loans that can be considered		
	Number of operations	Gross carrying amount	Number of operations	Gross carrying amount	Real estate mortgage secured	Rest of secured loans	Accumulated impairment or accumulated losses in fair value due to credit risk
Credit institutions	—	—	—	—	—	—	—
General Governments	16	7	—	—	—	—	(5)
Other financial corporations and individual entrepreneurs (financial business)	154	12	13	4	2	—	(6)
Non-financial corporations and individual entrepreneurs (corporate non-financial activities)	120,364	2,124	4,202	805	259	25	(1,592)
Of which: financing the construction and property (including land)	*280*	*220*	*340*	*80*	*32*	*3*	*(111)*
Other households [1]	196,425	1,208	24,813	1,904	1,215	8	(1,428)
Total	**316,959**	**3,351**	**29,028**	**2,714**	**1,476**	**33**	**(3,031)**

(1) Number of operations does not include Garanti BBVA. Includes mortgage-backed real estate operations with loan to value ratio of greater than 1, and secured operations, other than transactions secured by real estate mortgage regardless of their loan to value ratio.

	DECEMBER 2024 BALANCE OF FORBEARANCE (MILLIONS OF EUROS)						
	TOTAL						
	Unsecured loans		Secured loans				
					Maximum amount of secured loans that can be considered		
	Number of operations	Gross carrying amount	Number of operations	Gross carrying amount	Real estate mortgage secured	Rest of secured loans	Accumulated impairment or accumulated losses in fair value due to credit risk
Credit institutions	—	—	—	—	—	—	—
General Governments	38	37	4	1	—	—	(6)
Other financial corporations and individual entrepreneurs (financial business)	297	7	20	8	4	1	(5)
Non-financial corporations and individual entrepreneurs (corporate non-financial activities)	102,661	3,265	7,726	1,966	851	203	(2,067)
Of which: financing the construction and property (including land)	*445*	*349*	*569*	*181*	*81*	*10*	*(335)*
Other households [1]	348,925	1,894	54,201	4,181	2,972	27	(1,726)
Total	**451,921**	**5,203**	**61,951**	**6,156**	**3,827**	**231**	**(3,805)**
	Of which: IMPAIRED						
	Unsecured loans		Secured loans				
					Maximum amount of secured loans that can be considered		
	Number of operations	Gross carrying amount	Number of operations	Gross carrying amount	Real estate mortgage secured	Rest of secured loans	Accumulated impairment or accumulated losses in fair value due to credit risk
Credit institutions	—	—	—	—	—	—	—
General Governments	23	9	4	1	—	—	(4)
Other financial corporations and individual entrepreneurs (financial business)	179	4	13	4	1	1	(5)
Non-financial corporations and individual entrepreneurs (corporate non-financial activities)	77,926	2,072	4,989	1,093	395	26	(1,808)
Of which: financing the construction and property (including land)	*332*	*347*	*429*	*121*	*31*	*7*	*(328)*
Other households [1]	247,529	1,095	31,775	2,572	1,613	8	(1,519)
Total	**325,657**	**3,181**	**36,781**	**3,671**	**2,008**	**35**	**(3,336)**

(1) Number of operations does not include Garanti BBVA. Includes mortgage-backed real estate operations with loan to value ratio of greater than 1, and secured operations, other than transactions secured by real estate mortgage regardless of their loan to value ratio.

	DECEMBER 2023 BALANCE OF FORBEARANCE (MILLIONS OF EUROS)						
	TOTAL						
	Unsecured loans		Secured loans				
					Maximum amount of secured loans that can be considered		
	Number of operations	Gross carrying amount	Number of operations	Gross carrying amount	Real estate mortgage secured	Rest of secured loans	Accumulated impairment or accumulated losses in fair value due to credit risk
Credit institutions	—	—	—	—	—	—	—
General Governments	50	31	24	7	5	—	(6)
Other financial corporations and individual entrepreneurs (financial business)	292	17	24	11	5	3	(6)
Non-financial corporations and individual entrepreneurs (corporate non-financial activities)	79,943	3,870	10,602	2,395	1,053	264	(2,422)
Of which: financing the construction and property (including land)	*703*	*420*	*717*	*269*	*125*	*10*	*(428)*
Other households [1]	242,532	1,390	63,320	4,642	3,380	20	(1,677)
Total	**322,817**	**5,308**	**73,970**	**7,055**	**4,443**	**287**	**(4,111)**
	Of which: IMPAIRED						
	Unsecured loans		Secured loans				
					Maximum amount of secured loans that can be considered		
	Number of operations	Gross carrying amount	Number of operations	Gross carrying amount	Real estate mortgage secured	Rest of secured loans	Accumulated impairment or accumulated losses in fair value due to credit risk
Credit institutions	—	—	—	—	—	—	—
General Governments	25	14	4	2	1	—	(4)
Other financial corporations and individual entrepreneurs (financial business)	206	5	17	4	1	2	(4)
Non-financial corporations and individual entrepreneurs (corporate non-financial activities)	59,133	2,409	6,483	1,323	473	56	(2,070)
Of which: financing the construction and property (including land)	*491*	*417*	*540*	*196*	*66*	*8*	*(417)*
Other households [1]	158,595	900	36,108	3,001	1,957	4	(1,519)
Total	**217,959**	**3,329**	**42,612**	**4,330**	**2,432**	**62**	**(3,597)**

(1) Number of operations does not include Garanti BBVA. Includes mortgage-backed real estate operations with loan to value ratio of greater than 1, and secured operations, other than transactions secured by real estate mortgage regardless of their loan to value ratio.

In addition to the restructuring and refinancing transactions mentioned in this section, loans that were not considered impaired or renegotiated have been modified based on the criteria set out in the accounting regulation that applies. These loans have not been classified as renegotiated or impaired, since they were modified for commercial or competitive reasons (for instance, to improve relationships with clients) rather than for economic or legal reasons relating to the borrower's financial situation.

The table below provides a breakdown by segments of the forbearance operations (net of provisions) as of December 31, 2025, 2024 and 2023:

FORBEARANCE OPERATIONS. BREAKDOWN BY SEGMENTS (MILLIONS OF EUROS)

	2025	2024	2023
Credit institutions	—	—	—
Central governments	23	32	32
Other financial corporations and individual entrepreneurs (financial activity)	12	9	22
Non-financial corporations and individual entrepreneurs (non-financial activity)	3,476	3,163	3,843
Of which: Financing the construction and property development (including land)	*234*	*195*	*261*
Households	4,408	4,349	4,354
Total carrying amount	**7,919**	**7,553**	**8,251**
Financing classified as non-current assets and disposal groups held for sale	—	—	—

NPL ratio by type of renegotiated loan

The non-performing ratio of the renegotiated portfolio is defined as the impaired balance of renegotiated loans that shows signs of difficulties as of the closing of the reporting period, divided by the total payment outstanding in that portfolio.

As of December 31, 2025 and December 31, 2024, the non-performing ratio for each of the portfolios of renegotiated loans is as follows:

NPL RATIO BY TYPE OF RENEGOTIATED LOAN

	Ratio of impaired loans - past due	
	2025	2024
General governments	23 %	28 %
Commercial	55 %	61 %
Of which: Construction and developer	*86 %*	*88 %*
Other consumer	51 %	60 %

b. Qualitative information on the concentration of risk by activity and guarantees

Loans and advances to customers by activity (carrying amount)

DECEMBER 2025 (MILLIONS OF EUROS)

				Loans to customers. Loan to value				
	Total [1]	Mortgage loans	Secured loans	Less than or equal to 40%	Over 40% but less than or equal to 60%	Over 60% but less than or equal to 80%	Over 80% but less than or equal to 100%	Over 100%
General governments	25,243	213	6,530	923	2,477	392	2,513	438
Other financial institutions and individual entrepreneurs	47,821	891	25,127	455	501	302	15,855	8,905
Non-financial institutions and individual entrepreneurs	230,209	29,868	12,162	16,284	7,512	4,980	6,372	6,882
Construction and property development	6,875	4,746	86	1,419	1,340	887	395	792
Construction of civil works	7,143	559	421	217	251	77	18	417
Other purposes	216,191	24,564	11,655	14,648	5,921	4,017	5,959	5,674
Large companies	149,588	10,549	7,111	5,773	2,578	1,674	4,022	3,613
SMEs [2] and individual entrepreneurs	66,603	14,015	4,544	8,875	3,343	2,343	1,937	2,061
Rest of households and NPISHs [3]	182,405	100,887	2,641	24,747	28,608	33,491	12,963	3,719
Housing	103,390	99,679	113	24,057	27,994	33,161	11,264	3,316
Consumption	74,152	601	2,231	392	467	191	1,510	273
Other purposes	4,864	607	297	298	147	139	190	131
TOTAL	**485,678**	**131,859**	**46,460**	**42,409**	**39,098**	**39,165**	**37,703**	**19,944**
MEMORANDUM ITEM:								
Forbearance operations [4]	7,937	3,637	130	980	918	796	610	462

(1) The amounts included in this table are net of loss allowances.
(2) Small and medium enterprises.
(3) Non-profit institutions serving households.
(4) Net of provisions.

DECEMBER 2024 (MILLIONS OF EUROS)

				Loans to customers. Loan to value				
	Total [1]	Mortgage loans	Secured loans	Less than or equal to 40%	Over 40% but less than or equal to 60%	Over 60% but less than or equal to 80%	Over 80% but less than or equal to 100%	Over 100%
General governments	22,011	245	6,059	902	2,472	441	2,143	346
Other financial institutions and individual entrepreneurs	28,150	683	16,999	357	376	272	8,469	8,208
Non-financial institutions and individual entrepreneurs	203,240	27,815	11,047	13,453	7,828	4,865	4,888	7,828
Construction and property development	6,572	4,304	266	1,947	1,299	700	291	334
Construction of civil works	6,837	582	386	227	274	89	22	356
Other purposes	189,831	22,929	10,394	11,278	6,255	4,077	4,575	7,138
Large companies	128,917	9,955	6,915	5,166	2,417	1,906	2,312	5,070
SMEs [2] and individual entrepreneurs	60,914	12,974	3,479	6,113	3,838	2,171	2,263	2,069
Rest of households and NPISHs [3]	170,213	95,846	2,387	23,100	26,889	31,365	12,450	4,430
Housing	98,560	94,573	111	22,569	26,301	31,099	10,794	3,920
Consumption	67,225	584	2,004	242	440	136	1,462	308
Other purposes	4,427	689	272	289	148	130	193	202
TOTAL	**423,613**	**124,590**	**36,492**	**37,812**	**37,565**	**36,943**	**27,950**	**20,812**
MEMORANDUM ITEM:								
Forbearance operations [4]	7,553	4,268	234	993	1,005	900	702	902

(1) The amounts included in this table are net of loss allowances.
(2) Small and medium enterprises.
(3) Non-profit institutions serving households.
(4) Net of provisions.

DECEMBER 2023 (MILLIONS OF EUROS)

				Loans to customers. Loan to value				
	Total [1]	Mortgage loans	Secured loans	Less than or equal to 40%	Over 40% but less than or equal to 60%	Over 60% but less than or equal to 80%	Over 80% but less than or equal to 100%	Over 100%
General governments	23,025	271	7,104	1,137	2,911	429	2,369	527
Other financial institutions and individual entrepreneurs	23,086	525	13,315	182	378	68	9,304	3,909
Non-financial institutions and individual entrepreneurs	183,279	24,472	10,791	11,930	7,260	4,556	4,230	7,287
Construction and property development	5,788	4,064	248	1,662	1,192	768	239	451
Construction of civil works	5,173	554	382	231	191	87	37	390
Other purposes	172,318	19,854	10,160	10,037	5,877	3,701	3,954	6,446
Large companies	111,122	7,360	5,744	4,092	2,071	1,479	1,882	3,579
SMEs [2] and individual entrepreneurs	61,196	12,494	4,416	5,944	3,806	2,222	2,072	2,867
Rest of households and NPISHs [3]	157,847	95,040	2,166	21,700	25,396	31,265	13,960	4,886
Housing	97,395	93,813	118	21,155	24,954	31,014	12,435	4,374
Consumption	56,520	475	1,879	230	291	137	1,423	273
Other purposes	3,933	753	169	315	152	114	102	239
TOTAL	**387,238**	**120,308**	**33,376**	**34,949**	**35,944**	**36,319**	**29,864**	**16,609**
MEMORANDUM ITEM:								
Forbearance operations [4]	8,251	4,894	240	1,050	1,072	1,001	953	1,058

(1) The amounts included in this table are net of loss allowances.
(2) Small and medium enterprises.
(3) Non-profit institutions serving households.
(4) Net of provisions.

c. Information on the concentration of risk by activity and geographical areas

DECEMBER 2025 (MILLIONS OF EUROS)

	TOTAL [1]	Spain	Rest of European Union	America	Other
Credit institutions	143,686	24,453	36,190	47,739	35,303
General governments	167,380	68,664	25,270	63,390	10,056
Central Administration	142,761	52,409	24,587	55,950	9,814
Other	24,620	16,256	683	7,439	241
Other financial institutions and individual entrepreneurs	87,472	7,354	23,190	34,378	22,550
Non-financial institutions and individual entrepreneurs	314,130	93,419	37,423	113,776	69,512
Construction and property development	11,407	3,548	942	2,458	4,459
Construction of civil works	12,646	6,571	1,639	1,959	2,477
Other purposes	290,077	83,300	34,843	109,359	62,576
Large companies	216,732	56,936	33,853	78,833	47,110
SMEs and individual entrepreneurs	73,345	26,364	989	30,526	15,466
Other households and NPISHs	182,946	93,402	3,772	66,889	18,884
Housing	103,392	72,038	2,158	27,152	2,044
Consumer	74,152	17,680	1,350	38,790	16,332
Other purposes	5,403	3,683	263	947	509
TOTAL	**895,615**	**287,292**	**125,845**	**326,172**	**156,306**

(1) The definition of risk for the purpose of this statement includes the following items on the public balance sheet: "Loans and advances to credit institutions", "Loans and advances", "Debt securities", "Equity instruments", "Other equity securities", "Derivatives and hedging derivatives", "Investments in subsidiaries, joint ventures and associates" and "Guarantees given". The amounts included in this table are net of loss allowances.

DECEMBER 2024 (MILLIONS OF EUROS)

	TOTAL (1)	Spain	Rest of European Union	America	Other
Credit institutions	134,618	20,574	36,788	44,739	32,516
General governments	148,541	63,146	15,277	58,857	11,261
Central Administration	127,232	49,454	14,743	52,035	11,000
Other	21,310	13,692	534	6,822	261
Other financial institutions and individual entrepreneurs	62,821	5,508	19,786	22,289	15,239
Non-financial institutions and individual entrepreneurs	279,097	86,803	32,185	100,623	59,487
Construction and property development	10,778	3,168	722	2,448	4,439
Construction of civil works	11,556	6,484	1,222	1,257	2,593
Other purposes	256,764	77,151	30,241	96,919	52,454
Large companies	187,984	51,296	28,984	71,896	35,808
SMEs and individual entrepreneurs	68,780	25,855	1,257	25,022	16,646
Other households and NPISHs	170,724	90,552	2,644	60,413	17,115
Housing	98,561	70,761	1,235	24,757	1,807
Consumer	67,257	16,271	1,149	35,055	14,782
Other purposes	4,906	3,520	259	600	526
TOTAL	**795,801**	**266,583**	**106,680**	**286,921**	**135,617**

(1) The definition of risk for the purpose of this statement includes the following items on the public balance sheet: "Loans and advances to credit institutions", "Loans and advances", "Debt securities", "Equity instruments", "Other equity securities", "Derivatives and hedging derivatives", "Investments in subsidiaries, joint ventures and associates" and "Guarantees given". The amounts included in this table are net of loss allowances.

DECEMBER 2023 (MILLIONS OF EUROS)

	TOTAL (1)	Spain	Rest of European Union	America	Other
Credit institutions	192,222	54,246	61,342	42,084	34,550
General governments	144,082	59,385	12,198	61,473	11,025
Central Administration	121,149	45,259	11,767	53,640	10,482
Other	22,933	14,125	431	7,833	543
Other financial institutions and individual entrepreneurs	54,064	9,564	18,279	18,097	8,124
Non-financial institutions and individual entrepreneurs	246,103	80,219	23,614	90,342	51,928
Construction and property development	9,256	2,888	640	2,573	3,156
Construction of civil works	9,524	5,988	885	1,558	1,093
Other purposes	227,323	71,344	22,089	86,211	47,679
Large companies	159,906	45,738	21,086	61,867	31,214
SMEs and individual entrepreneurs	67,417	25,606	1,003	24,344	16,464
Other households and NPISHs	158,344	88,561	2,477	58,686	8,620
Housing	97,395	70,073	1,302	24,899	1,120
Consumer	56,521	15,111	956	33,207	7,246
Other purposes	4,428	3,377	218	579	254
TOTAL	**794,814**	**291,975**	**117,910**	**270,682**	**114,247**

(1) The definition of risk for the purpose of this statement includes the following items on the public balance sheet: "Loans and advances to credit institutions", "Loans and advances", "Debt securities", "Equity instruments", "Other equity securities", "Derivatives and hedging derivatives", "Investments in subsidiaries, joint ventures and associates" and "Guarantees given". The amounts included in this table are net of loss allowances.

This Appendix is an integral part of Note 7.2.7 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX XI. Additional information on risk concentration

a. Sovereign risk exposure

The table below provides a breakdown of exposure to financial assets (excluding derivatives and equity instruments), as of December 31, 2025, 2024 and 2023: by type of counterparty and the country of residence of such counterparty. The below figures do not take into account accumulated other comprehensive income, loss allowances or loan-loss provisions:

RISK EXPOSURE BY COUNTRIES (MILLIONS OF EUROS)

	Sovereign risk		
	2025	2024	2023
Spain	68,620	63,277	59,704
Italy	14,244	12,264	10,744
Turkey	8,634	9,995	9,284
Portugal	568	288	424
Germany	129	195	142
France	8,247	1,366	182
Netherlands	1	10	14
Romania	1,135	791	587
Rest of Europe	1,718	1,227	1,187
Subtotal Europe	**103,297**	**89,413**	**82,268**
Mexico	45,851	43,909	48,929
The United States	6,442	6,408	5,591
Colombia	5,482	4,021	3,540
Peru	1,293	1,208	1,526
Argentina	2,380	2,633	1,308
Venezuela	—	—	—
Rest of countries	2,651	1,337	1,782
Subtotal rest of countries	**64,101**	**59,517**	**62,676**
Total exposure to financial instruments	**167,397**	**148,930**	**144,945**

The exposure to sovereign risk set out in the above table includes positions held in government debt securities in countries where the Group operates. They are used for ALCO's management of the interest rate risk on the balance sheets of the Group's entities in these countries, as well as for hedging of pension and insurance commitments by insurance entities within the BBVA Group.

b. Concentration of risk on activities in the real estate market in Spain

Quantitative information on activities in the real estate market in Spain

As of December 31, 2025, 2024 and 2023, the Group's exposure to the construction and real estate development sectors (excluding the mortgage portfolio) in Spain amounted to €10,602 million, €9,600 million and €9,476 million, respectively, of which €2,314 million, €2,207 million and €2,105 million, respectively, related to construction loans, real estate development activities and house purchases in Spain. Data as of December 31, 2025, 2024 and 2023 is shown below:

FINANCING ALLOCATED BY CREDIT INSTITUTIONS TO CONSTRUCTION AND REAL ESTATE DEVELOPMENT AND LENDING FOR HOUSE PURCHASE (MILLIONS OF EUROS)

	Gross amount			Drawn over the guarantee value			Accumulated impairment		
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Financing to construction and real estate development (including land) (Business in Spain)	**2,314**	**2,207**	**2,105**	**665**	**473**	**482**	**(69)**	**(102)**	**(115)**
Of which: Impaired assets	*99*	*136*	*183*	*31*	*45*	*53*	*(60)*	*(88)*	*(98)*
Memorandum item:	—	—	—	—	—	—	—	—	—
Write-offs	2,100	2,100	2,097						
Memorandum item:	—	—	—						
Total loans and advances to customers, excluding the General Governments (Business in Spain) (book value)	199,056	177,946	168,660						
Total consolidated assets (total business) (book value)	859,576	772,402	775,558						
Impairment and provisions for normal exposures	(5,015)	(4,841)	(4,752)						

The following is a description of the real estate credit risk based on the types of associated guarantees:

FINANCING ALLOCATED BY CREDIT INSTITUTIONS TO CONSTRUCTION AND REAL ESTATE DEVELOPMENT AND LENDING FOR HOUSE PURCHASE (MILLIONS OF EUROS)

	2025	2024	2023
Without secured loan	**356**	**408**	**359**
With secured loan	**1,958**	**1,799**	**1,746**
Terminated buildings	837	832	857
Homes	646	656	685
Other	191	177	172
Buildings under construction	1,007	869	749
Homes	1,000	843	731
Other	7	26	18
Land	114	97	139
Urbanized land	91	76	92
Rest of land	23	22	47
Total	**2,314**	**2,207**	**2,105**

As of December 31, 2025, 2024 and 2023, 36.2%, 37.7% and 40.7% of loans to developers were guaranteed with buildings (77.2%, 78.8% and 79.9% are homes), and only 4.9%, 4.4% and 6.6% by land, of which 79.8%, 78.4% and 66.2% are in urban locations, respectively.

The table below provides the breakdown of the financial guarantees given as of December 31, 2025, 2024 and 2023:

FINANCIAL GUARANTEES GIVEN (MILLIONS OF EUROS)

	2025	2024	2023
Houses purchase loans	83	53	36
Without mortgage	2	2	3

The information on the retail mortgage portfolio risk (housing mortgage) as of December 31, 2025, 2024 and 2023 is as follows:

FINANCING ALLOCATED BY CREDIT INSTITUTIONS TO CONSTRUCTION AND REAL ESTATE DEVELOPMENT AND LENDING FOR HOUSE PURCHASE (MILLIONS OF EUROS)

	Gross amount			Of which: impaired loans		
	2025	2024	2023	2025	2024	2023
Houses purchase loans	72,631	71,709	71,144	2,071	2,889	3,267
Without mortgage	*1,313*	*1,416*	*1,415*	*10*	*9*	*10*
With mortgage	*71,318*	*70,294*	*69,729*	*2,061*	*2,880*	*3,257*

The loan to value (LTV) ratio of the above portfolio is as follows:

LTV BREAKDOWN OF MORTGAGE TO HOUSEHOLDS FOR THE PURCHASE OF A HOME (BUSINESS IN SPAIN) (MILLIONS OF EUROS)

	Total risk over the amount of the last valuation available (Loan to value-LTV)					
	Less than or equal to 40%	Over 40% but less than or equal to 60%	Over 60% but less than or equal to 80%	Over 80% but less than or equal to 100%	Over 100%	Total
Gross amount December 31, 2025	19,309	21,566	23,824	4,198	2,421	71,318
Of which: Impaired loans	*348*	*472*	*472*	*332*	*437*	*2,061*
Gross amount December 31, 2024	18,584	21,171	23,193	4,643	2,702	70,294
Of which: Impaired loans	*314*	*502*	*622*	*539*	*904*	*2,880*
Gross amount December 31, 2023	17,201	20,302	22,850	5,856	3,519	69,729
Of which: Impaired loans	*307*	*464*	*642*	*617*	*1,227*	*3,257*

Outstanding home mortgage loans as of December 31, 2025, 2024 and 2023 had an average LTV of 41%, 41% and 42% respectively.

The breakdown of foreclosed, acquired, purchased or exchanged assets from debt from loans relating to business in Spain, as well as the holdings and financing to non-consolidated entities holding such assets is as follows:

INFORMATION ABOUT ASSETS RECEIVED IN PAYMENT OF DEBTS (BUSINESS IN SPAIN) (MILLIONS OF EUROS)

	Gross Value [1] [2]			Provisions			Of which: Valuation adjustments on impaired assets, from the time of foreclosure			Carrying amount		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Real estate assets from loans to the construction and real estate development sectors in Spain	**191**	**303**	**398**	**(150)**	**(246)**	**(307)**	**(97)**	**(159)**	**(183)**	**41**	**57**	**92**
Terminated buildings	28	41	72	(15)	(24)	(44)	(9)	(16)	(24)	13	17	28
Homes	*16*	*19*	*31*	*(8)*	*(10)*	*(16)*	*(4)*	*(6)*	*(7)*	*8*	*9*	*15*
Other	*12*	*23*	*41*	*(7)*	*(15)*	*(28)*	*(5)*	*(10)*	*(17)*	*5*	*8*	*13*
Buildings under construction	5	8	8	(5)	(6)	(7)	(2)	(2)	(2)	—	2	1
Homes	*5*	*8*	*7*	*(5)*	*(6)*	*(6)*	*(2)*	*(2)*	*(2)*	*—*	*2*	*1*
Other		*—*	*1*	*—*	*—*	*(1)*	*—*	*—*	*(1)*	*—*	*—*	*—*
Land	158	254	318	(130)	(216)	(256)	(86)	(141)	(156)	28	38	62
Urbanized land	*153*	*248*	*299*	*(125)*	*(210)*	*(242)*	*(83)*	*(138)*	*(145)*	*28*	*38*	*57*
Rest of land	*5*	*6*	*19*	*(5)*	*(5)*	*(14)*	*(3)*	*(3)*	*(11)*	*—*	*1*	*5*
Real estate assets from mortgage financing for households for the purchase of a home	**331**	**392**	**544**	**(193)**	**(209)**	**(299)**	**(76)**	**(72)**	**(99)**	**138**	**183**	**245**
Rest of foreclosed real estate assets	**214**	**283**	**364**	**(149)**	**(195)**	**(231)**	**(46)**	**(61)**	**(76)**	**65**	**88**	**133**
Total	**736**	**978**	**1,306**	**(492)**	**(650)**	**(837)**	**(219)**	**(292)**	**(358)**	**244**	**328**	**469**

(1) Represents original loan value at the time of foreclosure.
(2) The value of real estate assets foreclosed or received in payment of debts should be initially recognized at the lower of the carrying amount of the financial assets and the fair value at the time of foreclosure less estimated sales costs. The gross value of the assets acquired in payment of debts is €463 million and €620 million as of December 31, 2025 and December 31, 2024, respectively.

As of December 31, 2025, 2024 and 2023, the gross book value of the Group's real estate assets from corporate financing of real estate construction and development was €191 million, €303 million and €398 million, respectively, with an average coverage ratio of 78.5%, 81.2% and 77.0%, respectively.

The gross book value of real estate assets from mortgage lending to households for home purchase as of December 31, 2025, 2024 and 2023, amounted to €331 million, €392 million and €544 million, respectively, with an average coverage ratio of 58.3%, 53.3% and 55.0%.

As of December 31, 2025, 2024 and 2023, the gross book value of the BBVA Group's total real estate assets (business in Spain), including other real estate assets received as debt payment, was €736 million, €978 million and €1,306 million, respectively. The coverage ratio was 66.8%, 66.5% and 64.1%, respectively.

This Appendix is an integral part of Note 7 of the consolidated financial statements for the year ended December 31, 2025.

c. Concentration of risk by geographical areas

Below is a breakdown of the balances of financial instruments recognized in the consolidated balance sheets by their concentration in geographical areas and according to the residence of the customer or counterparty. As of December 31, 2025, 2024 and 2023 it does not take into account loss allowances or loan-loss provisions:

RISKS BY GEOGRAPHICAL AREAS. DECEMBER 2025 (MILLIONS OF EUROS)

	Spain	Rest of Europe	Mexico	The United States	Turkey	South America	Rest of business	Total
Derivatives	**3,210**	**16,061**	**4,721**	**5,076**	**55**	**2,091**	**1,337**	**32,551**
Equity instruments (1)	**2,275**	**6,305**	**7,144**	**4,438**	**116**	**195**	**1,327**	**21,800**
Debt securities (2)	**56,555**	**33,777**	**43,399**	**9,659**	**8,489**	**9,714**	**1,480**	**163,073**
Central banks	—	—	1,519	—	—	912	70	2,501
General governments	53,986	25,059	38,963	6,561	8,354	8,181	238	141,342
Credit institutions	1,744	4,478	1,830	71	102	246	595	9,066
Other financial corporations	184	2,378	361	1,371	1	148	246	4,689
Non-financial corporations	641	1,862	726	1,655	33	226	331	5,475
Loans and advances	**190,259**	**77,941**	**107,795**	**27,831**	**59,649**	**64,649**	**30,634**	**558,758**
Central banks	3	1,834	—	—	8,598	1,031	35	11,501
General governments	14,492	341	7,457	—	260	2,507	869	25,926
Credit institutions	3,217	24,592	3,437	363	1,782	3,415	5,576	42,381
Other financial corporations	3,522	18,198	5,467	8,867	1,993	1,850	12,182	52,078
Non-financial corporations	69,782	28,991	41,602	18,578	23,645	30,402	11,908	224,908
Households	99,243	3,985	49,832	24	23,371	25,445	64	201,963
Total risk in financial assets	**252,299**	**134,084**	**163,059**	**47,005**	**68,309**	**76,648**	**34,778**	**776,183**
Loan commitments given	38,222	55,254	29,277	26,268	51,876	21,253	5,404	227,554
Financial guarantees given	2,964	6,365	63	4,181	8,637	945	1,710	24,865
Other commitments given	21,587	15,038	2,295	6,308	6,677	3,821	4,433	60,158
Off-balance sheet exposures	**62,773**	**76,658**	**31,635**	**36,757**	**67,190**	**26,019**	**11,546**	**312,578**
Total risks in financial instruments	**315,072**	**210,742**	**194,694**	**83,762**	**135,499**	**102,667**	**46,325**	**1,088,761**

(1) Equity instruments are shown net of valuation adjustment.
(2) The debt securities of the "Financial assets at fair value through other comprehensive income" portfolio do not include gains/losses.

RISKS BY GEOGRAPHICAL AREAS. DECEMBER 2024 (MILLIONS OF EUROS)

	Spain	Rest of Europe	Mexico	The United States	Turkey	South America	Rest of business	Total
Derivatives	**3,391**	**19,034**	**2,269**	**6,996**	**70**	**3,044**	**1,199**	**36,003**
Equity instruments (1)	**2,034**	**5,850**	**6,700**	**2,782**	**103**	**214**	**310**	**17,993**
Debt securities (2)	**53,698**	**22,913**	**39,208**	**9,992**	**10,067**	**8,443**	**1,586**	**145,907**
Central banks	—	—	—	—	—	1,359	89	1,448
General governments	50,854	15,410	36,667	6,408	9,756	6,410	200	125,705
Credit institutions	2,040	3,092	1,527	64	153	302	408	7,585
Other financial corporations	350	2,126	428	1,577	3	158	250	4,893
Non-financial corporations	455	2,285	585	1,943	155	213	638	6,275
Loans and advances	**179,935**	**70,972**	**95,747**	**17,794**	**52,234**	**58,668**	**18,278**	**493,628**
Central banks	18	1,626	—	—	5,876	1,297	—	8,817
General governments	12,001	137	7,187	—	239	1,831	755	22,150
Credit institutions	5,063	27,439	2,731	349	1,044	2,828	4,216	43,669
Other financial corporations	2,926	15,069	2,106	2,953	1,987	1,992	5,463	32,496
Non-financial corporations	63,409	23,821	40,016	14,468	22,812	27,155	7,778	199,459
Households	96,517	2,879	43,708	25	20,275	23,565	67	187,037
Total risk in financial assets	**239,058**	**118,770**	**143,924**	**37,564**	**62,473**	**70,369**	**21,372**	**693,530**
Loan commitments given	37,120	43,253	24,000	22,579	38,003	19,841	3,718	188,515
Financial guarantees given	3,056	5,376	212	2,958	8,911	1,031	960	22,503
Other commitments given	19,266	12,922	2,826	4,279	5,421	3,202	3,299	51,215
Off-balance sheet exposures	**59,441**	**61,551**	**27,038**	**29,816**	**52,336**	**24,074**	**7,977**	**262,233**
Total risks in financial instruments	**298,500**	**180,321**	**170,962**	**67,380**	**114,809**	**94,443**	**29,349**	**955,763**

(1) Equity instruments are shown net of valuation adjustment.
(2) The debt securities of the "Financial assets at fair value through other comprehensive income" portfolio do not include gains/losses.

RISKS BY GEOGRAPHICAL AREAS. DECEMBER 2023 (MILLIONS OF EUROS)

	Spain	Rest of Europe	Mexico	The United States	Turkey	South America	Rest of business	Total
Derivatives	**3,688**	**17,106**	**2,017**	**7,487**	**51**	**2,956**	**987**	**34,293**
Equity instruments (1)	**1,424**	**2,999**	**6,418**	**2,399**	**76**	**206**	**246**	**13,768**
Debt securities	**49,620**	**19,547**	**43,825**	**9,103**	**8,932**	**7,071**	**2,502**	**140,600**
Central banks	—	15	—	—	—	1,179	80	1,274
General governments	46,667	12,359	40,982	5,584	8,789	4,647	967	119,995
Credit institutions	2,154	3,017	1,914	123	16	323	459	8,005
Other financial corporations	442	2,065	334	1,223	2	680	222	4,967
Non-financial corporations	357	2,091	596	2,173	125	242	773	6,357
Loans and advances	**176,482**	**92,253**	**98,561**	**12,957**	**41,619**	**52,131**	**13,488**	**487,491**
Central banks	201	2,199	—	—	5,316	1,590	680	9,985
General governments	12,394	145	7,856	—	496	2,082	492	23,466
Credit institutions	7,141	53,077	5,759	636	1,428	2,391	3,691	74,122
Other financial corporations	2,961	15,190	2,529	1,690	1,264	1,891	724	26,250
Non-financial corporations	59,083	18,905	38,001	10,604	19,591	22,542	7,820	176,546
Households	94,703	2,737	44,415	27	13,525	21,634	81	177,121
Total risk in financial assets	**231,214**	**131,905**	**150,821**	**31,948**	**50,678**	**62,364**	**17,223**	**676,153**
Loan commitments given	34,931	42,914	24,811	17,773	20,883	9,600	1,956	152,868
Financial guarantees given	2,694	5,542	69	2,338	6,587	991	618	18,839
Other commitments given	17,187	8,191	2,812	3,135	5,057	2,991	3,205	42,577
Off-balance sheet exposures	**54,812**	**56,646**	**27,691**	**23,245**	**32,527**	**13,581**	**5,780**	**214,283**
Total risks in financial instruments	**286,026**	**188,551**	**178,512**	**55,193**	**83,205**	**75,946**	**23,002**	**890,436**

(1) Equity instruments are shown net of valuation adjustment.

The breakdown of the main figures in the most significant foreign currencies in the consolidated balance sheets is set forth in Appendix VII.

The breakdown of loans and advances in the heading of "Loans and advances", impaired by geographical area as December 31, 2025, 2024 and 2023.

IMPAIRED FINANCIAL ASSETS BY GEOGRAPHICAL AREAS (MILLIONS OF EUROS)

	2025	2024	2023
Spain	6,633	7,581	8,068
Rest of Europe	105	104	99
Mexico	2,817	2,517	2,472
South America	2,200	2,260	2,176
Turkey	2,587	1,749	1,631
Rest of business	3	2	—
IMPAIRED RISKS	**14,346**	**14,213**	**14,446**

This Appendix is an integral part of Note 7.2.8 of the consolidated financial statements for the year ended December 31, 2025.

APPENDIX XII. Information in accordance with article 89 of Directive 2013/36/EU of the European Parliament and its application to Spanish Law through Law 10/2014

DECEMBER 31, 2025 (MILLIONS OF EUROS)

Country	CIT payments cash basis	CIT expense consol	PBT consol	Gross margin	Nº employees (1)	Activity	Main Entity
Germany	4	13	42	87	70	Banking services	BBVA, S.A. - Frankfurt Branch Office
Argentina	(12)	115	311	1,493	6,282	Finance, banking and insurance services	Banco BBVA Argentina S.A.
Belgium	2	2	8	12	16	Banking services	BBVA, S.A. - Brussels Branch Office
Bolivia	—	—	—	2	35	Pensions	BBVA Previsión AFP S.A.
Brazil	—	(4)	(3)	20	—	Financial services	BBVA Brasil Banco de Investimento, S.A.
Chile	15	14	48	173	862	Financial services	Forum Servicios Financieros, S.A.
China	3	4	18	87	185	Banking services	BBVA, S.A. - Shanghai Branch Office; BBVA,S.A. - Hong-Kong Branch Office
Cyprus	12	14	63	64	94	Banking services	Garanti BBVA AS - Nicosia Branch Office
Colombia (2)	158	89	235	1,144	6,512	Finance, banking and insurance services	BBVA Colombia S.A. (2)
Curaçao	—	1	8	10	14	Finance and banking services	Banco Provincial Overseas N.V.
Spain	1,032	1,292	4,138	9,104	28,357	Finance, banking and insurance services	BBVA, S.A.
United States	118	123	646	970	665	Finance and banking services	BBVA, S.A. - New York Branch Office
France	13	10	96	140	90	Banking services	BBVA, S.A. - Paris Branch Office
Italy	72	62	165	199	105	Banking services	BBVA, S.A. - Milan Branch Office
Japan	—	1	1	4	14	Banking services	BBVA, S.A. - Tokio Branch Office
Malta	2	3	35	38	14	Banking services	Garanti BBVA AS - La Valeta Branch Office
Mexico	1,140	2,067	7,273	15,126	47,743	Finance, banking and insurance services	BBVA México, S.A.
Netherlands	34	49	167	196	272	Finance and banking services	Garantibank BBVA International N.V.
Panama (2)	—	—	—	—	—	Banking services	BBVA Colombia S.A. Panama City Branch (2)
Peru	153	235	862	1,993	7,855	Finance and banking services	Banco BBVA Perú
Portugal	7	14	74	148	405	Finance and banking services	BBVA, S.A. - Portugal Branch Office
United Kingdom	18	17	97	300	375	Banking services	BBVA, S.A. - London Branch Office
Romania	7	7	36	140	1,186	Finance and banking services	Garanti Bank S.A.
Singapore	6	10	53	60	24	Banking services	BBVA, S.A. - Singapore Branch Office
Switzerland	3	3	14	67	129	Finance and banking services	BBVA Switzerland S.A.
Taiwan	—	(2)	(9)	17	18	Banking services	BBVA, S.A. - Taipei Branch Office
Turkey	722	833	1,567	4,780	21,725	Finance, banking and insurance services	Garanti BBVA A.S.
Uruguay	27	17	83	246	554	Finance and banking services	BBVA Uruguay S.A.
Venezuela	3	111	199	311	1,853	Finance, banking and insurance services	BBVA Banco Provincial S.A.
Total	**3,539**	**5,100**	**16,227**	**36,931**	**125,454**		

(1) Full time employees. The 93 employees of representative offices are not included in the total number.

(2) 5 employees of BBVA Colombia are located in Panama.

The amounts of "Cash payments of corporate income tax" are highly conditioned by, and derive fundamentally from the methodology for calculating the instalment payments provided for in the regulations governing corporate income tax in the different geographical areas where the Group operates, producing differences between the instalment payments made in the current year and the refund of instalments from previous years that may result once the final tax returns have been filed. In this respect, it should also be noted that it is normal for there to be, differences between the amounts of "Corporate tax cash payments" and "Corporate tax expense", as the tax paid in a year is not necessarily directly related to the pre-tax profit existing in a jurisdiction, but takes into account the tax payments (and refunds) in respect of profits made in previous years, as well as the instalment payments made in the current year and the withholding of input tax. However, the "Corporate Income Tax Expense" is more directly related to the existing Profit before tax for a given year.

The results of this breakdown of the branches are integrated in the financial statements of the parent companies on which they depend.

As of December 31, 2025, the return of the Group's assets calculated by dividing the "Profit" between "Total Assets" is 1.29%.

In 2025[1], BBVA group has not received public aid for the financial sector which has the aim of promoting the carrying out of banking activities and which is significant. This statement is made for the purposes of article 89 of Directive 2013/36/EU of the European Parliament and of the Council of June 26 (on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms) and its transposition to Spanish legislation by means of Law 10/2014 on Monitoring, Supervision and Solvency of Credit Institutions of June 26.

[1] BBVA disclosed by means of public relevant events sent to CNMV: (i) on 07/27/2012 the closing of the acquisition of UNNIM Banc, S.A. and (ii) on 04/24/2015 the closing of the acquisition of Catalunya Banc, S.A.

Glossary

Actuarial risk	Arising from deviations in the biometric or behavioral variables used in the valuation of future commitments (such as mortality, longevity, disability, or persistence) which may negatively affect the technical balance of insurance or social security products.
Additional Tier 1 Capital	Includes: Preferred stock and convertible perpetual securities and deductions.
Amortized cost	The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus, the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.
Associates	Companies in which the Group has a significant influence, without having control. Significant influence is deemed to exist when the Group owns 20% or more of the voting rights of an investee directly or indirectly.
Baseline macroeconomic scenarios	IFRS 9 requires that an entity must evaluate a range of possible outcomes when estimating provisions and measuring expected credit losses, through macroeconomic scenarios. The baseline macroeconomic scenario presents the situation of the particular economic cycle.
Basic earnings per share	Calculated by dividing "Profit attributable to Parent Company" corresponding to ordinary shareholders of the entity by the weighted average number of shares outstanding throughout the year (i.e., excluding the average number of treasury shares held over the year).
Basis risk	Risk arising from hedging exposure to one interest rate with exposure to a rate that reprices under slightly different conditions.
Building Block Approach (BBA)	This is one of the three measurement models for the valuation of insurance and reinsurance contracts. This model is used by default and it applies to contracts with coverage periods of more than one year and not classified as contracts with direct participation, being mandatory except when the conditions to apply the other two methods are met: Variable Fee Approach or Premium Allocation Approach.
Business combination	A business combination is a transaction, or any other event, through which a single entity obtains the control of one or more businesses.
Business model	The assessment as to how an asset shall be classified is made on the basis of both the business model for managing the financial asset and the contractual cash flow characteristic of the financial asset (SPPI Criterion). Financial assets are classified on the basis of its business model for managing the financial assets. The Group's business models shall be determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective and generate cash flows.
Cash flow hedges	Those that hedge the exposure to variability in cash flows attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction and could affect profit or loss.
CGU	The smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.
Commissions	Income and expenses relating to commissions and similar fees are recognized in the income statement using criteria that vary according to their nature. The most significant income and expense items in this connection are: · Fees and commissions relating linked to financial assets and liabilities measured at fair value through profit or loss, which are recognized when collected. · Fees and commissions arising from transactions or services that are provided over a period of time, which are recognized over the life of these transactions or services. · Fees and commissions generated by a single act are accrued upon execution of that act.
Consolidation method	Method used for the consolidation of the accounts of the Group's subsidiaries. The assets and liabilities of the Group entities are incorporated line-by-line on the consolidate balance sheets, after conciliation and the elimination in full of intragroup balances, including amounts payable and receivable. Group entity income statement income and expense headings are similarly combined line by line into the consolidated income statement, having made the following consolidation eliminations: a) income and expenses in respect of intragroup transactions are eliminated in full. b) profits and losses resulting from intragroup transactions are similarly eliminated. The carrying amount of the parent's investment and the parent's share of equity in each subsidiary are eliminated.
Contingencies	Current obligations of the entity arising as a result of past events whose existence depends on the occurrence or non-occurrence of one or more future events independent of the will of the entity.
Contingent commitments	Possible obligations of the entity that arise from past events and whose existence depends on the occurrence or non-occurrence of one or more future events independent of the entity's will and that could lead to the recognition of financial assets.

Control	An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. An investor controls an investee if and only if the investor has all the following: a. Power; An investor has power over an investee when the investor has existing rights that give it the current ability to direct the relevant activities, i.e. the activities that significantly affect the investee's returns. b. Returns; An investor is exposed, or has rights, to variable returns from its involvement with the investee when the investor's returns from its involvement have the potential to vary as a result of the investee's performance. The investor's returns can be only positive, only negative or both positive and negative. c. Link between power and returns; An investor controls an investee if the investor not only has power over the investee and exposure or rights to variable returns from its involvement with the investee, but also has the ability to use its power to affect the investor's returns from its involvement with the investee.
Correlation risk	Correlation risk is related to derivatives whose final value depends on the performance of more than one underlying asset (primarily, stock baskets) and indicates the existing variability in the correlations between each pair of assets.
Credit Valuation Adjustment (CVA)	An adjustment to the valuation of OTC derivative contracts to reflect the creditworthiness of OTC derivative counterparties.
Current service cost	Current service cost is the increase in the present value of a defined benefit obligation resulting from employee service in the current period.
Current tax assets	Taxes recoverable over the next twelve months.
Current tax liabilities	Corporate income tax payable on taxable profit for the year and other taxes payable in the next twelve months.
Debit Valuation Adjustment (DVA)	An adjustment made by an entity to the valuation of OTC derivative liabilities to reflect within fair value the entity's own credit risk.
Debt certificates	Obligations and other interest-bearing securities that create or evidence a debt on the part of their issuer, including debt securities issued for trading among an open group of investors, that accrue interest, implied or explicit, whose rate, fixed or benchmarked to other rates, is established contractually, and take the form of securities or book-entries, irrespective of the issuer.
Default	An asset will be considered as defaulted whenever it is more than 90 days past due.
Deferred tax assets	Taxes recoverable in future years, including loss carry forwards or tax credits for deductions and tax rebates pending application.
Deferred tax liabilities	Income taxes payable in subsequent years.
Defined benefit plans	Post-employment obligation under which the entity, directly or indirectly via the plan, retains the contractual or implicit obligation to pay remuneration directly to employees when required or to pay additional amounts if the insurer, or other entity required to pay, does not cover all the benefits relating to the services rendered by the employees when insurance policies do not cover all of the corresponding post-employees benefits.
Defined contribution plans	Defined contribution plans are retirement benefit plans under which amounts to be paid as retirement benefits are determined by contributions to a fund together with investment earnings thereon. The employer's obligations in respect of its employees current and prior years' employment service are discharged by contributions to the fund.
Deposits from central banks	Deposits of all classes, including loans and money market operations, received from the Bank of Spain and other central banks.
Deposits from credit institutions	Deposits of all classes, including loans and money market operations received, from credit entities.
Deposits from customers	Redeemable cash balances received by the entity, with the exception of debt certificates, money market operations through counterparties and subordinated liabilities, which are not received from either central banks or credit entities. This category also includes cash deposits and consignments received that can be readily withdrawn.
Derivatives	The fair value in favor (assets) or again (liabilities) of the entity of derivatives not designated as accounting hedges.
Derivatives - Hedge accounting	Derivatives designated as hedging instruments in an accounting hedge. The fair value or future cash flows of those derivatives is expected to offset the differences in the fair value or cash flows of the items hedged.
Diluted earnings per share	Calculated by using a method similar to that used to calculate basic earnings per share; the weighted average number of shares outstanding, and the profit attributable to the parent company corresponding to ordinary shareholders of the entity, if appropriate, is adjusted to take into account the potential dilutive effect of certain financial instruments that could generate the issue of new Bank shares (share option commitments with employees, warrants on parent company shares, convertible debt instruments, etc.).
Dividends and retributions	Dividend income collected announced during the year, corresponding to profits generated by investees after the acquisition of the stake.
Domestic activity	Domestic balances of BBVA Group entities domiciled in Spain, which reflect the BBVA Group's domestic activities; the allocation of assets and liabilities is based on the domicile of the Group entity at which the relevant asset or liability is accounted for.

Early retirements	Employees that no longer render their services to the entity but which, without being legally retired, remain entitled to make economic claims on the entity until they formally retire.
Economic capital	Methods or practices that allow banks to consistently assess risk and attribute capital to cover the economic effects of risk-taking activities.
Effective interest rate (EIR)	Discount rate that exactly equals the value of a financial instrument with the cash flows estimated over the expected life of the instrument based on its contractual period as well as its anticipated amortization, but without taking the future losses of credit risk into consideration.
Employee expenses	All compensation accrued during the year in respect of personnel on the payroll, under permanent or temporary contracts, irrespective of their jobs or functions, irrespective of the concept, including the current costs of servicing pension plans, own share based compensation schemes and capitalized personnel expenses. Amounts reimbursed by the state Social Security or other welfare entities in respect of employee illness are deducted from personnel expenses.
Equity	The residual interest in an entity's assets after deducting its liabilities. It includes owner or venturer contributions to the entity, at incorporation and subsequently, unless they meet the definition of liabilities, and accumulated net profits or losses, fair value adjustments affecting equity and, if warranted, non-controlling interests.
Equity instruments	An equity instrument that evidences a residual interest in the assets of an entity, that is after deducting all of its liabilities.
Equity instruments issued other than capital	Includes equity instruments that are financial instruments other than "Capital" and "Equity component of compound financial instruments".
Equity method	Is a method of accounting whereby the investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.
Exchange/translation differences	Exchange differences: Includes the earnings obtained in currency trading and the differences arising on translating monetary items denominated in foreign currency to the functional currency. Exchange differences (valuation adjustments): those recorded due to the translation of the financial statements in foreign currency to the functional currency of the Group and others recorded against equity.
Expected Credit Loss (ECL)	Expected credit losses are a probability-weighted estimate of credit losses over the expected life of the financial instrument. Hence, credit losses are the present value of expected cash shortfalls. The measurement and estimate of these expected credit losses should reflect: 1. An unbiased and probability-weighted amount. 2. The time value of money by discounting this amount to the reporting date using a rate that approximates the EIR of the asset, and 3. Reasonable and supportable information that is available without undue cost or effort. The expected credit losses must be measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate or an approximation thereof (forward-looking).
Exposure at default	EAD is the amount of risk exposure at the date of default by the counterparty.
Fair value	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
Fair value hedges	Derivatives that hedge the exposure to changes in the fair value of assets and liabilities or firm commitments that have not be recognized, or of an identified portion of said assets, liabilities or firm commitments, attributable to a specific risk, provided it could affect the income statement.
Financial assets at amortized cost	Financial assets that do not meet the definition of financial assets designated at fair value through profit or loss and arise from the financial entities' ordinary activities to capture funds, regardless of their instrumentation or maturity.
Financial assets at fair value through other comprehensive income	Financial instruments with determined or determinable cash flows and in which the entire payment made by the entity will be recovered, except for reasons attributable to the solvency of the debtor. This category includes both the investments from the typical lending activity as well as debts contracted by the purchasers of goods, or users of services, that form part of the entity's business. It also includes all finance lease arrangements in which the subsidiaries act as lessors.
Financial guarantees	Contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs when a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument, irrespective of its instrumentation. These guarantees may take the form of deposits, technical or financial guarantees, insurance contracts or credit derivatives.
Financial guarantees given	Transactions through which the entity guarantees commitments assumed by third parties in respect of financial guarantees granted or other types of contracts.
Financial instrument	A financial instrument is any contract that gives rise to a financial asset of one entity and to a financial liability or equity instrument of another entity.
Financial liabilities at amortized cost	Financial liabilities that do not meet the definition of financial liabilities designated at fair value through profit or loss and arise from the financial entities' ordinary activities to capture funds, regardless of their instrumentation or maturity.

Foreign activity	International balances are those of BBVA´s Group entities domiciled outside of Spain, which reflect our foreign activities, being the allocation of assets and liabilities based on the domicile of the Group entity at which the relevant asset or liability is accounted for.
Goodwill	Goodwill acquired in a business combination represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not able to be individually identified and separately recognized.
Hedges of net investments in foreign operations	Foreign currency hedge of a net investment in a foreign operation.
Held for trading (assets and liabilities)	Financial assets and liabilities acquired or incurred primarily for the purpose of profiting from variations in their prices in the short term. This category also includes financial derivatives not qualifying for hedge accounting, and in the case of borrowed securities, financial liabilities originated by the firm sale of financial assets acquired under repurchase agreements or received on loan ("short positions").
IFRS (International Financial Reporting Standards)	For the purposes of these Financial Statements, "International Financial Reporting Standards" include International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and related interpretations (SIC interpretations/IFRIC interpretations), as may be developed or adopted by the International Accounting Standards Board (IASB, International Accounting Standard Board).
Immunized portfolios	This is considered to be the portfolios on which "cash flow matching" is carried out, that is, balance sheet management with the aim of trying to mitigate the risk derived from the different maturities and interest rates between assets and liabilities.
Impaired financial assets	An asset is credit-impaired according to IFRS 9 if one or more events have occurred and they have a detrimental impact on the estimated future cash flows of the asset. Evidence that a financial asset is credit-impaired includes observable data about the following events: a. a significant financial difficulty of the issuer or the borrower, b. a breach of contract (e.g. a default or past due event), c. a lender having granted a concession to the borrower – for economic or contractual reasons relating to the borrower's financial difficulty – that the lender would not otherwise consider, d. it becoming probable that the borrower will enter bankruptcy or other financial reorganization, e. the disappearance of an active market for that financial asset because of financial difficulties, or f. the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.
Income from equity instruments	Dividends and income on equity instruments collected or announced during the year corresponding to profits generated by investees after the ownership interest is acquired. Income is recognized gross, i.e., without deducting any withholdings made, if any.
Inflation risk	Risk arising from the adverse impact that unexpected changes in inflation ratios may have on the Group's income, costs, fair value or present value of assets and liabilities, as well as on the risk-adjusted profitability of its exposures.
Inside Information	Type of filing made with the CNMV that contains information which by its nature may affect the price of one or more securities, or the market as a whole, and which has not yet been the subject of publicity or dissemination.
Insurance contracts linked to pensions	The fair value of insurance contracts written to cover pension commitments.
Inventories	Assets, other than financial instruments, under production, construction or development, held for sale during the normal course of business, or to be consumed in the production process or during the rendering of services. Inventories include land and other properties held for sale at the real estate development business.
Investment properties	Investment property is property (land or a building—or part of a building—or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for own use or sale in the ordinary course of business.
Joint arrangement	An arrangement of which two or more parties have joint control.
Joint control	The contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.
Joint operation	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets of the arrangement and obligations for the liabilities. A joint venturer shall recognize the following for its participation in a joint operation: a. its assets, including any share of the assets of joint ownership; b. its liabilities, including any share of the liabilities incurred jointly; c. income from the sale of its share of production from the joint venture; d. its share of the proceeds from the sale of production from the joint venturer; and e. its expenses, including any share of the joint expenses. A joint venturer shall account for the assets, liabilities, income and expenses related to its participation in a joint operation in accordance with IFRS applicable to the assets, liabilities, income and expenses specific question.
Joint venture	A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint venturer shall recognize its interest in a joint venture as an investment and shall account for that investment using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures.

Leases	A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time, a stream of cash flows that is essentially equivalent to the combination of principal and interest payments under a loan agreement. a) A lease is classified as a finance lease when it substantially transfers all the risks and rewards incidental to ownership of the asset forming the subject-matter of the contract. b) A lease will be classified as operating lease when it is not a financial lease.
Lease liability	Lease that represents the lessee's obligation to make lease payments during the lease term.
Liabilities included in disposal groups classified as held for sale	The balance of liabilities directly associated with assets classified as non-current assets held for sale, including those recognized under liabilities in the entity's balance sheet at the balance sheet date corresponding to discontinued operations.
Liabilities under insurance contracts	The technical reserves of direct insurance and inward reinsurance recorded by the entities to cover claims arising from insurance contracts in force at period-end.
Loans and advances to customers	Loans and receivables, irrespective of their type, granted to third parties that are not credit entities.
Loss given default (LGD)	It is the estimate of the loss arising in the event of default. It depends mainly on the characteristics of the counterparty, and the valuation of the guarantees or collateral associated with the asset.
Market liquidity risk	Risk that the Group may not be able to unwind or hedge a position in a financial instrument at its fair value due to insufficient market depth.
Mortgage-covered bonds	Financial asset or security created from mortgage loans and backed by the guarantee of the mortgage loan portfolio of the entity.
Non-Performing Loans (NPL)	The balance of non performing risks, whether for reasons of default by customers or for other reasons, for exposures on balance loans to customers. This figure is shown gross: in other words, it is not adjusted for value corrections (loan loss reserves) made.
Non-controlling interests	The net amount of the profit or loss and net assets of a subsidiary attributable to associates outside the group (that is, the amount that is not owned, directly or indirectly, by the parent), including that amount in the corresponding part of the earnings for the period.
Non-current assets and disposal groups held for sale	A non-current asset or disposal group, whose carrying amount is expected to be realized through a sale transaction, rather than through continuing use, and which meets the following requirements: a. it is immediately available for sale in its present condition at the balance sheet date, i.e. only normal procedures are required for the sale of the asset. b. the sale is considered highly probable.
Non-monetary assets	Assets and liabilities that do not provide any right to receive or deliver a determined or determinable amount of monetary units, such as tangible and intangible assets, goodwill and ordinary shares subordinate to all other classes of capital instruments.
Non-trading financial assets mandatorily at fair value through Profit or loss	The financial assets registered under this heading either have contractual cash flows that do not comply with the SPPI test conditions, or are not covered by a business model whose objective is (i) maintaining financial assets to obtain cash flows, or (ii) obtaining contractual cash flows and selling financial assets.
Option risk	Risks arising from options, including embedded options.
Other financial assets/ liabilities at fair value through profit or loss	Instruments designated by the entity from the inception at fair value with changes in profit or loss. An entity may only designate a financial instrument at fair value through profit or loss, if doing so more relevant information is obtained, because: a. It eliminates or significantly reduces a measurement or recognition inconsistency (sometimes called "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. It might be acceptable to designate only some of a number of similar financial assets or financial liabilities if doing so a significant reduction (and possibly a greater reduction than other allowable designations) in the inconsistency is achieved. b. The performance of a group of financial assets or financial liabilities is managed and evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity´s key management personnel. These are financial assets managed jointly with "Liabilities under insurance and reinsurance contracts" measured at fair value, in combination with derivatives written with a view to significantly mitigating exposure to changes in these contracts' fair value, or in combination with financial liabilities and derivatives designed to significantly reduce global exposure to interest rate risk. These headings include customer loans and deposits effected via so-called unit-linked life insurance contracts, in which the policyholder assumes the investment risk.
Other Relevant Information	Type of filing with the CNMV that contains a news item or piece of information that may influence investors' decisions on a given security, with a consequent impact on the share price.
Other reserves	This heading is broken down as follows: i) Reserves or accumulated losses of investments in subsidiaries, joint ventures and associates: include the accumulated amount of income and expenses generated by the aforementioned investments through profit or loss in past years. ii) Other: includes reserves different from those separately disclosed in other items and may include legal reserve and statutory reserve.

Other retributions to employees long term	Includes the amount of compensation plans to employees long term.
Own/treasury shares	The amount of own equity instruments held by the entity.
Past service cost	It is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits.
Post-employment benefits	Retirement benefit plans are arrangements whereby an enterprise provides benefits for its employees on or after termination of service.
Premium Allocation Approach (PAA)	This is one of the three measurement models for the valuation of insurance and reinsurance contracts. This is a simplification of the general method (BBA) in the valuation of the provision for the remaining coverage, which can be adopted if the coverage period of the group of contracts is less than or equal to one year, according to the limits of the contract, or if the liability for the remaining coverage obtained does not differ materially from that produced under the general method.
Probability of default (PD)	It is the probability of the counterparty failing to meet its principal and/or interest payment obligations. The PD is associated with the rating/scoring of each counterparty/transaction.
Property, plant and equipment/tangible assets	Buildings, land, fixtures, vehicles, computer equipment and other facilities owned by the entity or acquired under finance leases.
Provisions	Provisions include amounts recognized to cover the Group's current obligations arising as a result of past events, certain in terms of nature but uncertain in terms of amount and/or cancellation date.
Provisions for contingent liabilities and commitments	Provisions recorded to cover exposures arising as a result of transactions through which the entity guarantees commitments assumed by third parties in respect of financial guarantees granted or other types of contracts, and provisions for contingent commitments, i.e., irrevocable commitments which may arise upon recognition of financial assets.
Provisions for pensions and similar obligation	Constitutes all provisions recognized to cover retirement benefits, including commitments assumed vis-à-vis beneficiaries of early retirement and analogous schemes.
Provisions or (-) reversal of provisions	Provisions recognized during the year, net of recoveries on amounts provisioned in prior years, with the exception of provisions for pensions and contributions to pension funds which constitute current or interest expense.
Refinanced operation	An operation which is totally or partially brought up to date with its payments as a result of a refinancing operation made by the entity itself or by another company in its group.
Refinancing operation	An operation which, irrespective of the holder or guarantees involved, is granted or used for financial or legal reasons related to current or foreseeable financial difficulties that the holder(s) may have in settling one or more operations granted by the entity itself or by other companies in its group to the holder(s) or to another company or companies of its group, or through which such operations are totally or partially brought up to date with their payments, in order to enable the holders of the settled or refinanced operations to pay off their loans (principal and interest) because they are unable, or are expected to be unable, to meet the conditions in a timely and appropriate manner.
Repricing risk	Risks related to the timing mismatch in the maturity and repricing of assets and liabilities and off-balance sheet short and long-term positions.
Restructured operation	An operation whose financial conditions are modified for economic or legal reasons related to the holder's (or holders') current or foreseeable financial difficulties, in order to enable payment of the loan (principal and interest), because the holder is unable, or is expected to be unable, to meet those conditions in a timely and appropriate manner, even if such modification is provided for in the contract. In any event, the following are considered restructured operations: operations in which a haircut is made or assets are received in order to reduce the loan, or in which their conditions are modified in order to extend their maturity, change the amortization table in order to reduce the amount of the installments in the short term or reduce their frequency, or to establish or extend the grace period for the principal, the interest or both; except when it can be proved that the conditions are modified for reasons other than the financial difficulties of the holders and, are similar to those applied on the market on the modification date for operations granted to customers with a similar risk profile.
Retained earnings	Accumulated net profits or losses recognized in the income statement in prior years and retained in equity upon distribution.
Right of use asset	Asset that represents the lessee's right to use an underlying asset during the lease term.
Securitization fund	A fund that is configured as a separate equity and administered by a management company. An entity that would like funding sells certain assets to the securitization fund, which, in turn, issues securities backed by said assets.
Share premium	The amount paid in by owners for issued equity at a premium to the shares' nominal value.
Shareholders' funds	Contributions by stockholders, accumulated earnings recognized in the income statement and the equity components of compound financial instruments.
Short positions	Financial liabilities arising as a result of the final sale of financial assets acquired under repurchase agreements or received on loan.

Significant increase in credit risk	In order to determine whether there has been a significant increase in credit risk for lifetime expected losses recognition, the Group has developed a two-prong approach: – Quantitative criterion: based on comparing the current expected probability of default over the life of the transaction with the original adjusted expected probability of default. The thresholds used for considering a significant increase in risk take into account special cases according to geographic areas and portfolios. – Qualitative criterion: most indicators for detecting significant risk increase are included in the Group's systems through rating/scoring systems or macroeconomic scenarios, so quantitative analysis covers the majority of circumstances. The Group will use additional qualitative criteria when it considers it necessary to include circumstances that are not reflected in the rating/score systems or macroeconomic scenarios used.
Significant influence	Is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. If an entity holds, directly or indirectly (i.e. through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the entity holds, directly or indirectly (i.e. through subsidiaries), less than 20 per cent of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an entity from having significant influence. The existence of significant influence by an entity is usually evidenced in one or more of the following ways: a. representation on the board of directors or equivalent governing body of the investee; b) participation in policy-making processes, including participation in decisions about dividends or other distributions; b. material transactions between the entity and its investee; c. interchange of managerial personnel; or d. provision of essential technical information.
Solely Payments of Principle and Interest (SPPI)	The assessment as to how an asset shall be classified is made on the basis of both the business model for managing the financial asset and the contractual cash flow characteristic of the financial asset (SPPI Criterion). To determine whether a financial asset shall be classified as measured at amortized cost or FVOCI, a Group assesses (apart from the business model) whether the cash flows from the financial asset represent, on specified dates, solely payments of principal and interest on the principal amount outstanding (SPPI).
Stages	IFRS 9 classifies financial instruments into three categories, which depend on the evolution of their credit risk from the moment of initial recognition. The first category includes the transactions when they are initially recognized - without significant increase in credit risk (*stage* 1); the second comprises the operations for which a significant increase in credit risk has been identified since its initial recognition - significant increase in credit risk (*stage* 2) and the third one, the impaired operations Impaired (*stage* 3). The transfer logic is defined in a symmetrical way, whenever the condition that triggered a transfer to *stage* 2 is no longer met, the exposure will be transferred to *stage* 1. In the case of forbearances transferred to stage 2, as long as the loan is flagged as forbearance it will keep its status as *stage* 2. However, when the loan is not flagged as forbearance it will be transferred back to *stage* 1.
Statements of cash flows	The indirect method has been used for the preparation of the statement of cash flows. This method starts from the entity's profit and adjusts its amount for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with cash flows classified as investment or finance. As well as cash, short-term, highly liquid investments subject to a low risk of changes in value, such as cash and deposits in central banks, are classified as cash and cash equivalents. When preparing these financial statements the following definitions have been used: · Cash flows: Inflows and outflows of cash and cash equivalents. · Operating activities: The typical activities of credit institutions and other activities that cannot be classified as investment or financing activities. · Investing activities: The acquisition, sale or other disposal of long-term assets and other investments not included in cash and cash equivalents or in operating activities. · Financing activities: Activities that result in changes in the size and composition of the Group's equity and of liabilities that do not form part of operating activities.
Statements of changes in equity	The statements of changes in equity reflect all the movements generated in each year in each of the headings of the equity, including those from transactions undertaken with shareholders when they act as such, and those due to changes in accounting criteria or corrections of errors, if any. The applicable regulations establish that certain categories of assets and liabilities are recognized at their fair value with a charge to equity. These charges, known as "Accumulated other comprehensive income", are included in the Group's total equity net of tax effect, which has been recognized as deferred tax assets or liabilities, as appropriate.

Statements of recognized income and expense	The statement of recognized income and expenses reflect the income and expenses generated in each financial year, distinguishing between those recognized in the profit and loss accounts and the "Other recognized income and expenses"; which are recorded directly in the equity. The "Other recognized income and expenses" includes the variations that have occurred in the period in "accumulated other comprehensive income", detailed by concepts. The sum of the variations recorded in the "accumulated other comprehensive income" caption of the equity and the profit for the year represents the "Total income and expenses".
Structured credit products	Special financial instrument backed by other instruments building a subordination structure.
Structured entities	A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: a. restricted activities. b. a narrow and well-defined objective, such as to effect a tax-efficient lease, carry out research and development activities, provide a source of capital or funding to an entity or provide investment opportunities for investors and passing on risks and rewards associated with the assets of the structured entity to investors. c. insufficient equity to permit the structured entity to finance its activities without subordinated financial support. d. financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).
Subordinated liabilities	Financing received, regardless of its instrumentation, which ranks after the common creditors in the event of a liquidation.
Subsidiaries	Companies over which the Group exercises control. An entity is presumed to have control over another when it possesses the right to oversee its financial and operational policies, through a legal, statutory or contractual procedure, in order to obtain benefits from its economic activities. Control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than one half of an entity's voting power, unless, exceptionally, it can be clearly demonstrated that ownership of more than one half of an entity's voting rights does not constitute control of it. Control also exists when the parent owns half or less of the voting power of an entity when there is: a. an agreement that gives the parent the right to control the votes of other shareholders; b. power to govern the financial and operating policies of the entity under a statute or an agreement; power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body; c. power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.
Tangible book value	Tangible Book Value represents the tangible equity's value for the shareholders as it does not include the intangible assets and the minority interests (non-controlling interests). It is calculated by discounting intangible assets, that is, goodwill and the rest of consolidated intangibles recorded under the public balance sheet (goodwill and intangible assets of companies accounted for by the equity method or companies classified as non-current assets for sale are not subtracted). It is also shown as ex-dividends.
Tax liabilities	All tax related liabilities except for provisions for taxes.
Territorial bonds	Financial assets or fixed asset security issued with the guarantee of portfolio loans of the public sector of the issuing entity.
Tier 1 Capital	Mainly includes: Common stock, parent company reserves, reserves in companies, non-controlling interests, deductions and others and attributed net income.
Tier 2 Capital	Mainly includes: Subordinated, preferred shares and non- controlling interests.
Unit-link	This is life insurance in which the policyholder assumes the risk. In these policies, the funds for the technical insurance provisions are invested in the name of and on behalf of the policyholder in shares of Collective Investment Institutions and other financial assets chosen by the policyholder, who bears the investment risk.
Value at Risk (VaR)	Value at Risk (VaR) is the basic variable for measuring and controlling the Group's market risk. This risk metric estimates the maximum loss that may occur in a portfolio's market positions for a particular time horizon and given confidence level. VaR figures are estimated following the methodology of VaR without smoothing, which awards equal weight to the daily information for the immediately preceding last two years. This is currently the official methodology for measuring market risks vis-à-vis compliance limits of the risk.
Variable Fee Approach (VFA)	This is one of the three measurement models for the valuation of insurance and reinsurance contracts. Applies to those insurance contracts in which the requirements established by IFRS 17 par.B101 are met: fully identified underlying assets, significant participation of the policyholder in the profitability of the underlying assets and that the payment of future benefits is significantly related to the value of the underlying assets.
Watch List (WL)	Watch List is defined as such risk that, derived from an individualized credit assessment, involves a significant increase in credit risk from the moment of origination, due to economic or financial difficulties or because it has suffered, or is estimated to suffer, adverse situations in its environment, without meeting the criteria for its classification as non-performing.

Write- off	When the recovery of any recognized amount is considered to be remote, this amount is removed from the balance sheet, without prejudice to any actions taken by the entities in order to collect the amount until their rights extinguish in full through expiry, forgiveness or for other reasons.
Yield curve risk	Risks arising from changes in the slope and the shape of the yield curve.

Legal disclaimer

This document is provided for informative purposes only and is not intended to provide financial advice and, therefore, does not constitute, nor should it be interpreted as, an offer to sell, exchange or acquire, or an invitation for offers to acquire securities issued by any of the aforementioned companies, or to contract any financial product. Any decision to purchase or invest in securities or contract any financial product must be made solely and exclusively on the basis of the information made available to such effects by the relevant company in relation to each such specific matter. The information contained in this document is subject to and should be read in conjunction with all other publicly available information of the issuer.

This document contains forward-looking statements that constitute or may constitute "forward-looking statements" (within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995) with respect to intentions, objectives, expectations or estimates as of the date hereof, including those relating to future targets of both a financial and non-financial nature (such as environmental, social or governance ("ESG") performance targets).

Forward-looking statements may be identified by the fact that they do not refer to historical or current facts and include words such as "believe", "expect", "estimate", "project", "anticipate", "duty", "intend", "likelihood", "risk", "VaR", "purpose", "commitment", "goal", "target" and similar expressions or variations of those expressions. They include, for example, statements regarding future growth rates or the achievement of future targets, including those relating to ESG performance.

The information contained in this document reflects our current expectations, estimates and targets, which are based on various assumptions, judgments and projections, including non-financial considerations such as those related to sustainability, which may differ from and not be comparable to those used by other companies. Forward-looking statements are not guarantees of future results, and actual results may differ materially from those anticipated in the forward-looking statements as a result of certain risks, uncertainties and other factors. These factors include, but are not limited to, (1) market conditions, macroeconomic factors, domestic and international stock market conditions, exchange rates, inflation and interest rates, geopolitical tensions and tariff policies; (2) regulatory, oversight, political, governmental, social and demographic factors; (3) changes in the financial condition, creditworthiness or solvency of our clients, debtors or counterparties, such as changes in default rates, as well as changes in consumer spending, savings and investment behavior, and changes in our credit ratings; (4) competitive pressures and actions we take in response thereto; (5) performance of our IT, operations and control systems and our ability to adapt to technological changes; (6) climate change and the occurrence of natural or man-made disasters, such as an outbreak or escalation of hostilities; (7) our ability to appropriately address any ESG expectations or obligations (related to our business, management, corporate governance, disclosure or otherwise), and the cost thereof; and (8) our ability to successfully complete and integrate acquisitions. In the particular case of certain targets related to our ESG performance, such as, decarbonization targets or alignment of our portfolios, the achievement and progress towards such targets will depend to a large extent on the actions of third parties, such as clients, governments and other stakeholders, and may therefore be materially affected by such actions, or lack thereof, as well as by other exogenous factors that do not depend on BBVA (including, but not limited to, new technological developments, regulatory developments, military conflicts, the evolution of climate and energy crises, etc.). Therefore, these targets may be subject to future revisions.

The factors mentioned in the preceding paragraphs could cause actual future results to differ substantially from those set forth in the forecasts, intentions, objectives, targets or other forward-looking statements included in this document or in other past or future documents. Accordingly, results, including those related to ESG performance targets, among others, may differ materially from the statements contained in the forward-looking statements.

Recipients of this document are cautioned not to place undue reliance on such forward-looking statements.

Past performance or growth rates are not indicative of future performance, results or share price (including earnings per share). Nothing in this document should be construed as a forecast of results or future earnings.

BBVA does not intend, and undertakes no obligation, to update or revise the contents of this or any other document if there are any changes in the information contained therein, or including the forward-looking statements contained in any such document, as a result of events or circumstances after the date of such document or otherwise except as required by applicable law.

Audit Report

Audit Report on Financial Statements issued by an Independent Auditor

BANCO BILBAO VIZCAYA ARGENTARIA, S.A. AND SUBSIDIARIES

Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2025

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

The better the question.
The better the answer.
The better the world works.

Shape the future
with confidence

Shape the future
with confidence

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AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

(Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails. See note 57.)

To the shareholders of Banco Bilbao Vizcaya Argentaria, S.A.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, the "Bank") and its subsidiaries, which, together with the Bank, form Banco Bilbao Vizcaya Argentaria Group (hereinafter, the "Group"), which comprise the consolidated balance sheet at December 31, 2025, the consolidated income statement, the consolidated statement of recognized income and expenses, the consolidated statement of total changes in equity, the consolidated statement of cash flows, and the consolidated notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2025 and of its consolidated financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

A member firm of Ernst & Young Global Limited.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Estimate of impairment losses due to credit risk on the portfolio of loans and advances to customers at amortized cost

Description

The Group's portfolio of loans and advances to customers at amortized cost presented a balance of Euros 460,401 million at December 31, 2025, net of valuation adjustments. Valuation adjustments included Euros 12,297 million of provisions for impairment losses due to credit risk, as disclosed in notes 7 and 14 to the accompanying consolidated financial statements. Estimating provisions for impairment on the portfolio of loans and advances to customers at amortized cost is important and complex. It considers a number of variables, such as classification of the financial assets, the use of measurement methods and models, and the utilization of assumptions used in the calculation. Allowances and provisions are calculated on both an individual and collective basis. This calculation requires high degree of judgment by management according to the principles and policies applied by the Group, as described in notes 2 and 7 to the accompanying consolidated financial statements.

For the purpose of estimating impairment, financial assets classified as loans and advances to customers measured at amortized cost are classified into three categories or stages according to whether a significant increase in credit risk since their initial recognition has been identified (stage 2), whether the financial assets are credit-impaired (stage 3), or whether neither of these circumstances has arisen (stage 1). Establishing this classification is a relevant process for the Group as the calculation of allowances and provisions for credit risk varies depending on the stage in which the financial asset has been included.

Individual estimates of impairment losses consider the borrower's payment capacity based on estimates of its future business performance and the market value of the collateral provided for credit transactions.

Meanwhile, collective estimates of impairment losses is performed by means of internal models that use large databases, as well as present, past and forward-looking information, which includes the estimation of different macroeconomic scenarios. Estimating impairment losses is a highly automated and complex process that relies on segmentation criteria for exposures and the use of judgment and assumptions in determining exposure at default (EAD) and the parameters of expected loss: probability of default (PD) and loss given default (LGD). The Group periodically recalibrates and performs contrast tests on its internal models carried out by an Internal Validation Unit, and analyzes sensitivity to macroeconomic scenarios with a view to improving their predictive power on the basis of actual past experience.

Moreover, as described in note 7.2 of the accompanying consolidated financial statements, the Group may supplement the expected losses to account for the effects that may not be included in them, either by considering additional risk factors, or by the incorporation of sectorial particularities or particularities that may affect a set of operations or borrowers.

Given the importance for the Group of the portfolio of loans and advances to customers at amortized cost and, thus, the related allowances and provisions, the complexity and high degree of judgment used in classifying exposures and calculating those allowances and provisions, we determined the estimate of impairment losses due to credit risk on this portfolio to be a key audit matter.

Our response

Our audit approach in relation to this matter included understanding the processes put in place by management to estimate impairment of loans and advances to customers at amortized cost due to credit risk, evaluating the design and implementation of the relevant controls established in those processes and testing their operating effectiveness. We have further performed tests of detail on that estimate.

Our procedures related to the assessment of the design and implementation of the relevant controls and testing of their operating effectiveness focused on:

- Credit risk management framework, including the processes of design and approval of accounting policies, and of the methodologies and models for estimating expected loss.
- Classification of transactions into stages based on credit risk, whether or not there has been an increase in credit risk since their initial recognition or whether they are credit-impaired based on criteria defined by the Group.
- The methods and assumptions used to estimate EAD, PD and LGD and to determine the macroeconomic variables.
- The integrity, accuracy and updating of the databases used to calculate expected loss.
- The control framework on internal models for the collective estimate of impairment losses and the variables used to estimate impairment losses calculated individually.
- The governance framework on the identification and where applicable, calculation and allocation of additional adjustments to impairment losses identified in the general process.
- Activities by the Internal Validation Unit in relation to the recalibration and contrast testing of the models for estimating collective impairment losses.

Our tests of detail on the estimated impairment losses included the following:

- We assessed the suitability of accounting policies applied by the Group in accordance with the applicable financial reporting framework.
- With respect to impairment losses determined on a collective basis, we assessed the methodology applied by Management, as well as verified the data and assumptions used and the arithmetic accuracy of the calculations performed through, among others, the following procedures:
  - We evaluated, with the assistance of our credit risk specialists the approach and methodology used by the Group by analyzing a sample of internal models;
  - We performed tests of detail on the integrity, accuracy and updating of the databases used by the Group in determining the stage of exposures (e.g., days past due, existence of refinancing operations or value of collateral and guarantees);
  - We assessed the appropriateness of the judgements and assumptions considered in estimating the parameters of the expected credit loss (for example, the determination of data observation windows, segmentation criteria or recovery periods) and performing a calculation replica for a sample of such parameters.
  - With the involvement of our economic research specialists, we compared the estimation of the macroeconomic models and scenarios used by Management with external data and independent estimates;
  - We performed tests of details on a sample of transactions to evaluate their correct classification and segmentation for the purposes of estimating their impairment; and
  - We assessed the functioning of the expected loss calculation engine by recalculating the impairment losses determined on a collective basis for significant credit portfolios.
- We reviewed a sample of transactions to assess the correctness of their classification and the assumptions used by management to identify and quantify impairment losses on an individual basis, including the borrower's financial position, forecasts of future cash flows and, where applicable, the value of collateral and guarantees, as well as the discount rates applied.
- We also evaluated the adequacy of Management's assessment regarding the need or not to record supplementary adjustments to the impairment losses identified in the general process.

In addition, we assessed whether the detailed disclosures in the notes to the consolidated financial statements were prepared in conformity with the criteria provided in the financial reporting framework applicable to the Group.

Fair value measurement of financial instruments

Description

On December 31, 2025, the Group had financial assets and financial liabilities recognized at fair value, determined as the market price of a financial instrument. As disclosed in note 8 to the accompanying consolidated financial statements, for many of the financial assets and liabilities of the Group, especially in the case of derivatives, there is no market price available, so its fair value is estimated by management on the basis of the price established in recent transactions involving similar instruments or, in the absence thereof, by using mathematical valuations models. These financial assets and liabilities for which there is no available market price are classified for valuation purposes, in level 2 and 3 of the fair value hierarchy as defined in note 8 to the accompanying consolidated financial statements.

The estimates of the fair value derived from the use of such models take into consideration the specific features of the asset or liability to be measured and, in particular, the various types of risk associated with such asset or liability. However, the limitations inherent in the measurement models and possible inaccuracies in the assumptions and parameters required by these models may mean that the estimated fair value of an asset or liability does not exactly match the price for which the asset or liability could be exchanged or settled on the date of its measurement. These measurements are compared, as much as possible, against other sources such as the measurements obtained by the business teams and/or those obtained by other market participants.

Additionally, the Group applies valuation adjustments considering risk criteria relating to both its own credit risk and that of counterparties, valuation risk for funding, and valuation risks for uncertainty in the measurement or for prudent valuation considerations.

We have considered the estimates of the fair value derived from the use of such mathematical valuation models as a key audit matter because they involve a high degree of judgment by management by Management, either in determining the model and/or in estimating the hypotheses and parameters required by them.

Our response

Our audit procedures focused on assessing the models and valuation methods used by the Group to estimate fair value of financial instruments for which there is no available market price. To do so, we obtained an understanding of the process followed by management to measure these financial instruments, assessed the design and implementation of the relevant controls established by the Group in that process, and tested the operating effectiveness of those controls. We also performed tests of detail on the estimates made by the Group.

Our procedures related to the assessment of the design and implementation of the relevant controls of the process and testing of their operating effectiveness focused on:

- Risk management framework and controls related to operations in financial markets.
- The design and approval of accounting policies, and of the methodologies and models for measuring fair value of financial instruments, and its effect on the fair value hierarchy.
- Analysis of the integrity, accuracy and updating of the data used for measuring financial instruments, and of the control and management process in place with regard to existing databases.

- The work performed by the internal validation unit in relation to the appropriateness of the data and assumptions considered by Management in the valuation of financial instruments and in the back-testing of the valuation models.

With respect to the tests of details performed, in which we involved our financial instruments valuation specialists, these consisted mainly of the following:

- We assessed the reasonableness of the most significant valuation models used by the Group, and of the significant assumptions applied, particularly inputs not directly observable in the market, such as the credit spread, certain interest rate curves, correlations and volatilities, among others.
- For a sample of financial instruments for which there is no market price available measured at fair value, we assessed the correctness of their classification for measurement purposes in the fair value hierarchy, the appropriateness of the valuation criteria applied and the reasonableness of their valuation either by contrasting this with a valuation performed independently by our specialists in valuation of financial instruments, in the case of derivatives and debt instruments, or by reviewing third-party valuation reports, in the case of unlisted equity instruments, contrasting the hypotheses used with those estimated independently by our valuation specialists.
- For the most significant valuation adjustments, we analysed the accuracy of the data and the appropriateness of the assumptions used by Management, as well as performed an independent recalculation for a sample of these adjustments.

In addition, we assessed whether the detailed disclosures in the notes to the consolidated financial statements were prepared in conformity with the criteria provided in the financial reporting framework applicable to the Group.

Risks associated with information technology

Description

The continuity of the Group's business operations is highly dependent upon its technological infrastructure (IT). In this respect, the Group has a complex technological operating environment, with large data processing centers in Spain and Mexico providing support to the various countries in which the Group operates, as well as local data processing centers. This technological environment must reliably and efficiently satisfy business requirements and ensure that the Group's financial information is processed correctly.

In this environment, it is essential to assess issues such as the organization and risk management framework of its IT area, which must ensure appropriate management of technological risks that could impact on information systems, as well as controls on physical and logical security and managing, developing and exploiting systems, databases and applications used in the financial reporting process. We have therefore determined the risks associated with IT to be a key audit matter.

Our response

Within the context of our audit, we obtained an understanding, with the assistance of our specialists in information systems, of the information flows and the internal control environment of the Group regarding the operating systems, databases and applications involved in the financial reporting process evaluating both the design and implementation and the operational effectiveness of the general controls on IT. Our audit procedures included, among others, the following:

- Evaluating the risk management framework related to technological risks.

- Testing access controls and logical security to key operating systems, databases and applications for generating financial information.
- Testing controls over maintenance, development and use of applications and systems that are relevant to processing financial information.
- Evaluating the design, implementation and effectiveness of the changes made by Management to strengthen access controls in the environment of certain applications, as well as testing compensating controls established by Management when necessary or other mitigating factors.

Other information: consolidated management report

Other information refers exclusively to the 2025 consolidated management report, the preparation of which is the responsibility of the Bank's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that the consolidated non-financial statement and certain information included in the Corporate Governance Report and in the Board Remuneration Report, to which the Audit Law refers, were provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2025 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the Bank´s directors and the Audit Committee for the consolidated financial statements

The directors of the Bank are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Bank are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about wether the consolidated financial statements as a whole are free from material misstatement, wether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion

We communicate with the audit committee of the Bank regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Bank with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threads or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of Banco Bilbao Vizcaya Argentaria, S.A. and subsidiaries for the 2025 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of Banco Bilbao Vizcaya Argentaria, S.A. are responsible for submitting the annual financial report for the 2025 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Corporate Governance Report and the Board remuneration report have been incorporated by reference in the consolidated management report.

Our responsibility consists of examining the digital files prepared by the directors of the Bank, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.

Additional report to the Audit Committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on February 12, 2026.

Term of engagement

The ordinary general shareholders' meeting held on March 21, 2025 appointed us as auditors for the year ended December 31, 2025.

Previously, we were appointed by resolution of the General Shareholders' Meeting for a three-year period, and we have performed the audit of the annual financial statements on an uninterrupted basis since the financial year ended 31 December 2022.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signed in the original version in Spanish)

José Carlos Hernández Barrasús
(Registered in the Official Register of Auditors under No. 17469)

February 12, 2026