

A photograph of the BBVA building at night. The building is a large, modern structure with a curved, semi-circular facade. It has many floors with large glass windows, and the interior lights are on, making the building glow. The BBVA logo is visible on the upper right side of the building. The sky is dark blue.

BBVA

# Activity of the Board Committees in 2023

This English version is a translation of the original in Spanish for information purposes only. In case of discrepancy the original in Spanish shall prevail.

# 1. Audit Committee

In accordance with Article 48 of the Bylaws and Article 32 of the Regulations of the Board of Directors, the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter “BBVA”, the “Bank”, or the “Entity”), in order to better perform its functions, has set up an Audit Committee that assists the Board in overseeing the preparation of the financial statements and the disclosure of public information, the relationship with the External Auditor and those related to Internal Audit.

In addition to the provisions set out in the legislation and in the Regulations of the Board of Directors, the Committee's functions, terms of reference and composition are set forth in its own Regulations,

approved by the Board of Directors and available on the Bank's website ([www.bbva.com](http://www.bbva.com)), in the sub-section on Corporate Governance and Remuneration Policy under the broader Shareholders and Investors section.

In order to better perform its functions, the Audit Committee also takes into account existing best practices and recommendations on matters issued by both national and international bodies. Thus, in order to draw up this report, the recommendations established by the Spanish National Securities Market Commission (“CNMV”) Technical Guide 3/2017 on audit committees at public interest entities were taken into consideration.

## 1.1. Composition of the Audit Committee

In accordance with the Regulations of the Board of Directors, the Audit Committee will be exclusively composed of independent directors.

In 2023, the composition of the Audit Committee was amended to bring it in line with the changes to have taken place in the composition of the Board of Directors, and also due to the mandatory rotation of the Chair every four years, as provided for in the Regulations. Thus, at the close of the 2023 financial year, the Audit Committee comprised the following directors, all of whom had independent status:

NAME	ROLE	TYPE	DATE OF APPOINTMENT AS COMMITTEE MEMBER
José Miguel Andrés Torrecillas*	Chair	Independent	04/05/2015
Jaime Félix Caruana Lacorte*	Member	Independent	29/04/2019
Connie Hedegaard Koksang	Member	Independent	26/04/2023
Sonia Dulá*	Member	Independent	26/04/2023
Lourdes Máiz Carro*	Member	Independent	04/05/2015
Ana Cristina Peralta Moreno*	Member	Independent	27/06/2018

\*Have been appointed on the basis of their knowledge and experience in accounting and/or auditing

The Bank's Audit Committee comprises directors with extensive experience and knowledge in accounting and auditing. As a whole, Committee members possess relevant technical knowledge in the financial sector. The profiles of each Committee member, including information about their education and professional experience, can be found on the Bank's website ([www.bbva.com](http://www.bbva.com)), under the Corporate Governance and Remuneration Policy section.

This English version is a translation of the original in Spanish for information purposes only. In case of discrepancy the original in Spanish shall prevail.

## 1.2. Functioning of the Audit Committee

In accordance with Article 6 of its Regulations, the Audit Committee shall meet whenever called by its Chair, who is empowered to call the Committee and to set the agenda for its meetings, in accordance with the procedure set out for the calling of ordinary and extraordinary meetings. The Committee will thus endeavor to establish an annual calendar of meetings, considering the amount of time to be devoted to various tasks.

The Committee performs its duties with full operational autonomy, and it is led by its Chair who, in order to promote a diversity of views that enriches the Committee's analyzes and proposals, ensures that all members participate freely in deliberations and promotes constructive dialogue among them, encouraging the free expression of their views.

The executives in charge of departments responsible for matters that fall within the Committee's remit may be called to the meetings. In particular, this applies to Accounting and Internal Auditing, which may also request the attendance of other individuals within the Group who have knowledge of, or responsibility for, the matters covered by the agenda, if and when their presence at the meeting is deemed appropriate.

The Committee may also call any other Group employee or manager, and even arrange for them to attend without the presence of any other manager. However, the attendance of persons otherwise unrelated to the Committee, such as managers and employees of the Bank, should be limited to those cases where their presence is necessary and to the items of the agenda for which they are called. In any event, the Committee will endeavor to hold private meetings with the head of the Internal Audit area and with the External Auditor's representatives, without the attendance of other persons and at appropriate intervals.

Furthermore, the Committee may engage external advisory services on any matters considered pertinent when it believes that these services cannot be properly provided by experts or technical staff within the Group on grounds of specialization or independence, and may solicit personal cooperation and reports from any employees or members of Senior Management if deemed necessary in order to comply with its functions in relevant matters.

The Audit Committee met on a total of 12 occasions over the course of the 2023 financial year, with all of its members participating in the meetings either in person or duly represented.

In 2023, senior executives from the areas responsible for the matters submitted for the Committee's consideration attended the Committee's meetings when necessary and when invited to do so. They only intervened on the points of the agenda for which they were invited, along with the external advisers that the Committee deemed necessary to engage in order to best perform its functions.

In addition, the Committee reported to the Board of Directors on the activity that took place at each of its meetings, through reports made available to Board members at the Board meetings held after each corresponding committee meeting.

## 1.3. Functions of the Audit Committee

The Committee's remit is set out in Article 5 of the Audit Committee Regulations. The Committee's main duties are summarized as follows:

- To report to the General Shareholders' Meeting on any issues that fall within the Committee's remit and, in particular, on the result of the audit, explaining how the audit has contributed to the integrity of the financial information and the role played by the Committee in this process.
- Oversee the drafting and presentation of the financial information and submit recommendations or proposals to the Board of Directors aimed at safeguarding its completeness.
- To analyze the financial statements of the Bank and of its consolidated Group, as contained in the annual, half-yearly and quarterly reports, as well as all other required financial and related non-financial information, before such information is submitted to the Board of Directors and in enough detail to guarantee its accuracy, reliability, sufficiency and clarity.
- To review the necessary consolidation perimeter, the correct application of accounting criteria and all the relevant changes relating to the accounting principles used and the presentation of the financial statements.
- To oversee the effectiveness of the Bank's internal control and risk management systems in the process of preparing and reporting financial information, including tax-related risks.
- With regard to the Internal Audit area: a) to propose the selection, appointment, re-election and removal of the Head of the Internal Audit area to the Board of Directors; b) to monitor the independence, effectiveness and functioning of the Internal Audit area; c) to analyze and establish targets for the Head of the Internal Audit area and evaluate their performance, presenting its proposal on both matters to the Remuneration Committee in order to ensure adherence to the remuneration model applicable to the Group's Senior Management at any given time, submitting these proposals to the Board of Directors; d) to ensure that the Internal Audit area has the necessary material and human resources to effectively perform its functions; and e) to analyze and, as the case may be, approve the annual work plan for the Internal Audit area, as well as any other occasional or specific plans that may need to be implemented due to regulatory changes or as required for the proper organization of the Group's business.
- Receive monthly information from the Head of Internal Audit area regarding the activities carried out by the Internal Audit area, as well as regarding any incidents and obstacles that may arise, and verify that the Group's Senior Management takes into account the conclusions and recommendations of the Chair's reports.
- To be aware of the audited units' degree of compliance with the corrective measures previously recommended by the Internal Audit area and inform the Board of those cases that may involve a significant risk for the Group.

- To submit any proposals for the selection, appointment, re-election and replacement of the External Auditor to the Board of Directors, taking responsibility for the selection process in accordance with applicable regulations, as well as for the engagement terms, and periodically obtain information from the external auditor on the External Audit plan and its execution, in addition to preserving its independence in the performance of its functions.
- Ensure the independence of the auditor in two senses: (i) avoiding any influence that may condition the auditor's warnings, opinions or recommendations may be adversely influenced and, (ii) establishing incompatibility between the provision of audit and consulting services, except in the case of engagements required by supervisors or when the provision of which by the statutory auditor is permitted by applicable legislation, and there are no alternatives on the market that are equal in terms of content, quality or efficiency to those provided by the statutory auditor, in which case, agreement by the Committee will be required. The auditor will be prohibited from providing unauthorized services outside the scope of the audit, in compliance with the auditing legislation in force at any given moment.
- To establish appropriate relations with the statutory auditor in order to receive information on any matters that may jeopardize its independence and any other matters in connection with the auditing process, as well as those other communications provided for by law and in auditing standards.
- To issue, on an annual basis and before the audit report is issued, a report expressing an opinion on whether the statutory auditor's independence has been compromised.
- To verify, at appropriate intervals, that the external audit schedule is being carried out in accordance with the contract conditions and is thereby meeting the requirements of the competent official authorities and corporate bodies.
- To report on all matters within its remit as provided for by law, the Bylaws, the Regulations of the Board of Directors and the Audit Committee Regulations prior to any decisions that the General Shareholders's Meeting, the Board of Directors, or the Executive Committee may be required to adopt, and in particular on: financial information that the Company is required to disclose; economic conditions and the accounting impact of relevant corporate operations and structural modifications; the creation or acquisition of shares in special purpose entities or in entities domiciled in tax havens or territories considered to be tax havens; and related-party transactions.



## 1.4. Activity of the Audit Committee in 2023

The main issues that were raised in relation to matters within the Committee's remit, as well as the Committee's main activities conducted over the course of the 2023 financial year, are listed below:

### Financial and accounting information

Pursuant to the duties set out in the Audit Committee Regulations, the Committee analyzed and supervised, prior to their presentation to the Board and with the necessary depth to ascertain their accuracy, reliability, sufficiency and clarity, the process of preparing and presentation the mandatory financial and related non-financial information on the Bank and its consolidated Group, as contained in the annual, half-yearly and quarterly reports. In doing so, the Committee had access to all the information it considered necessary, and with the level of aggregation it deemed appropriate, and was able to rely on the support of the Group's Senior Management as and when needed, particularly the Accounting department, as well as the External Auditor of the Bank and its Group.

These financial reporting oversight functions were carried out through on a continuous basis throughout the year, during which the Committee monitored the monthly trend and performance of the key figures shown on the statement of financial position and the income statement, the quarterly and half-yearly financial reports, the closing results of each period and the process of preparing the corresponding financial information. In this task, it paid close attention to the accounting principles, policies, criteria and valuations applied and the changes therein, applicable accounting regulations and changes therein, and the ongoing situation regarding the Group's consolidation scope, analyzing also all such additional information as it considered appropriate for the best performance of its duties.

In addition, the Committee carried out special monitoring and constant monthly analysis of the main impacts, from an accounting viewpoint, on the businesses and on the balance sheet and income statement of the Bank and its Group.

Of particular note are the analysis and supervisory activities carried out by the Committee in 2023 in relation to the following key matters: (i) the breakdown of the qualitative and quantitative impacts following the implementation of IFRS 17, on insurance contracts; (ii) the impacts on equity of the designation of Venezuela, Argentina and Turkey as hyperinflationary economies; (iii) the exercise to update the macroeconomic outlook in the calculation of the expected loss due to credit risk, in application of the IFRS 9 accounting regulations; and (iv) the review (recalibration, as per the accounting term) of the model and associated parameters for the calculation of provisions, as well as the management adjustments made to the provisions set up, as a consequence of the uncertainty looming over the macroeconomic scenario for the financial year.

The Committee also analyzed and monitored other accounting considerations in financial year 2023, including: (i) the valuation of the stake in Garanti BBVA, recorded in the financial statements of BBVA, S.A.; (ii) the recognition of in financial year 2023 of the temporary banking tax in Spain; and (iii) the share buyback programs executed in 2023.

Hence, prior to their drafting and/or approval by the Board of Directors, the Committee oversaw the preparation of the individual and consolidated annual financial statements for the financial year, the half-yearly and quarterly financial statements, as well as other relevant financial information, including the CNMV Universal Registration Document, U.S. SEC Form 20-F of the Securities and Exchange Commission (SEC), and the Prudential Relevance Report, among others, submitting to the Board the corresponding reports and/or favorable opinions of the Committee on the financial information of the Bank and its Group.

Notably, that the Audit Committee has submitted a favorable opinion to the Board of Directors with regard to the annual financial statements of the Bank and the consolidated Group for 2023, which are to be laid before the shareholders at the Bank's upcoming 2024 Annual General Shareholders' Meeting. The Committee's opinion was that, with regard to content and form, the statements comply with applicable accounting requirements and have been drawn up in accordance with applicable accounting policies and criteria.

The Committee also expressed its favorable opinion on the contents of the Management Report for BBVA and the BBVA Group, in that they provide an accurate analysis of the business performance and results of the Bank and its Group, along with a description of the main risks and uncertainties that they faced, as well as the non-financial information required under applicable law and regulations.

The Committee also monitored and expressed its agreement with the non-financial information required by the relevant legislation (specifically by Act 11/2018 of December 28), which is included in the Management Report of the Bank and its consolidated Group and includes the information needed to understand the Group's performance, results and position, and the impact that its activity had on environmental and social issues relating to employees, human rights and the fight against corruption and bribery, among other matters. Likewise, it analyzed the structure and content of the Non-Financial Information Statement appended to the Management Report of the Bank and its Group, corresponding to the financial year 2023, being informed of the adequacy of its content to the regulatory framework applicable to the Group and the news, regarding the breakdown of information on sustainability, incorporated with respect to that corresponding to the previous year.

Thus, the Audit Committee proposed the Bank's Board of Directors that it authorized for issue BBVA's annual financial statements and management reports, both individual and consolidated, for the 2023 financial year, under the same terms as they are to be submitted at the Bank's 2024 Annual General Shareholders' Meeting, and that they be accompanied by the corresponding audit report issued by the External Auditor, Ernst & Young, S.L. (hereinafter "EY" or the "External Auditor") in which it expresses its favorable and unqualified opinion.

Furthermore, in accordance with the best practices and provisions of Article 5 of its Regulations, the Committee ensured that the External Auditor met with the Board of Directors to explain its audit opinion on the annual financial statements of BBVA and its Group for the 2023 financial year and on changes in the accounting, financial and risk position of the Bank and its Group.

## Internal control systems

As part of the process of supervising the Group's financial reporting, the Committee oversaw the sufficiency, suitability and effective functioning of the internal control systems established by the BBVA Group and the risk management systems for the process of preparing the financial information, including tax systems.

In this regard, the Committee supervised and was made aware of the various reports prepared, both in-house and by the Group's External Auditor, on the effectiveness of the internal control over financial reporting systems.

The Committee holds a positive view of the External Auditor's conclusions, which found that the BBVA Group has a sound and reliable model of internal control over financial reporting, in accordance with the requirements stipulated by applicable regulations, thus ensuring that the financial information is prepared correctly and while following the necessary procedures and related controls. The Committee therefore submitted to the Board of Directors the corresponding report, expressing its favorable opinion on the internal control systems established by the Group for the process of preparing the financial information.

## Tax risks

The Committee has continuously monitored the main issues relating to the Group's tax risks during the financial year, by means of the report of the Group Head of Tax, supervising tax strategy and management. This included, among other matters, real tax rate, total tax risk, the tax position on capital, as well as the main criteria used, the main tax decisions adopted and the impact on the Group's financial information. In addition, every year it is informed of the content of the Transparency Report presented to the Spanish Tax Agency within the framework of the Code of Good Tax Practices.

Also, the Committee monitored the main changes envisaged when updating the Tax Policy of the BBVA Group and expressed its agreement prior to their scrutiny by the Board of Directors.



## Relations with the External Auditor

Given that the external audit is one of the key elements in the chain of controls in place to ensure the quality and integrity of the financial information, the Audit Committee has built an appropriate relationship with EY, the statutory auditor of the Bank and its Group for financial years 2022, 2023 and 2024. Thus, the heads of the External Auditor have provided the Audit Committee with direct information, at all the Committee meetings held in 2023, on its strategy and work plan, the degree of progress of its activity and its significant findings

As regards the completion of audits, the Committee was informed of and analyzed, among other matters, the following:

- The progress of the work carried out by the External Auditor over the course of the financial year, including the planning of the audit of the annual financial statements of the Bank and its Group, of the half-yearly and quarterly financial statements, as well as other relevant financial information reviewed in the audit. .
- Audit opinions, limited review reports issued on the Group's main financial information, as described in the section on financial and accounting information, for filing with the pertinent national and international supervisory bodies. A favorable and unqualified opinion was received from the External Auditor in all cases.
- Opinions on the Group's internal control system for the process of preparing financial information, including that required by the Sarbanes Oxley Act (SOX) in the United States, also issued with a favorable and unqualified opinion.
- The conclusions of the external auditor in accordance with the supplementary report to the 2022 annual financial statements required by the Bank of Spain.

In addition, senior representatives from the External Auditor took part in all of the Committee's meetings held throughout the year, with permanent contact being established through the Committee Chair. Work meetings were also held to analyze certain specific issues related to the information reviewed in the audit and to facilitate the Bank's response to any potential incidents that may have arisen during the course of their work.

Similarly, the Committee ensured that internal procedures were put in place to avoid any situations that might threaten the independence and objectivity required of the External Auditor, insisting on the incompatibility of audit services with consulting services. It also ensured that the External Auditor had access to all of the information it needed to perform its work and that it received full cooperation from all of the Group's areas and departments.

In addition, the Committee verified the statements made by the External Auditor regarding its independence with regards to BBVA and its Group companies, and issued and submitted to the Board its report confirming the external auditor's independence, in accordance with applicable law and regulations. This report is attached to this report as an appendix, in accordance with good governance recommendations.

The Committee also analyzed the global fee proposal submitted by the External Auditor for services to be rendered in 2023, prior to it being submitted to the Board for scrutiny.

## Internal Audit

With regard to the functions carried out by the Group's Internal Audit area, on which the head of the area reports directly to the Audit Committee at all its monthly meetings, the Committee supervised compliance with, and progress toward, the Annual Internal Audit Plan for financial year 2023. It also approved, following the supervision work carried out, the Annual Work Plan for 2024.

When monitoring and overseeing the activities of the Internal Audit department, the Committee was informed of and analyzed the results of the department's most relevant work, as well as the identified weaknesses and possibilities for improvement, the reports issued by the department and the recommendations made, as well as the specific action plans defined and implemented for their resolution, regularly monitoring those that were most relevant to the Bank and its Group.

Similarly, the Committee ensured that the Internal Audit area had the necessary material and human resources for effective performance of its duties, overseeing, for this purpose, the function's efficiency and operation, its established organizational measures, and its independence from other areas of the Bank.

With regard to the Strategic Plan established by the Internal Audit area for the 2020–2024 period, the Committee was informed of the Plan and regularly monitored its progress during the financial year,

analyzing the development of all projects established for each of the strategic priorities defined, having completed the entirety of its engagements one year in before the expected date and meeting the initially established goals.

Likewise, it has analyzed the update made by the area on the Internal Audit Statute, supervising the main modifications foreseen regarding its regulation, having agreed, prior to its submission to the consideration of the Board of Directors, its compliance with the proposed modification of the Internal Audit Statute; ratified the engagements awarded to the Group's External Auditor that were not included in the overall bid for services and that had been approved in advance by the Chair of the Committee, analyzing their compliance with applicable independence requirements. The Committee was also informed of the conclusions of the review of the Internal Audit function by an independent external expert, having earned the highest possible rating regarding compliance with the International Standards for the Professional Practice of Internal Auditing and that no recommendations applicable to the function were identified, having, however, the external expert conveyed some suggestions for improvement, the implementation of which was not mandatory to comply with the standards of the Institute of Internal Auditors.

Lastly, the Committee assessed the performance of the Head of Internal Audit, based on the system of indicators and targets proposed by the Group's Talent & Culture area.

## Investment transactions

In accordance with article 5.16 of its Regulations, the Committee was informed of and analyzed, prior to the consideration thereof by the Board of Directors, about the investment transactions in entities domiciled in countries or territories considered tax havens in the financial year, reviewed their financial conditions, tax implications and impacts in terms of accounting, and capital, issuing its favorable report to the Board of Directors. To this end, it relied on the information and analysis from the Bank's executive areas and, where applicable, on the cooperation of any external experts whose assistance it considered appropriate

## Related-party transactions

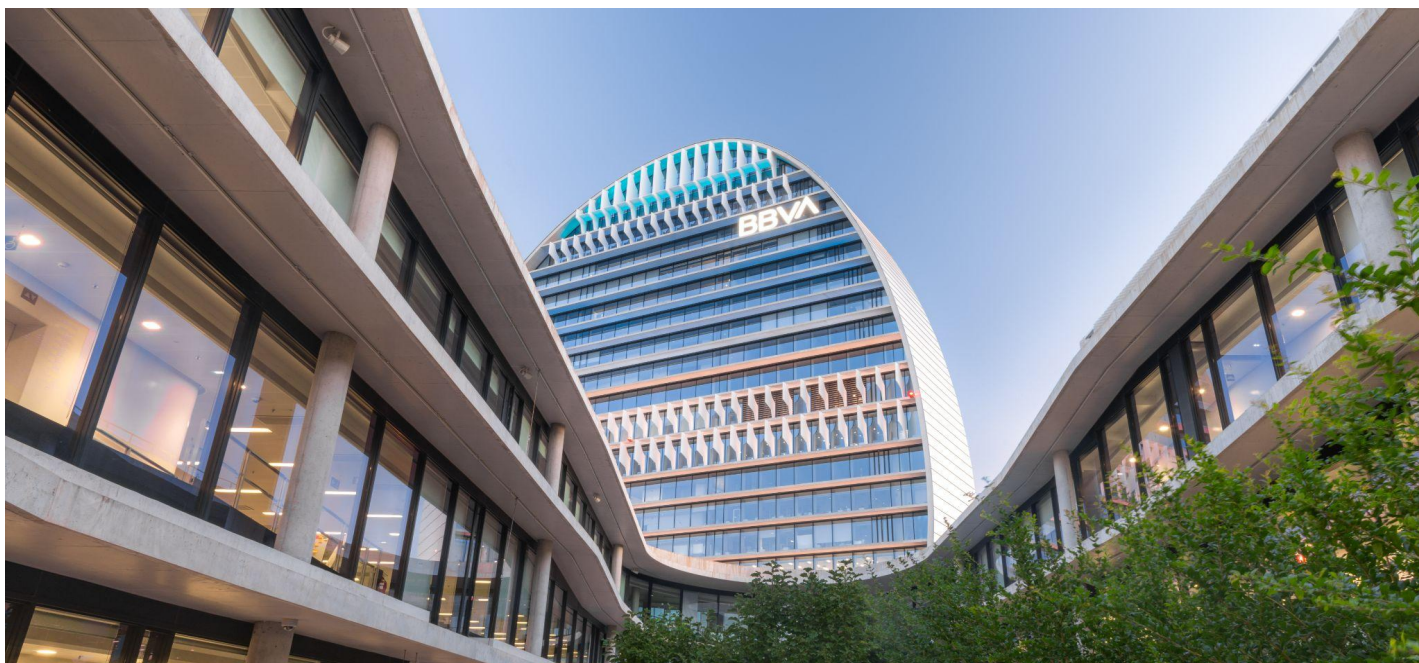
In accordance with Article 5.16 of its Regulations, prior to the decisions that, when applicable, are to be adopted by the General Shareholders' Meeting or the Board of Directors, one of the Audit Committee's functions is to report on the related-party transactions that BBVA, or the companies in its Group, carry out with directors or shareholders who hold a significant shareholding, or with any other person who qualifies as a party related to the Bank in accordance with applicable law and regulations.

Throughout 2023, the Audit Committee oversaw the procedure for the delegation of related-party transactions agreed by the Board, as it is authorized to do under the Corporate Enterprises Act, in order to verify the fairness and transparency of the transactions and compliance with the legal criteria applicable to the delegation of such transactions.

## 1.5. Annual assessment

All of the above issues, along with other matters within its remit, were included in the Committee's activity report for the 2023 financial year, which, along with the quarterly reports by the Chair of the Audit Committee on the Board during the financial year and the monthly activity reports of the Committee made available to directors, has provided the Board with sufficient information regarding the activities carried out by the Committee and allowed the Board to assess its functioning.

In addition, the Audit Committee, at its meeting of January 26, 2024, analyzed the Committee's activity report for the 2023 financial year, which, in compliance with the provisions of the Regulations of the Board of Directors, the Chair Audit Committee presented to the Board of Directors at its meeting on January 29, 2024 for the purpose of assessing its functioning. Following analysis of the aforementioned report, the Board of Directors assessed the quality of the work performed by the Committee, in compliance with its attributed functions, giving a favorable assessment of the quality and efficiency of its functioning.



## ANNEX

# Audit Committee Report on the independence of Ernst & Young, S.L. as external auditor for BBVA and its Group

## Introduction

In accordance with Article 529 quaterdecies.4.f) of Royal Legislative Decree 1/2010 of July 2, approving the consolidated text of the Corporate Enterprises Act (hereinafter the Corporate Enterprises Act), and Article 5.11 of the Audit Committee Regulations of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter BBVA or the Bank), the Audit Committee issues this report—prior to publication of the audit report on the annual financial statements for the 2023 financial year—on the independence of the statutory auditor of BBVA and its Group, Ernst & Young, S.L. (hereinafter EY or the External Auditor).

## Analysis on the independence of the external auditor

In accordance with the functions stipulated in Article 5 of the Audit Committee Regulations, the Audit Committee constantly monitors the process of preparing the financial statements of the Bank and its consolidated Group, in order to ensure their accuracy, reliability, sufficiency and clarity. It is assisted in this task by the Bank's Senior Management and, particularly, by the area responsible for Accounting, as well as by the External Auditor.

To this end, the Audit Committee maintains the appropriate relationships with the External Auditor in order to receive information about any issues that may pose a threat to its independence and about any other matters relating to the audit work being carried out.

The Committee, therefore, maintains direct contact with those responsible for the External Auditor, who attend all of the Audit Committee's meetings during the financial year, without the presence of the Bank's Senior Managers.

The Committee has also monitored the independence of the External Auditor in two ways:

(i) By ensuring that the External Auditor's warnings, opinions and recommendations cannot be compromised and that the External Auditor's compensation for its work compromises neither its quality nor its independence, in compliance with auditing legislation.

(ii) By establishing incompatibility between the provision of audit and consulting services, unless it involves work required by supervisors or whose provision by the External Auditor is permitted by applicable legislation, and there are no alternatives on the market that are equal in terms of content, quality or efficiency to those provided by the External Auditor; in this case, approval by the Committee will be required, but this decision may be delegated in advance to its Chair.

With regard to the provisions of the aforementioned Article 529 quaterdecies.4.f) of the Corporate Enterprises Act, on February 5, 2024, BBVA's Audit Committee received a written statement from EY, in its capacity as External Auditor for BBVA and its Group, prior to the issuance of the audit report on the annual financial statements of the Bank and its Group for the 2023 financial year, in which it confirmed its independence from BBVA and the entities directly or indirectly linked to the Bank, in accordance with the requirements established in the regulations governing audit activities and, more specifically, in compliance with the provisions of Law 22/2015, of July 20, on Auditing of Financial Statements. Therefore, in view of this and the absence of any additional information casting doubt on the statement of independence made by the auditors, the Audit Committee concludes that there are no objective reasons to question the confirmation of independence made by EY.

Furthermore, in relation to the additional services provided by the External Auditor over the course of the 2023 financial year, the Committee states that these services are those described in the independence statement issued by EY on February 5, 2024, for the amount and in accordance with the breakdown mentioned therein, and that the External Auditor has not provided any additional services to the BBVA Group other than those contained in said independence statement, as verified in the corresponding report issued by the Group's Internal Audit area and sent to the Audit Committee.

## Conclusion

Pursuant to the foregoing and in compliance with the provisions of Article 5 of the Audit Committee Regulations, the Committee expresses its favorable opinion of the independence of the External Auditor, having deemed, in this regard, that the additional services provided by the External Auditor during the 2023 financial year, considered individually and as a whole, as derived from the analyses conducted by both the External Auditor and the Group's Internal Audit area, are in accordance with the independence regime established in applicable auditing laws.

## 2. Risk and Compliance Committee

### 2.1. Composition of the Risk and Compliance Committee

In accordance with the Regulations of the Board of Directors (Article 35) and the Regulations of the Risk and Compliance Committee (Article 3), the Risk and Compliance Committee (RCC) shall comprise at least three Directors,

most of them are independent Directors, as is the Chair.

At 31 December 2023, the composition of the Risk and Compliance Committee was as follows:

NAME	ROLE	TYPE	DATE OF APPOINTMENT AS COMMITTEE MEMBER
Raúl Galamba de Oliveira	Chair	Independent	29/04/2020
Jaime Félix Caruana Lacorte	Member	Independent	27/06/2018
Ana Leonor Revenga Shanklin	Member	Independent	29/04/2020
Sonia Dulá	Member	Independent	01/05/2023
Juan Pi Llorens	Member	Other external	31/05/2017

### 2.2. Functioning of the Risk and Compliance Committee

In accordance with the Regulations of the Board of Directors and its own Regulations, the Risk and Compliance Committee meets whenever convened by its Chair, who is empowered to call the Committee and to set the agenda for its meetings, in accordance with the proceedings set forth for the calling of ordinary and extraordinary meetings. The Committee has established an annual calendar of meetings, taking into account the amount of time to be devoted to the different functions.

The Committee performs its duties with full operational autonomy, and it is led by its Chair who, in order to promote a diversity of views that enriches the Committee's analyses and proposals, ensures that all members participate freely in deliberations and promotes constructive dialogue amongst them, encouraging the free expression of their views.

Executives responsible for the areas that manage matters within the Committee's remit may be called to the meetings, in particular, the Regulation & Internal Control area and the Risks area, and, at the request thereof, those persons within the Group who have knowledge of or responsibility for the matters covered by the agenda, when their presence at the meeting is deemed convenient.

The Committee may also call any other Group employee or manager, and even arrange for them to attend without the presence of any other manager. Notwithstanding the foregoing, it is sought to ensure that the presence of persons outside the Committee during these meetings be limited to those cases where it is necessary and to the items of the agenda for which they are called.

The Committee may also engage external advisory services for relevant issues when it considers that these cannot be provided by experts or technical staff within the Group on grounds of specialisation or independence; and may solicit personal cooperation and reports from any employee or member of the Senior Management if deemed necessary in order to comply with its functions in relevant matters.

In the performance of its functions, the Committee has the full cooperation of the Bank's executive and support areas at all times, in addition to the support of the Technical Risk Secretariat, which is integrated into the Risk Internal Control Unit, which, in turn, is a part of the Regulation & Internal Control Area and oversees and coordinates the information on financial risks made available to the Committee from the various areas of the Bank.

During the 2023 financial year, the Risk and Compliance Committee met on 22 occasions, and every Committee member attended all of the meetings held.

Likewise, the managers of areas and units responsible for the matters covered also participated in these meetings. In particular, the Committee has received monthly reports from the Head of the Risk Area (Global Risk Management) and from the Head of the Regulation & Internal Control Area.

In addition, the Committee has also received reports from the heads of the different types of financial risks, the risk managers for the Group's main business and geographical areas, and the heads of the Non-Financial Risks, Risk Internal Control and Compliance units at corporate level, depending on the issues covered at each meeting, as well as those employees or service providers when their presence at the meeting is deemed convenient.

In turn, the Committee reports regularly (at least quarterly, by its Chair) to the Board of Directors on the activities undertaken and resolutions adopted by the Committee.

## 2.3. Functions of the Risk and Compliance Committee

The Risk and Compliance Committee assists the Board in determining and monitoring the Group's (financial and non-financial) risk control and management policy, including the activity of the internal risk control function. It also assists the Board in monitoring the system of internal control, which includes the Compliance function, and in implementing the risk and compliance cultures across the Group.

As a result of its activities and the various reports it receives, the RCC has a complete and Group-wide picture of all the financial and non-financial risks to which the Bank and its Group are exposed. This function is complemented by the closer monitoring of certain non-financial risks carried out by other Board Committees, such as the accounting, tax and public reporting risk functions carried out by the Audit

Committee, or technological and cybersecurity risks by the Technology and Cybersecurity Committee.

Article 5 of the Regulations of the Risk and Compliance Committee, as approved by the Board of Directors, sets out the functions assigned to this Committee, which are listed below, without prejudice to any other functions assigned to it by applicable law or regulations, or by the Board of Directors itself from time to time.

1. Analyse, in accordance with the strategic basis set by the Board or the Executive Committee, and submit to the Board proposals on the Group's risk control and management strategy, including the Group's risk appetite and the establishment of a risk level considered acceptable according to the risk profile and capital at risk, broken down by Group businesses and areas.

2. Propose the policies of control and management of the different risks of the Group, within its scope of competence, in a manner that is consistent with the Risk Appetite Framework established by the Board.
3. Monitor the effectiveness of the Regulation & Internal Control function (which includes, inter alia, the Compliance, Internal Risk Control and Non-Financial Risk units) and, in particular: (i) propose to the Board the appointment and removal of the individual responsible for the function; (ii) analyse and establish the objectives of the individual responsible for the function and assess their performance; (iii) ensure that the function has the resources necessary for the effective performance of their function; and (iv) approve the annual work plan of the function and monitor its fulfilment.
4. Receive monthly information from the head of the Regulation & Internal Control function, as well as from the heads of the Compliance, Internal Risk Control and Non-Financial Risks units, on their activities and on any incidents that may arise, and verify that Senior Management takes into account the findings and recommendations of their reports.
5. Monitor the change over time of the risks faced by the Group and their compatibility with established strategies and policies, and with the Group's Risk Appetite Framework then in force, and monitor risk-measurement procedures, tools and indicators established at the Group level to obtain a global view of the risks faced by the Bank and the Group; monitor compliance with prudential regulations and supervisory risk requirements; and analyse measures to mitigate the impact of identified risks, should they materialise.
6. Analyse the risks associated with strategic projects or corporate transactions to be presented to the Board or the EC, within its scope of competence and, where appropriate, submit a report.
7. Analyse risk operations that will be submitted to the Board or the Executive Committee for consideration.
8. Examine whether the prices of the assets and liabilities offered to customers take into account the Bank's business model and risk strategy and, if not, submit a plan to the Board aimed at rectifying the situation.
9. Participate in the process of establishing the remuneration policy, checking that it is compatible with an adequate and effective risk management strategy and that it does not offer incentives to assume risks that exceed the level tolerated.
10. Check that the Group has the means, systems, structures and resources that are consistent with best practices to implement their risk management strategy, ensuring that the risk management mechanisms are adequate in relation thereto.
11. Provide information on the matters within its competence provided for in law or internal company regulations, prior to the adoption of the corresponding resolutions by the Board, where relevant.
12. Ensure compliance with applicable regulations on matters related to money laundering, conduct on the securities markets, data protection and the scope of Group activities with respect to competition, and ensure that any requests for action or information made by official authorities on these matters are dealt with in due time and in an appropriate manner.

13. Receive information about any breaches of applicable regulations and relevant events that the areas reporting to it have detected during its monitoring and control operations, and to be informed of relevant issues related to legal risks that may arise in the course of the Group's activity.
14. Examine draft codes of ethics and conduct and their modifications, prepared by the corresponding area of the Group, and give its opinion in advance of the proposals to be drafted to the Corporate Bodies.
15. Receive reports, submissions or communications from external supervisory bodies, and confirm that the instructions, requirements and recommendations received from the supervisory bodies are implemented in an appropriate manner in order to correct any irregularities, deficiencies or inadequacies that have been identified.
16. Promote the risk culture across the Group.
17. Supervise the Group's crime risk prevention model.
18. Review and monitor the systems for the reporting by employees of possible irregularities in financial reporting or other matters.

## 2.4. Activities of the Risk and Compliance Committee in 2023

In 2023, the Committee fulfilled all the functions assigned to it and reported on its activities to the Board of Directors on a monthly basis throughout the year.

The Committee supported the Board of Directors during the year in performing its duties in relation to

risks (financial and non-financial) and internal control, including both decision-making and risk monitoring and control.

### Determining the Group's risk strategy and ensuring alignment with the other strategic processes

Throughout 2023, the Committee aided the Board of Directors in making decisions related to the BBVA Group's strategy, management and control of risks (financial and non-financial).

The Committee thus analysed, at several meetings, and submitted to the Board of Directors the proposal for **the BBVA Group's Risk Appetite Framework for 2024**, on the terms established by the Board of Directors, as well as an update of the Group's General Risk Management and Control Model, for its scrutiny and approval.

The Committee also analysed the findings of the BBVA Group's capital adequacy (ICAAP) and liquidity adequacy (ILAAP) assessment processes, on the terms established by the Executive Committee, as well as the Group's Recovery Plan, prior to their approval by the Board of Directors.

The Committee also headed up the annual review and update of the Group's general financial and non-financial risk management and control policies.

Moreover, to ensure that BBVA's remuneration system remains aligned with the Group's risk strategy, the Committee

has participated in the process of reviewing the Remuneration Policies and has participated in the process of reviewing and establishing the remuneration issues for which it is responsible, verifying that the Group's remuneration practices are consistent with appropriate, effective and prudent risk management.

Lastly, the Committee reviewed the other proposals for decisions submitted to the Board during the year in relation to risk and internal control by the Bank's executive areas.

## Adequacy and sufficiency of resources for risk management and control, and for the promotion of risk and compliance cultures within the Group

The Committee verified that the Global Risk Management (GRM) and Regulation and Internal Control areas —tasked with ensuring sound management and control of financial and non-financial risks within the Group, respectively— have the organisation, structure, sufficient and adequate resources and systems in place to carry out the functions entrusted to them.

For each of these areas, the Committee was informed of the main projects being undertaken to develop new capabilities and fortify existing one, thus enabling the Bank to continue to improve its management and control system over the various types of risks.

In particular, with respect to the Regulation and Internal Control Area, whose Chief Officer reports hierarchically to the Board through the Risk and Compliance Committee, the Committee:

- I. monitored the effectiveness of the Regulation and Internal Control function;
- II. took part in the process of setting the objectives for the head of the function;
- III. conducted their performance review; and
- IV. approved the Annual Work Plan for the Area.

The Committee likewise reviewed the manner in which both areas worked throughout the year in promoting, fostering and extending the risk and compliance cultures across the organisation, as key elements for prudent and proactive risk management at BBVA.



## Activities relating to the supervision and control of financial risks

In 2023, the Committee monitored the status and trend in the Group's risk profile and its various types of financial risks, providing it with a comprehensive and Group-wide view of the main risks to which the Bank and its Group are exposed.

In particular, with regard to financial risks, the committee carried out its functions on the basis of the information reported to it at each of its meetings by the executives of the Global Risk Management (GRM) area, doing so from three angles:

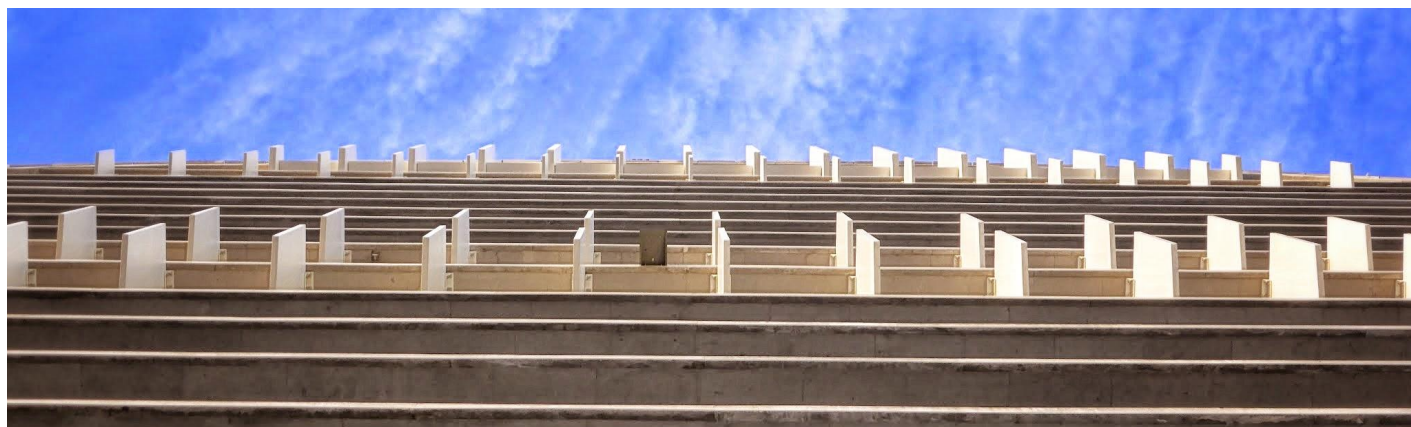
- I. global, through monthly reports from the Head of GRM (CRO);
- II. by geographic or business areas, in this case through half-yearly reports from the heads of GRM in Spain, Mexico, Türkiye, South America and the Corporate and Investment Banking Area (C&IB); and
- III. by type of risk, through reports from the heads of wholesale credit risk, retail credit risk, structural risks (liquidity, interest rate, exchange rate, fixed income, equities), market and counterparty risk, model risk, sustainability risk and financial risks affecting the Asset Management and Insurance business units.

As part of the information disclosed in all these reports, the Committee was able to verify compliance with the thresholds established for the various metrics that make up the Group's Risk Appetite Framework approved by the Board of Directors.

The Committee was also able to verify that: (i) the pricing of deposits and lending deposits offered to customers takes full account of the Bank's business model and risk strategy; and (ii) the pricing strategy for deposits and lending products offered to customers is in line with the Bank's business model and risk strategy.

The Committee was also provided with various dashboards and specific reports, on a monthly and bimonthly basis, enabling it to closely monitor the trend in the various metrics of the Risk Appetite Framework and the main management limits in place at the Group and in each of the countries, as well as the liquidity position of the Group and of the various entities, all with a high level of granularity.

Lastly, quarterly reports were given to the Committee on the main credit risk transactions analysed by the committees attached to the GRM Area, regarding the Group's most relevant credit exposures and those transactions approved at the executive level and subject to an enhanced governance regime due to their qualitative nature.



## Activities relating to the supervision and control of the Group's internal control model and the management of non-financial risks

In 2023, the Committee monitored the Bank's internal control model and, in particular, the effectiveness and functioning of the second line of defence to ensure that the various non-financial risks are adequately managed and controlled across the Group, based on a common taxonomy:

In carrying out this work, the Committee received various reports throughout the year:

- I. monthly reports from the Head of Regulation & Internal Control;
- II. bimonthly reports by the Chief Compliance Officer on the general situation regarding compliance risks within the Group. These reports were supplemented by additional periodic reports for each type of compliance risk (anti-money laundering, protection of personal data, and conduct risks) and by specific reports drawn up by external experts engaged to carry out independent reviews of specific areas;

- III. quarterly reports from the Head of Non-Financial Risks and from the Head of Internal Risk Control; and
- IV. regular reports from those responsible for other non-financial risks, such as technology and cybersecurity, legal, employee, fraud, and reputational, etc.

Lastly, the Committee heard about the main communications and inspections carried out by the Group's supervisory authorities, both domestic and foreign, including the recommendations, weaknesses or areas for improvement identified, as well as the action plans and other measures defined by the executive areas involved to resolve them in due course.

## 2.5. Annual assessment

All of the above issues, along with other matters within its remit, were included in the Risk and Compliance Committee's activity report for the 2023 financial year, which, along with the quarterly reports by the Chair of the Committee on the Board during the financial year and the monthly activity reports of the Committee made available to directors, has provided the Board with sufficient information regarding the activities carried out by the Committee and allowed the Board to assess its functioning.

In addition, the Risk and Compliance Committee, at its meeting of December 18, 2023, analyzed the Committee's activity report for the 2023 financial year, which, in compliance with the provisions of the Regulations of the Board of Directors, the Chair of the Committee presented to the Board of Directors at its meeting on December 20, 2023 for the purpose of assessing its functioning.

Following analysis of the aforementioned report, the Board of Directors assessed the quality of the work performed by the Committee, in compliance with its attributed functions, giving a favorable assessment of the quality and efficiency of its functioning.

## 3. Remuneration Committee

In accordance with the provisions of the Bylaws (article 48) and in the Regulations of the Board of Directors (article 34), the Board of Directors of BBVA, is assisted by the Remuneration Committee in the assessment of all remuneration-related matters that fall within the scope of its remit and, in particular, those relating to the remuneration of directors, senior managers and those employees whose professional activities have a material impact on the risk profile of BBVA or of its Group (the “Identified Staff”), overseeing compliance with the established remuneration policies.

In addition to the provisions set out in the legislation and in the Regulations of the Board of Directors, the Committee’s duties, functioning rules and composition are set forth in its own Regulations, approved by the Board of Directors.

All these documents are available on the Bank’s website ([www.bbva.com](http://www.bbva.com)), in the section of Corporate Governance and Remuneration Policy within the section of “Shareholders and investors”.

For the better performance of its functions, the Remuneration Committee takes into consideration the best practices and recommendations on the matter, issued by both national and international bodies, including, but not limited to, the Guidelines on sound remuneration policies (EBA/GL/2021/04) and the National Securities Market Commission’s Technical Guide 1/2019 on Appointments and Remuneration Committees.

### 3.1. Composition of the Remuneration Committee

In accordance with the provisions of the Regulations of the Board of Directors (article 34) and of the Regulations of the Remuneration Committee (article 3), the Committee must be comprised of a minimum of three directors, all of them non-executive, and the majority of them, including the Chair, must be independent directors.

During 2023 financial year, the composition of the Remuneration Committee has been modified to appoint a new member. Thus, at the end of 2023 financial year, the Remuneration Committee was composed of the following directors:

NAME	ROLE	TYPE	DATE OF APPOINTMENT AS COMMITTEE MEMBER
Belén Garijo López	Presidenta	Independiente	31/03/2016
Lourdes Máiz Carro	Vocal	Independiente	31/05/2017
Ana Cristina Peralta Moreno	Vocal	Independiente	27/06/2018
Ana Leonor Revenga Shanklin	Vocal	Independiente	26/04/2023
Carlos Vicente Salazar Lomelín	Vocal	Otro Externo	29/04/2020
Jan Paul Marie Francis Verplancke	Vocal	Independiente	29/04/2020

The members of the Committee are appointed by the Board of Directors, seeking to ensure that they have the required commitment, capacity and experience to perform their duties. The profiles of each member of the Committee, including the information regarding their knowledge and experience, are available on the Bank’s website, in the section of Corporate Governance and Remuneration Policy.

## 3.2. Functioning of the Remuneration Committee

The Regulations of the Remuneration Committee specifically provide, among other things, that the Remuneration Committee will meet whenever it is called to do so by its Chair, who is empowered to call the Committee and to set the agenda for its meetings, in accordance with the procedure established for the calling of ordinary and extraordinary meetings.

The Committee performs its functions with total operational autonomy, led by its Chair, who, in order to promote a diversity of standpoints that enriches the Committee's analyses and proposals, seeks to ensure that all members are able to freely participate in deliberations, fostering the constructive exchange of ideas among them and encouraging them to freely express their views.

Executives responsible for the areas that manage matters under its remit may be called to meetings, as well as, at their request, those individuals within the Group with knowledge or responsibility over the matters included in the agenda, provided that their presence at the meeting is deemed appropriate.

The Committee may also request any other Group employee or manager to appear, and even arrange for them to attend without the presence of any other manager. Notwithstanding the foregoing, it will seek to ensure that the presence of individuals outside the Committee during these meetings be limited to those cases where it is necessary and to the items of the agenda for which they are called.

In 2023 financial year the Remuneration Committee held five meetings, all of them attended by all its members. The managers of areas and units responsible for the matters addressed at each Committee meeting also participated in them.

In order to adequately fulfill its duties, the Committee may seek advice from the Bank's internal services. The Committee may resort to contracting external advisory services in relevant matters whenever it is considered that they cannot be addressed by experts or technical staff within the Group on grounds of specialization or independence.

More precisely, in 2023 financial year, the Committee not only relied on the advice of the internal services of BBVA, but also received independent advice of two leading firms in the field of remuneration of directors and senior executives, WTW in respect of market analysis and benchmarking, and J&A Garrigues, S.L.P. in respect of legal analysis of the Bank's remuneration policies. Likewise, it relied on the legal advice of Davis Polk & Wardwell LLP in the drafting of the recoupment policy of erroneously awarded compensation (clawback) applicable to the Bank in this regard pursuant to US regulations <sup>1</sup>.

Also, in furtherance of its remit, the Remuneration Committee relies on the collaboration of the Risk and Compliance Committee which, in accordance with its own Regulations, participates in the process of establishing the remuneration policy, ensuring that it is consistent with sound and effective management of risks and does not offer any incentives for taking any risks that exceed the levels tolerated by the Institution.

In addition, the Committee reported to the Board of Directors about its activity at each one of its meetings, by means of the reports made available to the Board's members at the subsequent Board meeting after each corresponding Committee meeting.



(1) Section 240.10D-1 of the Securities Exchange Act of 1934, as adopted by the US Securities and Exchange Commission to implement Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which in turn has been implemented by the New York Stock Exchange through Section 303A.14 of the New York Stock Exchange Listed Company Manual and which is applicable to the Bank as a foreign issuer listed on the New York Stock Exchange.

### 3.3. Functions of the Remuneration Committee

Pursuant to Article 5 of the Regulations of the Remuneration Committee, the Committee generally performs the following functions:

1. Propose to the Board of Directors, for submission to the General Meeting, the Remuneration Policy for BBVA Directors, and also submit to the Board its corresponding report, all in accordance with prevailing law and regulations.
2. Determine the remuneration of non-executive Directors, as provided for in the Directors' Remuneration Policy, and submit the corresponding proposals to the Board of Directors.
3. Determine the extent and amount of individual remuneration, rights and compensation of a financial nature, as well as the other contractual conditions of executive Directors, in accordance with the Directors' remuneration policy, submitting the corresponding proposals to the Board, so that they may be contractually agreed.
4. Determine and propose to the Board the objectives and criteria for measuring the variable remuneration of the executive Directors, and evaluate their degree of achievement.
5. Analyse, where appropriate, the need to make ex-ante or ex-post adjustments to variable remuneration, including the application of reduction or recovery arrangements for variable remuneration, submitting the corresponding proposals to the Board, based on the report from the relevant Committees in each case.
6. Present an Annual Report on the remuneration of the Bank's Directors to the Board of Directors, which will be submitted to the Annual General Shareholders' Meeting, in accordance with prevailing law and regulations.
7. Propose to the Board of Directors, and oversee the implementation of, the remuneration policy for senior managers and other employees of the Identified Staff, including the process of determining the Identified Staff.
8. Propose to the Board of Directors, and oversee the implementation of, the remuneration policy for the Group, which may include the policy for senior managers and other employees of the Identified Staff, as stated in the previous paragraph.
9. Submit to the Board of Directors the proposals for basic contractual conditions for senior managers, including their remuneration and compensation in the event they leave their role.
10. Directly oversee the remuneration of senior managers and determine, within the framework of the remuneration model applicable to Senior Management at any given time, the objectives and criteria for measuring variable remuneration of the heads of the Regulation and Internal Control function and of the Internal Audit function, submitting the corresponding proposals to the Board of Directors, based on those submitted to it in turn by the Risk and Compliance Committee and the Audit Committee, respectively.
11. Ensure compliance with the remuneration policies established by the Company and review them periodically, proposing, where appropriate, any modifications that it deems necessary to ensure, among other things, that they are adequate for attracting and retaining the best professionals, and that they contribute to long-term value creation and the adequate control and management of risks, as well as address the principle of equal pay. In particular, the Committee shall ensure that the remuneration policies in place at the Company are subject to internal, central and independent review at least once a year.
12. Verify the information on the remuneration of Directors and senior managers contained in the various corporate documents, including the Annual Report on the Remuneration of Directors.
13. Supervise the selection of external advisers, whose advice or support is required for the performance of their duties in remuneration matters, ensuring that any conflicts of interest do not impair the independence of the advice provided.

## 3.4. Activities of the Remuneration Committee in 2023

In 2023, the Committee's activities primarily involved the functions ascribed to it under Article 5 of its Regulations, while also following the framework set out in the BBVA Directors' Remuneration Policy, as approved by the General Meeting held on 17 March 2023 (the "Policy") and in the BBVA Group General Remuneration Policy, updated by the Board of Directors on March 29, 2023, which is generally applicable to all BBVA Group staff and which also contains the specific rules applicable to the Identified Staff, including members of BBVA's Senior Management. These policies focus on the recurring creation of value for the Group and also seek to align the interests of its employees and shareholders with prudent risk management.

Therefore, below are described the most significant activities carried out by the Remuneration Committee in 2023 in accordance with its functions and with the aforementioned remuneration policies, with the Committee having submitted, where appropriate, to the Board of Directors the corresponding proposals for approval.

### BBVA Directors' Remuneration Policy 2023–2026

More precisely, the Remuneration Committee analysed the proposals for the approval of a new Directors' Remuneration Policy, which follow from the strategic reflection carried out by the Committee in 2022 in relation to BBVA's remuneration policies, focusing on the evolution of the variable remuneration model for executive Directors and the rest of the Identified Staff, all with the main aim of fostering the alignment of the remuneration of this group with the creation of value, long-term sustainable performance and sound and effective risk management.

As a result, the Remuneration Committee submitted the proposal of the BBVA Directors' Remuneration Policy for 2023, 2024, 2025 and 2026 to the Board of Directors for approval and subsequent submission to the General Shareholders' Meeting, together with the specific report on the policy issued by the Committee and the proposals of resolutions on the maximum number of shares to be delivered to executive Directors under the Policy and those needed to implement the system of fixed remuneration with deferred delivery of shares for non-executive Directors, also in accordance with the provisions of the Policy.

### BBVA Group General Remuneration Policy

The Remuneration Committee also analysed and submitted to the Board of Directors a new updated version of the BBVA Group General Remuneration Policy in order to implement a new variable remuneration model for all members of the Identified Staff, as well as the proposals of resolutions needed to implement the updated policy.

### SEC Clawback Policy at BBVA

Likewise, and further to the *malus* and *clawback* arrangements for variable remuneration provided for in the new remuneration policies, the Committee analysed and submitted to the Board of Directors the policy for the "recoupment of erroneously awarded remuneration" (Clawback) in accordance with the provisions of the US regulations applicable to the Bank on this matter<sup>2</sup>.

(1) Section 240.10D-1 of the Securities Exchange Act of 1934, as adopted by the US Securities and Exchange Commission to implement Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which in turn has been implemented by the New York Stock Exchange through Section 303A.14 of the New York Stock Exchange Listed Company Manual and which is applicable to the Bank as a foreign issuer listed on the New York Stock Exchange.

## Remuneration matters for executive Directors

In relation to executive directors, the Remuneration Committee submitted to the Board the necessary proposals for:

- the determination of the amount of the Annual Variable Remuneration ("AVR") for financial year 2022, as well as the scales of achievement for the multi-year performance indicators for the Deferred Portion of such remuneration, and the reference group for the TSR indicator, which is one of the multi-year performance indicators;
- the determination of the amount of the Deferred Portion of the 2019 AVR, as well as the updated amount of the cash portion of this remuneration to be paid in 2023;
- the settlement of the Upfront Portion of the AVR for financial year 2022, as well as the portions of the Deferred AVR for financial years 2021 and 2019, and, in the case of the Chair, 2018 and 2017, that were due for payment in 2023, together with the update of its cash portion.
- the determination of the minimum Attributable Profit and Capital Ratio thresholds for the accrual of the AVR for financial year 2023, in line with those applied to the rest of BBVA's workforce. These thresholds would also be used to accrue the right to the Long-Term Incentive which, together with the Short-Term Incentive, forms part of the 2023 AVR of the executive directors and the other members of the Identified Staff;
- the determination of the Annual Indicators and their weightings for the calculation of the Short-Term Incentive that is part of the AVR for financial year 2023, as well as their corresponding targets and scales of achievement;
- the determination of the Long-Term Indicators for the calculation of the final amount of the Long-Term Incentive that is part of the AVR for financial year 2023, together with their associated weightings, which are also applicable to the rest of the members of the Identified Staff, including Senior Management;
- the determination of the capital and liquidity indicators and their associated weightings for the possible application of *ex-post* risk adjustments to the Deferred Portion of the AVR for the executive directors to be awarded under the Policy, and which are also applicable to the rest of the members of the Identified Staff, including members of Senior Management.

## Remuneration matters for Senior Management

The Remuneration Committee submitted to the Board, among other matters, the necessary proposals for the salary review of certain members of Senior Management (excluding executive directors), in accordance with the basic contractual framework approved by the Board for this group.

The Committee also oversaw the Annual Variable Remuneration for 2022 financial year of the members of Senior Management, as well as the Deferred AVR for 2021, 2019, 2018 and 2017 financial years of those members of Senior Management who were beneficiaries of such remuneration, the payment of which was due in 2023.

Furthermore, given that the Heads of Internal Audit and Regulation & Internal Control report directly to the Board, the Committee, within the framework of the remuneration model applicable to Senior Management, and on the basis of the proposals submitted by the Audit Committee and the Risk and Compliance Committee, respectively, submitted to the Board the proposals for determining the respective AVR of both such Heads for financial year 2022 and for determining the objectives and criteria for calculating the Short-Term Incentive that would form part of their AVR for financial year 2023.

## Remuneration matters of the Identified Staff

In relation to the Identified Staff, which includes members of Senior Management, the Remuneration Committee submitted to the Board the proposals of resolution for the determination of the scales of achievement of the multi-year performance indicators of the Deferred Portion of the AVR for financial year 2022, and the reference group for the TSR indicator which is one of them, as well as the minimum thresholds of Attributable Profit and Capital Ratio for the accrual of the 2023 AVR and the initial award of the Long-Term Incentive, which forms part of that AVR, the Long-Term Indicators for the calculation of the final amount of such incentive and the capital and liquidity indicators for the application of possible *ex-post* risk adjustments to the Deferred Portion of the AVR awarded under the new remuneration policy, were the same as those established for the executive Directors.

The Committee was also informed of the process for identifying the Identified Staff of BBVA and its Group in financial year 2023 and of its outcome.

## Supervision of the implementation of the remuneration policies

Pursuant to its duty to ensure compliance with the remuneration policies established by the Company (BBVA Directors' Remuneration Policy and BBVA Group General Remuneration Policy), the Committee reviewed their effective implementation in 2022, on the basis of the Annual Report issued for this purpose by Internal Audit.

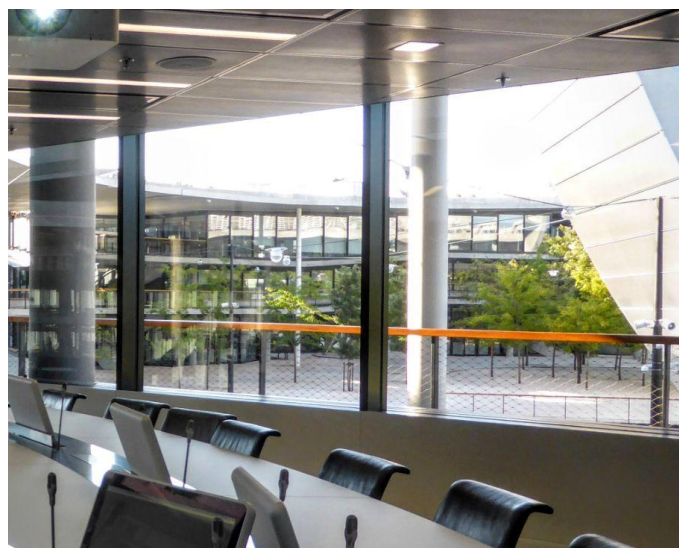
## 3.5. Annual assessment

All of the above activities, together with other matters within its competence, were included in the annual activity report of the Remuneration Committee for the 2023 financial year, which was presented by the Chair of the Committee to the Board at its meeting held on December 20, 2023.

## Proposals of resolutions regarding remuneration submitted to the General Meeting

The Committee also reviewed the information on remuneration of Directors and members of Senior Management contained in the Financial Statements and submitted the 2022 Annual Report on the Remuneration of BBVA Directors to the Board of Directors for approval and subsequent advisory voting at the General Meeting.

Lastly, the Committee submitted to the Board for approval, and subsequent submission to the General Meeting, the approval of a maximum level of variable remuneration of up to 200% of the fixed component of the total remuneration applicable to a maximum of 281 members of the Identified Staff, along with the text of the report to be issued by the Board in connection with this resolution.



## 4. Appointments and Corporate Governance Committee

In accordance with Article 48 of the Bylaws and Article 33 of the Regulations of the Board of Directors, BBVA's Board of Directors, in order to better perform its functions, has set up an Appointments and Corporate Governance Committee, whose main task is to assist the Board of Directors in: matters relating to the selection and appointment of members of the Board of Directors; the evaluation of their performance; the drafting of succession plans; the Bank's Corporate Governance System; and the oversight of the conduct of directors and any conflicts of interest that may affect them.

In addition to applicable law and the provisions of Regulations of the Board, the Committee's functions, operation and composition are set out in its own Regulations, as approved by the Board of Directors and which are available on the Bank's website: [www.bbva.com](http://www.bbva.com).

Furthermore, in order to better perform its functions, the Appointments and Corporate Governance Committee takes into consideration applicable best practices and recommendations that have been issued by both national and international bodies, such as the joint European Securities Markets Authority and European Banking Authority Guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) and the National Securities Market Commission's Technical Guide 1/2019 on nomination and remuneration committees.

### 4.1. Composition of the Appointments and Corporate Governance Committee

In accordance with the Regulations of the Board of Directors, the Appointments and Corporate Governance Committee shall comprise a minimum of three members, appointed by the Board of Directors. All members must be non-executive directors, and the majority, including the Chair, must be independent directors.

In 2023, the composition of the Appointments and Corporate Governance Committee was modified to adapt it to the changes that have taken place in the composition of the Board of Directors, at the end of 2023, it consisted of the following directors:

NAME	ROLE	TYPE	Date of appointment as a Committee member
José Miguel Andrés Torrecillas	Chair	Independent	31/03/2016
Belén Garijo López	Member	Independent	27/06/2018
José Maldonado Ramos	Member	External	25/05/2010
Juan Pi Llorens	Member	External	29/04/2019
Raúl Galamba de Oliveira	Member	Independent	26/04/2023

The members of the Committee are appointed by the Board of Directors, seeking to ensure that they have the required commitment, skills and experience to perform their duties. The profiles of each member of the Committee, including the information regarding their knowledge and experience, are available on the Entity's website.

## 4.2. Functioning of the Appointments and Corporate Governance Committee

In accordance with its Regulations, the Appointments and Corporate Governance Committee shall meet whenever called by its Chair, who is empowered to call the Committee and to set the agenda for its meetings, in accordance with the proceedings set out for the calling of ordinary and extraordinary meetings.

The Committee met on five occasions in the financial year 2023, with all of its members in attendance, either in person or duly represented.

The Committee performs its functions with total operational autonomy, led by its Chair, who, in order to promote a diversity of views that enriches the Committee's analyses and proposals, seeks to ensure that all members participate freely in deliberations and promotes both constructive dialogue among them and the free expression of their views.

Executives responsible for the areas that manage matters within the Committee's remit may be called to the meetings, as well as, at the request thereof, those persons within the Group with knowledge or responsibility over the matters included on the agenda, when their presence at the meeting is deemed convenient.

The Committee may also call any other Group employee or manager, and even arrange for them to attend without the presence of any other manager. Notwithstanding the foregoing, it seeks to ensure that the presence of persons outside the Committee during these meetings be limited to those cases where it is necessary and to the items of the agenda for which they are called.

The Committee may likewise engage external advisory services for relevant issues when it considers that these services cannot be properly provided by experts or technical staff within the Group on grounds of lack of expertise or independence. It may also solicit personal cooperation and reports from any employees or members of Senior Management if deemed necessary in order to comply with its functions in relevant matters.

In addition, the Committee reported to the Board of Directors about its activity at each one of its meetings, by means of the reports made available to the Board's members during the first Board meeting held after the corresponding Committee meeting.



## 4.2. Functions of the Appointments and Corporate Governance Committee

Pursuant to Article 5 of the Regulations of the Appointments and Corporate Governance Committee, the Committee shall have the following functions, among others:

1. Submit to the Board of Directors proposals for the appointment, re-election or removal of independent Board Members and to report on proposals for the appointment, re-election or removal of the remaining Board Members; and, for these purposes, to evaluate the balance of knowledge, skills and experience on the Board.
2. Ensure that selection procedures are not implicitly biased in such a way that involves any kind of discrimination or, in particular, hinders the selection of members of the underrepresented gender, endeavoring to ensure that members of this gender who match the professional profile sought are included among potential candidates.
3. Propose to the Board of Directors the selection and diversity policies for members of the Board.
4. Establish a target for representation of the underrepresented gender on the Board and draw up guidelines on how to reach that target.
5. Analyse the structure, size and composition of the Board of Directors, at least once per year, when assessing its operation.
6. Analyse the suitability of the members of the Board of Directors.
7. Review the status of each Director each year, so that this may be reflected in this Report.
8. Report on proposals for the appointment of Chair and Secretary and, where appropriate, Deputy Chair and Deputy Secretary, as well as the Chief Executive Officer.
8. Submit to the Board of Directors proposals for the appointment, dismissal or re-appointment of the Lead Independent Director.
9. Determine the procedure for reviewing the performance of the Chair of the Board of Directors, the Chief Executive Officer, the Board of Directors as a whole and the Board's committees, and oversee its implementation.
10. Report on the quality and efficiency of the performance of the Board of Directors.
11. Report on the performance of the Chair and of the Chief Executive Officer, incorporating for the latter the assessment made in this regard by the Executive Committee.
12. Study and arrange the succession of the Chair, the Chief Executive Officer and, where applicable, the Deputy Chair, in conjunction with the Lead Independent Director in the case of the Chair, and, where appropriate, draft proposals to the Board to ensure that the succession takes place in a planned and orderly manner.
13. Review the Board's policy on the selection and appointment of members of the Group's Senior Management, and file recommendations with the Board when applicable.
14. Report on proposals for the appointment and removal of senior managers.
15. Regularly review and assess the Company's Corporate Governance System and, where applicable, propose to the Board for its approval or submission at the General Meeting any amendments and updates that would facilitate its implementation and continuous improvement.
16. Ensure compliance with the provisions applicable to directors contained in the Regulations of the Board or in the applicable laws.

## 4.4. Activities of the Appointments and Corporate Governance Committee in 2023

There now follows a description of the main activities carried out by BBVA's Appointments and Corporate Governance Committee in 2023, in accordance with its remit, with the related reports and motions to be submitted to the Board in due course where appropriate:

### Assessment of the Board of Directors, the Chair and the Chief Executive Officer

In early 2024, the Appointments and Corporate Governance Committee, in compliance with its duties, completed the performance assessment exercise for financial year 2023, thus analyzing the structure, size and composition of the Board of Directors. It reported its findings to the Board regarding the quality and efficiency of the Board's functioning, and also reported on its performance evaluation of the Chair of the Board and the Chief Executive Officer.

In this sense, the Appointments and Corporate Governance Committee, in compliance with its duties, also carried out the assessment process for financial year 2023. The Committee agreed that on this occasion the assessment of the Board and its committees and the performance assessment of the Chair and the Chief Executive Officer should be carried out in-house and include the individual opinion of each director.

Thus, the Committee analyzed the structure, size and composition of the Board in 2023, including the executive chairmanship model, the gender diversity, knowledge, skills and experience required of its members, the independence and suitability of the directors, and their degree of dedication. It also analyzed the functioning of the Board during the financial year and the activities carried out in fulfillment of its duties.

Following this analysis, the Committee resolved to issue a favorable report to the Board confirming the

quality and sound functioning of the Board of Directors during the period.

The Appointments and Corporate Governance Committee also analyzed the performance of the Chair and the Chief Executive Officer in the financial year 2023. The Lead Director led the evaluation of both, taking into account the opinions and visions of non-executive directors, and, in the case of the Chief Executive Officer, the process included the performance assessment drawn up by the Executive Committee. As a result, the Appointments and Corporate Governance Committee resolved to issue, in early 2024, a favorable report on the performance of both roles in the financial year 2023.

### Composition of the corporate bodies. Appointment and re-election of directors

The involvement of the Appointments and Corporate Governance Committee in relation to the appointment and re-election of directors is part of the wider process carried out by the Board of ensuring the progressive and orderly renewal of the corporate bodies, whereby individuals with different profiles and experiences are gradually brought in to increase diversity and to guarantee an appropriate rotation of the members of the Board of Directors.

To this end, the Appointments and Corporate Governance Committee evaluates the balance of knowledge, skills and experience on the Board of Directors, as well as the requirements that candidates must meet to cover the vacancies that arise. It also assesses the time that directors must be able to dedicate to the Board so that they can adequately fulfill their duties, according to the prevailing needs of the corporate bodies.

The Committee also considers, among other matters, expectations and targets regarding the structure, size and composition of the Board set out in applicable law and regulations,

the regulations of the corporate bodies and the Policy on the selection, suitability and diversity of the Board of Directors, approved by this body (the "Selection Policy"). It also keeps track of when the directors' terms of office are due to end, as set out in the Bylaws and as applicable in each financial year, and pays close attention to the skills and diversity matrix of the Board.

As part of this process, the Committee runs selection processes for directors, seeking to promote diversity and making sure that the selection process does not suffer from implicit biases that could generate any kind of discrimination. On this point, the Committee promotes the selection of female directors in a number that allows for a balanced presence of women and men (based on the target set out in the Selection Policy of having at least 40% of female directors) and ensuring also that women who meet the desired professional profile are included among the potential candidates.

In the performance of its functions, the Appointments and Corporate Governance Committee may engage external services to find potential candidates, when it deems this necessary or appropriate.

When drafting proposals for the appointment of directors, the Committee shall take into consideration, when it considers them suitable, any requests raised by any member of the Board of Directors regarding potential candidates to fill vacancies.

In exercising these functions and, more precisely, when evaluating the functioning of the Board for financial year 2022, as described above, the Committee analyzed the structure, size and composition of the Bank's corporate bodies. The Committee's findings and conclusions were taken into account as part of the progressive renewal of the corporate bodies that took place when assessing the proposals for re-election and appointment of directors submitted to the 2023 General Shareholders' Meeting.

As part of the progressive and ongoing renewal and rotation that started in 2022, the Committee carried out a director selection process, which was supported by an independent external expert. This process culminated with the proposals laid before the General Shareholders' Meeting held in 2023, consisting of the re-election of three independent directors and one external director, as well as the appointment of a new independent director, thus helping to improve the diversity of knowledge, skills, experience and gender on the Board.

Ahead of the Annual General Shareholders' Meeting to be held in 2024, the Committee also carried out a director selection process in 2023, relying on a constant analysis of the structure, size and composition of the Board, as part of the process of progressive and orderly renewal, and inspired by the principles and criteria set out in the Regulations of the Board and the Selection Policy. The purpose of this process was as follows: (i) continue to have members on the Board with extensive knowledge and experience in the banking and financial fields, including the transformation of the banking business; (ii) continue to strengthen the independence; and (iii) further strengthen the degree of gender diversity and academic and professional background in the different areas and fields of business.

This process was supported by an independent external expert; promoted a suitable diversity of experience, knowledge, skills and gender; and did not suffer from any implicit bias that might have generated any kind of discrimination, having included women who met the professional profile sought, as set out in the Selection Policy.

Also, in relation to the directors whose re-election is to be submitted to the General Meeting to be held in 2024 (in particular, the re-election of four independent directors and one external director), the Committee confirmed that they all possessed the knowledge, skills and experience needed to hold the position of director; that they all met the dedication, availability and independence of judgment requisite and that they shared and upheld the Bank's own culture and values; that they met the other suitability and eligibility requirements; and that they were not subject to any restrictions or incompatibilities for holding the position of director. The Committee also reviewed the category of director that each candidate for re-election would have. The Committee also analyzed the contribution that each candidate would make to the adequate composition of the Board of Directors, as well as to the proper operation and performance of functions of the corporate bodies.

All of the above formed the basis of the Appointments and Corporate Governance Committee's proposals and reports on director re-elections and appointments, which have in turn led to the proposals that the Board of Directors will submit to the 2024 Annual General Shareholders' Meeting, all as shown in the documentation made available to the Bank's shareholders ahead of the General Meeting.

## Organizational changes

The Committee was also informed about a proposal aimed at improving the Bank's organizational and management configuration in order to advance the strategic priorities, which affected the Finance, Corporate & Investment Banking (C&IB) and Sustainability areas, and also about the processes for identifying, evaluating and selecting candidates.

The Committee analyzed the proposals for the removal and appointment of members of the Bank's Senior Management submitted over the course of the financial year as well as the required profile, the steps taken in the candidate identification and selection process, the candidates under consideration, and the conclusions of the internal suitability analysis of the people selected in each case.

Finally, the Appointments and Corporate Governance Committee issued its report in favor of the proposed changes, which were subsequently approved by the Board.

## Assessment and review of Corporate Governance system

The Committee analyzed the drafting of a corporate governance improvement plan for the Bank, as a result of the suggestions and recommendations for improvement identified in the Board's self-evaluation process.

Once complete, the Committee submitted to the Board a proposal for a corporate governance improvement plan, the main measures of which were implemented during 2023, and which will be further developed throughout 2024.

## 4.5. Annual assessment

All of the matters covered above, as well as other matters falling within its remit, were included in the Committee's 2023 activity report, which, together with the activity reports that the Committee provided to the directors, has enabled the Board to stay abreast of the activities carried out by the Committee in the year and to assess its functioning.

Among the improvement measures defined, the following stand out: strengthening the dynamics and functioning of the meetings of the corporate bodies, adapting the content of the continuous training program for Board Members, advancing and deepening the supervision of technological risks, and increasing the dedication of the Board to talent, corporate culture and values issues.

In addition, the Committee (i) reviewed the draft Annual Corporate Governance Report for financial year 2023, submitted in free-form for the first time; and (ii) was informed of the outcome of the Corporate Governance Roadshow, by virtue of which a number of meetings were held with the Bank's main institutional investors and proxy advisors specializing in Sustainability and Corporate Governance to explain the main features of the Bank's Corporate Governance system and how it had shifted throughout the year, while also listening to their views and opinions and responding to their requests for information. These meetings with investors were led by a joint team comprising representatives from the General Secretariat, Investor Relations and Sustainability departments, as well as the Lead Director.

## Matters relating to director conduct

The Committee reviewed matters related to the conduct of executive directors, verifying that none of the circumstances set out in the BBVA Directors' Remuneration Policy triggering the application of malus and clawback clauses had occurred, for the purpose of payment of the variable remuneration accrued in previous years.

Thus, at its meeting held on January 29, 2024, the Board received a report from the Chair of the Committee on the activities carried out in 2023. The Board then evaluated the activities carried out by the Appointments and Corporate Governance Committee during the period, in compliance with the functions ascribed to it, and issued a favorable opinion regarding the quality and efficiency of its functioning.

## 5. Technology and Cybersecurity Committee

### 5.1. Composition of the Technology and Cybersecurity Committee

With respect to digitalisation and other technological matters, the Board of Directors is aided by the Technology and Cybersecurity Committee, which was set up in 2016.

In accordance with the Regulations of the Board of Directors (Article 36) and the Regulations of the Technology and Cybersecurity Committee (Article 3),

the Committee shall be composed of at least three Directors, the majority of whom must be non-executive Directors.

As of December 31, 2023, the composition of the Technology and Cybersecurity Committee is as follows:

NAME	ROLE	TYPE	DATE OF APPOINTMENT AS COMMITTEE MEMBER
Carlos Torres Vila	Chair	Executive	31/03/2016
Raúl Catarino Galamba de Oliveira	Member	Independent	29/04/2020
Juan Pi Llorens	Member	Other external	31/03/2016
Ana Leonor Revenga Shanklin	Member	Independent	28/04/2022
Jan Paul Marie Francis Verplancke	Member	Independent	27/06/2018

### 5.2. Functioning of the Technology and Cybersecurity Committee

The Regulations of the Committee stipulate that the Committee will meet whenever called to do so by its Chair, who is empowered to convene the Committee and to set the agenda for its meetings, as per the procedure set out in the Regulations of the Committee on the calling of ordinary and extraordinary meetings.

In the 2023 financial year, the Technology and Cybersecurity Committee has met eight times, in which all the members who have been part of it during the financial year have attended all the sessions held.

The Committee performs its functions with full operational autonomy, led by its Chair, who, in order to promote a diversity of views that enriches the Committee's analyses and proposals, seeks to ensure that all members participate freely in deliberations, promoting both constructive dialogue amongst them and the free expression of their views.

Executives responsible for the areas that manage matters within the Committee's remit may be called to meetings, as well as, at the request thereof, those persons within the Group who have knowledge of or responsibility for the matters covered by the agenda, when their presence at the meeting is deemed appropriate.

The Committee may also call any other Group employee or manager, and even arrange for them to appear without the presence of any other manager. Notwithstanding the foregoing, it seeks to ensure that the presence of persons outside the Committee during these meetings, such as Bank managers and employees, is limited to those cases where it is necessary and to the items on the agenda for which they are called.

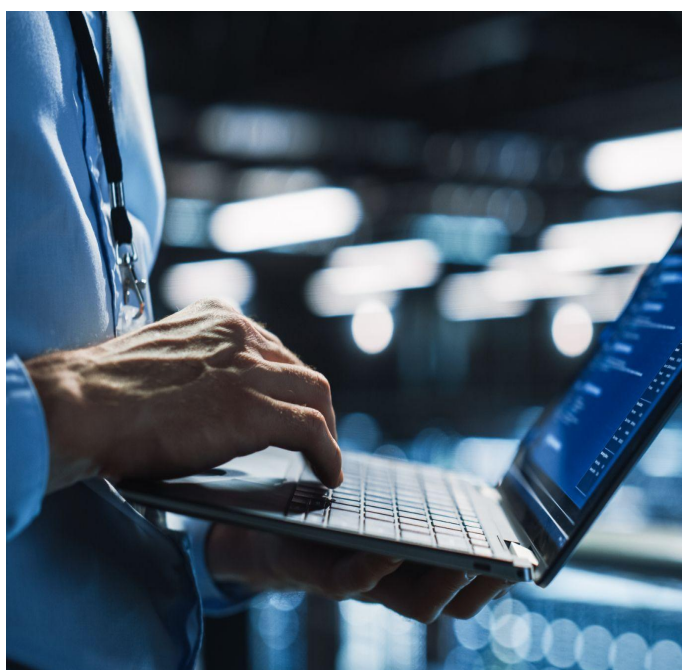
The Committee may also engage external advisory services for relevant issues when it considers that these cannot be properly provided by experts or technical staff within the Group on grounds of specialisation or independence. Furthermore, the Committee may solicit personal cooperation and reports from any employee or member of the Group's Senior Management, if deemed necessary in order to fulfil its functions in relevant matters.

Likewise, the Committee has reported to the Board of Directors the activity carried out by it in each of its sessions, through the reports made available to the members of the Board in the sessions after the holding of each meeting of the Committee.

## 5.3. Functions of the Technology and Cybersecurity Committee

The main task of the Technology and Cybersecurity Committee is to assist and advise the Board of Directors in the functions relating to the definition and monitoring the Group's technology strategy and supervising technology risk and cybersecurity management, in a complementary and coordinated manner with the holistic supervision of the Group's risks carried out by the Risk and Compliance Committee.

Specifically, in accordance with the powers assigned to it by Article 5 of the Technology and Cybersecurity Committee Regulations, and notwithstanding any other functions assigned to it by Law, by the Bank's internal regulations or by resolution of the Board, the Technology and Cybersecurity Committee shall perform the following functions, which fall into two categories:



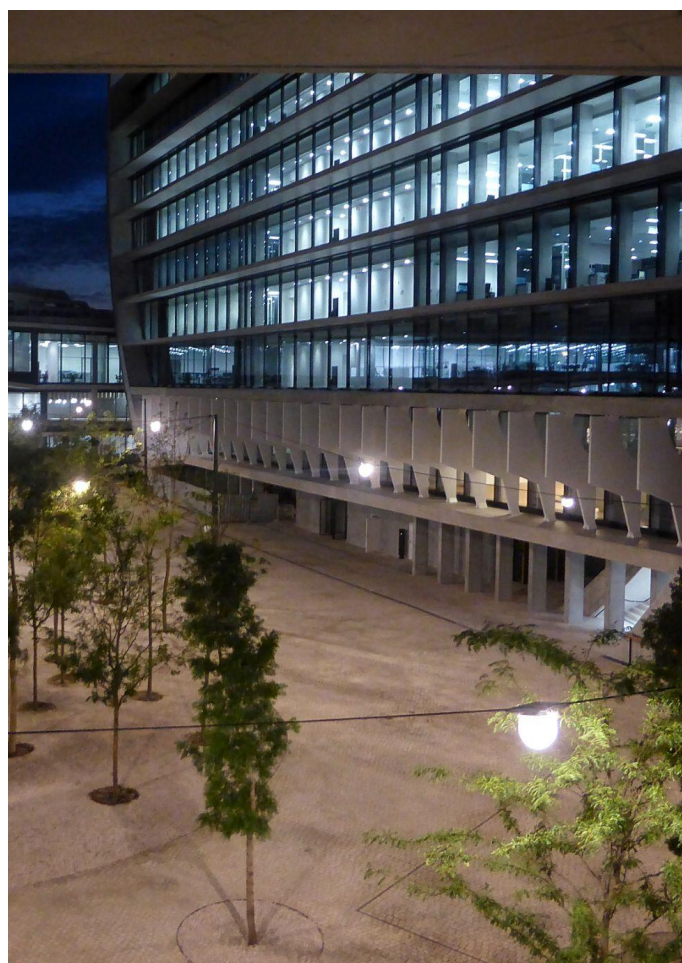
**(a)** Functions relating to monitoring of technological risk and the management of cybersecurity, such as:

1. Reviewing the Bank's main technological risks, including risks related to information security and cybersecurity, as well as the procedures adopted by the executive area for monitoring and controlling these exposures.
2. Reviewing the policies and systems for assessment, control and management of the Group's technological infrastructures and risks, including the response and recovery plans in the event of cyber attacks.
3. Receiving reports on business continuity plans relating to technology and technological infrastructure matters.
4. Receiving reports, as appropriate, on: (i) compliance risks associated with information technology; (ii) the procedures established for identifying, assessing, overseeing, managing and mitigating these risks.
5. Receiving reports on any relevant events that may have occurred with regard to cybersecurity, i.e. events that, either individually or as a whole, may cause significant impact or harm to the Group's net equity, results or reputation.
6. Receiving reports, as the case may be, from the Head of the IT Security area regarding the activities it carries out, as well as any incidents that may arise.

**(b)** Functions related to the Technology Strategy::

1. Receiving reports, as the case may be, on the technology strategy and trends that may affect the Bank's strategic plans, including through monitoring general trends in the sector..

2. Receiving reports, as the case may be, on the metrics established by the Group for the management and control of technological matters, including the Group's developments and investments in this area.
3. Receiving reports, as the case may be, on issues related to new technologies, applications, information systems and best practices that may affect the Group's technological plans or strategy.
4. Receiving reports, as the case may be, on the main policies, strategic projects and plans defined by the Engineering Area.
5. Reporting to the Board of Directors and, where appropriate, to the Executive Committee, on matters related to information technologies that fall within its remit.



## 5.4. Activities of the Technology and Cybersecurity Committee in 2023

### Follow-up of the technology strategy

As regards the most relevant actions carried out by the Committee in 2023, the Committee received information on the implementation and development of the Group's technology strategy. It was also informed by the heads of the Engineering Area on the main strategic projects and plans defined by that area, focusing on those related to the strategy of transforming and updating the Group's data platform, completing the core banking structure and strategy and projects from various Group areas, accelerating the transformation of digital channels and software development, the evolution of global platforms, and reliability and business continuity.

Within the context of these plans and projects, the Committee received reports on technological trends and other issues pertaining to new technologies, applications, IT systems and best practices that affect or may affect the Group's technology strategy or plans.

The Committee also received regular information on the metrics in place to monitor progress in the execution of the technology strategy set in place.

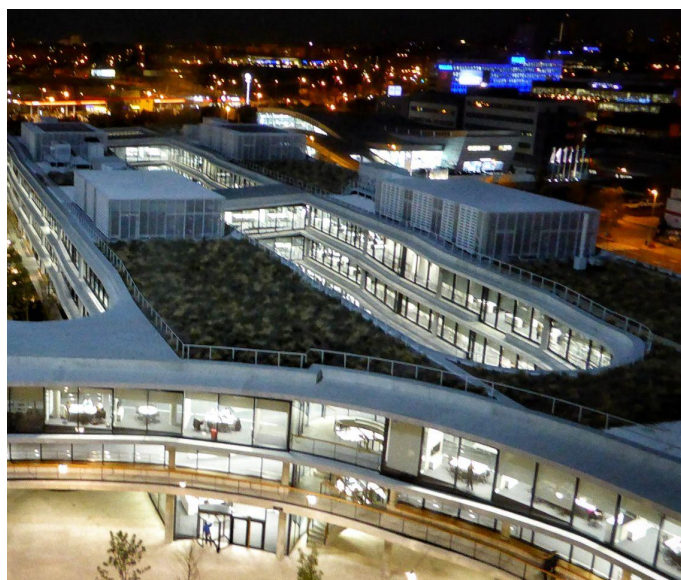
### Support in the supervision of technological risk

With regard to the Committee's fulfilment of its duties in relation to technology risk supervision and cybersecurity management in the Group, the Committee received reports on the analysis carried out by the second line of defence of the main technological risks (information security, fraud, reliability and business continuity), and the plans and projects ongoing to identify, manage, monitor and mitigate such risks.

### Cybersecurity management support

The Committee also reviewed the cybersecurity strategy and the main projects in this area, and was briefed on the main gaps and the pillars and priorities of the strategy, and on the proposed key technology risk indicators (KRIs) to be included in the Risk Appetite Framework in 2024 and the plans for the future.

Lastly, at each of its meetings, the Committee received information on the main cybersecurity-related occurrences at industry level and on those that in turn are relevant to the BBVA Group, including reliability incidents. This information was provided by the head of the Corporate Security unit, who explained how the Group is prepared to deal with attacks of a similar nature, how it has dealt with attacks and, where applicable, mitigated their consequences, and how the Group is being prepared to prevent the occurrence of similar attacks in the future.



## 5.5. Annual assessment

All of the above issues, along with other matters within its remit, were included in the Technology and Cybersecurity Committee's activity report for the 2023 financial year, which, along with the quarterly reports by the Chair of the Committee on the Board during the financial year and the monthly activity reports of the Committee made available to directors, has provided the Board with sufficient information regarding the activities carried out by the Committee and allowed the Board to assess its functioning.

The Chair of the Committee presented to the Board of Directors at its meeting on January 29, 2024 for the purpose of assessing its functioning.

Following analysis of the aforementioned report, the Board of Directors assessed the quality of the work performed by the Committee, in compliance with its attributed functions, giving a favorable assessment of the quality and efficiency of its functioning.

BBVA