

BBVA

2023 Annual Financial and  
Sustainability Report





# Table of Contents

## Presentation

- 4 Introduction
- 7 How to read this report?
- 8 About this report
- 10 Report of the Chairman of the Board of Directors
- 13 Report from the Vice Chairman of the Board of Directors and Chief Executive Officer
- 17 2023 Highlights

## Group's Profile

- 19 Who we are
- 25 Business Units
- 30 Strategy
- 38 Stakeholders
- 40 Associations

## Governance

- 42 Corporate governance
- 49 Risk management
- 55 Compliance
- 60 Anti-corruption
- 64 Human rights

## Economic impact

- 68 Evolution of the business
- 70 Evolution of results
- 72 Relevant information

## Sustainable finance

- 76 Retail Banking
- 77 Corporate and Government Banking
- 78 Corporate and Investment Banking
- 83 Reference standards and guidelines

## Social performance

- 89 Commitment to our clients
- 106 Commitment to our employees
- 122 Commitment to the community
- 128 Responsible supply chain

## Environmental Performance

- 131 Global Eco-efficiency Plan

## Exhibits

- 140 Materiality analysis
- 144 Sustainable Development Goals (SDGs)
- 158 GRI Content Index
- 178 SASB Index
- 185 Principles for Responsible Banking
- 205 Independent verification report
- 209 Consolidated financial statements





01



# Presentation

We invite you to learn about the most outstanding results of **BBVA México's economic, environmental, social and governance performance in 2023.**

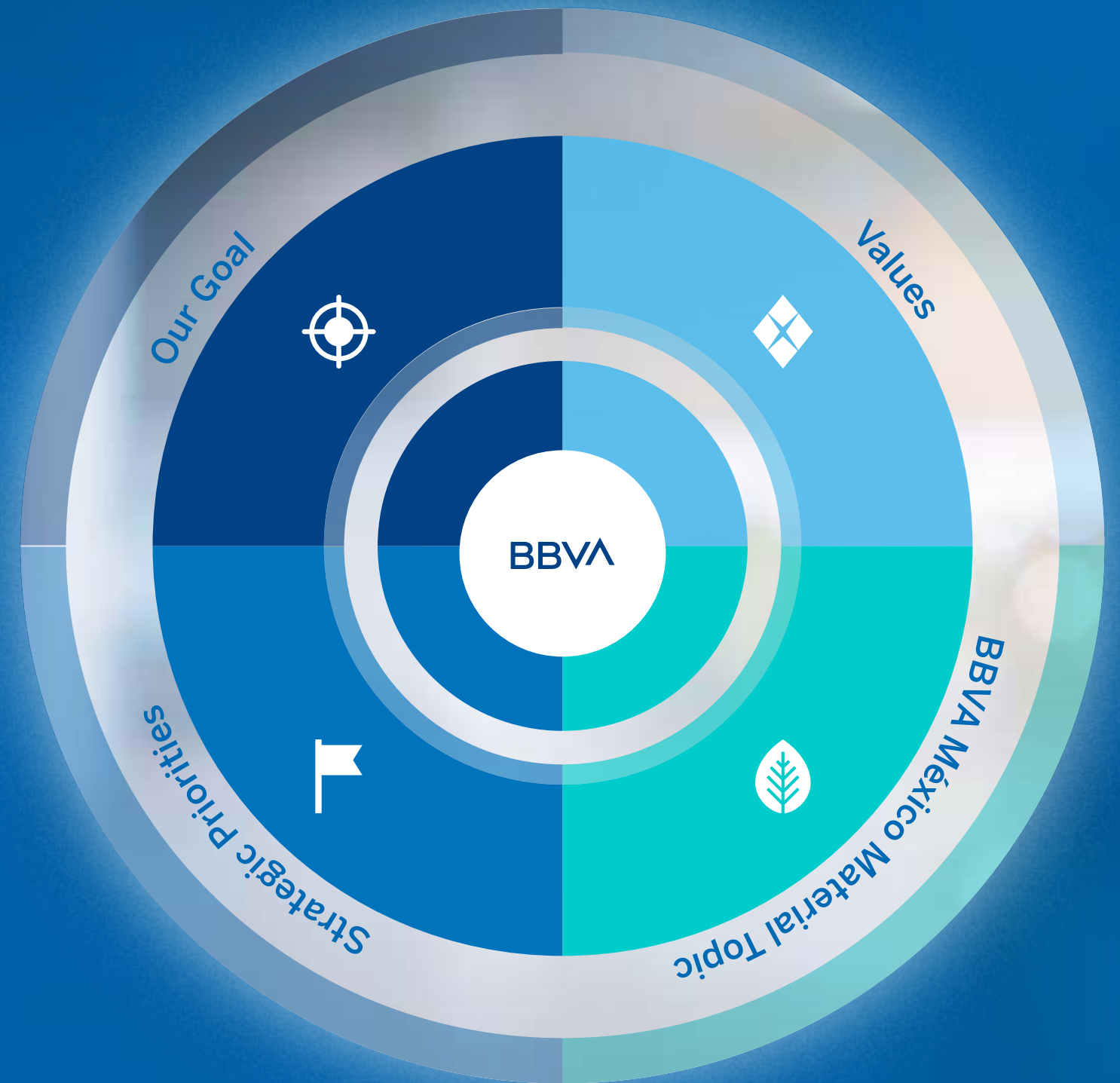


# Introduction

**Grupo Financiero BBVA México (hereinafter BBVA México) voluntarily presents its 2023 Annual Report** to share the results of its environmental, social and governance performance with all its stakeholders: **clients, investors, regulators, employees, suppliers and society in general.**

The scope of this report corresponds to the period from January 1 to December 31, 2023, and continues an exercise of transparency for seventeen consecutive years. **The Investor Relations and Responsible Business and Sustainability areas** would like to thank all those who contributed to the preparation of this document.

BBVA México generates economic, environmental and social value guided by the Group's purpose, values and strategic priorities. In 2023, we have made significant progress in the implementation of its growth, innovation and sustainability strategies, which are reported in this report through key performance indicators related to material issues.



In this Annual Report, we also refer to Grupo Financiero BBVA México as "BBVA México."

"Grupo BBVA" or "the Group" refers to the integration of Banco Bilbao Vizcaya Argentaria (BBVA) and all of its international acquisitions.





## Our purpose

To bring the age of opportunity to everyone



## Values



### The client comes first

- We are empathetic
- We have integrity
- We solve your needs



### We think big

- We are ambitious
- We break the mold
- We surprise the client



### We are one team

- I am committed
- I trust the other
- I am BBVA

## Strategic priorities



Improve the financial health of our clients



To grow in clients



The best and most committed team



Helping our clients transition to a sustainable future



Pursuing operational excellence



Data and technology



## Double materiality, BBVA México 2023

In addition to taking into account the purpose, values and strategic priorities of Grupo BBVA, each year we conduct an update of the material topics to identify the most significant issues for BBVA México and its stakeholders.

In 2023, BBVA México adopted the concept of **dual materiality** to deepen its commitment to sustainability and risk and impact

management. The result of this exercise was a new materiality matrix with 10 critical material topics, three significant, five important, and one informative.

For the complete process of determining the dual materiality of BBVA México 2023, please refer to the **“Exhibits”** chapter of this report.

- Critical
- Material
- Important
- Informative
- Minimal



- 1 Adequate management of all risks
- 2 The client’s Experience
- 3 Solvency and financial results
- 4 Corporate governance
- 5 Sustainable finance
- 6 Innovation and digital transformation
- 7 Climate change
- 8 Transparency, clarity and accountability
- 9 Cybersecurity and responsible use of data
- 10 Ethical behavior
- 11 Education and financial inclusion
- 12 Employee engagement and talent management
- 13 Diversity and inclusion
- 14 Contribution to society
- 15 Human rights
- 16 Labor practices
- 17 Environmental footprint
- 18 Supply chain
- 19 Health and safety

● Environmental ● Social ● Corporate governance





# How to read this report?

This integrated annual report is comprised of seven chapters and a set of exhibits. Throughout the document there are **alphanumeric codes that refer to the reporting standards used.**

01

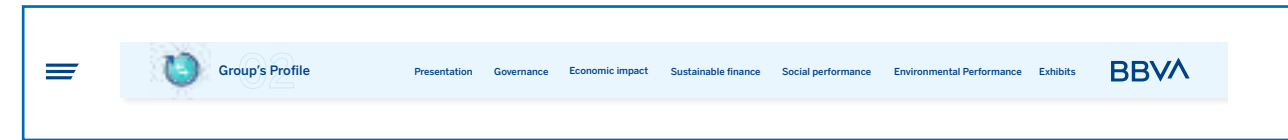
At the top of each page there is a **navigation menu** so that the reader can **go to the chapter he/she wishes to consult.**

02

In some texts there are **hyperlinks that redirect to complementary public information.**

In the Exhibits you will find the **GRI Content Index** –with the reference to the page where each content is answered– and the **SASB Index** -with the direct answers or references where each indicator is answered-.

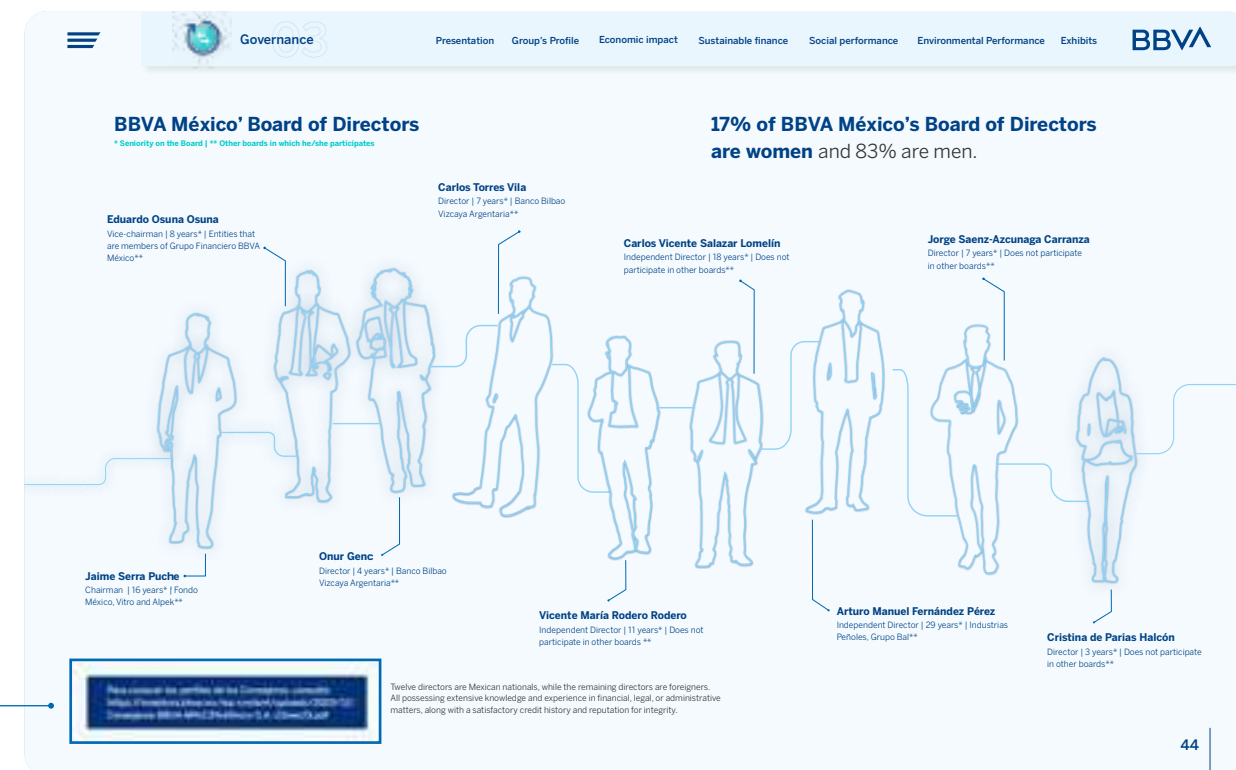
01



## BBVA México Leadership



02





# About this report

GRI 1, 2-2, 2-3, 2-4, 2-5, 2-14

**The information presented in BBVA México's 2023 Annual Report reflects the institution's ongoing commitment to sustainability and is an exercise in accountability for economic, environmental and social performance.** The indicators included are qualitative, quantitative and, in most cases, standardized and comparable with previous years.



In preparing the report, the principles of sustainability context, inclusion of stakeholder perspective, dual materiality, completeness and other criteria established in the reporting standards are considered. The 2023 Annual Report covers the following entities of Grupo Financiero BBVA México, which are reported in the financial report; therefore, the results of other entities, institutions, companies, shareholders, clients or business partners are not included, unless otherwise stated. In the event that the report does not include data from all of the company's affiliates, the scope of the information presented will be specified.

- BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México
- Casa de Bolsa BBVA México, S.A. de C.V., Grupo Financiero BBVA México
- BBVA Servicios Administrativos México, S.A. de C.V.
- BBVA Operadora México, S.A. de C.V.
- BBVA Asset Management México, S. A. de C. V., S.O.F.I., Grupo Financiero BBVA México
- BBVA Seguros México, S.A. de C.V., Grupo Financiero BBVA México
- BBVA Seguros Salud México, S.A. de C.V.
- BBVA Pensiones México, S.A. de C.V.
- BBVA Bancomer Gestión, S.A. de C.V.





In 2023, BBVA México conducted a first diagnosis of the requirements defined in the International Financial Reporting Standards (IFRS) on sustainability and climate, IFRS S1 and S2, as well as in the draft General Standards for Sustainability Disclosures (NIS 1) and Disclosure of Basic Sustainability Indicators (NIS 2). This exercise was conducted with the objective of anticipating future indicators and reporting requirements.

The Sustainability Accounting Standards Board (SASB) standards specific to commercial banks and financial services, the GRI sector supplement for financial services and the United Nations Principles for Responsible Banking were also included in this report.

The BBVA México 2023 Annual Report was verified by EY (Mancera, S.C., Member of Ernst & Young Global Limited), an independent third party that performed a limited verification of selected contents of the report, the scope of which is detailed in the verification report contained in this document.

BBVA México's verification practice is aligned with Grupo BBVA's strategy, which contemplates the periodic rotation of verification teams, thus guaranteeing integrity and objectivity in this process.

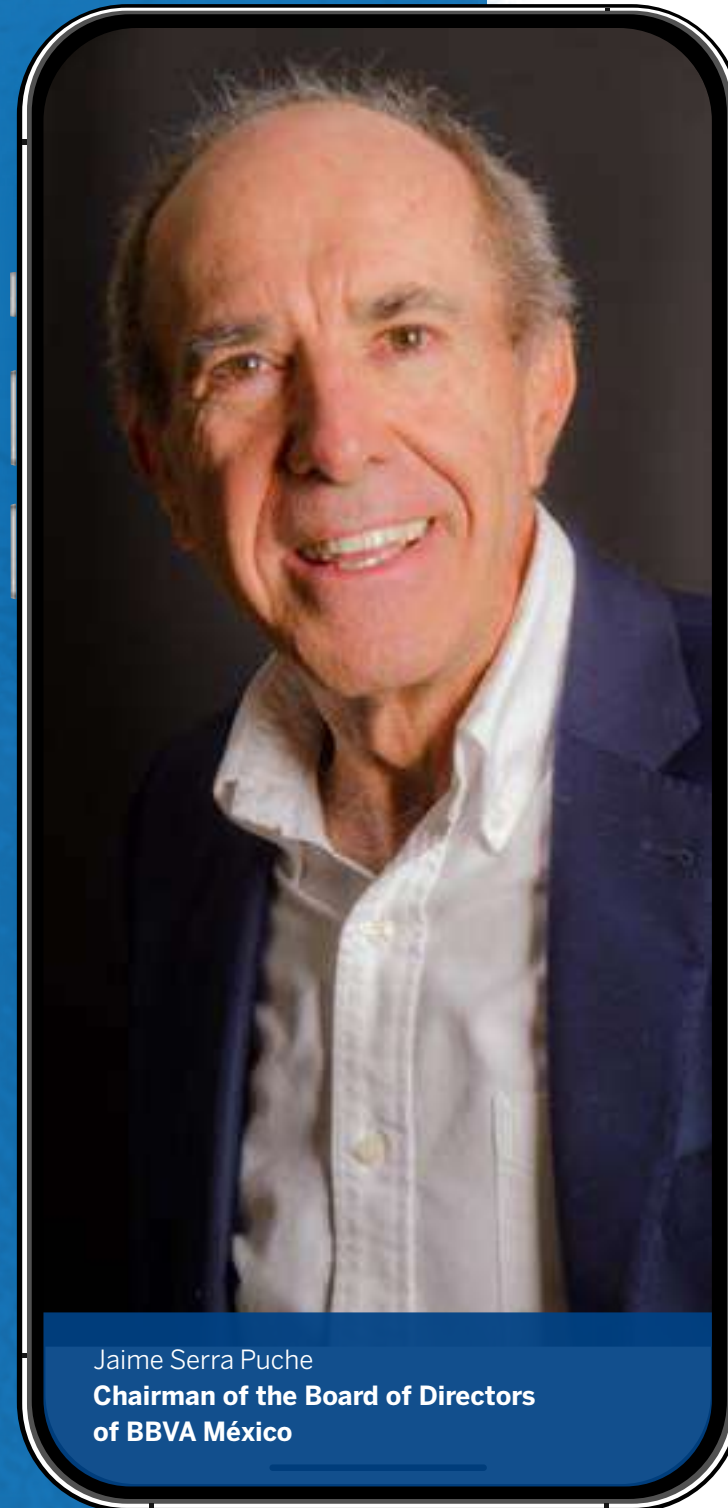
Grupo Financiero BBVA México has **prepared the report in accordance with the GRI Standards for the period from January 1 to December 31, 2023.**



# Report of the Chairman of the Board of Directors

GRI 2-22

I am pleased to present **BBVA México's 2023 Annual Report** to share with all our stakeholders the progress of our contribution to the country's progress and sustainable development, through innovation and financing, with a focus on the environment and inclusive growth.



Jaime Serra Puche  
Chairman of the Board of Directors  
of BBVA México

We are living in an era of unprecedented acceleration in digitalization, decarbonization of the economy and social inclusion, and in that context our great objective is to help our clients in the **transition to a sustainable future**, while being responsible to our collaborators, suppliers, the community and the environment.

We are committed to Grupo BBVA's strategic priority of supporting its clients with advice, financing and the implementation of transition plans, for all segments and sectors that the bank serves. In response, at the close of December 2023, **BBVA México channeled more than PS. 206 billion in sustainable financing**, 28% more than in 2022. This figure includes our participation as placement intermediary for more than Ps. 61 billion in green and social bonds. In addition, this year we accompanied the issuance of the first blue bond in Mexico.

By the end of 2023, **BBVA México channeled more than 206 billion pesos in sustainable mobilization**, 28% more than in 2022.





In 2023 **we were recognized in the first edition of the Merco Talento ranking, obtaining first place in the financial sector and second place overall of all the companies ranked.**

We work so that the role of banking goes beyond financing: organizations and individuals need knowledge and tools to help them make informed decisions and keep their finances healthy. In 2023, **Financial Education** reached 21.2 million beneficiaries with its entire program, highlighting that in the year we benefited more than 97 thousand unique people through distance and face-to-face workshops. We also promote the **financial health** of our clients through tools for expense control, credit management, savings and investment planning.

As part of our commitment to our employees, we prioritize the **well-being of the more than 47 thousand employees of BBVA México** through compensation and benefits that exceed those provided by law. We implement programs inspired by best labor practices that include the promotion of physical, sports

and cultural activities, as well as the creation of safe, diverse and inclusive work spaces.

In 2023, 50.76% of our workforce was made up of women, and we employed more than 260 people with disabilities. This year we also began to set up lactation rooms in branch offices, in addition to the lactation rooms in buildings and corporate offices, bringing our total number of safe spaces for women to 129. Thanks to these efforts, in 2023 we were recognized in the first edition of the Merco Talento ranking, obtaining first place in the financial sector and second place overall of all the companies ranked.

From **Fundación BBVA**, this year we shared with great enthusiasm the opening of our first **SER School**, which

aims to provide excellent education to students living in socioeconomically vulnerable contexts, at no cost to their families. The school opened its doors in the municipality of Acolman, State of Mexico, an environment where nine out of ten families face economic challenges and where only one out of ten inhabitants complete university.

We contribute to the community through educational, cultural, and social programs that promote the integral development of society. In 2023, we provided scholarships to more than 50 thousand students through the Inspiring Young Boys and Girls program, and to more than 2 thousand students through Inspiring Young Boys and Girls with Disabilities.

We continue to work on integrating sustainability criteria into the supplier evaluation process. 100% of our purchases in 2023 were made with suppliers that have been evaluated under financial and non-financial criteria. In addition, the percentage of our suppliers geographically located in Mexico amounts to 94.76%, thus contributing to the local economy.

Committed to **climate action and natural capital**, in 2023 we launched the 1st edition of the BBVA National Sustainability Challenge, a bank initiative that seeks to find a viable solution to reduce the socio-environmental problem of sargassum in the



Mexican Caribbean. This year we also made the carbon footprint calculator available to 100% of the users of the BBVA México App, which in addition to measuring the emissions generated per user, offers information, news and useful tips to build habits that help protect the environment.

In relation to the management of the environmental impact of our operations, this year we achieved 11 ISO 14001 certified buildings for Environmental Management Systems and eight LEED certified buildings. In addition, we offset 100% of our carbon emissions and 100% of the electricity purchased came from renewable sources.

In 2023, BBVA México maintained its commitment to the Ten Principles of the United Nations Global Compact and the Principles for Responsible Banking of the United Nations Environment Program Finance Initiative. Also, our subsidiary BBVA Pensiones México continues to work on the implementation of the Principles for Responsible Investment, incorporating environmental, social and governance (ESG) factors into its policies and processes. Through these initiatives we contribute to the generation of long-term value from the financial system.

We thank the clients, employees and other stakeholders who rely on our decisions to continue **creating opportunities** and recognize those who are committed to the transition to a sustainable future with no one left behind.

**100% of the electricity** purchased came from renewable sources.

**Jaime Serra Puche**  
Chairman of the Board of Directors of BBVA México



# Report from the Vice Chairman of the Board of Directors and Chief Executive Officer

GRI 2-22

## Business Development, Year 2023

The year 2023 was a year of consolidation of several decades of transformation that has allowed us to reach a historic figure of **30 million clients** in the Mexican financial system.



Eduardo Osuna Osuna  
Vice Chairman of the Board of Directors  
and Chief Executive Officer of BBVA México

We reaffirm our commitment to society and to our clients, contributing to economic and social progress by consolidating our position as the leading financial institution in the country, forcefully executing our **strategy focused on digitalization, innovation and sustainability**. Also, we have the best and most committed team, demonstrating our commitment to the values and principles that we have in the bank, which distinguishes us as a company deeply connected to its clients and that continuously strengthens its service culture.

At BBVA México, we recognize our responsibility to contribute to the country's development, serving as a crucial catalyst for economic growth. With this understanding, we prioritize the prudent allocation of credit, facilitating and fostering the realization of medium- and long-term aspirations for both Mexican families and businesses. We remain steadfast in our mission to "To bring the age of opportunity to everyone."

We are pleased to announce that as of November 2023, we have maintained our leadership position with a market share of 24.7%, according to data from the National Banking and Securities Commission (CNBV). Furthermore, our total **portfolio has exceeded 1.6 trillion pesos**, marking a substantial year-on-year growth of 10.6%.



## 10.6% growth in total portfolio compared to the previous year.

The commercial portfolio reached Ps. 896 billion, equivalent to an annual increase of 8.2%, reflecting the good performance of corporate loans and the business segment. A very important part of our strategy is the SME segment, key to the country's development, where we have reached a portfolio of Ps. 113 billion, a 19.0% increase over the previous year. During 2023, we continued to promote the "Banca de Barrio" (Neighborhood Banking) strategy, which has allowed us to serve small businesses within a delimited perimeter around the branch to attract a greater number of clients and generate closer relationships, improving the service experience through a wide range of specialized products for this segment. To this end, since its launching, we have had 292 thousand new clients, placed 200 thousand new POS terminals, attracted 733 thousand new payrolls and, as an advisor to small businesses, we have also promoted the placement of insurance policies for more than Ps. 3,475 million to insure various types of damages.



During 2023, the dynamism of private consumption was decisive; loans to families showed an increase of 13.7% annually, reflecting the constant promotion of our digital strategy and aligned with the country's solid economic growth. In detail, consumer and credit card loans, which together recorded an increase of 17.9% in annual terms, stand out. Meanwhile, housing finance continues to show solid dynamism, with a balance 8.8% higher than in 2022, which allows us to continue to place 1 out of every 4 mortgages in private banking.

In terms of asset quality, the non-performing loans ratio stood at 1.7% at year-end, one of the best indicators in the system, demonstrating the soundness of our robust risk models. The coverage ratio stood at 196.4% at the end of 2023.

**Non-performing loans ratio of 1.7%,** demonstrating the soundness of our robust risk models.





In terms of deposits, we continued to grow our bank deposits (demand + time deposits) by 5.4% year-over-year, showing a good performance in both demand and time deposits, which grew 5.2% and 6.6%, respectively. Furthermore, we've upheld our strategy of offering our clients a diverse array of products tailored to their profiles and the prevailing yield environment. This approach has contributed significantly to the substantial growth in our mutual fund volumes. With all of this, BBVA México consolidates its position as leader in bank deposits, with a market share of 24.1% according to public figures from the CNBV at the end of November 2023.

It is important to mention that we comfortably met the minimum required capitalization and liquidity indicators; thus, BBVA México's capitalization ratio was 18.3% at the end of December 2023, comprised of 15.7% core capital and 2.6% supplementary capital. The short-term indicator, defined as the Liquidity Coverage Ratio ("LCR"), stood at 162.6%.

**+3,500 million financial transactions in 2023**, 65% of which were conducted through digital means.

During 2023, BBVA México will continue to transform the banking industry by continuing to improve and innovate our products and services in a highly competitive environment. This is reflected in the number of financial transactions, which exceeded 3,500 million transactions at the end of 2023, 65% of which were carried out through our mobile app or website.

This has allowed us to achieve **76.8% of total sales in BBVA México through one of our digital channels.**





## Opening of the first **School for Inspiring Young Boys and Girls**

In this regard, leveraging both our physical and digital platforms, we've experienced a 7.8% increase in our client base, culminating in a total of 30 million clients by year-end. This growth underscores the success of our financial inclusion strategy. In BBVA México we reaffirm our commitment to society, which is why during 2023 we launched the first School for Inspiring Young Boys and Girls, with the first generation of 60 first grade students in economically vulnerable situations, the school aims to provide education of excellence by developing skills, promoting critical and reflective behaviors and bringing more children and young people closer to the consolidation of their dreams. To mention some of the benefits of the school, the following are some of the most important ones: free education of excellence from elementary school to high school, extended hours, balanced nutrition, English teaching approach and character formation.

The "BBVA Scholarships for Inspiring Young Boys and Girls with Disabilities" supports the educational and labor inclusion of 2,000 recipients in the 2023-2024 cycle. During 2023, it added 263 employees with disabilities to its workforce.

To carry out both projects, Fundación BBVA México relies on the trust of 16 thousand employees and more than 400 thousand clients, who thanks to their donations make it possible to successfully carry out these initiatives, as well as the support of more than 6 thousand mentors who are volunteer collaborators of the institution who accompany the recipients in their training. BBVA México has supported the education of young people in Guerrero through the Juntos por la Educación (Together for Education) program, where it has allocated PS. 112 million as seed capital, giving continuity of education to more than 30 thousand middle and high school students.

In terms of BBVA México's actions to promote sustainable transformation with a focus on climate change, the institution mobilized Ps. 153,598 million in 2023 and Ps. 52,894 million in actions that promote inclusive growth. BBVA México and Nestlé, through their collaboration agreement, will promote the transition to sustainability for up to 1,500 agribusiness suppliers.

BBVA México was recognized in the Net Promoter Score (NPS) with more than **70 points** (out of a total of 100), and registering a difference of 26 points against the closest competitor, this for its quality of service from the client's perspective.

In 2024, we will continue our commitment to provide exceptional service to families, individuals, companies and governments, always keeping in mind that we are a company of people for people. We will also continue to work on the transformation and innovation that characterizes us so much, emphasizing renewed client service by offering products that are tailored to meet real needs, with agile and efficient processes. We will take advantage of global trends, such as digitalization, to contribute to building a more inclusive and sustainable company.

We thank each member of our team for their dedication and hard work during 2023. We celebrate the opportunity to excel and continue to be a fundamental support for our clients and the country in the year ahead.

**Together, let's continue to create opportunities!**

**Eduardo Osuna Osuna**  
**Vice Chairman of the Board of Directors and**  
**Chief Executive Officer of BBVA México**

**30 million clients** by year-end.





# 2023 Highlights



**30 millones** clients, 74% of them digital clients



More than **Ps. 206 billion** in sustainable financing<sup>1</sup>



**+47 thousand** employees, 50.76% of the workforce are women



**48 hours** of training per employee on average



**+50 thousand** students received scholarships through the Inspiring Young Boys and Girls program



**+44 employees** trained with the express sustainability course



**21.2 million** beneficiaries of the Financial Education programs



**11 ISO 14001-certified buildings** for Environmental Management Systems and 8 LEED-certified buildings



**BBVA México buys** and retires carbon credits in an amount equivalent to its CO<sub>2</sub> emissions in the categories over which it has direct management capacity<sup>2</sup>



**2,000 students** receive scholarships through the Inspiring Young Boys and Girls with Disabilities

Source: BBVA México

<sup>1</sup>This report also uses the terms "mobilization" and "channeling" to refer to sustainable finance. For more information, see the Sustainable Finance chapter.

<sup>2</sup>Scopes 1, 2 and some categories of Scope 3.



# Group's Profile

Learn about the history and business model of Grupo Financiero BBVA México, including the variety of financial products and services it offers, as well as its digitalization, innovation and sustainability strategy.

02







# Who we are

GRI 2-1, 2-6, 2-23

The history of BBVA México began in 1932, with the founding of Banco de Comercio, S.A. in Mexico. Over the years, the bank underwent numerous significant changes, including mergers, name changes and the acquisition of other financial entities. Among these events was BBVA's acquisition of Bancomer in

2000. With 91 years in Mexico, BBVA continues to strengthen its position as one of the country's leading financial institutions, maintaining its focus on sustainability and technological innovation, adapting to market changes and the needs of its clients to continue its track record of success.



**1932**

Bancomer was founded under the name of **Banco de Comercio**



**1991**

**Grupo Financiero Bancomer** was created



**1996-1997**

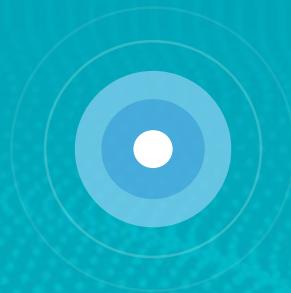
**Afore, Seguros y Pensiones Bancomer** was created



**2000**

**Grupo Financiero BBVA Bancomer** was created derived from the merger of Grupo Financiero BBV-Probursa with Grupo Financiero Bancomer





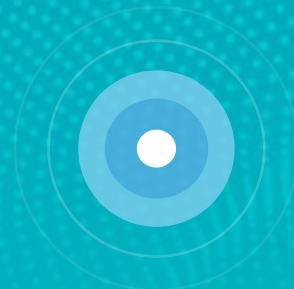
**2000**

Grupo Financiero BBVA Bancomer **acquires Banca Promex** and **consolidates its position** as the largest financial institution in Mexico



**2021**

Change of name (**BBVA México**)



**2005**

Grupo Financiero BBVA Bancomer **acquires Hipotecaria Nacional**



**2022**

BBVA celebrates **90 years of helping the Mexican economy**

Grupo Financiero BBVA México, S.A. de C.V., is a holding company authorized to be organized and operate as a subsidiary of **Banco Bilbao Vizcaya Argentaria (BBVA) in Mexico.**





### Corporate Structure as of December 31, 2023.



It offers a broad portfolio of financial services through the largest distribution network in the country and a variety of channels such as physical branches, ATMs, banking correspondents, point-of-sale terminals (POS), and digital platforms such as its website and mobile applications. BBVA México serves its clients through specialized executives who provide personalized services to individuals, businesses and government entities.

This multifaceted strategy ensures that each client finds banking solutions tailored to their specific needs, **reinforcing BBVA México's commitment to accessibility and client satisfaction.**



# Presence

GRI 2-1, 2-6

**1,706**  
branches

**14,500**  
ATMs

**814,283**  
POSs

**30.2 million**  
active clients

**22.5 million**  
digital clients

**22.2 million**  
mobile clients

**38,153**  
correspondents

**1,650,960**  
million pesos  
of performing portfolio

**The #1 bank**  
recommended by our clients

**100,246**  
million pesos  
of net income

**1,695,983**  
million pesos  
in deposits (demand + time)

**798,469**  
million pesos  
of assets under  
management in  
mutual funds

As of the end of December 2023 (except for the Correspondents figure as of November).







# Domestic



State	Branches	ATMs	State	Branches	ATMs
Aguascalientes	20	186	Morelos	27	205
Baja California	54	439	Nayarit	21	140
Baja California Sur	20	142	Nuevo León	108	831
Campeche	14	105	Oaxaca	28	232
Chiapas	36	278	Puebla	61	557
Chihuahua	54	432	Querétaro	32	308
Mexico City	253	2,251	Quintana Roo	25	328
Coahuila	44	418	San Luis Potosí	29	295
Colima	10	78	Sinaloa	39	338
Durango	23	158	Sonora	50	401
State of Mexico	173	1,663	Tabasco	33	255
Guanajuato	83	603	Tamaulipas	45	459
Guerrero	31	172	Tlaxcala	7	90
Hidalgo	30	287	Veracruz	74	669
Jalisco	181	1,206	Yucatán	35	266
Michoacán	78	551	Zacatecas	23	144

Information as of the end of November 2023. Source: CNBV.

Scope BBVA México, does not include a branch belonging to the Houston agency.



# BBVA México Leadership

GRI 2-1, 2-6



## Market Share (%)

**23.1**  
ATMs

**30.3**  
Consumer + Credit  
Cards

**24.1**  
Bank deposits  
(demand + term, network)

**14.7**  
Branches

**25.5**  
Mortgage Loans

**28.3**  
Demand deposits

**21.8**  
Total Assets

**27.1**  
Auto Loans

**24.8**  
Mutual funds

**24.7**  
Performing  
Portfolio

**30.9**  
Government loans

Figures in Percentages, unless otherwise indicated.  
 Sources: CNBV, AMIB.  
 CNBV information: Bank with Sofom and Subsidiaries.  
 Mutual Funds: Assets under management in investment companies without duplications.  
 Information as of November 2023.





# Business Units

GRI 2-6

BBVA México evolves every day to improve the experience of its clients, through the wide range of traditional products and with the best offer of digital products and services. One of the main elements of the business model is the segmentation of clients, which allows it to provide specialized attention through each of the Business Units, dedicated to the development of products and services focused on the needs of clients. This, together with the robust structure of Support Units, allows us to drive the businesses by being a strategic partner of all the Networks, generating the best experience and aiming to maintain adequate recurrence in the business and comprehensive management with synergies that allow for continuous growth.

**One of the main elements of the business model is the segmentation of clients,** which allows it to provide specialized attention through each of the Business Units.



## Retail Network

**Retail Network manages the entire branch network, which offers services and serves all segments of individual clients, from Ultra High Net Worth, Private, Wealth and Personal, to the banking and express segments.** This unit also serves micro businesses and small companies. All of them with a specialized offer for each client segment to meet their needs.



Retail Network has been an important pillar for the redesign of BBVA México's branch structure by adding larger self-service spaces to enhance the client experience by improving the flow within the branches and adding intelligent ATMs that allow consumer credit, cash deposits and payments, payment of services, among many other financial and non-financial transactions.

**22 million customers in the app BBVA Mexico** and 313 thousand clients in the Empresas app, in 2023.

In line with BBVA México's ongoing transformation, significant investments have been made to continue developing alternative channels and digital innovation to boost in-branch sales, improve service and increase loyalty.

Together with Business Development, continuous innovation has allowed BBVA México to generate a wide range of products and services, including consumer loans, auto loans, savings products such as demand deposits, time deposits, mutual funds, and life, auto, home and natural disaster insurance. During 2023, BBVA México made a change in the insurance business model, which allowed it to reach a stock of 8.4 million insurance policies. In 2023 BBVA México was characterized by having a digital offer capable of banking more and more clients, the BBVA México app has 22 million clients and the Empresas (Companies) app reached 313 thousand clients.

Wealth and Private Banking has initiated the "Business Center" model for closer customer service, optimizing the location of branches, integrating them into a Business Center and sharing the location with other banks, allowing it to offer a more comprehensive service to clients.





The figure of Digital Advisor, to support sales through the mobile application has contributed to the fact that, by the end of 2023, 77% of total sales have been made through some digital channel and 74% of the total client base has been a user of our digital channels.

During 2023, BBVA México continued to transform its customer service strategy with the aim of consolidating long-term relationships and being able to address their needs in advance with specialized solutions. In this sense, the new service model for SMEs has been differentiating and has registered positive results with the attraction of new clients. BBVA México has surpassed Ps. 113 billion in loan portfolio, which has allowed it to generate a significant gain in market share, making it the market leader. During 2023, a new SME Digital Unit was created to consolidate the purpose of being the Bank for SMEs. In addition, BBVA México continues to promote digital channels to strengthen and differentiate its offer with innovative collection solutions (CoDi, electronic payment, e-commerce and point-of-sale terminals, POS). It also implemented a Secure Call, strengthening the security of telephone communication with its clients.







## Government and Commercial Banking

With the aim of **increasing cross-selling opportunities, the level of client loyalty and improving experiences**, this unit offers services and specialized attention to clients in the following segments:

### BUSINESS ENTITIES

with savings, credit, cash management and collection solutions. Through the BBVA Empresas App, it is possible to manage and administer the business from your cell phone and, in addition, through this medium a wide variety of services and digital offers are offered.

### HOME DEVELOPERS

offers loans to developers for construction purposes.

### CONSUMER FINANCING

within banking, this specialized unit was created exclusively to meet the diverse requirements of the automotive industry, including loans for the distribution and acquisition of vehicles, and is also part of Corporate and Investment Banking, since it provides services to meet the financial needs of car dealers. During 2023, partnerships have been closed with Chinese brands, such as OMODA, BYD, Great Wall, Jetour.

### GOVERNMENT ENTITIES

offers specialized and tailored service to meet the needs of the Mexican Federal Government, the States and Municipalities of Mexico and other government agencies. The wide range of products for this segment includes paycheck services for government employees and checking accounts, as well as tax collection and payment services for States and Municipalities through products such as "Multipagos" and "CIE online."

### BBVA SPARK

BBVA initiative to help high-growth companies (Start-up, Scale-up, Unicorn, Growth, etc...) with the agility and flexibility they need to achieve success. To do this, it has exclusive bankers to develop the segment giving reduced response times to financing needs and has adapted risk processes.





# Corporate and Investment Banking

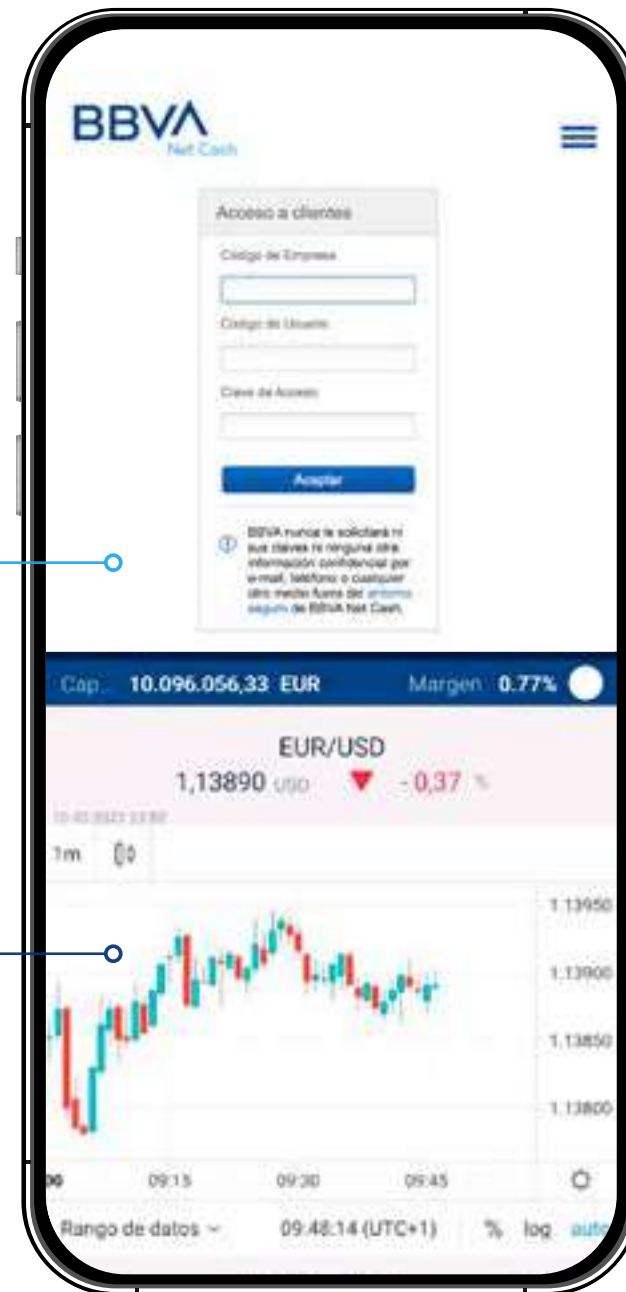
Offers credit products and services to corporate and institutional clients, mergers and acquisitions services, market transactions (equity and fixed income), cash management, online banking and investment products. Bankers in this unit strive to ensure that clients receive the best service tailored to their needs. Some examples of products offered to this client segment are:

### BBVA NET CASH

A global electronic banking solution that enables efficient and secure banking transactions to be executed through a safe and easy-to-use platform.

### BBVA TRADER MX

A platform that allows investors to perform their own trading online and in real time, this service also offers market information, analysis, news and technical tools, which can be customized, to assist clients in making financial decisions.



Corporate and Investment Banking also includes Global Markets and, in association with the Broker-Dealer, offers more sophisticated products and services for individuals and companies, such as public offerings and debt and equity issuances and structured financing, among others. It stands out that BBVA México has headed the SHCP and Banco de México classification of market makers since 2012.





# Strategy

GRI 2-12, 2-28

BBVA México, in line with its strategic priorities, seeks to be a pioneer in the service and products it offers its clients, by providing a comprehensive and specialized support service to individuals and companies, and by offering advice that allows them to take advantage of the best financial opportunities. To this end, it is of utmost importance to be at the forefront and to anticipate the development of products and services that reflect the new trends in the financial business and the service expectations of our clients.

In the institution we feel identified with our purpose and values. The values are at the core of the strategy defined as: (i) The Client Comes First, being the client's experience and needs our top priority, (ii) We Think Big, with the objective of helping our clients meet their goals by being, more than a bank, an engine of opportunities, and (iii) We Are One Team, encouraging the participation of all our collaborators, all working towards the same common objectives. These values guide us towards the achievement of our purpose "To make the opportunities of this new era available to all."

In 2020, we updated our strategic priorities under a redefinition that allows us to address the new needs and capabilities of both clients and the market itself. In 2021, as a result of the acceleration

of some trends such as digitalization or the commitment to more sustainable and inclusive development, we have strengthened our strategy to anticipate these trends, which has allowed us to advance in the execution of the six strategic priorities.

## Our strategic priorities are defined under the following three pillars:



### What represents us:

- Improve the financial health of our clients.
- To help our clients transition to a sustainable future.



### Levers for differentiated performance:

- To grow in clients.
- Seek operational excellence.



### Accelerators to reach our goals:

- The best and most committed team.
- Data and technology.

BBVA México, as a relevant subsidiary of Grupo BBVA, is a participant and protagonist in this commitment to a more environmentally responsible world. In line with the endorsement of the Mexican agenda for a sustainable recovery, BBVA México will continue to work together with its clients to strengthen its green and inclusive offer for the country. In terms of BBVA México's actions to promote sustainable transformation with a focus on climate change, the institution mobilized Ps. 153,598 million in 2023 and Ps. 52,894 million in terms of actions that promote inclusive growth.

**BBVA mobilized more than 206 billion pesos in 2023 in sustainability, 74% in climate change and 26% in inclusive growth.**





## Grupo BBVA's sustainability strategy

Sustainability is a fundamental element to ensure compliance with Grupo BBVA's purpose, its ambition is to support business growth and manage its impacts with three main objectives and indicators.

Promoting new businesses through sustainability



2025 GOAL

Channeling EUR

**300 billion**

of sustainable business (base year 2018).

Achieve zero net emissions



2050 GOAL

Achieving net emissions neutrality from direct operations. Setting and managing 2030 decarbonization targets for sectors such as oil and gas, autos, cement, power generation, steel and coal.

**Using 100% renewable energy in operations by 2030.**

Generate a positive impact



2025 GOAL

Investing EUR

**550 million**

in the community (base year 2021).

**BBVA México promotes sustainable financing** and contributes to the global commitment to mobilize 300 billion euros by 2025.



### To increase the growth of Grupo BBVA's business through sustainability.

Grupo BBVA shares the financial sector's commitment to support the transition to a sustainable future, developing specific products for clients and financing responsible investment. Sustainability is a growth lever for Grupo BBVA and has a holistic approach, with a focus on climate action and inclusive growth, and covers all segments. To capture this opportunity, we are working on five lines of growth:

- **Sector strategy for corporate clients:** focused on low-carbon technologies and on high-emission sectors to help them in their decarbonization. Sector plans are being developed to proactively address the reduction of the carbon footprint of the loans that Grupo BBVA grants to its clients (portfolio alignment) and specialized sustainability teams are being strengthened.
- **Driving enterprise business:** developing products focused on six themes (auto, real estate, agriculture, supply chain, energy and inclusive growth), leveraging the Group's expertise with corporate clients and creating dedicated teams in all countries, including Mexico.

- **Launching bets to rapidly expand the retail business, leveraging the Group's digital advantage:** this line is enabling the creation of an innovative and disruptive value proposition in specific sectors, for which dedicated teams have been created to develop new solutions in auto, energy efficiency and carbon markets.



- **Financing of new sustainable technologies:** currently unbankable with traditional financing structures (hydrogen, batteries, carbon capture, storage and use technologies, etc.), allowing Grupo BBVA to be a reference in the ecosystem.
- **Development of sustainability risk management capacity:** the focus is on incorporating sustainability into the entire risk value chain, from the risk appetite framework to the loan approval process. The development of specific tools is a priority as a key element in decision making.

**Sustainability is a growth lever for Grupo BBVA and has a holistic approach,** focusing on climate action and inclusive growth, covering all segments.





### Achieving net zero emissions by 2050

Grupo BBVA is one of the founding banks of the Net Zero Banking Alliance and, as such, has made a commitment to be carbon neutral by 2050. To this end, the Bank is implementing the strategy of portfolio alignment and management of indirect emissions, considering the Mexican portfolio in its scope. Progress on this initiative can be found in Grupo BBVA's TCFD Reports, available on the Group's Investor Relations page.

At the same time, the Group continues to implement its own emissions reduction strategy. Accordingly, it has set the goal of achieving 100% renewable energy use in its operations by 2030, reducing scope 1 and 2 CO<sub>2</sub> emissions by 68% compared to 2015 by 2025, and extending the scope of CO<sub>2</sub> emissions measurement to more scope 3 activities. BBVA México is actively contributing to the achievement of these goals; information on local results and progress can be found in the Environmental Performance section of this report.



### Promoting integrity in our relationship with stakeholders

Through the 2025 Community Commitment 2025, in the period 2021-2025, Grupo BBVA and its foundations, including the participation of Fundación BBVA México, will allocate EUR 550 million to social initiatives to support inclusive growth in the countries where it is present. The programs will benefit 100 million people in that period. This is the most ambitious social plan that Grupo BBVA has launched to date.

In addition, there is a commitment to generate positive impact in the exercise of our own activity. To this end, action plans are being developed for employees. Grupo BBVA is committed to its employees, being a values-based organization with a diverse and inclusive team. The initiatives and progress in relation to BBVA México's commitment to employees and the community can be consulted in the **Social Performance** section of this report.



# General Sustainability Policy

GRI 2-23

BBVA's **General Sustainability Policy** defines and establishes the general principles of action, as well as the main objectives and guidelines to be followed by the Group in matters of sustainable development. **BBVA México adhered locally to this policy in 2023 and it is now part of the local internal regulations.**



## General principles of action in sustainability matters

- **Support clients in their transition to more sustainable business models** by acting as a lever to encourage such behaviors or actions.
- **Progressively incorporate opportunities and risks related to sustainability** in its strategy, business, processes and risk management.
- **Ensure the direct and indirect environmental and social impact** in the most relevant areas that its businesses and activities may generate, promoting positive impacts and reducing negative impacts.
- **Respect the dignity of people and the human rights** inherent to them in accordance with various commitments of broad national or international recognition to which it has adhered.
- **Develop community investment programs and activities** to address the most relevant challenges of the communities in which the Group is present, with the aspiration of creating opportunities for all.
- **Involvement as an agent of social change together with other stakeholders** (employees, shareholders, suppliers or society in general) with the aspiration to create opportunities for all, and to dedicate its competencies and business knowledge, capabilities and resources to this end.

The focuses of action in sustainability matters provided in the Sustainability Policy are as follows:



**The fight against climate change and the protection of natural capital**, so that the Group acts as a driver of the joint global effort to accelerate the shift to a net-zero emissions economy by 2050, and the preservation of natural capital.



**Inclusive growth, so that the Group acts as a catalyst for change**, increasing the well-being and economic growth of society, leaving no one behind and making the opportunities of this new era available to all.

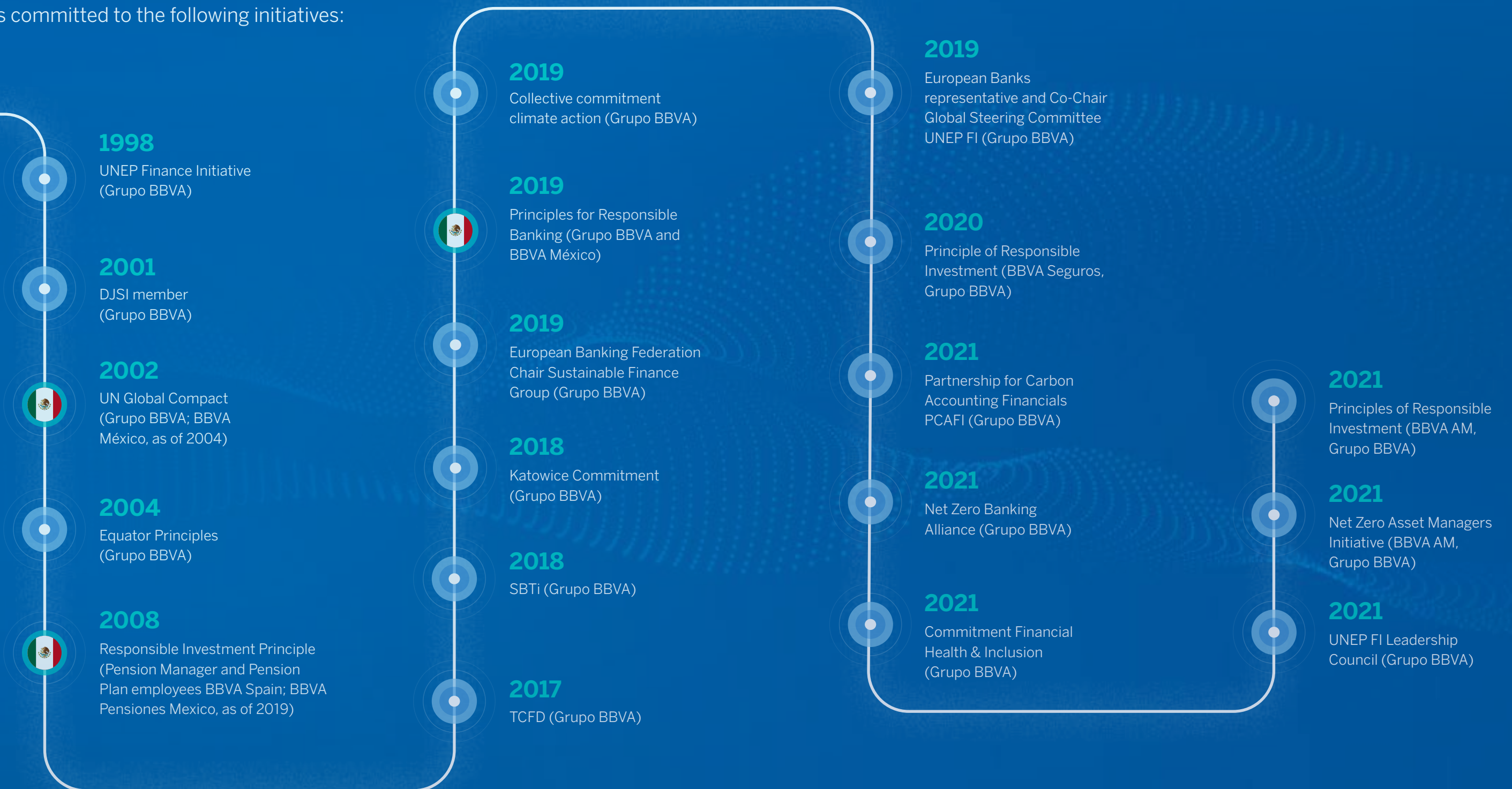




# Commitments

GRI 2-23, 2-24

Grupo BBVA is committed to the following initiatives:





## Strategic alliances

BBVA México has alliances with international organizations with presence in the country, local organizations, universities and experts in sustainability, among other relevant actors, with whom we promote the agenda on key sustainability issues such as climate change, sustainable mobility, sustainable finance, financial inclusion, among others.

Some of the partners with whom we are collaborating in 2023 include: AliaRSE, Asociación de Bancos de México, Cámara Española de Comercio, Centro Mexicano para la Filantropía, Climate Finance Accelerator, Consejo Mexicano de Finanzas Sostenibles, British Embassy, Instituto Tecnológico Autónomo de México, Instituto Tecnológico de Monterrey, Global Compact Mexico, Plataforma Mexicana de Carbono, Reforestamos and Universidad Nacional Autónoma de México.

The key sustainability issues included in the agenda with our strategic allies are: **climate change, sustainable mobility, sustainable finance, financial inclusion, among others.**



## Acknowledgments

Grupo Financiero BBVA México **ranked at the top of various rankings and was recognized by different entities in Mexico, the Americas and Europe** for its outstanding performance in innovation, digitalization, responsible employment and sustainability.

### Best bank in Mexico

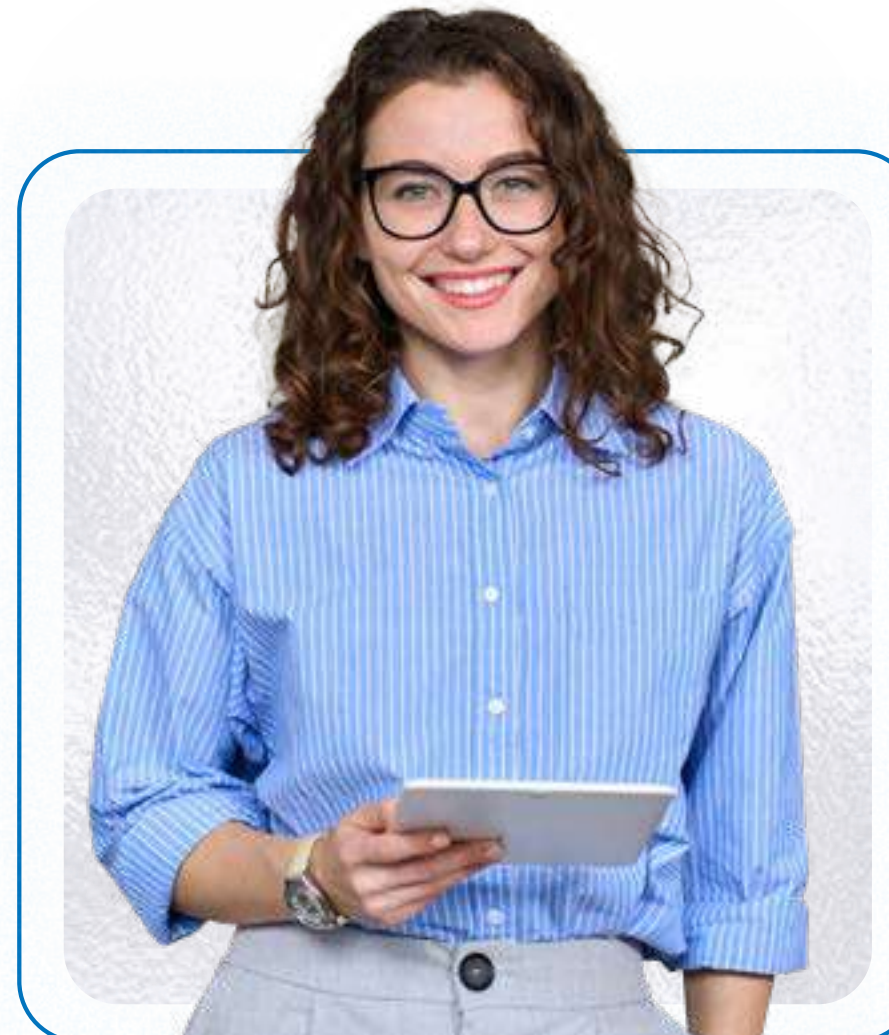
#### *The Banker*

*The Banker* has once again recognized BBVA's commitment to Latin America and its leadership in the region during its 'Bank of the Year Awards 2023' ceremony, in which the Group was awarded the Bank of the Year for the Americas and Bank of the Year in Mexico.

### Best House in Mexico, Best Performance in Mexico and Best Distributor in Mexico

#### *Structured Retail Products*

BBVA México maintains a leading position in the country as issuer and distributor of structured products, which has led it to win three awards: Best House in Mexico, Best Performance in Mexico and Best Distributor in Mexico.



### Mexico's Most Attractive Employers

#### Universum

Grupo Financiero BBVA México remained among Mexico's Most Attractive Employers. In 2023, it achieved the second position as the top company in Mexico for university students. The ranking was based on the opinions of 31,442 students across the country.

### Merco Corporate Reputation Ranking

#### Merco

BBVA México was recognized as one of the companies with the best reputation in the country in the Corporate Reputation Business Monitor, ranking 1<sup>st</sup> in the financial sector and 5<sup>th</sup> overall among 100 companies in 2023.

### Merco Reputation ESG Ranking

#### Merco

BBVA México obtained 4<sup>th</sup> place in the Ranking of the Most Responsible Companies in Mexico and 1<sup>st</sup> place in the financial sector.

### Merco Reputation Talent Ranking

#### Merco



In 2023, BBVA México was recognized in the first edition of the Merco Talento ranking, obtaining first place in the financial sector and second place overall among 100 ranked companies.



# Stakeholders

GRI 2-29, 3-3





Grupo Financiero BBVA México's stakeholders have been identified in accordance with the AA1000 Stakeholder Engagement Standard, including all those individuals or groups that interact in some way with the Group.

Stakeholders	Dialogue channels	Responsible areas
 <b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Legal Department</li> <li>• Shareholders' Meeting</li> <li>• Annual Report</li> <li>• Quarterly Financial Information</li> </ul>	Investor relations <a href="https://investors.bbva.mx/">https://investors.bbva.mx/</a>
 <b>Clients</b>	<ul style="list-style-type: none"> <li>• Branches</li> <li>• BBVA Hotline <a href="https://www.bbva.mx/personas/servicios-digitales/linea-BBVA.html">https://www.bbva.mx/personas/servicios-digitales/linea-BBVA.html</a></li> <li>• Website <a href="https://www.bbva.mx">https://www.bbva.mx</a></li> <li>• Press (newspapers, magazines, inserts, direct mail, television and radio, among others)</li> <li>• Satisfaction survey</li> <li>• Social media</li> <li>• Opinion studies</li> </ul>	<ul style="list-style-type: none"> <li>• Wholesale and investment banking</li> <li>• Business development</li> </ul>

● Daily   
 ● Annual   
 ● Periodic   
 ● Monthly   
 ● Quarterly





Stakeholders	Dialogue channels	Responsible areas
 <b>Employees</b>	<ul style="list-style-type: none"> <li>• Society</li> <li>• Email (employee whistleblower channel)</li> <li>• Work environment survey</li> <li>• Internal reputation study</li> </ul>	<ul style="list-style-type: none"> <li>• Talento &amp; Cultura</li> <li>• Corporate Responsibility and Reputation</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Adquirir e-portal <a href="https://bbvaprovedores.mx">https://bbvaprovedores.mx</a></li> <li>• Complaints and suggestions mailbox <a href="https://bbva-suppliers.appspot.com/presencia-bbva">https://bbva-suppliers.appspot.com/presencia-bbva</a></li> <li>• Email</li> <li>• Satisfactory survey</li> </ul>	<ul style="list-style-type: none"> <li>• Purchases</li> </ul>
 <b>Regulators</b>	<ul style="list-style-type: none"> <li>• Committees</li> <li>• Forums</li> <li>• Meetings</li> <li>• Releases</li> </ul>	<ul style="list-style-type: none"> <li>• Talento &amp; Cultura</li> <li>• Corporate Responsibility and Reputation</li> <li>• Risks</li> <li>• Regulatory compliance</li> </ul>
 <b>Society</b>	<ul style="list-style-type: none"> <li>• Fundación BBVA México webpage <a href="http://www.fundacionbbva.mx">www.fundacionbbva.mx</a></li> <li>• Social media</li> <li>• Opinion studies</li> </ul>	<ul style="list-style-type: none"> <li>• Fundación BBVA México</li> <li>• Quality</li> <li>• Corporate Responsibility and Reputation</li> </ul>

● Daily  
 ● Annual  
 ● Periodic  
 ● Monthly  
 ● Quarterly



# Associations

GRI 2-28

Grupo Financiero BBVA México is a member of the following associations:

- Asociación de Bancos de México
- Asociación Interactiva en Publicidad
- Asociación Mexicana de Intermediarios Bursátiles
- Asociación Mexicana de Instituciones de Seguros
- Asociación Mexicana Factoraje Financiero y Actividades Similares
- Cámara Española de Comercio
- Capítulo Mexicano de la Cámara Internacional de Comercio
- Confederación Patronal de la República Mexicana
- Consejo de la Comunicación
- Consejo Nacional Agropecuario







# 03



# Governance

In this chapter you will learn about **BBVA México's governance system**, through which the sustainability of the business is guaranteed in the long term, **in accordance with ethics, transparency and integrity.**

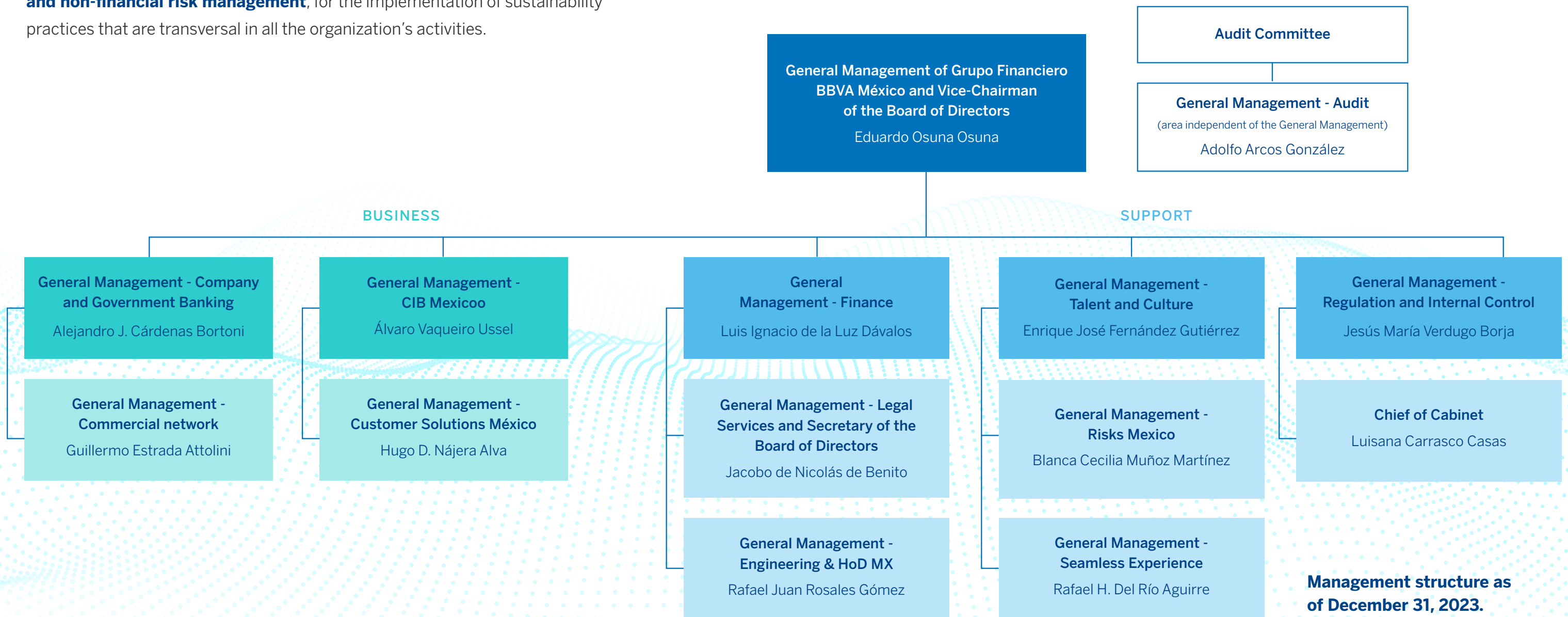
# Corporate Governance

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20

As the central support of Grupo Financiero BBVA México, **the governance system seeks to integrate the principles, regulatory compliance, and financial and non-financial risk management**, for the implementation of sustainability practices that are transversal in all the organization's activities.

# Management Structure

The management team of Grupo Financiero BBVA México is responsible for decision making, as well as for the implementation and monitoring of processes to ensure the smooth operation of the Group.



Management structure as of December 31, 2023.



# Structure of the Board of Directors

**BBVA México's corporate governance system** is made up of four key institutional principles:

**1. Appropriate composition of its governing bodies.**

**2. Clear delimitation of roles for the Board of Directors, its Committees and Senior Management.**

**3. Sound decision-making process and a consolidated information model.**

**4. System of monitoring, supervision and control of management.**

Since 2021, BBVA México's corporate governance system has been governed by the Group's General Corporate Governance Policy, which aims to maintain coherent management in line with international standards of good governance, minimum requirements in terms of structure, composition, operation and diversity, as well as the parent-subsidiary relationship model.

These principles seek to ensure efficient and timely communication with stakeholders, guaranteeing the creation of value and ethical working conditions.

The **General Ordinary Shareholders' Meeting** is responsible for appointing the members of the Board of Directors, based on the applicable law and Chapter V, Article 25 and other applicable articles of the bylaws of Grupo Financiero BBVA México, as well as for evaluating their performance through the approval of the Board's Annual Report, the audited financial statements and the ratification as members of the Board.

## Composition of the Board of Directors

In accordance with Articles 180 and 181 of the General Law of Commercial Companies, the members of the Board of Directors are appointed by the Institution's Shareholders' Meeting, which in turn must comply with the requirements of Articles 35 and 37 of the Law to Regulate Financial Groups, while the committees, being delegates of the Board of Directors, may be appointed by the Board of Directors itself or directly by the Shareholders' Meeting.

The management of the Group is the responsibility of the Board of Directors, which appoints the committees and executives of Grupo Financiero BBVA México to prepare the objectives, guidelines and policies regarding the organization and administration of credit, which are subsequently approved by the Board, in line with the provisions of the Comprehensive Risk Management. Additionally, the Board of Directors listens to and, upon the recommendation of the Audit and Corporate Practices Committee, approves the objectives of the internal control system and the guidelines for its implementation.

The Board of Directors establishes the mechanisms for relevant executives to keep Grupo Financiero BBVA México informed about the financial, administrative, operational, and legal status of each of the financial entities and other legal entities under its control.

To prevent possible conflicts of interest among its employees, Board Members and Directors, the Institution's Code of Conduct was approved by the Board of Directors. This document contains the guidelines that must be followed so that the actions of any person related to BBVA México are in accordance with its principles and values.

The Board is comprised of **18 members and 8 alternates**. **7 directors are independent and three are women.**



# BBVA México' Board of Directors

\* Seniority on the Board | \*\* Other boards in which he/she participates

## 17% of BBVA México's Board of Directors are women and 83% are men.

### Eduardo Osuna Osuna

Vice-chairman | 8 years\* | Entities that are members of Grupo Financiero BBVA México\*\*

### Carlos Torres Vila

Director | 7 years\* | Banco Bilbao Vizcaya Argentaria\*\*

### Carlos Vicente Salazar Lomelín

Independent Director | 18 years\* | Does not participate in other boards\*\*

### Jorge Saenz-Azcunaga Carranza

Director | 7 years\* | Does not participate in other boards\*\*

### Onur Genc

Director | 4 years\* | Banco Bilbao Vizcaya Argentaria\*\*

### Vicente María Rodero Rodero

Independent Director | 11 years\* | Does not participate in other boards \*\*

### Arturo Manuel Fernández Pérez

Independent Director | 29 years\* | Industrias Peñoles, Grupo Bal\*\*

### Cristina de Parias Halcón

Director | 3 years\* | Does not participate in other boards\*\*

### Jaime Serra Puche

Chairman | 16 years\* | Fondo México, Vitro and Alpek\*\*

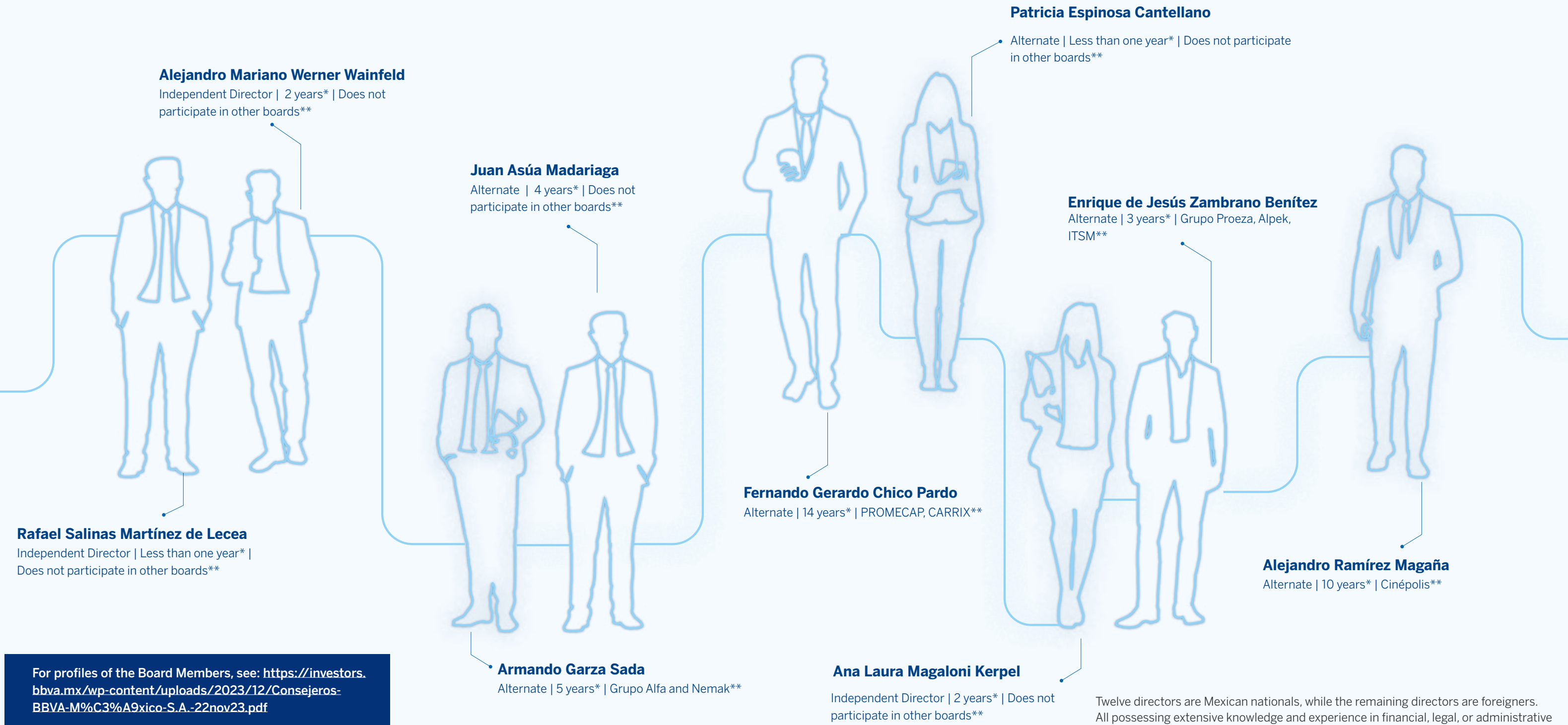
For profiles of the Board Members, see: <https://investors.bbva.mx/wp-content/uploads/2023/12/Consejeros-BBVA-M%C3%A9xico-S.A.-22nov23.pdf>

Twelve directors are Mexican nationals, while the remaining directors are foreigners. All possessing extensive knowledge and experience in financial, legal, or administrative matters, along with a satisfactory credit history and reputation for integrity.



## The average tenure of BBVA México's directors is eight years.

\* Seniority on the Board | \*\* Other boards in which he/she participates



## Committees

The **Board of Directors of BBVA México, S.A.** is composed of the following committees:

Committee	Number of executive members	Number of non-executive members
Audit Committee	None	All are independent
Risk Committee (Remunerations Committee)	3	3
Related Party Transactions Committee	1	3

### Committees responsible for decision-making on economic, environmental and social issues:

Aspects	Responsibility
Economic	General Management, Audit Committee, Risk Committee (Remunerations Committee), Related Party Transactions Committee and Board of Directors.
Social	General Management and, if applicable, the Board of Directors.
Environmental	General Management and, if applicable, the Board of Directors.

<sup>3</sup> The value of the "Centenario" corresponds to the value at the time of remuneration to the directors.



## Meetings of the Board of Directors

On a quarterly basis and when convened by the Chairman, Secretary, Assistant Secretary, one of the Statutory Auditors of Grupo Financiero BBVA México or when at least one fourth of the directors so request. To hold a meeting, the presence of at least 51% of the members is required, including one independent member.

During 2023, eight meetings or unanimous resolutions were held on the following dates:

- January 26, 2023.
- March 24, 2023.
- April 20, 2023.
- July 13, 2023.
- July 24, 2023.
- October 16, 2023.
- October 26, 2023.
- December 14, 2023.

## Remuneration

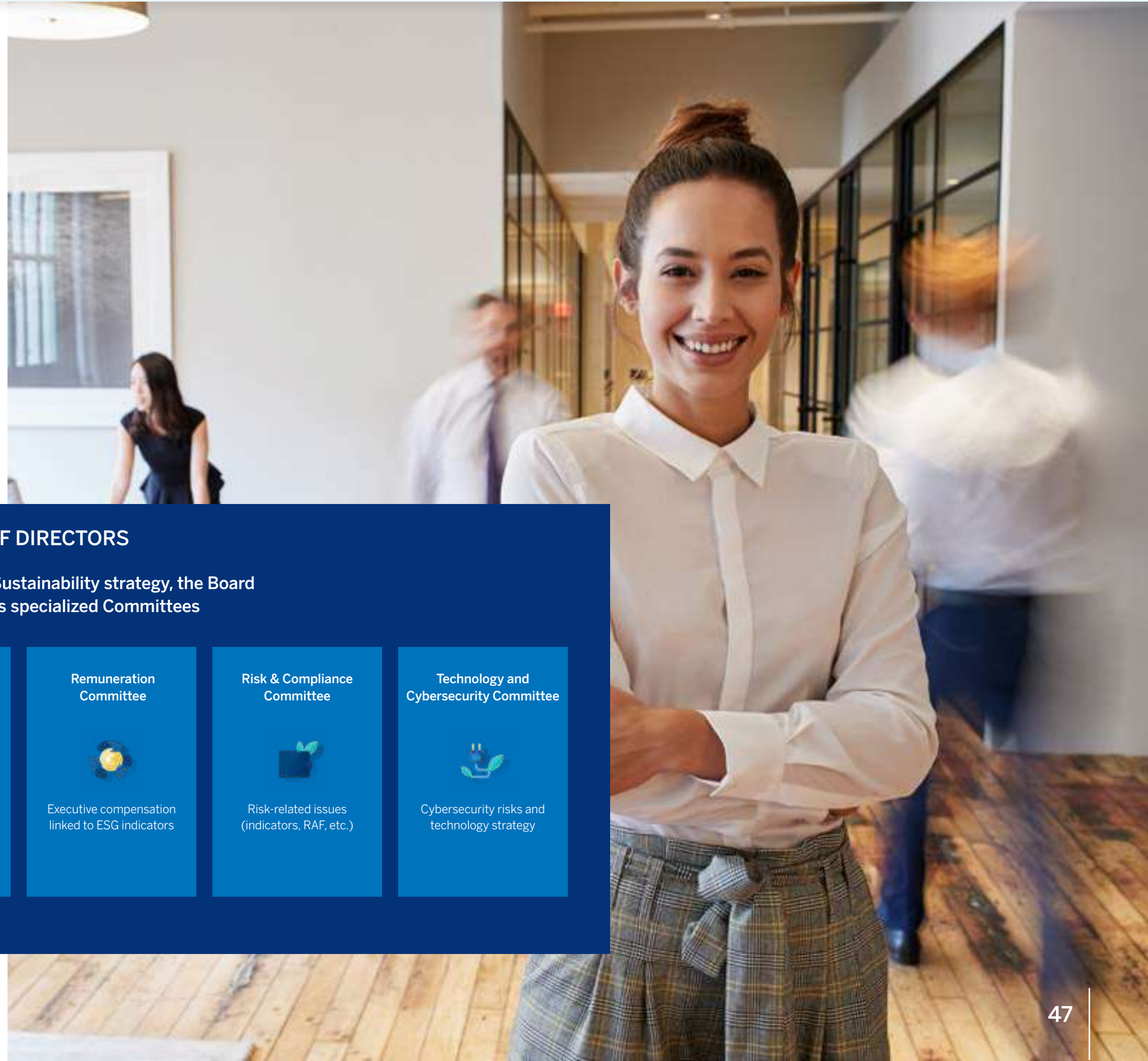
As remuneration for the performance of their duties and for attending each meeting of the Board of Directors, the directors of Grupo Financiero BBVA México receive the amount resulting from multiplying the price of two fifty peso gold coins (Centenarios) by 1.53846<sup>3</sup> for residents in Mexico or by 1.33333 for residents abroad.



# Sustainability governance

GRI 2-13

Grupo BBVA's corporate bodies have defined and promoted a strategy that incorporates sustainability as one of its strategic priorities from 2019. The Board considers the integration of sustainability in the Group's businesses and activities as an essential element of this approach, managing the risks associated with these areas, and considering them as a great business opportunity on which to support its growth strategy.



## BOARD OF DIRECTORS

To implement the Group's Sustainability strategy, the Board has the support of its specialized Committees

Permanent Delegate Committee



Supports the Board in decision-making and monitoring of BBVA's sustainability objectives.

Audit Committee



Non-financial information and reporting

Appointment And Corporate Governance Committee



Strengthening the Board's ESG competencies

Remuneration Committee



Executive compensation linked to ESG indicators

Risk & Compliance Committee



Risk-related issues (indicators, RAF, etc.)

Technology and Cybersecurity Committee

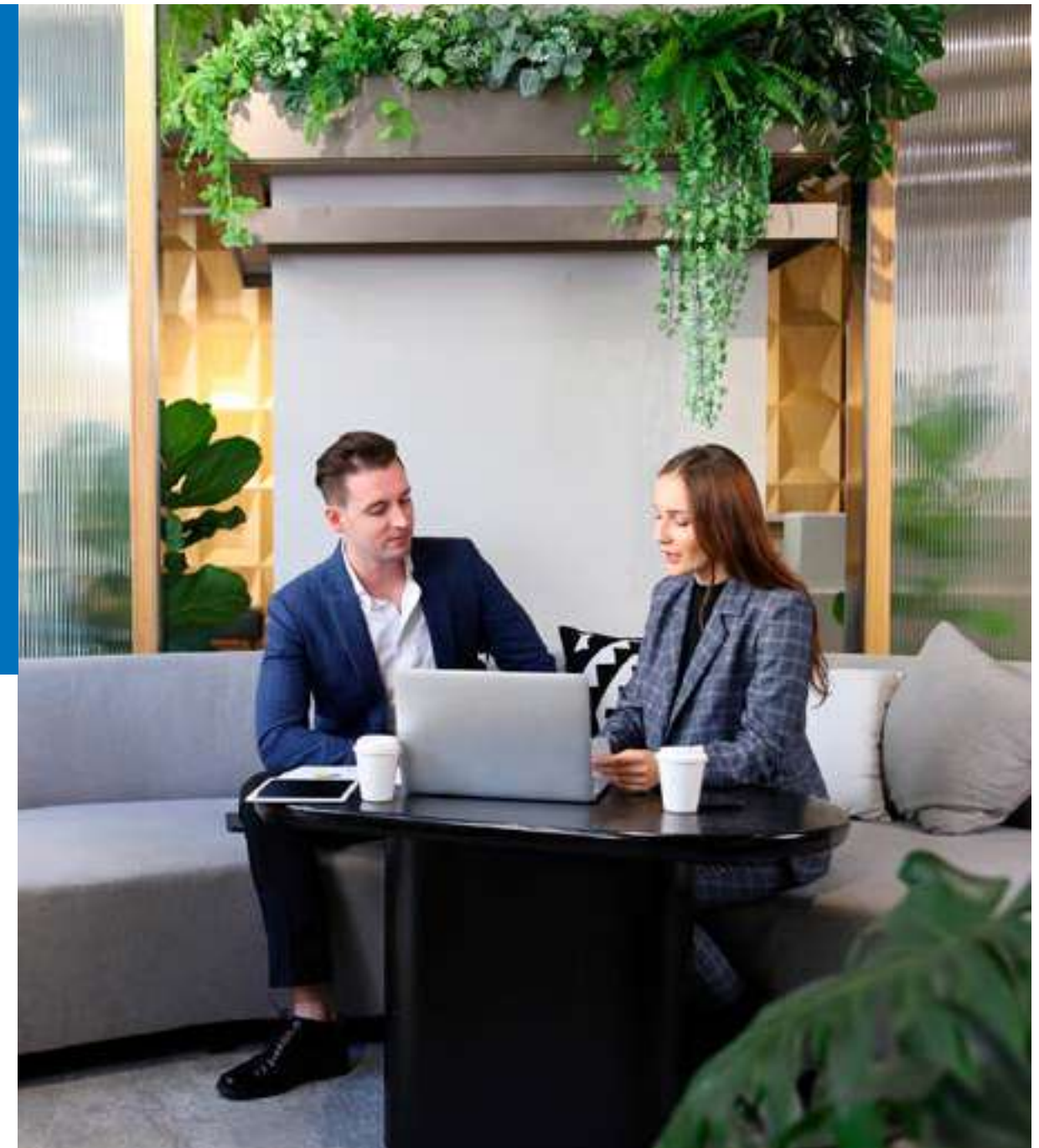


Cybersecurity risks and technology strategy

Grupo BBVA incorporates the dimension of sustainability in its day-to-day business, both in its relations with clients and in internal processes. In this sense, the definition and execution of a strategy that incorporates sustainability and climate change as one of its priorities is of a cross-cutting nature, and all areas of the Group are responsible for progressively incorporating it into their strategic agenda and work dynamics.

In 2021, Grupo BBVA gave new impetus to its strategy by raising sustainability to the highest executive level of the organization with direct reporting from the head of the Global Sustainability area to the CEO and Chairman (in this case, in areas related to strategy and transformation), thus creating the Global Sustainability business area. This management model was replicated in BBVA México, an area that seeks to permeate sustainability at the highest executive level of the organization.

We have a **Global Sustainability business area, a management model that was replicated in BBVA México** and seeks to permeate sustainability at the highest executive level of the organization.







# Risk management

GRI 2-12

## Organizational structure

BBVA México's General Risk Department reports directly to the Institution's General Management, thus guaranteeing its independence from the Business Units and allowing it the necessary autonomy to carry out its activities.

In general terms and considering the best national and international practices, three teams specialized in Credit Risk have been created, the first one targeting the Wholesale portfolio, with the functions of admission, monitoring and recovery. The second team focuses on the SME sector and the last one on the Individuals sector, both with the functions of admission and monitoring.

The three teams are supported and complemented by an area dedicated to the management of recovered Non-Financial Assets (NFA). For the SME and Retail sectors, there is also a specific area that concentrates the recovery functions given the common characteristics and synergies involved in performing the function for these sectors. Also, the management of Market, Structural and Trust Risks are integrated into one Unit, in addition to other units specialized in risk management of non-banking businesses and asset management.

There is also Advanced Analytics, Risk Solutions and Risk Transformation to support the aforementioned units.

### *Advanced Analytics*

Addresses the specialized needs of the Risk areas in terms of methodologies and technologies.

### *Risk Solutions*

Ensures that the areas have the necessary technological resources to carry out their functions and leads the portfolio of projects in this area.

### *Risk Transformation*

Seeks the efficient execution and continuous improvement of the Risk areas' processes.



The Portfolio Management, Data & Reporting Unit has been implemented for the preparation, monitoring and generation of reports for the management of the areas, as well as for the measurement of operational risk and loss management. This area is also responsible for disclosing information within the Risk area in strict compliance with national and international regulations.

In accordance with the regulatory requirements of the CNBV regarding the disclosure of the policies and procedures established by credit institutions for Comprehensive Risk Management, the measures implemented for this purpose by BBVA México's management, as well as the relevant quantitative information, are presented below.





## Qualitative information

### Participation of corporate bodies

The risk governance model in BBVA México is characterized by the direct involvement of its corporate bodies, both in establishing the risk strategy and in the continuous monitoring and supervision of its implementation.

The Board of Directors of BBVA México approves, at the proposal of the Risk Committee, (i) the objectives, guidelines and policies of Comprehensive Risk Management, and any potential modifications, (ii) the global risk exposure limits and, where appropriate, the Specific Risk Exposure Limits, considering the Consolidated Risk, broken down by business unit or risk factor, as well as, where appropriate, the Risk Tolerance Levels, (iii) the special cases or circumstances in which both the Global Risk Exposure Limits and the Specific Risk Exposure Limits may be exceeded, (iv) the Capital Adequacy Assessment including the capital estimate and, where applicable, the capitalization plan, and (v) the Contingency Plan and its amendments.

The Delegate Risk Committee of the Board of BBVA México approves: (i) the Specific Risk Exposure Limits and Risk Tolerance Levels, and liquidity risk indicators, (ii) the methodologies and procedures to identify, measure, monitor, limit, control,

inform and disclose the different types of risk to which BBVA México is exposed, and their potential modifications, (iii) the models, parameters, scenarios, assumptions, including those related to stress tests, which are used to conduct the Capital Adequacy Assessment and which will be used to carry out the valuation, measurement and control of the risks proposed by the Comprehensive Risk Management Unit, which must be in accordance with BBVA México technology, (iv) the methodologies for the identification, valuation, measurement and control of the risks of new transactions, products and services that BBVA México intends to offer to the market, (v) the correction plans proposed by the CEO, (vi) the evaluation of the aspects of Comprehensive Risk Management, and (vii) the level of effectiveness that the mechanisms of validation of the security elements of the identifications presented by potential clients, as well as the technology to carry out the biometric recognitions contemplated in the law.

It also approves other activities in accordance with applicable regulations and those delegated to it by the Board of Directors of BBVA México.

## Policies and Procedures

There are risk manuals that reflect the strategy, organization, operational framework, technological framework, methodological framework and regulatory processes according to the needs of each procedure or policy of the Integral Risk Management of BBVA México.

A risk training and regulatory disclosure program is carried out, including defined and delimited third-party liability.

## Tactical decision making

The management model of BBVA México ensures the independence of the Comprehensive Risk Management Unit. It establishes monitoring processes through reports and alerts to timely detect deterioration and deviations from business objectives and the limit structure defined by type of risk.

Regarding the risk appetite, the different risk units participate in the preparation of the Risk Appetite that BBVA México is willing to assume to achieve its business objectives and that must be submitted in general terms and particular exposures and sub-limits by the Risk Committee to the Board of Directors, for approval, where appropriate.



Appropriate authorization processes are carried out for new products and/or services that involve risk for BBVA México, including ratification of the new product and/or service by the Risk Committee.

## Tools and analytics

Continuous measurement of credit, market and liquidity risks under consistent methodologies and parameters. Budgets are prepared for these metrics, which serve as the axis of direction for risk management.

The reports analyze and monitor the risks incurred by the different business units of BBVA México. This monitoring considers Risk Metrics, Risk Appetite, Main Concentrations, Compliance with

Regulatory Limits, Credit Stress Analysis, Calculation of Regulatory Capital Requirement, Structural Risks, Market Risks, Liquidity Risk, Operational Risk and Legal Risk.

The methodologies and parameters used to measure risks are periodically calibrated and submitted for approval to the appropriate authorities.

Periodic processes of sensitivity analysis, tests under extreme conditions, as well as review and calibration of models are carried out.

Methodologies for the monitoring and control of operational and legal risks are also established in accordance with international standards.



**At BBVA México we have a robust risk governance model,** consisting of instruments and procedures that ensure full compliance with **Risk Management regulations.**

### Information

Information, as an essential pillar in risk management, is used to carry out early management through the definition and establishment of early warning indicators and metrics that make it possible to anticipate movements –positive and negative– in the risk profile (clients, portfolios, products, asset classes), prevent deterioration and point out deviations and potential threats, in all risks, by all defined axes, in all its phases (current, impaired and in recovery), at all organizational levels of the function (risk units in the business areas, corporate area and specialist areas) and corporate bodies, ensuring compliance and coherence with regulatory requirements in this area.

It ensures that the data used in the preparation of the reports come from unified sources by type of risk, reconciled, traceable, automated to a greater extent (or if they are manual, have controls), with a single definition, guaranteeing the frequency, distribution and confidentiality of reporting, among other aspects.

### Technological Platform

The source and calculation systems for risk measurements undergo regular reviews, and a process of continuous improvement is implemented to ensure the quality and adequacy of data. The objective is to strive for the automation of processes wherever feasible.

### Audit

Annually, Internal Audit, in compliance with the obligations set forth in the General Regulations applicable to Credit Institutions (*Circular Única de Bancos, CUB*), performs an Integral Risk Management Audit, in accordance with the legal provisions applicable, for subsequent filing with the CNBV. The recommendations of each of the audits performed are followed up periodically by the Audit Committee delegated by the Board of Directors.

Also, audits of compliance with the Banking Law, the CUB and other legal provisions applicable to BBVA México are performed by independent experts, through which it has been concluded that the models, systems, methodologies, assumptions, parameters and risk measurement procedures comply with their functionality in accordance with the characteristics of the operations, instruments, portfolios and risk exposures of BBVA México.

BBVA México considers that, to date, it fully complies with the Risk Management provisions. Also, it continues with projects to improve measurements and limitations, process automation and methodological refinements.

## Methodological framework

BBVA México's balance sheet is visualized, for risk purposes, as follows:



### a) Market risk:

- **Trading and investment portfolios.**

Negotiable financial instruments, reports and operations with derivative financial instruments for trading purposes.

- **Structural Balance Sheet.**

Financial instruments receivable or for sale, financial instruments to collect principal and interest and derivative financial instruments for hedging purposes to manage the structural risk of interest rates and exchange rates, as well as other banking positions of the balance sheet such as loans, deposits, issuances, among others.



### b) Credit risk:

- **Companies and Corporations.**

Traditional loan portfolio, including small and medium-sized companies, as well as exposures for investments in issuances as counterparties in derivative financial instruments.

- **Consumer.**

Credit cards and financing plans.

- **Mortgage.**

Mortgage portfolio.



### c) Liquidity risk:

- **Banking business.**

With on- and off-balance sheet positions, including loans, traditional deposits, securities investments, derivatives, wholesale financing, etc.

Also, if there is a contractual obligation, the monitoring and control of the liquidity risk of the banking business integrates the liquidity that may be required by its subsidiaries, entities belonging to the same financial group or relevant related parties and the liquidity that the banking business itself may require from any of the aforementioned entities or related parties.



# Compliance

## Compliance System

The Compliance function is contained in the System and Statute of the Compliance Function of Grupo BBVA México, which consists of a series of elements that together prevent the risks associated with Anti-Money Laundering, Conduct with Clients, Corporate Compliance, which monitors the standards of ethical behavior expected in the Group, the Protection of Personal Data in our possession and the conduct to be observed in the Securities Market.

This is achieved through compliance programs that include the adequate identification of risks, the design of Policies and Procedures, communication actions, training and the governance model that supervises the application of the Programs in order to establish the standards of ethical behavior to conduct the daily activities and mitigate the eventual risks that may appear.

The aforementioned statute has the following elements that regulate the framework of action of the Compliance Department within Grupo BBVA México.

Grupo BBVA México is aligned with the provisions of the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the Global Compact, as part of its commitment to ensure respect for the dignity and rights of all people through the creation of a favorable environment that preserves their well-being and contributes to the integral development of societies in which it operates, helping to generate sustainable actions for the welfare of these communities.



## Integrity Program

For Grupo BBVA México, “Integrity” is a fundamental value in the conduct of its activities and a prerequisite in its relationships with various stakeholders. Within the institution, it is imperative for everyone to adhere to the Code of Conduct, applicable laws, and regulations in an integral, transparent, and professional manner. This commitment aligns with the social impact of the financial activities conducted by the Group and upholds the trust placed in the Group by its shareholders, clients, and society.

As part of Grupo BBVA México’s efforts, during 2023, the Integrity Program 2.0 was reformulated, which aims to consolidate the Culture of Integrity in Grupo BBVA, placing integrity as the way to understand and develop our activities, in full compliance with the provisions of the Code of Conduct, Internal Regulations and current legislation.

On October 18, 2023, the “Integrity Day” was celebrated for the first time throughout Grupo BBVA, with different dynamics and activities aimed at reinforcing the expected ethical behavior.



In the case of the central areas, a Panel was held with experts representing Compliance from companies such as Amazon, Grupo Modelo and Uber.

The Panel shared best practices in Compliance and how they carry out Integrity in these companies with a business line different from that of BBVA. The participation captivated the interest of the collaborators.

The dynamics in the Networks, Specialized Recovery Centers (ERC) and Factories, consisted of a morning activity led and carried out by Risk Control Assurers and Talent & Culture Business Partners from all areas, who received the honorary appointment of Integrity Ambassadors, for their work and for being a reference in integrity in their groups.

On October 18, 2023, we celebrated **“Integrity Day”** for the first time.



## Code of Conduct

On March 21, 2023, the Board of Directors ratified the BBVA México Code of Conduct, which establishes the guidelines for action and ethical behavior expected of all those who make up the Group.

BBVA's Code of Conduct represents an ethical commitment to its main stakeholders, as it seeks to promote principles of upright behavior throughout the organization, to maintain the highest standards of integrity and honesty. Strict standards of conduct are established for the development of Grupo BBVA México's activities, focused on safeguarding client information in accordance with legal provisions, based on four key pillars:



Conduct with the client



Conduct with the company



Conduct with our colleagues



Conduct with society



In order for everyone to be aware of and understand the importance of the Code of Conduct, all employees of the Group were enrolled. At the end of the three-month course period, accreditation was achieved by 99% of the staff. The course remains available on the BBVA Campus for new employees joining the Group, and it must be completed within the first 15 days of their incorporation.



## Emotional Support Hotline

Specifically, we reinforced measures for preventing behaviors related to sexual harassment and bullying, maintaining a zero-tolerance policy. Additionally, we promoted awareness of the emotional support hotline, a dedicated channel established to provide specialized assistance to employees experiencing harassment or domestic violence.

The line is available 365 days a year, 24 hours a day, through the telephone number 55 5621-4357, Option 3. Throughout the year, this effort can be viewed at different locations in the corporate buildings, as well as published on the Somos BBVA web portal.

## Integrity Tools

As an additional effort to consolidate a culture of anti-corruption and prevention of conflicts of interest, corporate tools were launched for:

- The Conflict of Interest Statement: the tool was disseminated in a first phase with communication aimed at management-level employees for the declaration and/or management of conflicts of interest. The second phase for the rest of the

organization will be gradually disseminated during 2024 to all Group employees.

- The Register of Gifts and Events, which aims to keep a record of the receipt or delivery of gifts to Group employees, with special focus on those gifts and/or events that are aimed at or involve public officials, in accordance with our Anti-Corruption Policy.




# Whistleblower and Consultation Channels


Grupo BBVA provides all its employees with access to the Whistleblower Channel and the Consultation Channel, which remain active and are also available to clients, suppliers, and employees who wish to report any potential breaches of the Code of Conduct, regulations, or practices contrary to the law. These channels are accessible 24/7, 365 days a year.

## The channels are:

**Whistleblower Channel:**  
 Hotline: Whistleblower Channel  
<https://www.bkms-system.com/bbva>

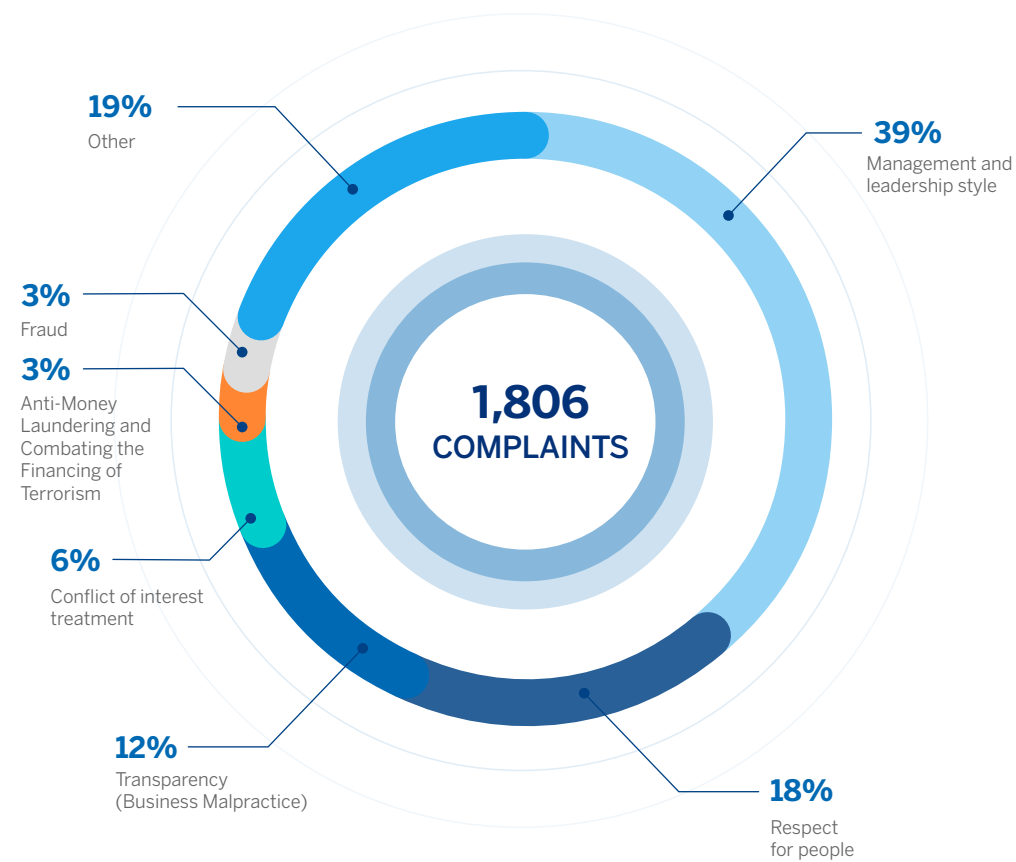


**Consultation Channel:**  
 Hotline: Consultation Channel  
<https://www.bkms-system.com/consultas>



During 2023 we had a 31% increase over the previous year in the number of complaints, which shows that the Group's employees continue to trust that the Whistleblower Channel is an effective way to report any breach.

## We received 1,806 complaints through the Whistleblower Channel, which were classified as follows:



If any situation evaluated warrants disciplinary action, it will be conducted in accordance with BBVA's disciplinary framework and the relevant legal provisions.

**2024 Goals**

- Consolidate an Integrity program that encourages adherence to the Code of Conduct.
- Manage disciplinary cases in accordance with defined protocols and service levels.
- Adapt the Anti-Corruption policy to the business environment in Mexico.



## Anti-corruption

GRI 205-2, 205-3

The anti-corruption course is regulatory and undergoes updates every three years. It is mandatory for 100% of BBVA México's workforce to complete this course. When the course is updated, it is distributed to all active employees. In years when updates are not required, it is solely provided to new employees for completion. 2023 was the year when the course underwent an update.

**42,816 employees** took the Anti-corruption course in 2023.

In addition to the Code of Conduct, BBVA México has clear policies and procedures defined in matters of anti-corruption and economic competition, which are disseminated to all employees through the institutional campaign #Hazlocorrecto (Do the Right Thing).



## Anti-Money Laundering and Terrorist Financing

### Strategies

Grupo Financiero BBVA México's commitment to Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) is a priority objective for the company.

To preserve the well-being of the communities in which it operates, BBVA México works actively in the fight against drug trafficking, terrorism and other forms of organized crime.

The strategy is summarized in the protection of the client, the employee and the bank, based on a timely and effective management in the area of AML&CFT and the emerging and associated risks.

### Functions

The main AML functions are as follows:

- Establish policies and procedures within the control and governance framework defined by the Institution.
- Establish corporate criteria and procedures aimed at mitigating the risk of its products and services being used for criminal purposes.
- Design strategies to prevent, detect and report transactions with resources of illicit origin.

- Design and implement an organizational structure with the necessary resources to manage this function and a clear assignment of responsibilities.
- Create a regulatory body that determines the obligations for AML and TF, with special emphasis on Know Your Client (KYC) measures.
- Implement measures for monitoring and filtering clients and their operations, aimed at identifying potential suspicious activities and ensuring their reporting to the competent authority.
- Collaborate with government agencies.
- Continually strengthen the international sanctions program.
- Act as a consultative body within BBVA regarding the application of standards, criteria and procedures for the prevention of money laundering and the financing of terrorism.
- Execute annual communication and training plans for employees, which are designed by the Asociación de Bancos de México (ABM), based on the level of exposure of each group to the risk of money laundering and in order to provide them with the necessary skills to comply with applicable regulations.

In this manner, Grupo Financiero BBVA México is dedicated to serving as an internal consultation body to ensure the implementation of rules and procedures regarding AML and CFT matters.



### 2023 relevant policies, programs or initiatives

During the year 2023, eight regulatory updates from the Global AML Unit were incorporated through three adoptions and five transpositions. These updates were integrated into the internal AML/CFT regulation framework as follows:



- Financial Sanctions Regulation (Adherence): Its purpose is to establish the guidelines to be followed in the establishment of relationships and transactions of BBVA México, in order to prevent and impede the use of its products and services for illicit purposes or to contravene the financial sanctions programs imposed by the United Nations, the European Union and OFAC.
- AML MIS Procedure (Adherence): Defines and establishes the principles for collecting and preparing the information that BBVA México reports to the AML Compliance Unit Global.
- Cross-border Correspondent Banking Procedure (Adhesion): Regulates the processes for establishing and maintaining Correspondent Banking Relationships of BBVA México.
- Standard for Client Admission and AML/CFT Due Diligence Measures (Transposition): Its purpose is to establish the corporate criteria and general guidelines for action regarding the admission, identification and knowledge of clients.
- AML Risk Assessment Standard (Transposition): Establishes the framework for conducting a risk analysis whose objective is to ensure an adequate understanding of the money laundering and terrorist financing risks to which BBVA México is exposed, as a consequence of its transactions, clients and geographic areas where it operates.
- Mexico Management Limits Procedure (Transposition): The purpose of this procedure is to define and establish the principles and indicators that are part of the AML Management Limits.
- BBVA México procedure regarding the relationship model between the Compliance Unit and the Financial Crime Prevention Hub (Transposition): Its purpose is to establish the relationship and governance framework between the Compliance Unit and the Financial Crime Prevention Hub area.
- Anti-money laundering procedure for the admission and maintenance of relationships with Politically Exposed Persons (Transposition): This procedure outlines the enhanced due diligence measures to be implemented for the admission, identification, and management of clients classified as Politically Exposed Persons (PEPs) and their equivalents.

Regarding relevant initiatives, **the new International Sanctions Program was presented to the Board of Directors of BBVA México.**



On September 27, the Associates Committee of the ABM approved the best practices that establish the criteria to be considered for a comprehensive international sanctions program; BBVA México has adhered to them. In broad terms, our internal international sanctions program aligns with the requirements outlined in these best practices.

On the other hand, the training of employees, members of the Board of Directors and Executives in AML and CFT includes the disclosure of policies for the identification and knowledge of the client and user, as well as the criteria, measures and procedures for due compliance with the applicable provisions on the subject; the dissemination of the provisions and their modifications.

The evolution of our training in this area is shown below:



AML and CFT training	2021	2022	2023
Participants in AML training activities	37,967	39,565	42,969
Persons who received specialized training (including ML&TF staff)	352	371	384
Management Committee and Board of Directors	31	31	31

# Human Rights

GRI 2-23, 2-25

## Due Diligence

In line with the United Nations Guiding Principles on Business and Human Rights, as well as the Global Compact, Grupo Financiero BBVA México seeks to contribute to the comprehensive and sustainable development of the societies where it operates.

In 2023, a due diligence process was carried out under a preventive approach to identify the impacts of operations, as well as the appropriate procedures to repair any damage in case of violation. The issues evaluated are grouped into six thematic areas:



**Conditions of employment**  
Hiring and fair compensation, labor rights and relations, and health and safety.

**Projects and products**  
Impact on human rights arising from lending activities.

**Supply chain**  
Fair contracting conditions, supplier control and responsible purchasing policies.

**Client welfare**  
Accessibility and service, safety and respect.

**Respect for the communities**  
Environmental protection and inclusive business.

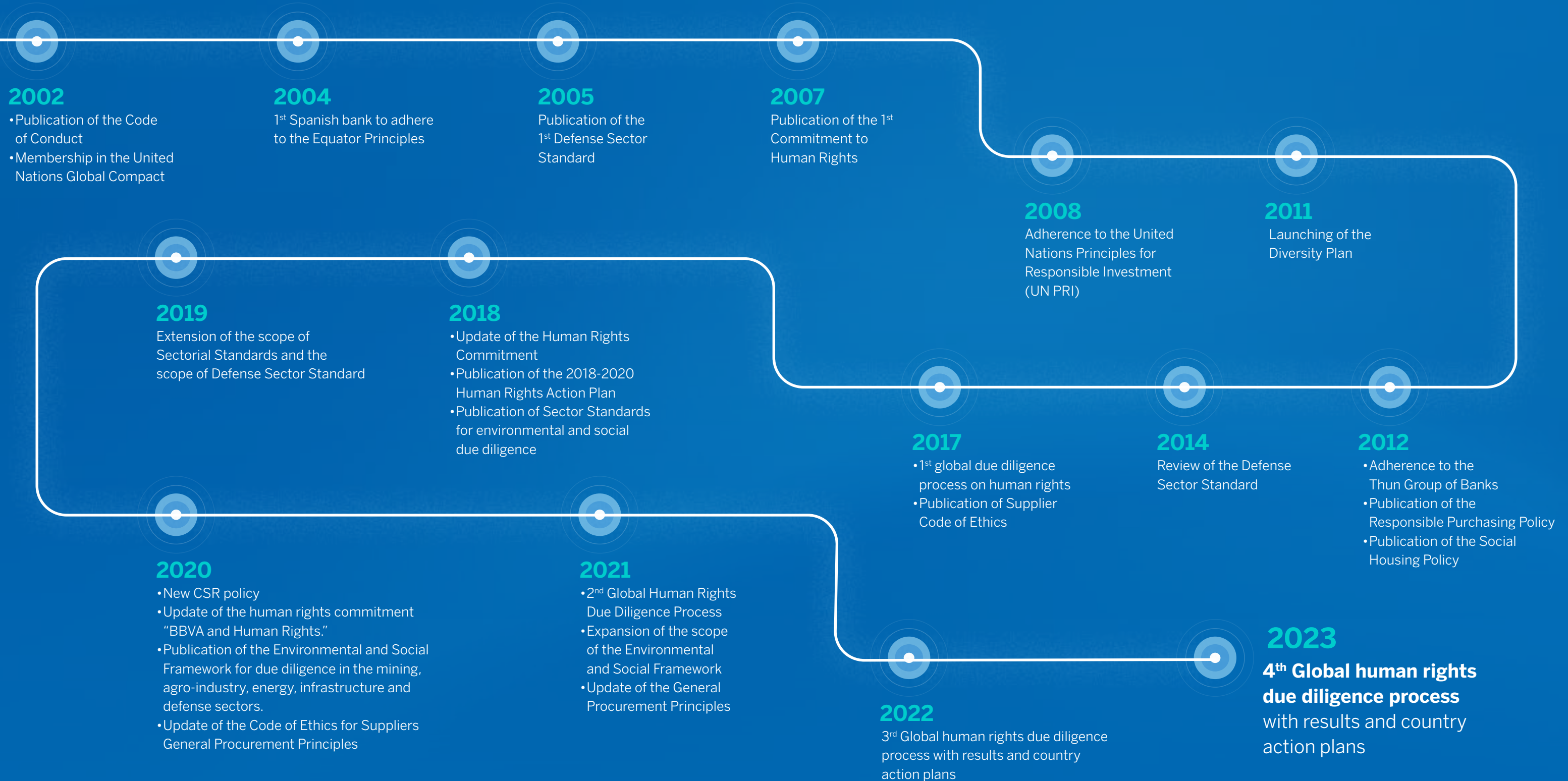
**Cross-cutting issues**  
Safeguarding data and the impact of emerging technologies on human rights.

In this manner, inherent risks were assessed based on the severity of impact and frequency of occurrence, along with residual risks stemming from BBVA México’s management, across each of these six topics concerning stakeholders, including employees, suppliers, clients, and local communities, among others.

The results of the due diligence process determined a medium-high effectiveness of the management and mitigation measures for each of the issues. Likewise, they allowed the detection of opportunities for improvement and the establishment of action plans for the six issues evaluated in terms of BBVA’s strategy, disclosure and processes.



## Grupo BBVA and Human Rights



04



# Economic impact

In 2023, BBVA México reached a historic figure of **30 million clients and solid economic results**, the result of a strategy focused on digitalization, innovation and sustainability.

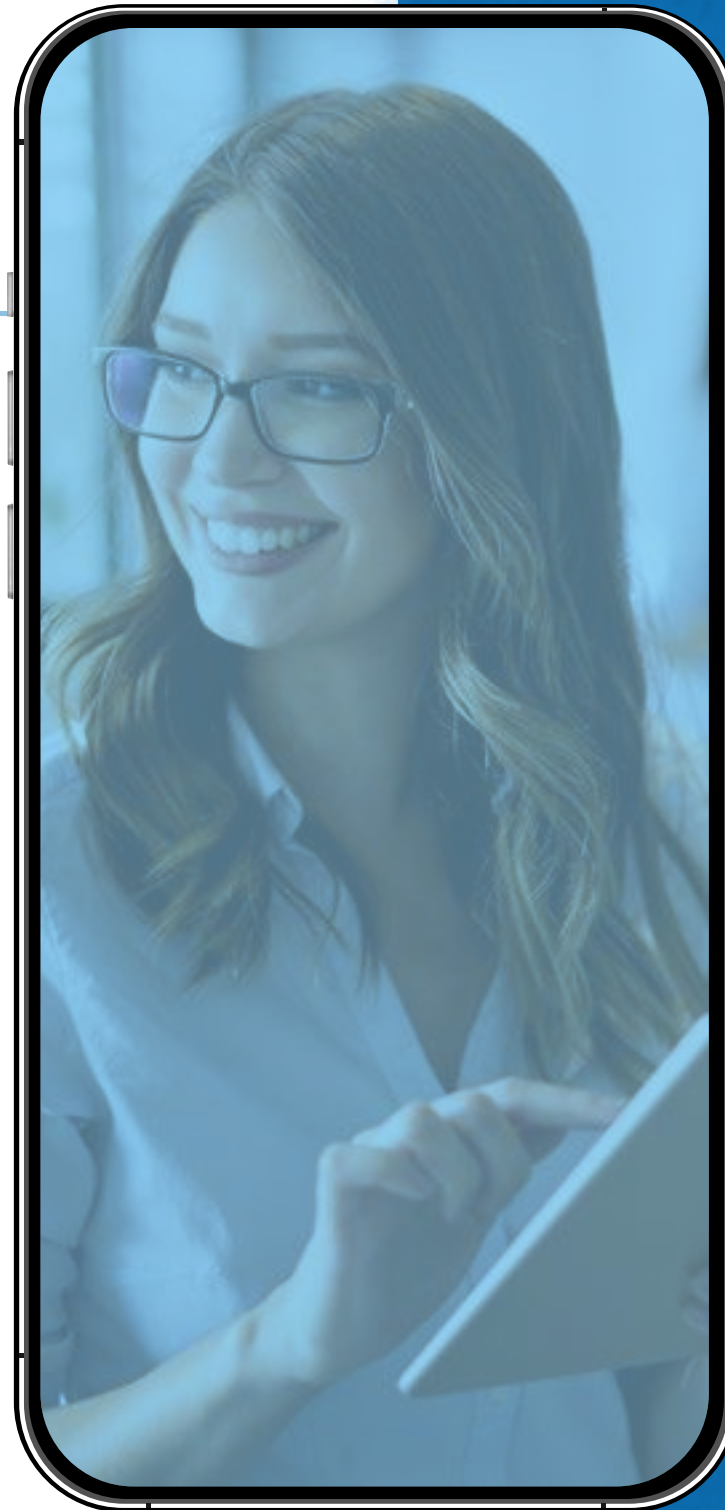




## Economic impact

The great work of Grupo Financiero BBVA México as an essential economic entity for the growth and development of the country is reflected in the commitment and continuous lending activities, making available to all the opportunities of this new era, in the same way that encourages savings among its clients, supporting them to have adequate financial health and greater knowledge of financial products through innovative solutions tailored to the needs of each client segment.

The year 2023 was a year of consolidation of several decades of transformation that has allowed us to reach 30 million clients in the Mexican financial system, a historic figure, showing a strong solvency position and comfortable liquidity levels that have made it possible to contribute to economic and social progress. The above, with a clear focus on caring for the quality of financial assets, as well as expense control, following a strategy centered on digitalization, innovation and sustainability.



**The growth of Grupo Financiero BBVA México in its activity and results stems from continuous investment in development and innovation,** which allows it to be prepared to face great future challenges in a Mexico that promises great opportunities.

Grupo Financiero BBVA México will continue working to provide the best service to families, individuals, businesses and governments to continue creating opportunities and maintaining the best banking experience. In 2023, it maintained its transformation, with a renewed focus on customer service, offering its products with safer, faster and more efficient processes, taking advantage of global trends such as digitalization, building an increasingly inclusive and sustainable society.





## Evolution of the business

GRI 201-1

The economic recovery in 2023, as well as the strength of domestic demand, combined with BBVA México's solid commitment to promoting development, can be seen reflected in the continued lending activity, which has a balance of Ps. 1,650,960 million. This consolidates BBVA México's leadership with a market share of 24.4%, according to the most recent figures published by the CNBV at the end of November 2023.

Commercial loans totaled Ps. 895,832 million, of which 75% of the portfolio is made up of the business segment (including corporate and medium-sized companies), through which we continue to support the economic growth of the country's productive sector, and the remaining 25% corresponds to the sum of the government and financial institutions portfolio.

For Grupo Financiero BBVA México, one of its strategic lines of action is to support small and medium-sized enterprises (SMEs)<sup>4</sup>, which have registered a balance of more than Ps. 113 billion. In this regard, during 2023 BBVA continued to promote its "Banca de Barrio" (Neighborhood Banking) business model, which has allowed it to serve small businesses within a delimited perimeter

around the branch to attract a greater number of clients and generate closer relationships, improving the service experience through a wide range of specialized products for this segment. This has allowed the attraction of 292 thousand new clients since its launching, placing 200 thousand new point-of-sale terminals (POS), as well as the incorporation of 733 thousand new payrolls and, being an advisor to small businesses, it has also boosted the placement of insurance in more than Ps. 3,475 million to insure various types of damages.

**75% of the commercial loan portfolio corresponds to the corporate segment** and 25% to the government and financial institutions segments.



**895,832**  
million pesos  
in commercial  
loans.

<sup>4</sup> Segmentation of SMEs under internal management criteria in BBVA Mexico.





Loans to individuals showed a positive evolution, both in terms of balance and credit originations. In 2023, the dynamism of credit cards stood out, reaching balances of Ps. 175,301 million, with the placement of more than 2.3 million new credit cards, which is 16.4% more than in 2022. Payroll and personal loans closed with a combined balance of Ps. 190,943 million, which have been supported by the boost in the innovation strategy. In this regard, 77% of total sales were made through digital channels.

Housing financing has also been boosted, maintaining a trend of constant growth over the last two years. This has allowed Grupo Financiero BBVA México to maintain its leading position by granting one out of every four new mortgages in private banking, according to information from the CNBV at the end of November 2023.

**+2.3 million new credit cards, 16.4% more than in 2022.**

### Total Performing Portfolio

(billion pesos)



### Mortgage Portfolio

(billion pesos)



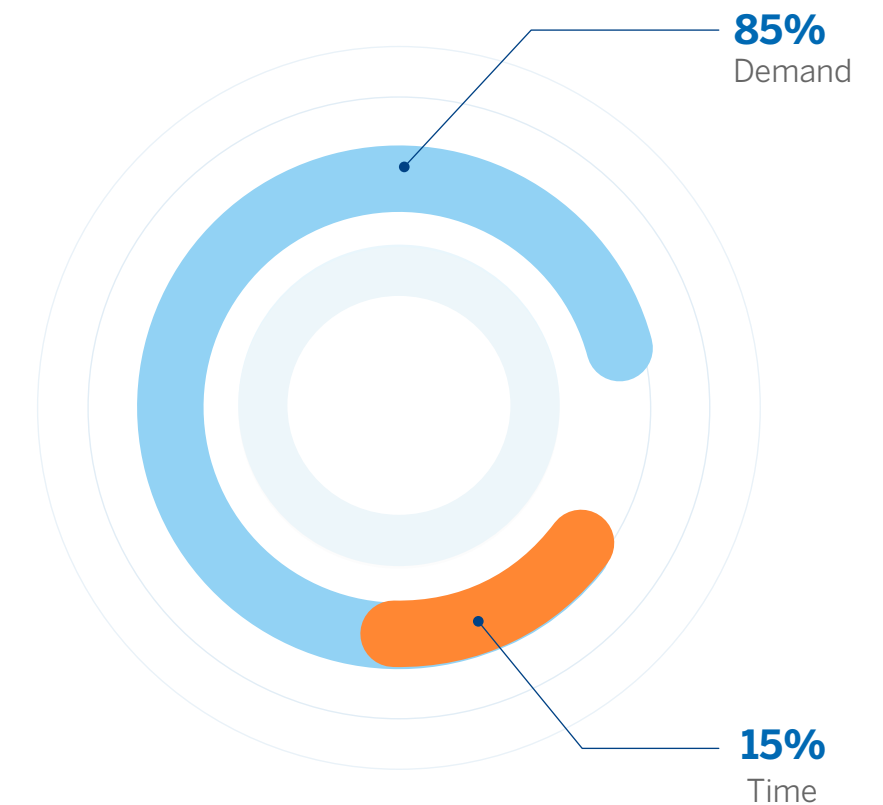
### Bank Deposits

(billion pesos)



### Composition of Bank Deposits

(%)



Note: Bank deposits= Demand +Total time



## Evolution of results

During 2023, Grupo Financiero BBVA México **posted solid results to close the year with net income of Ps. 100,246 million**, supported by growing recurring income.

The financial margin has shown a positive evolution, derived from the constant growth of commercial activity and in those segments with higher profitability; also, due to the growing path of the reference interest rate and the optimization of liabilities with a profitable mix of deposits that allows us to maintain an adequate cost of funding.

During 2023, net commissions amounted to Ps. 38,695 million, supported by higher credit and debit card transactions by clients. Also, mutual fund commissions have performed favorably during the year, also derived from a higher level of transactions carried out by clients.

Operating expenses amounted to Ps. 84,354 million in 2023, driven by high levels of inflation and expenses associated with business activities. However, despite these factors, an appropriate level of efficiency ratio (expenses divided by revenues) has been maintained, standing at 31.6% as of December 2023.

The resistance in the results has been a reflection of the effort and commitment of all the employees that day by day faced the complex environment, offering a constant service and with the best experience for the clients.

**31.6%, cumulative efficiency ratio at year-end 2023.**

### Net income (million pesos)



### Total Revenues (million pesos)



### Total Expenses (million pesos)







Non- performing loans ratio(%)



Coverage Ratio (%)



Total Capital Ratio (%)



LCR (%)





# Relevant information

GRI 201-1

## December 2023 (Financial Groups)

Indicators (%)	Grupo Financiero BBVA México	Market*
Return on equity (ROE)	27.2	19.0
Net Interest Margin (NIM)	6.8	5.4
Efficiency Ratio	31.6	40.7
Non- performing loans ratio	1.7	2.0

\*Financial Groups Market include: BBVA, Banorte, Inbursa, HSBC, Scotiabank, Santander and Citibanamex. Latest available information.

## General Multiple Banking Indicators (CNBV Information)

	December 2022	November 2023
Total Multiple Banking Institutions	50	49
Branches	11,831	11,855
Employees	265,560	275,753
Total Banking Assets (million pesos)	12,524,311	13,517,063
GDP constant (million pesos)	18,495,649	25,326,277
% of GDP	67.7%	53.4%
Total gross banking portfolio (million pesos)	6,241,838	6,807,098
% of GDP	33.7%	26.9%
Traditional deposits (million pesos)	7,202,444	7,785,943
Demand	4,917,697	5,124,132
Time	1,997,740	2,307,793
Securities	287,007	328,079



## Relevance of Grupo Financiero BBVA México in the economy

	December 2022	December 2023
Total assets (million pesos)	3,087,967	3,335,360
Performing portfolio	1,492,329	1,650,960
Market share (performing portfolio)	24.4%	24.7%
Traditional deposits (million pesos)	1,704,869	1,803,405
Market share (deposits)	24.4%	24.1%
Traditional deposits / Total assets	55.21%	54.07%





**Economic value generated and distributed**

	2022	2023
<b>Economic value generated</b>	<b>226,373</b>	<b>273,820</b>
Financial margin	186,319	219,000
Net commissions	32,421	38,695
Other ordinary income	7,633	16,125
<b>Economic value distributed</b>	<b>151,050</b>	<b>162,707</b>
Dividends	53,945	45,400
General administration expenses	34,830	38,904
Taxes	30,455	37,866
Personnel expenses	31,820	40,537
<b>Retained economic value</b>	<b>75,323</b>	<b>111,113</b>
Allowance for loan losses	35,640	44,995
Other	39,683	66,118

Source: Grupo Financiero BBVA México. Figures in millions of pesos.

**Economic Value Added (EVA)**

	2022	2023
Personnel expenses	31,820	40,537
Interest expense	62,862	101,751
Administration and operating expenses	20,196	22,395
Taxes	30,455	37,866
<b>Contributions to the community: resources used</b>	<b>145,333</b>	<b>202,549</b>



# Sustainable finance

**Learn about Grupo BBVA's sustainable mobilization goal and BBVA México's contribution** contribution to this goal in 2023, by type of business and by category (Climate Action and Inclusive Growth).







# Sustainable finance

GRI 3-3, 412-1, 412-3, FS1, FS2, FS5, FS7, FS8, FS11

SASB FN-CB-410a.2, FN-AC-410a.2, FN-IB-410a.3, FN-IN-410a.2, FN-AC-410a.3, FN-IN-410b.2

**Grupo BBVA undertook a strategic reflection process in 2019 to deepen its transformation and adapt to the major trends that are changing the world and the financial sector.** Two of the main trends identified were the fight against climate change and the relevance of driving inclusive growth.

In this regard, the Group has made it a priority to “help our clients in the transition to a sustainable future.” To make this possible, in 2018 Grupo BBVA published its 2025 Goal which consisted of mobilizing EUR 100,000 million in sustainable business between 2018 and 2025. Subsequently, in July 2021 it increased its target to EUR 200,000 million and in October 2022 it increased it again to EUR 300,000 million.

Grupo BBVA's priority is to support its clients, with advice and financing, in the development and implementation of their transition plans in all segments and the diversity of sectors that the Bank serves. This objective extends to the geographies where the Group operates, including Mexico. As of December 31, 2023, BBVA México channeled<sup>5</sup> more than Ps. 206 billion pesos, 29.27% more than in 2022.

<sup>5</sup> For the purposes of the Group's 2025 Goal, channeling is considered as any mobilization of financial funds, on a cumulative basis, to activities or clients considered sustainable, mainly in accordance with existing regulations, internal standards inspired by existing regulations, market standards such as the Green Bond Principles, the Social Bond Principles and the Sustainability Linked Bond Principles of the International Capital Markets Association, and best market practices. For the determination of the amounts of sustainable business channeled, internal criteria are used based on both internal and external information, whether public, provided by the clients or by third parties (mainly data providers and independent experts). BBVA assumes no liability for the opinions expressed by third parties or for any errors or omissions in the information from external sources.

## Sustainable mobilization 2023, BBVA México 2023





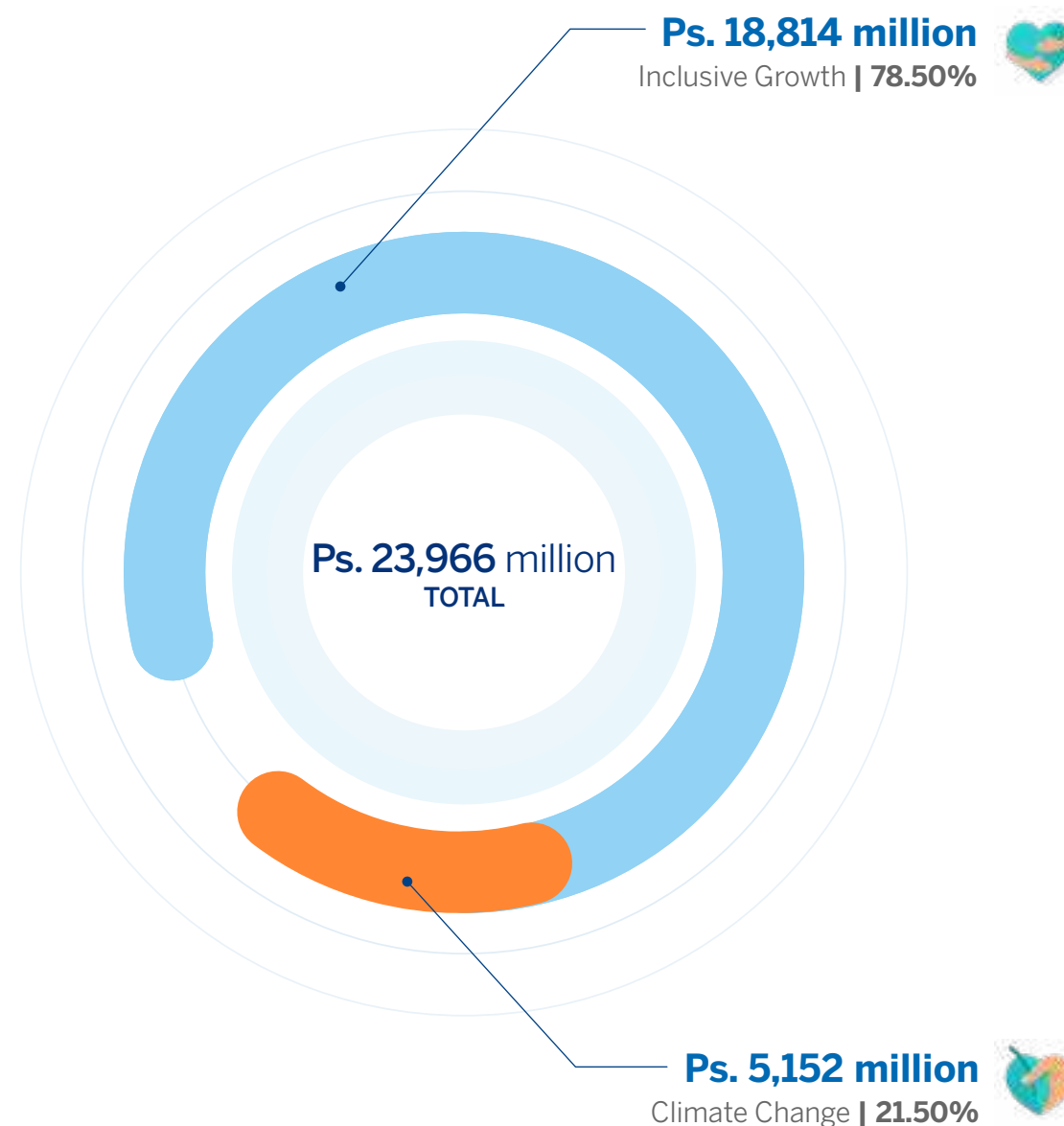
# Retail banking

In Mexico there is a great opportunity to contribute to financial inclusion and the transition to sustainability for individuals, micro businesses and small companies. For the retail banking segments, BBVA México offers a wide range of solutions through its branch network and digital channels. These include One Click Loans for the purchase of sustainable products; preferential rates for the purchase of cars and sustainable homes; improvements in rates or commission bonuses for opening loans, among others.

The mobilization growth strategy includes advice through energy efficiency simulators and the Carbon Footprint Calculator; the establishment of alliances for the financial inclusion of vulnerable groups; and specialized advice from network executives, who have reinforced their knowledge of sustainability in 2023.

Note: These are products the use of which is accounted for in the sustainable mobilization KPI provided it complies with the BBVA Standard for Financing Sustainable Activities.

## Sustainable mobilization, BBVA México 2023



**Inclusive Growth**

Credit cards, consumer loans, loans to pensioners, social mortgage, insurance (health and home), SME loans to entrepreneurs, micro businesses, PFAEs, among others.

**Climate Change**

Financing for the acquisition of mortgages, hybrid and electric cars, SME loans, insurance (cars and mortgages), among others.





# Corporate and government banking

Companies and governments have an important role to play in the creation of more environmentally responsible value chains, the generation of decent jobs and the creation of diverse, inclusive and safe spaces for their clients, collaborators and suppliers.

For them, BBVA México offers credit, factoring and leasing solutions, among others, that contribute to the acquisition of technology for operational efficiency, promote quality employment and the incorporation of sustainability in mobility, agriculture, construction

and other important economic activities. BBVA México's goal is to have more and more sustainable clients through its economic evaluation and percentage of alignment with the BBVA Sustainability Standard.

The growth of sustainable mobilization in corporate and government banking is due to initiatives for automation, self-service and personalization of customer service and contracting processes for the bank's solutions. It is also attributed to the implementation

of digital tools and specialized attention according to the requirements of the sectors served. In 2023, the specialized sustainability advisory teams also grew, which in turn have contributed to strengthening the knowledge and skills of the network's executives.

## Sustainable mobilization, Corporate and Government Banking, BBVA México 2023

### Climate Change

Green financing for companies, letters of credit, factoring, leasing, among others.

### Inclusive Growth

Financing for companies, letters of credit, factoring, leasing, among others, to promote inclusive growth.



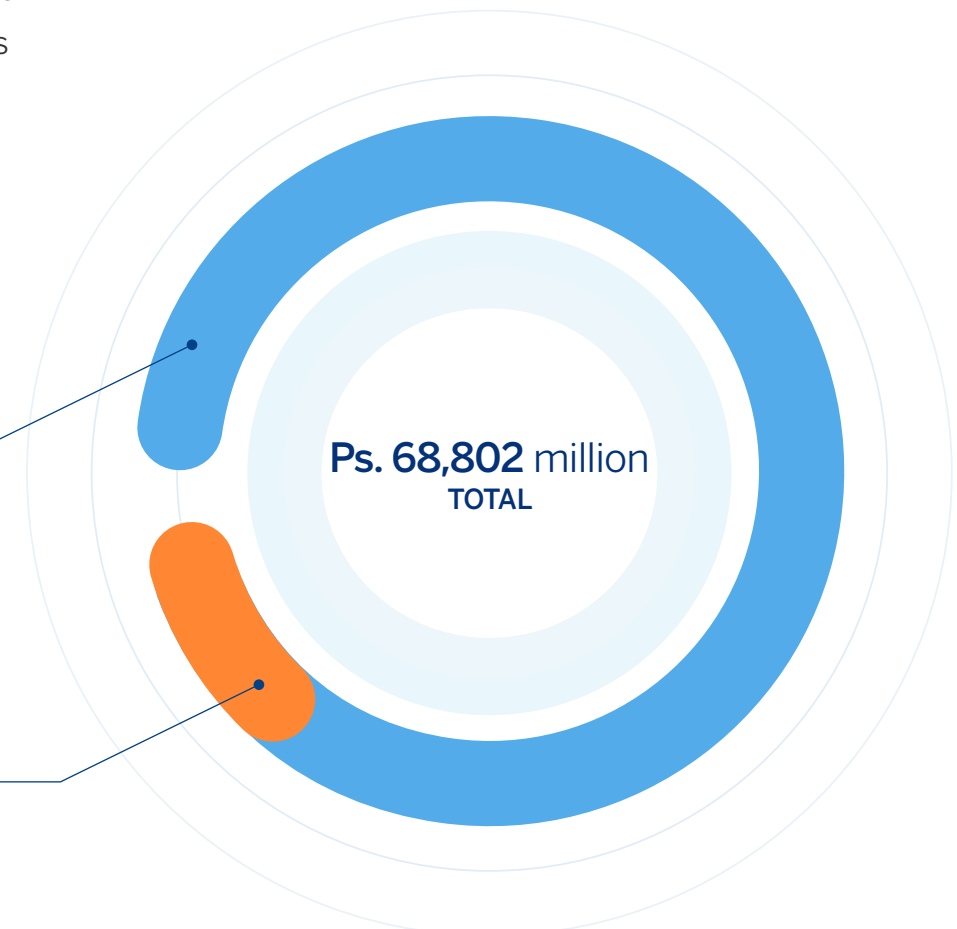
**Ps. 63,312 million**

Climate Change | **92.02%**



**Ps. 5,490 million**

Inclusive Growth | **7.98%**



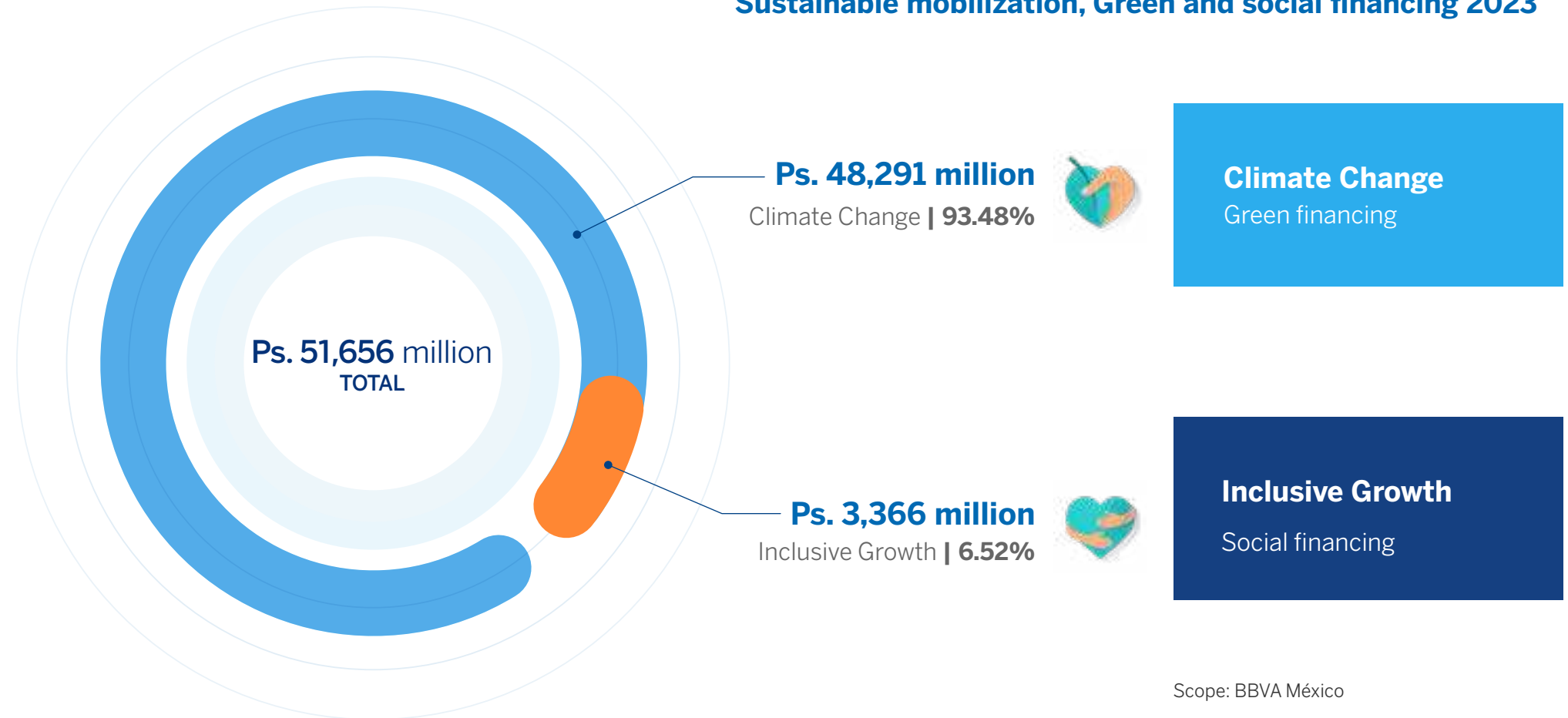
Note: These are products the use of which is accounted for in the sustainable mobilization KPI provided it complies with the BBVA Standard for Financing Sustainable Activities.



# Corporate and Investment Banking (CIB)

For corporate and institutional clients, Grupo BBVA offers specialized advice (ESG Advisory) and financial solutions for projects with positive environmental and social impact, including support in the issuance of green, blue, social and sustainable bonds.

## Sustainable mobilization, Green and social financing 2023



In 2023, BBVA México mobilized more than Ps. 113 billion through CIB, of which 54.34% corresponds to its participation as underwriter of environmental and social bonds, and the rest to green and social financing. In addition, Ps. 598 million were mobilized through the ESG Investment Fund and the ETF Investment Fund of BBVA Asset Management México, S.A. de C.V., Sociedad Operadora de Fondos de Inversión.





## Green bonds

Client	Amount of issuance (millions of pesos)
América Móvil	\$1,417
Banca Mifel	\$1,500
Banco Compartamos	-
Bancomext	\$3,464
CEMEX	\$3,612
CFE	\$2,289
Empresas CMPC (Grupo Matte)	\$1,040
Fibra Danhos	\$2,375
Fideicomiso Fibra Uno	\$1,591
Grupo Aeroportuario del Pacífico	\$1,710
Grupo Bimbo	\$4,750
Inter American Development Bank (IDB)	-
Nafin	-
Orbia	\$3,167
Secretaría de Hacienda y Crédito Público	\$9,637
<b>TOTAL</b>	<b>\$36,552</b>



**Sustainable  
mobilization, 2023  
environmental, social  
and sustainable  
bonds, BBVA México**



## Social bonds

Client	Amount of issuance (millions of pesos)
América Móvil	\$1,417
Banca Mifel	-
Banco Compartamos	\$1,000
Bancomext	\$3,464
CEMEX	-
CFE	\$2,211
Empresas CMPC (Grupo Matte)	\$27
Fibra Danhos	\$125
Fideicomiso Fibra Uno	\$84
Grupo Aeroportuario del Pacífico	\$90
Grupo Bimbo	\$250
Inter American Development Bank (IDB)	\$1,750
Nafin	\$4,698
Orbia	\$167
Secretaría de Hacienda y Crédito Público	\$9,637
<b>TOTAL</b>	<b>\$24,918</b>



### Sustainable mobilization, 2023 Investment Banking, BBVA México 2023

Fund	Climate change	Inclusive growth	Total
Fondo ESG	\$225,553	\$225,553	\$449,106
Fondo ETF	\$75,675	\$75,675	\$149,350
<b>TOTAL</b>	<b>\$299,228</b>	<b>\$299,228</b>	<b>\$598,456</b>

**+113 billion pesos mobilized by Grupo BBVA in 2023 through CIB;** 54.34% corresponds to its participation as underwriter of environmental and social bonds, and 45.66% to green and social financing.







## Financing under Equator Principles



Energy, transportation and social services infrastructures that drive economic development and generate employment can have an impact on the environment and society. BBVA evaluates the financing of projects subject to these principles in order to reduce and try to avoid negative impacts and, in this way, enhance their economic, social and environmental value.

Since 2004, Grupo BBVA has adhered to the Equator Principles (hereinafter, EPs), which set out the standards for environmental and social risk management in project finance, based on the International Finance Corporation's Policy and Performance Standards on Social and Environmental Sustainability and the World Bank's General Guidelines on Environment, Health and Safety.

The EPs apply globally to all industry sectors and to five financial products under the terms of the principles: (I) project finance advisory; (II) project finance; (III) project-related corporate loans; (IV) project-related bridge loans; and (V) project-related refinancing and acquisitions. Project screening consists of subjecting each transaction to an environmental and social due diligence process, including potential human rights impacts.



The first step consists of assigning a category (A, B or C) that represents the risk level of the project:

**A**

**Category A:** projects with potentially significant adverse social or environmental impacts that are irreversible or unprecedented.

**B**

**Category B:** projects with potentially limited adverse social and environmental impacts that are minor, generally site-specific and largely reversible and easily addressed through mitigation measures.

**C**

**Category C:** projects with minimal or no social or environmental impacts.

The review of the documentation provided by the client and independent consultants allows us to assess compliance with the requirements established in the EPs according to the category of the project. The financing agreements incorporate environmental and social obligations for the client. The application of the EPs in BBVA is integrated into the internal processes of structuring, approval and monitoring of transactions.

**Financing under the Equator Principles 2023 (Mexican figures)**

Category	Sector	Currency and total amount	Amount financed by Grupo Financiero BBVA México
<b>B</b>	Infrastructure	USD 65,000,000	USD 32,500,000
<b>B</b>	Infrastructure	USD 15,800,000	USD 15,800,000
<b>B</b>	Infrastructure	Ps. 1,190,000,000	Ps. 1,190,000,000
<b>C</b>	Other	USD 160,000,000	Ps. 50,000,000
<b>B</b>	Infrastructure	USD 300,000,000	USD 88,000,000





## Reference standards and guidelines

### BBVA Standard

Grupo BBVA's approach to sustainable financing involves directing financial resources towards activities or clients deemed sustainable based on specific criteria. For instance, funds are allocated to sustainable activities or purposes in alignment with the European Union (EU) Taxonomy and internal standards modeled after this taxonomy for other regions, including Mexico. Following these guidelines, if a local taxonomy is established, the latter will be applied.

It also considers financing linked to a series of indicators or KPIs related to environmental, social and governance (ESG) aspects, thus seeking to incentivize positive sustainability behaviors, in accordance with market standards such as the principles for sustainability-linked loans and bonds of the Loan Market Association (LMA) and the International Capital Market Association (ICMA).

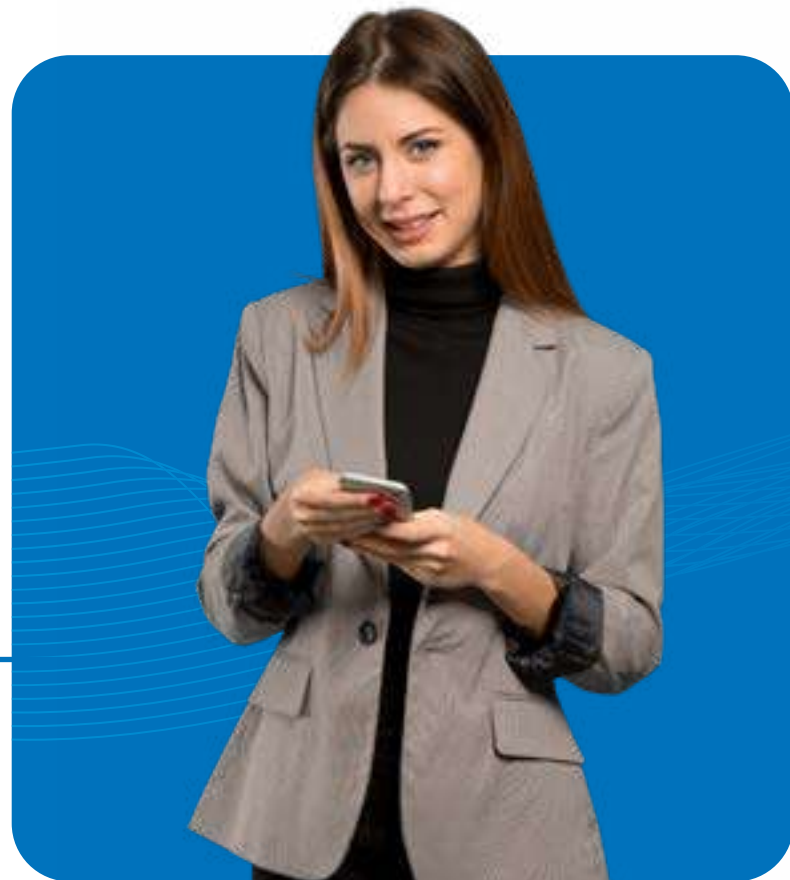
**In Grupo BBVA, sustainable financing involves directing financial resources** towards activities or clients deemed sustainable based on specific criteria, as well as performance in certain **KPIs related to ESG matters.**





### Framework for Grupo BBVA's sustainable debt issuance

In April 2018, Grupo BBVA published its framework for issuing its own sustainable bonds, linked to the United Nations Sustainable Development Goals (SDGs). Under this framework, BBVA can issue three types of bonds:



-  **Green bonds:** debt instruments the proceeds of which will be used to finance new and/or existing green projects.
-  **Social bonds:** debt instruments the proceeds of which will be used to finance new and/or existing social projects.
-  **Sustainable bonds:** debt instruments the proceeds of which will be used to finance new and/or existing green and social projects.

It is a framework aligned with the Green and Social Bond Principles, as well as the International Capital Market Association (ICMA) 2018 Sustainable Bond Guidelines, backed by strong governance and strict management and monitoring of the net proceeds raised, and has an independent third-party verification assessment. The new Sustainable Debt Instruments Issuance Framework was published in 2022, replacing –except for current issuances– the 2018 Bond Framework, to align it with the latest eligibility criteria.

Under this framework, BBVA México finances projects and entities that contribute to compliance with the SDGs and their specific goals, particularly in the following SDGs:

**Grupo BBVA's new Sustainable Debt Issuance Framework** was published in 2022, and is aligned with the most recent eligibility criteria.







### Grupo BBVA's environmental and social framework

Grupo BBVA approved in 2020 the Environmental and Social Framework for the mining, agribusiness, energy, infrastructure and defense sectors (hereinafter, Framework). This Framework, applicable to all geographies, including Mexico, and reviewed annually, provides a series of provisions and exclusions in relation to the operations and clients covered by it, which operate in these five sectors as they are considered to have a greater social and environmental impact.

To ensure the successful implementation of this Framework, guidance is sought from an independent external expert who conducts due diligence on clients covered by the Framework. This is done to mitigate risks associated with these sectors. During the annual review of the Framework, new market trends, stakeholder expectations, and enhanced implementation procedures are taken into consideration.





### Principles for Responsible Banking (PRB)

GRI 2-23

BBVA México was one of the founding banks of the Principles for Responsible Banking promoted by the United Nations alliance with the financial sector (hereinafter, UNEP-FI). This is a reference framework based on six principles that aim to respond to the growing demand from different stakeholders for a comprehensive framework that covers all the dimensions of sustainable banking.



1. Align business strategy with the SDGs and the Paris Agreement.



4. Maintain a proactive approach with key stakeholders to achieve compliance objectives.



2. Increase positive impacts, reduce negative impacts and manage identified risks, through the establishment and communication of objectives.



5. Implement commitments through governance and responsible banking culture.



3. Maintain a responsible and shared prosperity relationship with clients.



6. Maintain transparency, with accountability for the positive and negative impacts of the organization.



In compliance with this commitment, in 2022 BBVA México conducted an analysis to identify the positive, negative, current, and potential impacts of its products. This analysis involved evaluating its portfolio using the UNEP FI Portfolio Impact Analysis Tool, taking into account data provided by Grupo BBVA.

As a result, the most significant areas of impact of BBVA México were determined based on the nature, content and geographic scope of the consumer banking and institutional banking portfolios.





### Principles for Responsible Investment (PRI)

GRI 2-23

In 2005, the United Nations, with the support of leading asset managers, established an initiative comprised of six voluntary and aspirational Principles for Responsible Investment, which go beyond the traditional analysis of financial factors and encourage the incorporation of ESG issues in investment decision-making.

- |                                                                                                                                                                               |                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p>1. Incorporate ESG issues into investment analysis and decision-making processes.</p>  |  <p>4. Promote implementation of the six Principles within the investment industry.</p>          |
|  <p>2. Incorporate ESG issues into our ownership policies and practices.</p>             |  <p>5. Work together to enhance effectiveness in implementing the Principles.</p>              |
|  <p>3. Seek appropriate disclosure on ESG issues by the entities in which we invest.</p> |  <p>6. We will each Report on activities and progress towards implementing the Principles.</p> |

Currently, Grupo Financiero BBVA México, through BBVA Pensiones México, is accompanied by BBVA Asset Management, in order to comply with the requirements of the initiative.



# 06

# Social performance

**Grupo Financiero BBVA México is committed to generating value for its stakeholders: clients, employees, community and suppliers.** Learn about the programs and initiatives implemented for them and the results achieved in 2023.



BBVA México seeks to have a **positive impact on the lives of its clients, employees, suppliers, community and society in general**, not only through its products and services, but also through programs, alliances and community investment. With its clients, the bank promotes financial inclusion, as well as health and financial education tools and knowledge. Employees develop professionally in safe and diverse work environments. The bank also encourages its suppliers to have responsible practices that contribute to sustainable development. **Through Fundación BBVA México, it benefits the country's most vulnerable communities.**



# Commitment to our Clients

## Seamless experience

BBVA México reiterates its commitment to excellence in customer service, a priority that is maintained year after year, seeking to ensure that each client enjoys a seamless experience. To accomplish this goal, BBVA México provides its employees with the necessary tools and training programs to enable them to offer outstanding service and personalized attention.

### Quality and client service

BBVA México uses a client-centric feedback strategy, employing a recommendation index obtained through surveys where clients rate, on a scale of 0 to 10, their willingness to recommend the bank to others. This index is important for the continuous improvement of the bank's products and services, ensuring that they are closely aligned with the needs and expectations of the clients. The effective use of this tool has allowed us to strengthen the loyalty and trust of our clients, and at the same time gain recognition as one of the most recommendable banking institutions.

### Open market recommendation index

In addition to the index that evaluates quality and client service, BBVA México also evaluates how much the general public recommends the bank using the open market recommendation index.

Business or channels	Points above the nearest competitor
Commercial Banking	+26.4
Corporate and Government Banking	+41.5
SME Banking	+1.9
Telephone Banking	+10.0
Mobile Banking	+20.8
ATMs	+24.8



### Client's internal recommendation rating

BBVA México implements surveys, mostly digital, to broaden participation and consider employee opinions in its continuous improvement cycle. These evaluations are mainly carried out through questionnaires distributed by email that assess the impressions of the Commercial Networks with respect to the service provided by executives during client service.

On a monthly basis, the Net Recommendation Index (IReNe) is measured and, at the end of the year, an overall figure is compiled.

#### Client perception

Banking	Variation 2022 vs. 2023
Commercial Banking	+1.8
Private Banking and Wealth Management	+4.7
SME Banking	+6.5
Corporate and Government Banking	+8.0
Mortgages	+6.0
Consumer Finance	-0.2

#### Internal employee perception

Banking	Variation 2022 vs. 2023
Commercial Banking	+2.0
Private Banking and Wealth Management	+3.6
SME Banking	+2.4
Corporate and Government Banking	-0.6
Mortgages	+4.8
Consumer Finance	+8.4





## Financial inclusion

Grupo BBVA has business initiatives around financial inclusion, support for entrepreneurship and the promotion of inclusive infrastructures. At BBVA México, Financial Inclusion actions are implemented to make products and services accessible to all, especially for people and/or entrepreneurs who belong to vulnerable groups such as women, the elderly, people with disabilities, residents in areas with limited access to financial services and micro-business owners.

Initiatives include the application of the BBVA Sustainability Standard (for sustainable financing), which identifies segments of the population or clients that are considered priority targets for inclusive growth activities.

The opening of digital accounts for previously unbanked clients is also supported. To use a no-cost checking account, a client must meet certain thresholds that differ according to geographic area; in the case of Mexico, the requirements are to have monthly income of up to 8 thousand pesos via payroll or 1,500 pesos average monthly balance in the case of people without payroll.

In 2023, **more than 1.5 million 100% digital accounts were opened for previously unbanked clients**, thus contributing to financial inclusion.

The bank also supports the express segment in their basic needs related to money, for example, making transfers to unbanked family members who live outside the main urban centers, recharging money on their cell phones reducing travel time and costs, payment management; it also helps to facilitate the management of flows through digital tools such as the mobile application, in order to reduce the use of cash.

In its ongoing commitment to forge a more inclusive and equitable society, BBVA has intensified efforts to facilitate access to banking services through intuitive and accessible digital platforms, designed to overcome barriers for vulnerable groups such as people with disabilities or the elderly.

## Financial Health

One of Grupo BBVA's priorities is to be the trusted financial partner of its clients to help them improve their financial health, through personalized advice, thanks to technology and the responsible use of data.

Money management is one of people's biggest concerns, which is why the Group wants to help its clients improve their financial health with two approaches:



On the one hand, accompanying clients in the day-to-day management of their finances, helping them to have a better understanding and comprehension of their income and expenses, management of future needs, saving capacity, etc.



On the other hand, helping clients to make the best financial decisions for the achievement of their medium and long-term life and business objectives through personalized advice.

## Financial education

BBVA México has a relevant interest and contribution in financial education and digital training to empower the population and improve their resilience. Through its multiple financial education initiatives, the bank makes different tools available to clients, employees and society in general, allowing them to responsibly manage their finances and take better advantage of the opportunities that arise for the wellbeing of their businesses or their lives.



### Financial Education Workshops, BBVA México 2023

BBVA México offers three types of financial education workshops throughout Mexico:

#### On-site workshops (since 2008)

Financial Education Workshops aimed at BBVA clients and the general public, given by a facilitator on-site at the bank's facilities.

#### Distance learning workshops (since 2020)

Provide the opportunity to gain financial knowledge easily through digital tools. A diverse range of courses is available covering topics such as savings, digital banking, credit card usage, mortgage loans, investments, and life planning. These courses are accessible 24/7, allowing participants to take them at their convenience.

In 2023, **Financial Education reached 21.2 million beneficiaries with its entire program.**







### Online workshops (since 2012)

Express training in Financial Education, available on demand (open market) to attract people with the objective of generating a change of healthy habits in people in relation to their money.

In 2023, BBVA México **benefited more than 97 thousand people with financial training workshops**, mainly online.

#### On-site

<b>23,592</b>	<b>19,877</b>	<b>317</b>
Participants	Individuals	Sessions

#### Distance learning

<b>98,642</b>	<b>77,381</b>	<b>4,049</b>
Participants	Individuals	Sessions

#### Online

<b>330,404</b>	<b>254,813</b>
Visits	Visitors





### Social Service in Universities

This program consists of establishing alliances with public and private universities to encourage undergraduate students to perform their social service representing Educación Financiera BBVA México to their community. Since 2022, the intention is to contribute to the digitization of the community, providing information on how to download the BBVA app, use the applications, downloads and make CoDi transactions, among other aspects that promote digitization.

### 163 Student Ambassadors | 13 Universities

#### Multiverse

This initiative promotes financial education training for new clients, available on demand, with the objective of providing them with content adapted to their needs and time, based on a profiler.

### 204,300 visits in 2023 | 135,842 visitors in 2023

#### Financial Education Portal

Official website for Financial Education where you can access articles, distance workshops, and webinars covering topics related to the bank's products, services, and tools. The website also provides tailored content based on user searches to address any queries or concerns users may have.

### 16,167,803 visits in 2023 | 12,636,051 visitors in 2023







### **EduFin Virtual Assistant (EVA)**

Conversations are conducted to support the achievement of action plans aimed at enhancing people's financial well-being through a virtual chat feature within the Financial Education web section. This feature is designed to be part of a comprehensive 360-degree experience to encourage behavioral change.

### **33,396 effective talks in 2023**

#### **2<sup>nd</sup> ABM Congress**

In 2023, the second edition of the Congress organized by the Association of Banks of Mexico (ABM) was held to discuss Financial Education with the aim of providing the population with more tools, skills and knowledge to make better financial decisions.

### **2,895 people participated**

#### **No Money Forum**

This was an event held in conjunction with El País and Mercado Pago, which addressed issues of digitization, use of cash, inclusion, financial education from an early age, cryptocurrencies, among other topics. The event was held in Mexico City and was broadcast online. The event was attended by clients, employees and the general public, mainly from El País.

### **170 on-site attendees | 7,232 virtual attendees**



### Peras y Manzanas Podcast

During 2023, the Peras y Manzanas podcast, which covers economic topics for the general public in partnership with BBVA México, garnered a total of 490,298 downloads of its episodes.

### Universum UNAM Espacio DECIDE

A space dedicated to engaging young people in the development of sustainable projects was created, offering digital and analog experiences to address social and individual issues affecting the community and the environment. This initiative considers the pillars of government, business, and the economy. In 2023, the space received 2,423 visits.

### National Financial Education Award

In collaboration with the National Autonomous University of Mexico (UNAM), a donation was made to support the UNAM-BBVA Financial Education Award. This initiative aims to incentivize students who are nearing graduation or have recently graduated to conduct research and promote topics related to finance, inclusion, and/or financial education through their degree dissertations.

**62,810 publications | 51 degree dissertations**







### **Women Entrepreneurs (Victoria 147) and Victoria Fest 2023**

For the fourth consecutive year, BBVA México partnered with Victoria 147 to implement an initiative aimed at improving the financial health of businesswomen and female entrepreneurs. Through this collaboration, education, financial resources, and digital skills are provided to empower women in business, enabling them to enhance and expand their projects and businesses.

In addition, this joint effort aims to consolidate BBVA México's position as a trusted financial partner and underscore the importance of financial education as a crucial element for women's success in entrepreneurship.

Among the activities that were delivered during the reporting period as part of this program are:

- Collaboration workshops with allies
- Talks on financial challenges for women entrepreneurs
- Training programs
- Fellow-entrepreneurship meeting events
- Graduation events for 147 Victories of Entrepreneurship

**5,086 women entrepreneurs benefited from this program.**



### Victoria Fest

With the aim of promoting women's entrepreneurship, Victoria 147, in collaboration with BBVA México and Openpay, held the sixth edition of Victoria Fest, which brought together hundreds of female entrepreneurs, businesswomen and leaders who are transforming the way of doing business in the country. More than 60 thousand women participated in the 2023 edition of Victoria Fest.

### Once Niñas y Niños

In alliance with Canal Once, we promote the culture of saving among children through a children's series. In 2023, this series had more than 2 million viewers and more than 22 thousand views on YouTube.

+60,000 women  
participating in the **2023**  
**edition of Victoria Fest.**







**Other events**

Launch of the book *Inclusión Financiera: Subiendo la escalera económica: 20 años de inclusión financiera de la comunidad mexicana en Estados Unidos* (Financial Inclusion: Climbing the economic ladder: 20 years of financial inclusion of the Mexican community in the United States).

**Integral Health Fair:** An event dedicated to offering information and services focused on the physical, mental and financial well-being of individuals. The goal is to promote a culture of early detection, prevention, and intervention while encouraging healthy lifestyles and discouraging risky practices. The event aims to help individuals improve their attitudes, habits, and skills across all aspects of their lives, thereby achieving comprehensive health.

**Herdez Health Fair:** An event focused on Grupo Herdez employees to provide information and registration to EduFin training contents from the perspective of physical, mental and financial health of people and thus strengthen the culture of integral health.

**CDMX Marathon:** During the event, attendees were invited to register and take a Financial Health Test using a QR code. After completing the test, participants were invited to attend Financial Education workshops focusing on savings.

**Financial Health Forum for entrepreneurship:** Events held in coordination with the National Commission for the Defense of Financial Services Users (CONDUSEF) to promote financial education for entrepreneurs and young university students to promote or disseminate the activities that BBVA would have during the National Financial Education Week 2023.

In addition, throughout 2023 BBVA México carried out financial education events aimed at employees, in order to promote savings.





## Regional Advisory Councils

The Regional Councils seek to create a space for discussion to promote the progress and growth of Grupo Financiero BBVA México, in addition to being an opportunity to form an active business community for the development of the country; receive feedback on the banking activity, service levels and local business culture; reference businesses; create solid links between BBVA México officials, the community and local authorities; and actively participate with Fundación BBVA México.

**The Regional Advisory Councils are composed of 497 leaders.**

### Structure of the Regional Advisory Councils:

The Regional Councils report to the Vice-Presidency and General Management of BBVA México, delegating responsibility to Corporate and Government Banking. They are coordinated by the Network Director of Corporate and Government Banking.

- There are 27 Councils throughout the country.
- Each Regional Council has a Chairman, Vice-Chairman and Councilor. Optionally, there may be a Guest Councilor, as well as an Honorary Chairman and Vice-Chairman.
- Made up of a minimum of 10 and a maximum of 35 members depending on the size of the market and demographics of their region.
- Initially, it should be composed of at least 20% women, with a view to increasing this proportion.

### In 2023 we held the following meetings of the Regional Advisory Councils:

- 3 Meetings of Chairmen
- 2 National Meetings of Councilors
- 52 Local Meetings in the 27 Councils
- 6 Sector Forums
- 5 Sector Councils
- 1 Nearshoring Mission USA: Visit to Washington, Houston and Austin. Meetings with Congressmen, State Department Representatives, U.S. Businessmen and U.S.-Mexico Associations.
- Mexico and Spain Summer Courses for children of Council Members







## Specialized User Service Unit (SUSU)

With the aim of preserving the satisfaction and well-being of its clients, BBVA México provides a customer service system to receive and manage complaints and claims. This is the Specialized Customer Service Unit (SUSU), which is committed to ensuring efficient management and resolving each case with detailed attention and substantive solutions. The feedback obtained through this process is key for the bank, as it allows it to constantly improve its client service, as well as its products.

During 2023, 28,604 complaints were registered and the average time to resolve these complaints was 11 days.

The number of users served directly at SUSU's physical offices was 976 clients at the Parques Polanco Tower and 406 at the Guadalajara headquarters.



In 2023, BBVA México achieved a **historic result of 10.00 in the Customer Service Performance Index (Índice de Desempeño de Atención a Usuarios, IDATU)**, placing BBVA México in 1<sup>st</sup> place in the G7.



National e-mail  
**une.mx@BBVA.com**



Website  
**www.BBVA.mx/personas/centro-de-ayuda/ quejas-y-reclamos.html**



National Call Center  
**800 112 2610**



Corporate offices  
**Mexico City and Guadalajara**

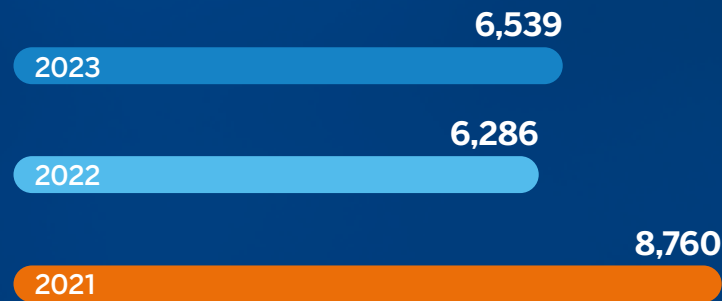


International Call Center  
**55 1998 8039**

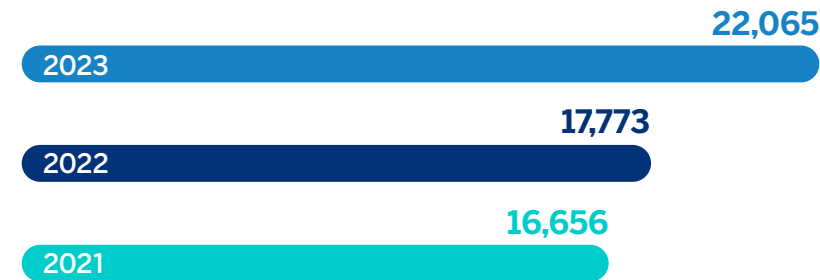


Mexico was the first financial institution to achieve CONDUSEF's **“Commitment to caring for the elderly”** certification.

### Complaints to the SUSU



### Claims before CONDUSEF

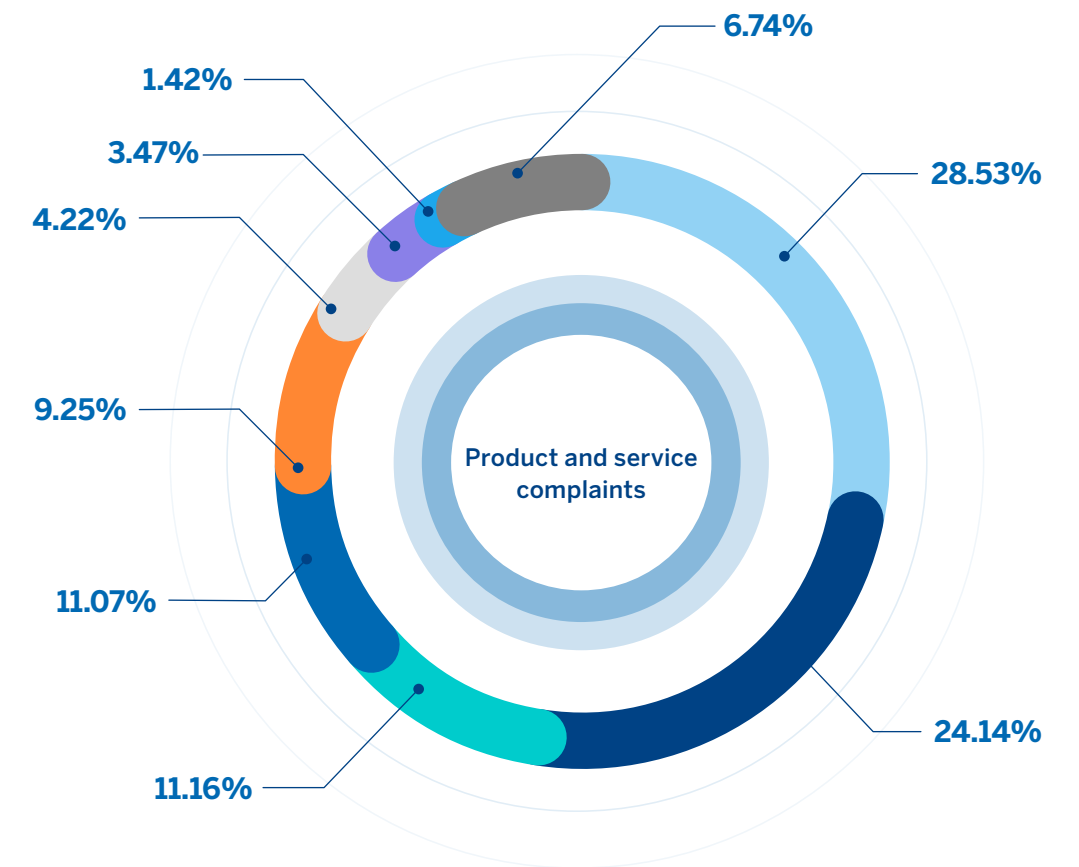


### Claims resolved

Favorable to Grupo Financiero BBVA México



Favorable to client



- Savings
- Credit Card
- BBVA Mobile
- ATMs
- Debit Card
- Credits
- BBVA.mx
- Insurance
- Others



# Transparent, Clear and Responsible (TCR) Communication

GRI 103-1, 103-2, 103-3, 417-1, 417-2 y 417-3, SASB FN-AC-270a.3, FN-IN-270a.4



Transparent, Clear and Responsible (TCR) communication establishes basic criteria for action and guidelines necessary to apply the maximum possible simplicity in the communication of products and services and at all points of contact with clients and stakeholders using the following channels:



Commercial documents



Public web



Digital solutions



Customer service



Campaigns



## TCR Principles



### Transparent communication

It must be honest, stick to the facts and always be based on the truth, avoiding all information that could be misleading and the making of unwanted decisions:

- Provides the client with all relevant information
- Gives equal visual relevance to advantages/benefits and risks/costs/requirements
- Ensures that the main message is valid for the majority of the audience
- Keeps in mind that relevant information varies according to client profile, time of process and product
- Uses the appropriate channel: the one that allows for communicating what is relevant

### Clear communication

It must be direct and understandable, in order to present the characteristics of the product or service in an agile and precise manner, and complete, that is, adequate and sufficient for correct and responsible decision making.

- Employs a good structure and uses visual elements to facilitate comprehension and digital navigation
- Makes sure that the graphic elements give a realistic and intuitive image
- Uses clear language (no technicalities, but precise)
- Limits the use of small print as much as possible (when used, make it clear)
- Promotes accessibility. In audiovisual pieces, uses subtitles and locution when relevant

### Responsible communication

It must be honest, always oriented towards the client's interests, and committed to eliminating all forms of exclusion, promoting financial education, and fostering the development of the communities where it operates.

- Accompanies the client
- Promotes the client's financial health
- Gives the client control over their relationship with the bank
- Uses responsibly the client's personal data
- Promotes change towards a greener and fairer future





In addition, we adhere to the Transparency Standard for product advertising of Grupo Financiero BBVA México, which establishes BBVA México's obligations with respect to any communication or advertising of the products it offers to clients or users. It also allows us to apply the behavioral guidelines in relation to the:

- Compliance with applicable laws and regulations in a complete and transparent manner, in line with the trust that shareholders and clients place in Grupo Financiero BBVA México.
- The use of clear and truthful information to communicate in a transparent manner both the characteristics and the risks of products and services.
- Not conditioning the granting of products and services to the obtaining of personal benefits or advantages, among other guidelines.

In 2023, we strengthened the principles of Transparency, Clarity, and Responsibility through the implementation of the integrity red lines rule. The red lines consist of 12 points designed to mitigate potential risks associated with lack of transparency and to discourage clients from making decisions that may be detrimental to their interests or financial health.

During the year, more than 100 collaborations were developed by Scrum teams of the Digital Factories of Business Development and Corporate Banking, in which the Transparent, Clear and Responsible principles are applied in digital solutions.

In addition, during 2023, BBVA México has focused on designing solutions for people with visual, hearing, motor or cognitive disabilities, in order to increase the accessibility of its designs, products and services.

On the other hand, Grupo Financiero BBVA México measures its performance in TCR. The results as of December 2023 show that BBVA is a leader in Mexico, which means that it is perceived by clients as a transparent and clear bank, compared to its competitors.

Grupo Financiero BBVA México was **ranked 1<sup>st</sup> for its TCR** score in the Recommendation Index, **with a score of 57.64.**



### 2024 Goal

To continue the implementation of TCR practices enriched by applying Behavioral Economics models and reinforced through monitoring integrity guidelines in our interactions with clients and users.



# Commitment to our employees

Grupo BBVA places employees at the center of its values. **“We are one team”** guides the design and implementation of personnel management processes.

At BBVA México, commitment, trust, and pride in being part of BBVA are experienced throughout an employee’s lifecycle, from the selection of new hires to the end of the employment relationship. This includes processes such as role assignment, evaluation, development, and training, with consideration for diversity and inclusion aspects.

## Talent and culture

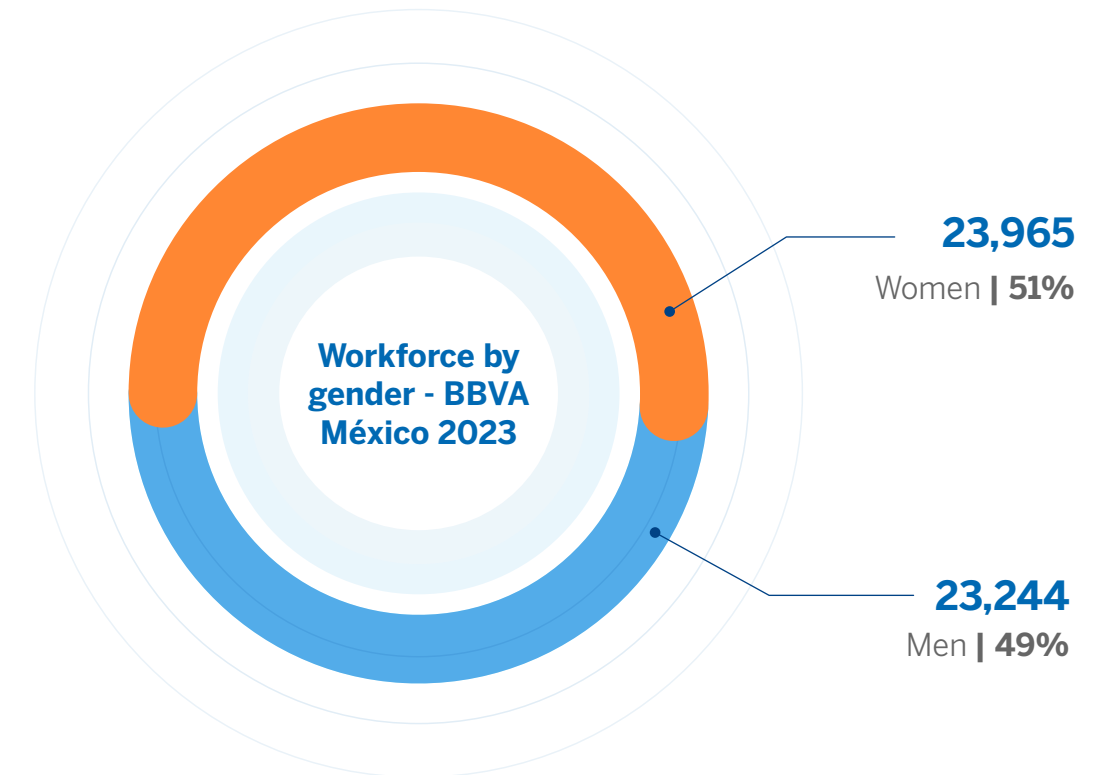
GRI 2-7, 2-8, 2-30, 3-3, 401-1, 401-3, 405-1

SASB FN-IB-330a.1, FN-AC-330a.1, FN-MF-270a.4, FN-CF-270a.1

### Workforce by gender - BBVA México 2023

Gender	2021		2022		2023	
Women	21,172	52%	22,744	52%	23,965	51%
Men	19,211	48%	21,246	48%	23,244	49%
<b>Total</b>	<b>40,383</b>		<b>43,890</b>		<b>47,209</b>	

Scope: Employees of Grupo Financiero BBVA



### Workforce by age - BBVA México 2023

Age	Number of employees	Percentage of employees
<30 years	15,257	32%
30-50 years	26,203	56%
>50 years	5,749	12%

Scope: Employees of Grupo Financiero BBVA



**Workforce by contract and gender - BBVA México 2023**

	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
Permanent contract	17,776	19,876	17,776	19,876	21,467	22,467
Temporary contract	1,429	1,285	1,429	1,285	1,777	1,498

Scope: Employees of Grupo Financiero BBVA

**Workforce by type of workday and gender - BBVA México 2023**

	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
Full-time	19,211	21,171	21,245	22,644	23,244	23,965
Part-time	0	1	1	0	0	0

Scope: Employees of Grupo Financiero BBVA

**Employees by job category and gender - BBVA México 2023**

Job category	Women under 30 years of age	Men under 30 years of age	Women between 30 and 50 years of age	Men between 30 and 50 years of age	Women over 50 years of age	Men over 50 years of age
Management	50	48	1,095	1,256	261	462
Executives	1,837	2,936	6,155	7,288	1,131	1,678
Administrative	2,384	2,230	2,945	2,140	576	437
Unionized	3,341	2,431	3,476	1,848	714	490
<b>Total</b>	<b>7,612</b>	<b>7,645</b>	<b>13,671</b>	<b>12,532</b>	<b>2,682</b>	<b>3,067</b>

Scope: Employees of Grupo Financiero BBVA.

\*In 2023, job categories were adjusted to align with the reporting categories outlined in the Global Reporting Initiative. As a result, no comparison with previous years is provided.

**Unionized employees by gender - BBVA México 2023**

	2020	2021	2022	2023
Men	4,653	5,411	5,433	4,769
Women	7,669	8,209	8,308	7,531
<b>Total</b>	<b>12,322</b>	<b>13,620</b>	<b>13,741</b>	<b>12,300</b>

Scope: Employees of Grupo Financiero BBVA.



## Diversity and inclusion

GRI 405-1, FS1

As part of its efforts to create a more diverse and inclusive work environment, BBVA México has implemented a variety of initiatives, tools and channels to foster a culture that celebrates diversity and respect for people, regardless of their age, gender identity, sexual orientation, political or religious beliefs.

BBVA México has a policy and a Diversity and Inclusion Committee made up of representatives from different divisions of the bank. It also has leaders and specialized departments dedicated to promoting diversity and inclusion in the different areas of talent management and culture of the Bank, such as the processes of attraction and retention of talent, which considers the inclusion of people with disabilities in the workforce and senior citizens; equal opportunities to occupy leadership positions; the coexistence of groups such as LGBT+, among others.

Grupo BBVA and its subsidiaries, including BBVA México, promote the culture of diversity and inclusion through training events, information dissemination and commemoration, around commemorative dates such as International Women's Day, International LGBT Pride Month and Day, the Day for the Elimination of Violence against Women and the International Day of Persons with Disabilities.

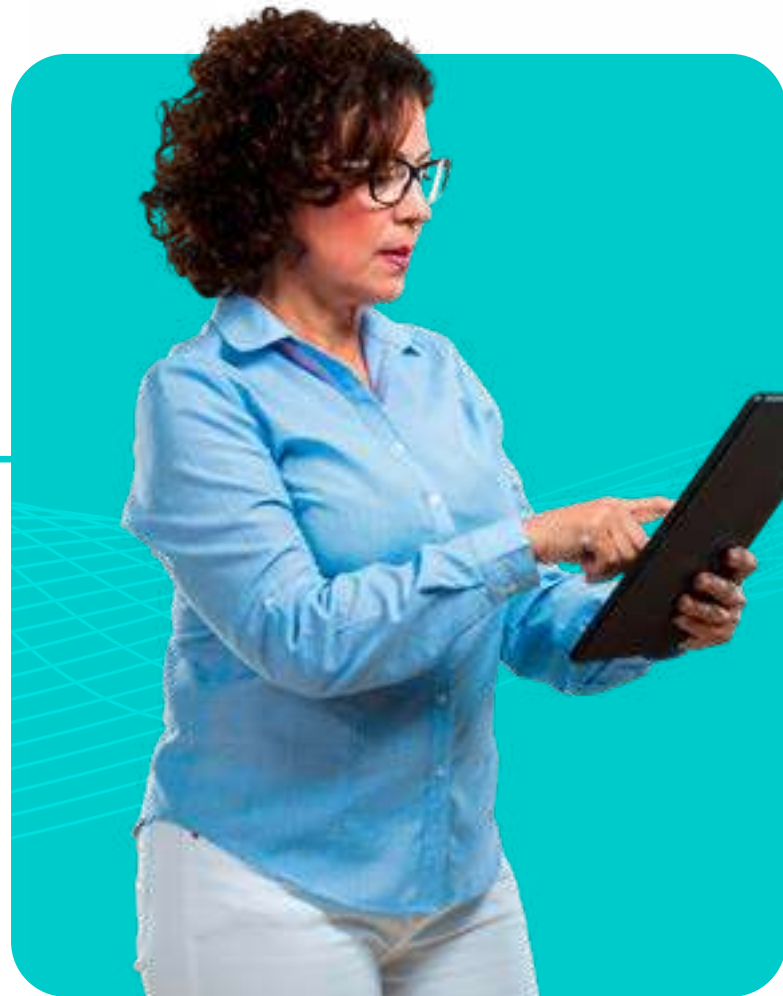
In particular, there are programs and actions that promote awareness and knowledge on gender and equal opportunities. In the area of women's empowerment, Yo Soy Talento Femenino (I Am Female Talent) was created in 2023, a program aimed at developing and empowering BBVA's female employees in Mexico. The launch session was held in a hybrid format and was attended by 26,000 female employees.

During Pride Month, an awareness-raising talk was given to talk about safe spaces in the workplace for people who identify themselves as part of the LGBT+ Community, in which more than a thousand employees participated. This year we also followed up on initiatives such as Diversity Days, Soy Único (I am Unique), Soy BBVA (I am BBVA), Muro de Compromiso (Commitment Wall), and Taller Cambiemos la Conversación (Let's Change the Conversation Workshop), whose dynamics promote safe spaces for everyone. In 2023, the BeYourself program was launched and its 1st ERG (Employee Resource Group) of BBVA in Mexico, a group of employees working for common interests. BeYourself is open to anyone who wants to learn more about how to create safe spaces for the LGBT+ community. At the end of the year, the BeYourself Community had 260 people registered.

To support well-being during maternity and paternity, BBVA México has initiatives such as the Maternity Journey, which provides specialized sessions for pregnant women. In 2023, 294 employees







participated in these sessions, investing over 177 hours with them. Additionally, 1,557 Parental Kits were distributed to parents, including those in single-parent families and those who adopted children.

In terms of inclusion of people with disabilities, in 2023, BBVA México made improvements to the Major Medical Expenses Policy, extending coverage for congenital conditions and the use of prostheses. In 2023, 27 people benefited from these changes. In 2023, an awareness course on disability issues was developed for the entire commercial network. A total of 21 thousand employees received training through these awareness courses. Additionally, an Induction Workshop for the Deaf Community was conducted, where a certified interpreter taught BBVA México employees the

**21 thousand employees of the commercial network** were made aware of disability issues.

significance of learning Mexican Sign Language to contribute to building a more inclusive society. A total of 498 employees participated in this workshop.

To promote accessibility, BBVA México has modified the infrastructure of some branches and corporate offices to ensure inclusive workspaces. Some of the modifications made include adding ramps to entrances, adjustments to restrooms, changes in the height of physical elements, installation of tactile paving, among other alterations. In total, 159 branches were modified in 2023. These actions will benefit the more than 260 people with disabilities who work at BBVA México.

Other initiatives that help foster a culture of diversity, inclusion and safe spaces in BBVA México are those that promote our values. These include Amigo BBVA, which promotes the importance of having a trusted person within the organization; Values Day, a global event that aims to reinforce elements of organizational culture such as the Group's values and purpose; and the VIVA Award, the global recognition program to identify those employees who embody our values in an exceptional manner.



### Talent attraction

GRI 404-2, 404-3

At BBVA México, the value and contribution of our employees are crucial to providing top-notch financial services and creating exceptional experiences for our clients. Seeking to foster a team that stands out for its dedication and innovation, BBVA México has structured a labor offer that contemplates competitive salaries and attractive benefits packages, in addition to fostering a work environment that prioritizes inclusion and respect. Special emphasis is placed on the development and continuous training of human capital, as well as on maintaining a positive and enriching work environment.

### New hires by gender and age - BBVA México 2023

	Number	Rate (%)
<b>Women</b>	<b>4,386</b>	<b>45%</b>
Women under 30 years of age	3,086	31.6%
Women between 31 and 50 years of age	1,254	12.8%
Women over 51 years of age	46	0.4%
<b>Men</b>	<b>5,362</b>	<b>55%</b>
Men under 30 years of age	3,651	37.4%
Men between 31 and 50 years of age	1,607	16.4%
Men over 51 years of age	104	1.0%
<b>Total</b>	<b>9,748</b>	<b>100%</b>

Turnover by age and gender - BBVA México 2023	Number	Rate (%)
<b>Women</b>	<b>2,175</b>	<b>9.3%</b>
Women under 30 years of age	1,097	14.8%
Women between 31 and 50 years of age	1,062	7.3%
Women over 51 years of age	16	1.2%
<b>Men</b>	<b>2,389</b>	<b>10.6%</b>
Men under 30 years of age	1,193	16.1%
Men between 31 and 50 years of age	1,142	8.5%
Men over 51 years of age	54	3.0%
<b>Total</b>	<b>4,564</b>	<b>9.9%</b>

Throughout 2023, BBVA México continued its tradition of developing and attracting new talent through a series of programs designed for that purpose. Among the initiatives that foster emerging talent is the BBVA México trainee and scholarship recipient program.







## Training

GRI 404-1, 404-2, 404-3, 412-2

For BBVA México, training all its employees is a priority, as it is the way in which it can meet the needs of its clients, while promoting the personal and professional growth of its staff. The learning approach consists of providing the necessary tools and knowledge that favor the retention of talent and improve the capacity to provide solutions for clients.

### Trained employees

For BBVA, training is an essential pillar in its development and growth strategy. By investing in the continuous training of its team, BBVA not only improves the skills and knowledge of its employees, but also ensures the organization's adaptability and competitiveness in the financial sector.

During 2023, **2,269,601 hours of training were provided**, equivalent to an average of **48.07 hours of training per employee.**



### Anti-Corruption Training, BBVA México 2023

The anti-corruption course is regulatory and therefore mandatory for all BBVA México employees. This course is updated every three years and the refresher course is sent to all active employees at that time. In the years that the course is not updated, it is only sent to new employees so that they can take it. In 2023 the anti-corruption course was updated and a total of 42,816 BBVA México employees were trained.

#### Total number of employees, hours of training and average hours of training by job category and gender - BBVA México 2023

Job category	Total number of women in the workforce	Total hours of training for women	Average hours of training per year - women	Total number of men in the workforce	Total hours of training for men	Average hours of training per year - men
Management (CEO, Heads of Division and Functional Directors)	1,406	93,396	66.43	1,766	100,955	57.17
Executives (Managers, Leaders and Coordinators)	9,123	459,732	50.39	11,902	627,829	52.75
Administrative (Analysts, Administrative Assistants and Assistants)	5,905	233,770	39.59	4,807	211,976	44.10
Unionized (Operators)	7,531	294,201	39.07	4,769	247,738	51.95
<b>Total</b>	<b>23,965</b>	<b>1,081,101</b>	<b>45.11</b>	<b>23,244</b>	<b>1,188,500</b>	<b>51.13</b>

Management (CEO, Heads of Division and Functional Directors)	3,076
Executives (Managers, Leaders and Coordinators)	19,669
Administrative (Analysts, Administrative Assistants and Assistants)	8,027
Unionized (Operators)	12,044
<b>Total</b>	<b>42,816</b>

Note: While 100% of employees active at the time of the anti-corruption course update must complete it, the total number of employees who finish the course may not align with the total number of employees reported in indicator 2-7. This discrepancy is attributed to employee turnover during the year and variations in the number of temporary employees.





### Sustainability training, BBVA México 2023

In the past three years, BBVA México has actively promoted sustainability training for all its employees. Presently, there is a tailored academic offering designed to meet the specific needs of each of the bank's Business Units. Specialized internal and external training programs are available for business teams engaged in sustainability-related solutions. Additionally, there is an express sustainability course accessible to all employees, along with voluntary training modules available on Campus BBVA, which can be accessed by any interested employee.

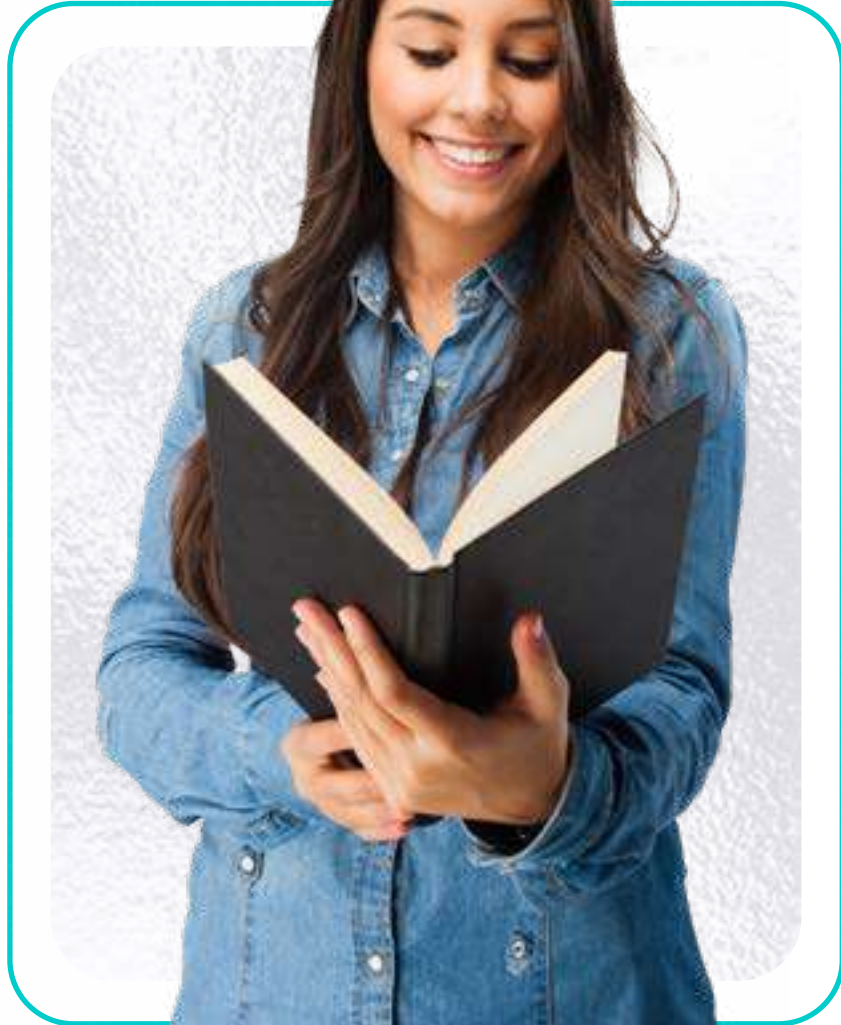
Specialized internal training includes specialized courses that provide strategic knowledge and promote the development of skills in the business areas of BBVA México, with the aim of enabling executives to accompany clients in their transition to sustainability. These are aimed at the Retail Network (Retail Banking and SME Banking), Business and Government Banking and Corporate and Investment Banking (CIB). In 2023, more than 65 specialized courses were given to 24,834 employees.

Specialized external training refers to extensive and specialized training courses, provided by high-level external training centers, which are aimed at key players in BBVA México's Corporate and Investment Banking (CIB).

Although the roles and responsibilities of BBVA México employees may not directly involve business solutions or projects related to the sustainability strategy, all bank employees are encouraged to enroll in the Sustainability Express course. This course is accessible on Campus BBVA, the bank's educational platform. Course contents are designed to help employees understand the basic concepts of sustainability, one of our strategic priorities, in its three dimensions (economic, social and environmental), and to learn about the global sustainability challenges we face as individuals, professionals and society in general.

In 2023, over 44 thousand BBVA employees enrolled in the Sustainability Express course, representing 93.86% of the total workforce. This enrollment number reflects a 38% increase compared to 2022.





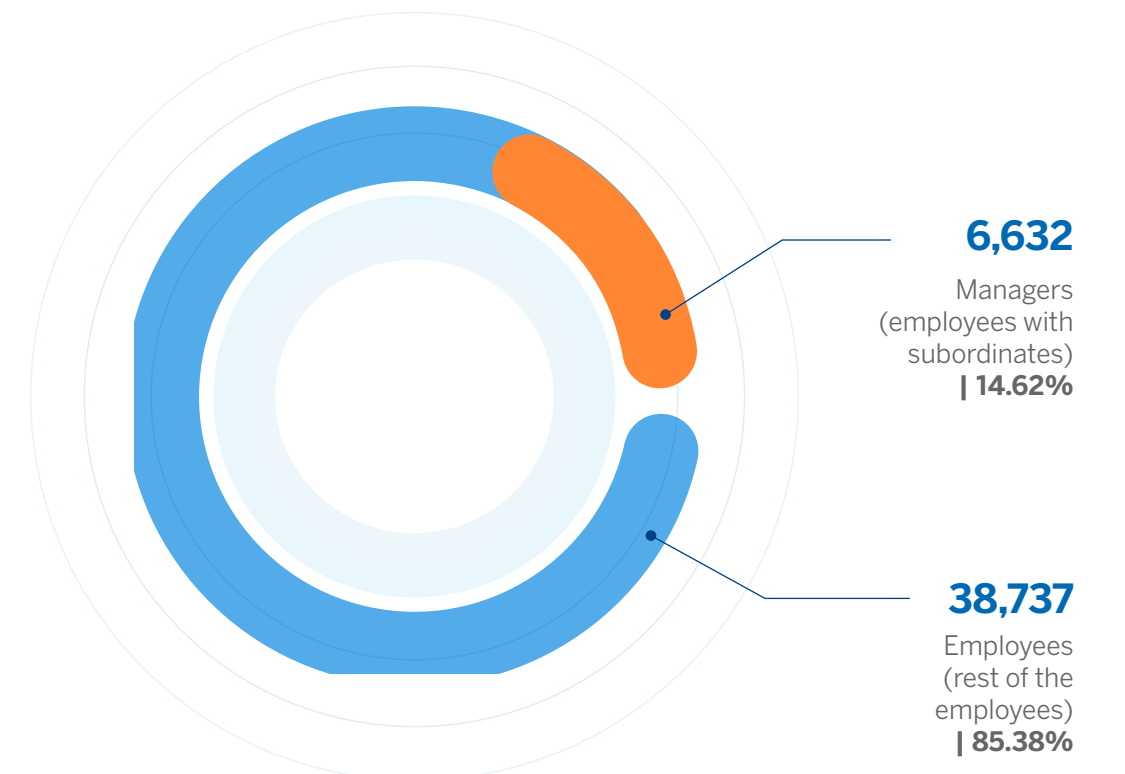
## Performance evaluation

In 2023, performance evaluations were conducted for 45,369 employees. Before these annual evaluations, webinars were offered to clarify the process for employees. These sessions covered topics such as development conversations between managers and employees, selection of evaluators, and the evaluation process on the platform, among others.

### Number of employees who have received periodic performance and career development evaluations

Job Category	Women	Men
Managers (employees with subordinates)	3,343	3,289
Employees (rest of the employees)	19,886	18,851

### Number of employees per job category who have received periodic performance and professional development evaluations.







## Compensation

GRI 2-20, 401-2

BBVA México has a compensation policy based on the best national and international practices for remunerating its employees. The compensation system, designed by the Board of Directors, is focused on creating long-term value in a reciprocal manner and is based on the following principles:

- Reward the achievement of results based on prudent and responsible risk-taking.
- Attract and retain the best talent.
- Reward the responsibility and track record of employees.
- Ensure internal equity and external competitiveness.
- Ensure transparency in its compensation policy.
- Ensure that there are no gender-based pay differentials.

The salary structure is divided into a fixed and a variable component. The fixed component is determined according to the responsibility and track record of each employee, based on a salary per function that reflects his or her contribution to the Group. This is established objectively and fairly. Variable compensation, on the other hand, rewards both individual and team contributions to BBVA México's results, and may be monetary or non-monetary, and linked to the achievement of previously established objectives.

### Benefits

This is a series of complementary benefits that Grupo Financiero BBVA México grants to its employees to improve their quality of life in every way, as well as to attract and retain the best talent. The only regular benefits for full-time employees that are not offered to part-time or temporary employees are, access to flexible credit (consumer) and mortgage, advance vacation days in year zero, Beneflex (advance Christmas bonus, vacation bonus or annual bonus) and green vehicle leasing.

### Pensions

The previously described institutions of Grupo Financiero BBVA México have a pension plan complementary to social security, which seeks to improve the quality of life of its employees upon retirement.

BBVA México has transition programs for retiring employees, which include informative talks with talent and culture specialists about the retirement process and details of all the benefits associated with the retirement plan. Once the employee applies for retirement, his or her status is updated in the bank's systems (global and local) and the retirement kit is generated.



Total number of employees who have returned to work in the reporting period after parental leave has ended

Women	Men
804	222

Total number of employees who remain employed 12 months after returning to work on parental leave

Women	Men
734	199

Return to work after parental leave rates

Women	Men
100%	100%

Retention rates for employees on parental leave

Women	Men
91%	90%





## Well-being, health and safety at work

As part of its commitment to its employees, BBVA México establishes programs that promote the physical and emotional well-being of its employees, some of which are extended to their families and friends. These initiatives seek to promote a balance between their personal and work life, healthy habits, as well as the enjoyment of sports and culture.

Integration and recognition activities are also carried out to foster employees' identification with BBVA México, motivate them, and celebrate their professional growth journey with them.



### Work Better, Enjoy Life

**Productive Thursday Afternoon.** It is a space in the work agendas so that employees can take advantage of it and focus 100% on their work activities without meetings, it applies every Thursday from 2:30 pm. This initiative applies to employees of central areas and staff personnel of the Commercial Network.

**Digital Disconnect Dashboard.** BBVA México has this initiative that monitors that after-hours disconnections are effective whether due to the start and end time of work activities, enjoyment of meal time, days off, days of rest on weekends, vacation periods or leave. Periodically, the level of adoption of digital disconnection initiatives is measured and reported to each head of area so that areas for improvement can be addressed and after-hours emailing, messaging and meetings can be reduced.

**Reto Tu Bienestar (Your Wellness Challenge).** It contributes to improve the health habits of employees through a renewed challenge and with a comprehensive approach that takes

into account the employee's basic needs: disconnection and productivity drive, improvement in sleep habits (rest), nutrition and physical activity. Of the employees from central areas and networks who participated in this initiative in 2023, 98% indicated that they improved their eating habits during the challenge, 97% noticed improvements in their physical performance, and 73% mentioned that the changes in their habits had a positive influence on their well-being.

### Family activities

**Family and Friends' and 'Come and eat with me' Summer Site Visits.** BBVA México employees who live in the metropolitan area can enjoy a tour of the BBVA Tower and BBVA Parks with family and/or friends; these visits can take place between July and August. Due to the success of this initiative, a pilot program was launched during the year to include monthly visits. On the other hand, employees were able to invite their family and/or friends to have lunch at the Torre BBVA and Parques BBVA headquarters. In 2023, more than 13 thousand people were received in these visits that promote pride in belonging to BBVA and coexistence.





## Volunteering

During the summer, BBVA México employees participated in two volunteer activities in 2023.

### Union volunteering

As every year, Grupo Financiero BBVA México held the Banking Volunteer Program in coordination with Fundación Quiera, which aims to join the greatest amount of efforts and support as a guild to the institutions of the network.

### Results

**696 volunteers**

**22 participating banks**

**96 activities carried out**

**33 Institutions Strengthened by Quiera (Instituciones Fortalecidas por Quiera, IFQs) benefited**

**3,320 volunteer hours equivalent to 415 workdays**

### Sustainable volunteering

To contribute to reforestation efforts, BBVA México employees, retired employees, family members and friends had the opportunity to plant trees in a safe environment and guided by specialists.

### Results

**Almost 600 participants**

**More than 3 thousand trees planted**

**More than Ps. 1 million invested**

**100% of the participants agreed that this activity reinforces the culture of environmental protection**





## Cultural and sports activities

### Banking Games

These are a series of cultural and sports competitions held among financial institutions with the purpose of fostering the spirit of personal improvement in employees, which contributes to their social development and the strengthening of their identity with the bank.

15 consecutive years in **1<sup>st</sup> place**

**BBVA 2023 Race.** Its objective is to offer employees and their families a social activity that promotes sports within the Institution, helping to reinforce the sense of belonging, improve their health and raise their quality of life. The funds obtained through registration are donated to Fundación BBVA, which through its programs contributes to the transformation of Mexico.

22,500 runners, **15 participating venues**

**BBVA Vertical Race.** Active and retired employees participated in the 2023 edition of this race, as well as their family members and friends who pre-qualified for the race.

**550 participants**



### Other sports activities

At BBVA México, employees have the opportunity to contribute to their physical health by engaging in sports activities at the bank's headquarters located in the metropolitan area, which are equipped with dedicated spaces. Additionally, they can participate in lightning tournaments of various disciplines such as Soccer, Basketball, Volleyball, and Flag Football. These activities promote camaraderie among employees from different central areas of BBVA México.

# Health

## Breastfeeding rooms

In 2023, BBVA México set up breastfeeding rooms in branches, in addition to the existing breastfeeding rooms in buildings and corporate offices, bringing the total number of safe spaces for women to 129.

Number of breastfeeding rooms in corporate buildings

**11**

(distributed in 8 corporate buildings)

Number of beneficiary users in 2023

**96**

Number of breastfeeding rooms in the Branch Network

**118**

Number of beneficiary users in 2023

**118**

## Vaccination campaign

The influenza vaccination campaign in 2023 was carried out in 32 vaccination points under different modalities.

 **07** locations in the CDMX

 **31** sites in the other states of the country

 More than **14 thousand** doses applied

## Visual health campaign

As in previous years, this campaign was carried out at Torre BBVA facilities, where 968 visual studies were performed. The objective of the campaign is to identify diseases such as Myopia, Astigmatism, Myopia with Astigmatism, Hyperopia, Hyperopia with Astigmatism and Presbyopia, in active employees, retirees and family members of employees.

**Ps. 11,188,295 invested in health care** for the benefit of BBVA México employees and their families in 2023.

## Prevention campaign

In partnership with Salud Digna laboratory, we conducted an oncology campaign and a campaign for the timely identification of metabolic alterations. The campaigns targeted employees and eligible beneficiaries nationwide. In 2023, a total of 38,270 free tests were performed.

Type of study	No. of studies
Blood biometry and blood chemistry 6 items	5,961
Blood biometry and blood chemistry of 30 elements	3,561
Coproparasitoscopic study	2,959
Fecal occult blood	629
General urine test	8,021
Glycosylated hemoglobin	3,430
Ultrasound of the abdomen	2,776
Densitometry	408
Electrocardiogram	988
Pap smear and HPV	2,700
Pap smear	256
Mammography	1,085
Prostate Antigen	1,672
Breast ultrasound	862
Inbody nutrition assessment	2,962





### Civil protection

BBVA México's Civil Protection area is committed to guaranteeing the safety of all the people who use its facilities. The team is made up of 5,810 brigade members in branches and 183 brigade members in corporate buildings who, in 2023, received more than 2,000 hours of training.

42,359 employees attended the regulatory course on civil protection.

In 2023, a total of 2,056 drills were conducted, which included a macro drill in CDMX involving 10,625 participants. Additionally, inspections were conducted by the Ministry of Labor and Social Welfare and Civil Protection, with no observations found. Similarly, 125 municipal and state inspections were conducted, also with no observations found.





# Commitment to the community

## Fundación BBVA México<sup>6</sup>

GRI 413-1

### Key programs and indicators 2023

BBVA Foundation Mexico contributes to the community with educational, cultural and social programs that promote the integral development of society. All Fundación BBVA's actions in Mexico have a direct and measurable impact on the Sustainable Development Goals (SDGs).

Fundación BBVA México provides support through different educational scholarship programs; donations to entities focused on education and the arts; donations of school materials and equipment; projects for the reconstruction of the social fabric of the community through the promotion of art and culture; and assistance to communities affected by natural disasters.

In 2023, **Fundación BBVA México impacted more than 2.4 million people** in vulnerable conditions by supporting education and reducing inequalities **with a social investment of 1,664,753,631 pesos.**



<sup>6</sup> All figures presented in the following section should be considered preliminary. Fundación BBVA México prepares a separate annual report that is published at a different date than this report, so there may be differences in the information reported. For more information on Fundación BBVA México's programs and results, please see its 2023 Annual Report at the following site. <https://www.fundacionbbva.mx/pagina-inf/>





In 2023, **Fundación BBVA provided scholarships to more than 50 thousand students** through the Inspiring Young Boys and Girls program, and more than **2 thousand students through Inspiring Young Boys and Girls with Disabilities.**

**BBVA Scholarships for Inspiring Young Boys and Girls and Supérate with Fundación BBVA**

The objective of the program is to promote social mobility through education, supporting talented students with socioeconomic disadvantages so that they can develop their talents and continue their studies in middle school, high school and university. Education is the most effective way to generate positive changes in our company. Therefore, this program not only seeks to promote school continuity and social mobility, but also to provide support that allows young people to become responsible leaders committed to their country.

**Direct beneficiaries:**

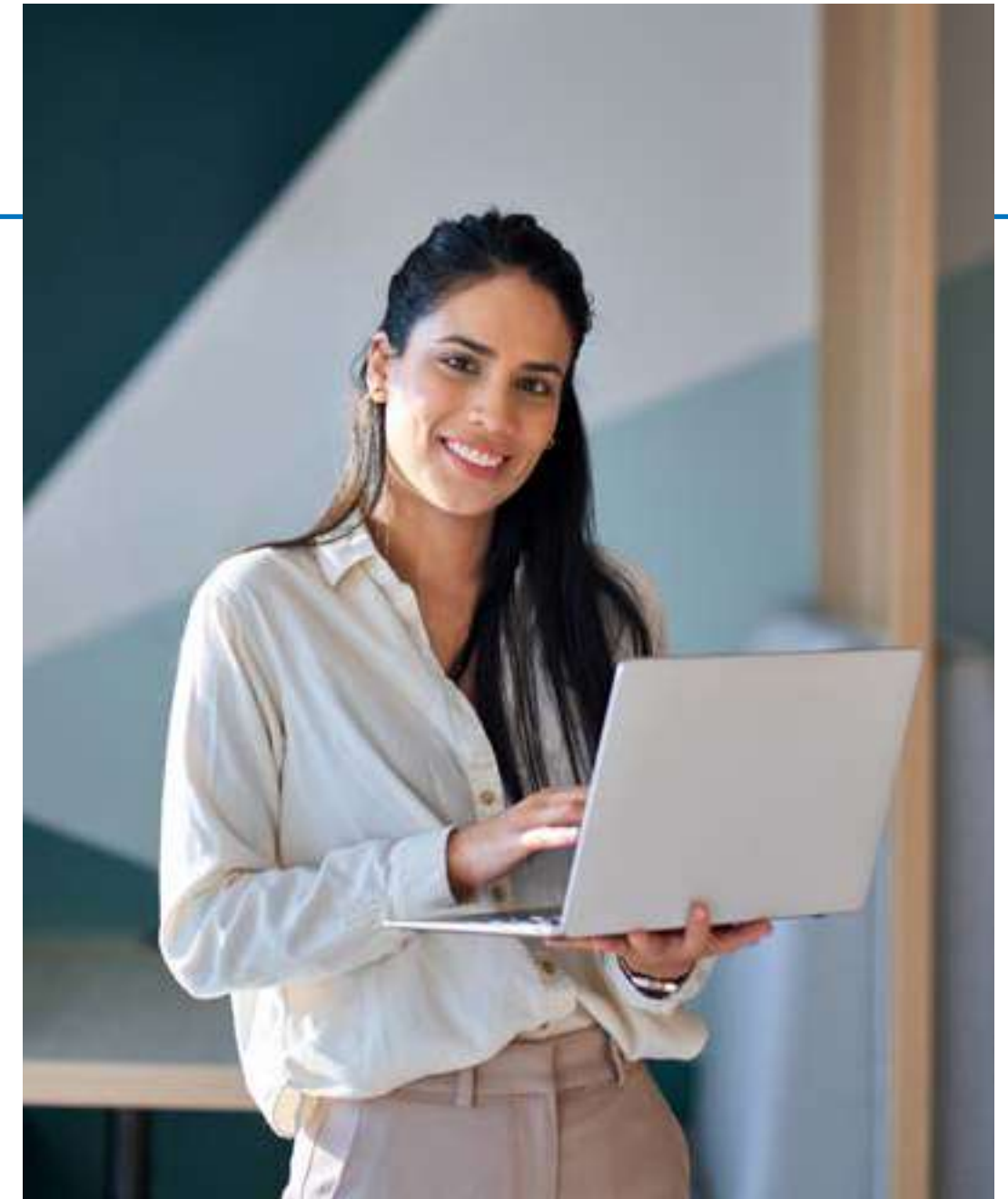
Middle school: **17,175**

High school: **13,934**

University: **18,922**

Online education: **382**

Disability: **2,008**



**The Inspiring Young Boys and Girls scholarship program has an IRR of 47%.**



### Supérate with Fundación BBVA

The formative pillar of the Inspiring Young Boys and Girls program, created by academic experts, focuses on helping students achieve academic success from middle school through high school. This is achieved through a personalized diagnosis and a comprehensive path of academic and socioemotional skills in a gamified environment, enhancing their knowledge effectively. In 2023, the program received an investment of more than Ps. 6 million.

### School for Inspiring Young Boys and Girls

One of the significant milestones achieved by Fundación BBVA México in 2023 was the inauguration of the first SER School. The school's primary objective is to offer high-quality education to students residing in socioeconomically vulnerable areas, without any cost burden on their families. The school commenced operations in the municipality of Acolman, State of Mexico, an area where nine

out of ten families encounter economic difficulties and where only one out of ten residents completes university education. The objective of the school, which serves elementary school children, is to provide quality education on a full-time basis, including meals, focused on the development of academic skills and character development based on the educational model of the SER schools network.





### Partnerships for education

The program's objective is to contribute to the reduction of unequal educational opportunities for socially disadvantaged people belonging to groups facing structural discrimination through collaboration with civil society organizations.

The program collaborates with strategic allies to enhance their social programs, aligning the knowledge and experience of Fundación BBVA México with the best external practices to strengthen the impact and become a source of innovation for the social sector.

### Mentors

This is a program designed to provide support to university scholarship students in their academic, personal and professional development. The mentors are Grupo BBVA employees nationwide selected according to evaluations, grade level and other criteria, who also receive training in mentoring through Campus BBVA to be able to perform this voluntary work. The program has two modalities: mentoring for Central Area employees with scholarship recipients in their first and fourth year of university, and mentoring for Commercial Network employees with scholarship recipients and tutors in their first year of high school.

In 2023, **6,964 BBVA employees participated as mentors**, contributing a total of 9,015 hours to this program.



### Cultural promotion

This refers to initiatives that contribute to the exchange and collaboration to enhance the impact of outstanding artistic and cultural initiatives through economic incentives and support for their production and dissemination. In 2023, more than Ps. 2 million were allocated to this program.

#### Mi Comunidad BBVA

The program aims to intervene in communities facing insecurity and urban/ social deterioration to promote social cohesion, reclaim the value of housing, and contribute to reducing social inequality.

During 2023, this program benefited **more than 30 thousand people.**





### Support during natural disasters

The purpose of the program is to provide humanitarian aid and support to the population in emergency, risk, or extraordinary situations caused by natural disasters. In alliance with Fundación Televisa and the Secretaría de la Defensa Nacional (SEDENA), the program provides humanitarian aid and support to the population facing emergency, risk or extraordinary situations caused by natural disasters. Fundación BBVA México supports affected communities whose emergency situation is classified by the SEDENA under the DN-III-E plan, in order to act immediately, delivering food and hygiene kits in a timely manner.

In 2023, after Hurricane Otis passed through Acapulco, Fundación BBVA México made a contribution of Ps. 50 million in seed capital and invited the entire company to join in to minimize the impact of Hurricane Otis on the education system in the affected communities in the state of Guerrero. In addition, by the end of the year, more than 16,000 food baskets and 2,000 hygiene kits, equivalent to 97.2 tons of products, had been delivered to 72,848 people affected by the hurricane.

### One Team Volunteering

A corporate volunteer program aligned with Fundación BBVA México’s primary social cause, which is education. These activities contribute to strengthening ties with the community, providing them with improved conditions that lead to quality education. We are convinced that through volunteering, we foster a sense of awareness that encourages us to be committed citizens, creating a positive impact that endures over time.

**In 2023, 434 volunteers participated,** contributing a total of 2,330 volunteer hours.







# Responsible supply chain

## Description of BBVA México's supply chain

GRI 2-6

BBVA México's supply chain comprises suppliers of various sizes engaged in diverse economic activities, including companies from different regions of Mexico and abroad, although the majority are local, thereby contributing significantly to the local economy. Notably, the supply chain includes technology, software, and hardware suppliers, as well as professional service providers such as marketing, events, advertising, and sustainability consulting firms. Additionally, there are suppliers for maintenance, construction, materials, transportation, cleaning, security, and other essential services.

The nature of BBVA México's commercial relations with its suppliers are carried out through specific and recurring acquisitions depending on the needs of each area/user. The instrumentation, depending on the amount and service, is carried out by means of an agreement or general conditions in accordance with regulations.

During the procurement process, suppliers may communicate directly with the individual who initiated the request or with a representative from the Purchasing department. Additionally, any actions or situations concerning Grupo Financiero BBVA México that contravene legal regulations or the principles outlined in the Suppliers' Code of Ethics must be reported by the supplier through the designated whistleblower channels.

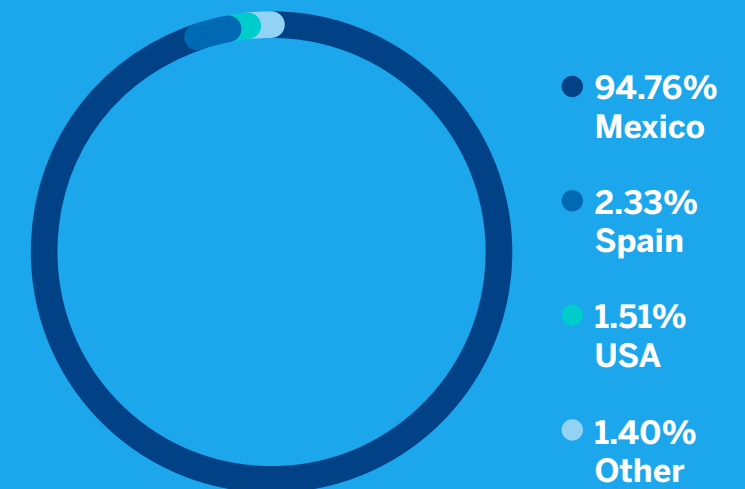
BBVA México does not currently train its suppliers on anti-corruption issues. However, a commitment to ethical conduct is outlined in the Suppliers Code of Ethics. In 2023, a communication regarding anti-corruption policies and procedures was distributed to 708 suppliers of BBVA México.

### Suppliers - BBVA México 2023

# 7,558

Estimated number of suppliers throughout the supply chain

### Geographic location of suppliers



### Communication and training on anti-corruption policies and procedures.

Only communications on anti-corruption policies and procedures are sent, currently no training is provided. In 2023, 708 suppliers received communication on BBVA México's anti-corruption policy and procedures.



## BBVA México supplier evaluation

Grupo BBVA provides complete and transparent information to its suppliers in the procurement processes, ensuring compliance with legal requirements, considering labor and environmental aspects, respecting human rights and stimulating the demand for socially responsible products and services.

Within the framework of supplier management, the Group has a series of mechanisms and rules such as the General Procurement Principles, the supplier evaluation process and the Corporate Standard for the Acquisition of Goods and Engagement of Services, which establish the fundamental guidelines to be followed by all suppliers with which any company or entity of the Group has a relationship.

Grupo BBVA has implemented a Suppliers' Code of Ethics across all purchasing units in the countries where it operates, including Mexico. This code establishes minimum standards of behavior related to ethical, social, and environmental conduct that suppliers must adhere to when supplying products and services.

BBVA México's supplier evaluation process currently includes the following modules:

### Evaluation modules

- Anti-Corruption and Anti-money Laundering
- Reputational
- Concentration and country risk
- Financial
- Legal
- Tax
- Labor
- IT Risk
- Client protection

Based on the risk level categorized as low, medium, or high, and the outcome of the analysis categorized as 'Suitable' or 'Not Suitable', the supplier's final status is determined. As a result of this process, supplier homologation was conducted simultaneously with the aforementioned assessment, facilitating alignment and reporting for all suppliers under the newly implemented scheme.

Supplier evaluation 2023	
Total active suppliers at Grupo BBVA level	7,558
Total number of suppliers that entered the evaluation process	3,921
Number of "Suitable" suppliers	3,458
Percentage of purchases from suppliers that have participated in the Evaluation process in 2023	100%
Number of suppliers that have not passed the 2023 Evaluation process in "Not Suitable."	337

During 2023, BBVA México began to integrate ethical, social and environmental factors into its supply chain as part of its commitment to a responsible value chain. As a result, of 734 new suppliers that established a relationship with BBVA México in 2023, 117 were evaluated according to environmental and social criteria (15.94%).

As a commitment for 2024, in addition to continuing to streamline the supplier evaluation process, we will work on including the sustainability module in the evaluation process, aligned with Grupo BBVA's strategy.



# Environmental Performance

07

**BBVA México manages** its direct impact on the environment through the implementation of the Global Eco-efficiency Plan. Learn about the progress made in the **efficient management of resources such as energy, water and paper;** the use of renewable energy and carbon footprint management; and in real estate certification.





# Global Eco-efficiency Plan

GRI 301-1, 302-1, 302-3, 302-4, 302-5, 303-1, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5, 306-3, FS1

**The direct impact management objectives of Grupo BBVA** and its subsidiaries, including BBVA México, are established and monitored through the Global Eco-efficiency Plan (GEP) 2021-2025.



The main lines of action of the 2021-2025 GEP are:

- 01 Reduction of consumption** as the main lever to minimize direct impact of the operation.
  - The use of renewable energy is the most important lever to contribute to the decarbonization of the energy markets where the Group is present. To this end, the strategy consists of reaching Power Purchase Agreements as applied in BBVA México, as well as acquiring international renewable energy certifications (iREC), applicable in Mexico.
  - Implementation of energy saving measures (ESM) in property management, with the aim of controlling and reducing consumption.
  - Initiatives to reduce water consumption, such as gray water recycling systems and the reuse of rainwater for irrigation at BBVA's headquarters in Mexico.
  - Finally, digitization and centralization of printing measures to reduce paper consumption, which, in addition, is recycled or environmentally certified in most geographic areas, including BBVA México.
- 02 Circular economy** to face the challenge of waste generation with a focus on adopting circular consumption practices. Thus, Grupo BBVA has been working for many years to reduce this impact through the certifications of the properties under the Environmental Management System in accordance with the ISO 14001:2015 Standard.
- 03 Sustainable construction** that promotes energy savings and better environmental impact management, under the LEED (Leadership in Energy and Environmental Design) standard.
- 04 Carbon footprint management** by purchasing and retiring carbon credits in an amount equivalent to its CO<sub>2</sub> emissions from the categories over which it has direct management capacity (i.e. scopes 1, 2 and categories 5, 6 and 7 of scope 3)<sup>7</sup>.

<sup>7</sup> No carbon credits are purchased for an amount equivalent to the following Scope 3 categories defined in the GHG Protocol: Category 1 purchase of goods and services; Category 2 capital goods; Category 3 fuel and energy-related activities (not included in Scope 1 or 2); Category 4 upstream transportation and distribution; Category 8 upstream leased assets; Category 9 downstream transportation and distribution; Category 10 processing of products sold; Category 11 use of products sold; Category 12 end-of-life treatment of products sold; Category 13 downstream leased assets; Category 14 franchising; Category 15 investments.



Monthly monitoring of sustainability objectives worldwide is carried out by the Grupo BBVA's Global Sustainability Office (GSO), in order to maintain the transparency and effectiveness of the sustainability strategy.

2021-2025 Global Eco-efficiency Plan

	KPI	Goals by 2025*	Units
Consumption	Renewable electricity	80%	MWh
	Electricity consumption	-5%	MWh
	Diesel consumption	-5%	L
	LP gas consumption	-10%	L
	Natural gas consumption	-10%	m <sup>3</sup>
	Water consumption	-2.5%	m <sup>3</sup>
	Paper consumption	-5%	kg
Circular economy	Net waste	-2%	kg
Carbon footprint	Scope 1 and 2 emissions	-100%	tCO <sub>2</sub> e
Sustainable construction	Certified area	4%	m <sup>2</sup>

\*The base year for all targets is 2019.

<sup>8</sup> By the end of 2023, BBVA Mexico has 16 buildings with environmental certifications.



Sustainable construction: progress in the GEP<sup>8</sup>

	2021	2022	2023
ISO 14001:2015 certified buildings	6	10	11
LEED Certified Buildings	4	4	8
Number of occupants	13,062	13,741	17,071*
Certifications	21%	24.48%	26.57%

\*Grupo Financiero BBVA México has a national total of 44,398 occupants in its buildings, of which 17,071 employees are in certified buildings.





# Energy

As part of BBVA's Climate Change Strategy, BBVA México has a global commitment to increase the consumption of renewable energies and reduce its carbon footprint.

## Renewable energy

**2025 Pledge**  
**80% in 2025**

**RE100 Initiative<sup>9</sup>**  
**100% in 2030**

<sup>9</sup> RE100 is a global initiative that brings together the world's most influential companies committed to 100% renewable electricity.

## Carbon footprint

**2025 Pledge**  
**-100% by 2025 in Scope 1 and Scope 2 emissions**

To carry out its operations, Grupo Financiero BBVA México uses energy from different sources, such as electricity from the Federal Electricity Commission (CFE) and a wind energy company, as well as fuels such as LP gas, natural gas and diesel.





### Energy consumption

#### Energy - BBVA México, 2023

	2021	2022	2023	Units
Electricity consumption from non-renewable sources <sup>10, 11, 12</sup>	69,938	0.50	0	MWh
	251,777	2	0	GJ
Electricity consumption from renewable sources	210,823	121,572	297,383	MWh
	758,962	437,659	1,107,358.45	GJ
Electrical energy consumed per occupant <sup>13</sup>	7.27	6,850	6.69	MWh/FTE
Total LP gas consumed*	39,336	86,585	110,273	Liters
	1,028	2,261.73	2,880.58	GJ
Total natural gas consumed <sup>14*</sup>	39,210	55,089	43,623.66	m <sup>3</sup>
	1,435	1,998.47	1,586	GJ
Total diesel consumed <sup>15*</sup>	285,939	284,393.29	298,540.09	Liters
	10,773	10,714.79	11,388.92	GJ
Total gasoline consumed	443,912	505,315.87	507,481.77	Liters
	14,712	16,746.67	17,916.98	GJ
Total R410AC refrigerant consumed **	9,261	5,613	5,507.88	kg
Total R407C refrigerant consumed **	230	152	89	kg
Total R314A refrigerant consumed **	0	19	1.4	kg
Total R404A refrigerant consumed **	0	71.24	23.6	kg
Total R438A refrigerant consumed **	23	0	0	kg
Total R22 refrigerant consumed *	614	206.6	124.4	kg

## In 2023, 100% of the electricity purchased came from renewable sources.

### Energy consumption: Advance 2023

	2023 Achievement	2023 Goal
Renewable electricity (%)	100%	100%
Electricity consumption (MWh)	(-3.5%) 277,805	(-1%) 285,002.89
LP gas consumption (liters)	(-11.33%) 110,273.00	(+1%) 124,360.29
Natural gas consumption (m <sup>3</sup> )	(-30.31%) 43,624.00	(+1%) 62,595.56
Diesel consumption (liters)	(- 7.74%) 298,540.09	(+1) 323,593.31

<sup>10</sup> The annual electricity consumption data of the BBVA Mexico Real Estate Database does not consider some locations that are not part of the centralized collection agreement with CFE, whose energy consumption is not known, among other aspects, because it is included as part of the rent of the property.

<sup>11</sup> The figures for electricity consumption by non-renewable sources for 2022 were updated. The equivalent of energy purchased through renewable energy certificates was subtracted from the previous year's values (166,775 MWh).

<sup>12</sup> In 2023, electricity consumption by non-renewable sources was 182,034.00 MWh and the equivalent of energy purchased through renewable energy certificates was subtracted, while the renewable energy generated was 115,349.722 MWh.

<sup>13</sup> The total number of employees is considered as the average number of employees of Grupo Financiero BBVA Mexico in 2023, with a value of 44,398 employees.

<sup>14</sup> Gigajoules for natural gas are obtained from supplier invoices.

<sup>15</sup> As of 2021, total diesel consumption includes use in Grupo Financiero BBVA Mexico's facilities and in vehicles owned by Grupo Financiero BBVA Mexico.

#### Scope:

- Grupo Financiero BBVA México.
- Figures at the end of 2023.
- Refers to energy consumption within the organization.

\* For the calculations of LP gas, diesel and gasoline consumption in 2023, the calorific values of the "List of fuels and their calorific values (CONUEE) to be used for reporting to RENE 2023" were used.

\*\* Refrigerant consumptions were measured as of 2021.





## Emissions

### Emissions -BBVA México, 2023

	2021	2022	2023	Units
Direct CO <sub>2</sub> emissions (Scope 1)	22,847	14,829.03	13,224.86	Tons
Indirect CO <sub>2</sub> emissions (Scope 2)	27,863	0.20	0	Tons
Indirect CO <sub>2</sub> emissions (Scope 3)	2,510	12,991.13	36,688.02	Tons
Total CO <sub>2</sub> e emissions	53,220	27,820.36	49,912.89	Tons
Total CO <sub>2</sub> per occupant	1.38	0.66	1.124	tCO <sub>2</sub> /FTE

Scope: Grupo Financiero BBVA México.

1. Figures as of the end of 2023.

2. The calculation of total CO<sub>2</sub> emitted is the result of the sum of Scope 1 (fossil fuels and refrigerant use from 2021), Scope 2 (electricity) and Scope 3 (includes employee commuting, air travel and waste) emissions.

3. The methodology described by the IPCC is used to calculate emissions. In the case of fossil fuel and electricity emission factors, the IPCC and IEA are used. DEFRA emission factors are used for vehicle fleet, refrigerant gas leaks, business travel, waste management and employee travel.

4. The total number of employees is considered as the average number of employees of Grupo Financiero BBVA México in 2023, with a value of 44,398 employees.

5. Gases included in the calculation of emissions Scope 1, 2 and 3: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.

### Kilometers of air travel -BBVA México, 2023

	2021	2022	2023	Units
Sections less than 500 km	573,691	2,950,569.68	4,470,949.14	km
Sections between 500 to 3,700 km	4,940,225	17,054,415.56	24,939,909.02	km
Sections longer than 3,700 km	1,401,549	7,623,026.25	13,234,425.90	km
Total	6,915,564	27,628.011	42,645,284.06	km





## Purchase of carbon credits

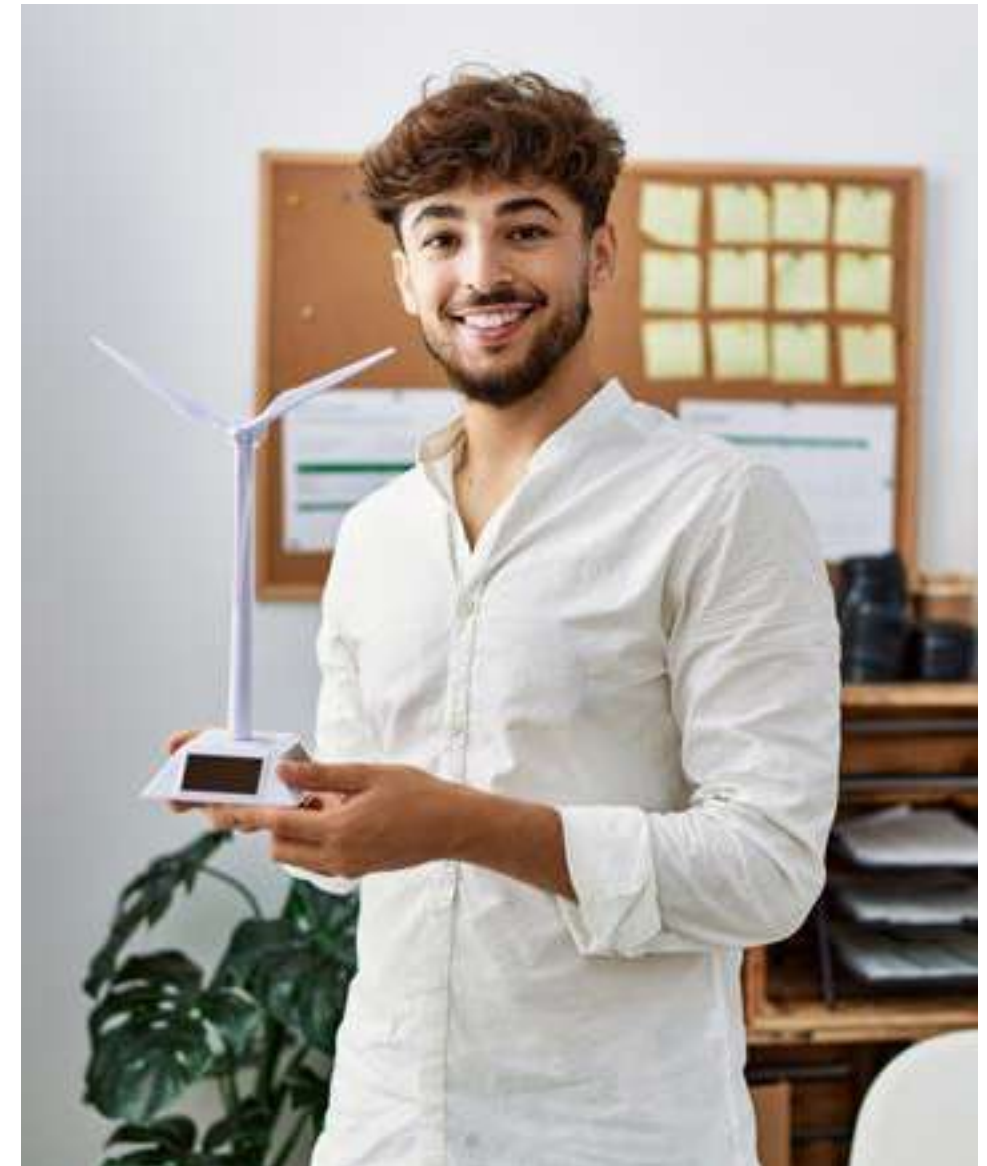
BBVA México purchases and retires carbon credits in an amount equivalent to its CO<sub>2</sub> emissions from the categories over which it has direct management capacity (i.e. scopes 1, 2 and some categories of scope 3).

In order to ensure the quality of these carbon credits, Grupo BBVA has established certain requirements to be met by the selected projects, among which are the obligation to be certified under the highest quality standards such as VCS (Verified Carbon Standard of Verra), Gold Standard, American Carbon Registry (ARC), Climate Action Reserve (CAR) and Plan Vivo; and that they are CO<sub>2</sub> absorption or sequestration projects. In addition, in 2023 Grupo BBVA developed an internal Voluntary Carbon Market standard, based on best practices, to evaluate high quality carbon credit programs and types of credits that generate a real, additional and verifiable climate impact.

In addition to the purchase of carbon credits, Grupo BBVA is contributing to the development of carbon markets through initiatives such as participation in voluntary markets. Grupo BBVA carried out a first transaction on its own account to purchase carbon credits through its trading desk at the end of 2023. In addition, the Group is one of the investors in Carbonplace, a platform for buying and selling carbon credits.

BBVA México participated in the purchase of 2023 credits through a set of improved forest management projects, which were developed by Bioforestal Innovación Sustentable S.C. (Ejido Atopixco, Ejido La Selva and Ejido Zacualtipán).

Regarding the utilization of carbon credits, Grupo BBVA maintains its objective of achieving the maximum possible reduction of the carbon footprint. The acquisition of carbon credits is only considered when no technologically or financially feasible alternatives are available.



### Renewable energy certificates

In addition, in order to advance the transition towards the renewable energy consumption target, in 2023 BBVA México purchased 182,034 renewable energy certificates, representing 182,034 MWh.





# Water

Water is an essential resource that guarantees the cleanliness and hygiene of BBVA México's operations, as well as that of the employees who come to the offices.

## Water-BBVA México, 2023

		2021	2022	2023	Units
Water withdrawal	Water from pipes <sup>16*</sup>	445	11,785	27,030	m <sup>3</sup>
	Municipal water*	693,255	636,001	585,032	m <sup>3</sup>
	Total water withdrawn	693,700	647,786	612,062	m <sup>3</sup>
	Water withdrawn per occupant	17.94	15.38	13.79	m <sup>3</sup> /FTE
Water discharge*	Municipal drainage	659,240	604,541.13	570,975	m <sup>3</sup>
	Treatment plants	34,459	43,264.874	41,087	m <sup>3</sup>
Water consumption*	Total annual water consumed	728,158	691,051	653,150	m <sup>3</sup>

Scope: Grupo Financiero BBVA México.

1. Figures as of the end of 2023.
2. The total number of occupants is considered as the average number of employees of Grupo Financiero BBVA México in 2023, with a value of 44,398 employees. The annual water consumption data of the Real Estate Base of Grupo Financiero BBVA México does not consider some locations whose water consumption is unknown, among other aspects, because it is included as part of the rent of the property.
3. Total water consumption in 2023 corresponds to the sum of total water withdrawn and water reused at the treatment plant.
4. The volume of water discharged to the municipal sewage system corresponds to the total water withdrawn minus the water reused in treatment plants.

\*Reporting update according to the new GRI 303 (2018) requirements as of 2020.

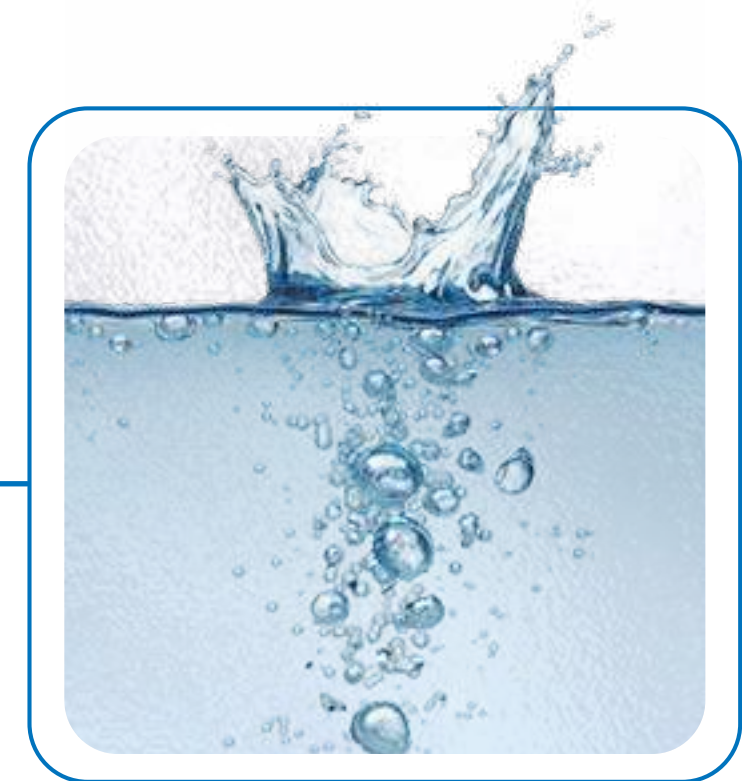
<sup>16</sup> Corresponds to the value of Torre BBVA.

<sup>17</sup> This figure considers water consumption figures at the end of 2023. An area of 1,898,243.57 m<sup>2</sup> was considered.

The water consumed per square meter (m<sup>3</sup>/m<sup>2</sup>) in **2023 was 0.34<sup>17</sup>**.

## Water: progress in the GEP

	2023 Achievement	2023 Goal
Water consumption (m <sup>3</sup> )	(-0.5%) 644,546.65	(-0.5%) 644,546.65





# Paper and waste

## Paper consumption - BBVA México, 2023

	2021	2022	2023	Units
Total paper consumed	866,824	905,723.5	847,261	kg
Total paper consumed per occupant	22.42	21.52	19.08	kg/FTE

Scope: Grupo Financiero BBVA México.  
 1. Figures as of the end of 2023.  
 2. The total number of employees is considered as the average number of employees of Grupo Financiero BBVA México in 2023, with a value of 44,398 employees.

## Total paper consumption: progress in the GEP

	2023 Achievement	2023 Goal
Total paper consumption (kg)	(-29.95%) 847,261.035	(-1%) 1,209,527.87

The total paper consumed per square meter (kg/m<sup>2</sup>) in **2023 was 0.45<sup>18</sup>**.

<sup>18</sup> An area of 1,898,243.57 m<sup>2</sup> was considered.

## Waste management - BBVA México, 2023

	2021	2022	2023	Units
Non-hazardous waste	252,201	594,884	786,737	kg
Hazardous waste	15,751	240,560.8	11,795	kg

Scope: Grupo Financiero BBVA México  
 1. Figures as of the end of 2023.  
 2. The waste report for the year 2023 corresponds to 12 properties.

## Waste generated: progress in the GEP

	2023 Achievement	2023 Goal
Total waste (kg)	(-29.13%) 798,531.70	(-0.5%) 1,126,723.28





08



# Exhibits

Learn about **BBVA México's 2023 dual materiality determination process, its contribution to the United Nations' Agenda 2030 and the progress made in implementing the Principles for Responsible Banking.** Also, consult the GRI Content Index and the SASB Index.

## Materiality analysis GRI 3-1, 3-2, 3-3

**BBVA México** recognizes the importance of keeping its materiality analysis updated to reflect changes in the context and stakeholder expectations.

In 2023, BBVA México adopted the concept of dual materiality to deepen its commitment to sustainability and risk and impact management. This exercise allowed us to identify the most significant issues for BBVA México and its stakeholders, evaluating the risks associated with material issues based on the impact they could have on the organization in the creation of economic value, as well as the potential impact in terms of scale, scope, probability and remediability for stakeholders.

The dual materiality analysis was performed in accordance with the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and International Financial Reporting Standards (IFRS) frameworks.

An analysis was conducted based on external sources, trends, standards and frameworks, an analysis of Grupo BBVA's sustainability management, and a review of the

level of relevance and performance of peer organizations, following these steps:

**Definition of scope and objectives:** the materiality update was based on the previous year's exercise. Additionally, sources such as regulatory frameworks, international industry standards, rating agencies, press and internal information of the organization (IReNE) were consulted to identify preliminary issues.

**Analysis of the external context:** extensive market research and analysis of sustainability trends was conducted, ESG trends in the sector were considered based on 14 selected opinion leaders, and a comparative evaluation was conducted with 10 relevant peers in BBVA México by means of a benchmark.

**Identification of IROs:** based on the documentary review, potential and actual impacts, risks and opportunities (IROs) were identified from a financial and impact perspective, so that they could be subsequently classified and prioritized into different topics.

**Analysis and prioritization of issues (impact):** the most relevant issues for the bank were analyzed and prioritized.

In the first instance, internal and external stakeholders were involved in two exercises. On the one hand, the application of a survey that was answered by 11 employees with the purpose of evaluating the issues from an impact perspective (how the Bank impacts the environment and the company). On the other hand, the review of IReNEs applied throughout the year to clients and suppliers, extracting information on the impacts of ESG issues evaluated from another perspective.

**Analysis and prioritization of issues (financial):** subsequently, an evaluation was carried out in accordance with the capital methodology of EFRAG<sup>19</sup> to identify the issues that could be most relevant from a financial perspective (risks that affect the Bank from a monetary perspective). The Head of Responsible Business and Sustainability of BBVA México participated in this evaluation by means of a survey. Weightings have been assigned to each of the sources and scores. The higher the score, the more significant.

<sup>19</sup> European Sustainability Reporting Guidelines, Double materiality conceptual guidelines for standard-setting: <https://www.efrag.org/Assets/Download?assetUrl=/sites/webpublishing/SiteAssets/Appendix%202.6%20-%20WP%20on%20draft%20ESRG%201.pdf&AspxAutoDetectCookieSupport=1>

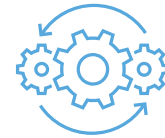


## Capitals pursuant to European Financial Reporting Advisory Group (EFRAG)



### Financial

Funds available within the organization for use in the production of goods or provision of services.



### Industrial/manufacturing

Manufactured physical objects that are available to an organization for use in the production of goods or the provision of services.



### Natural

Renewable and non-renewable environmental resources and processes that provide the goods and services that sustain prosperity.



### Intellectual

Intangible assets based on the organization's knowledge as intellectual property or organizational capital.



### Human

Competencies, skills and experience of people, and their motivations to innovate, manage and collaborate.

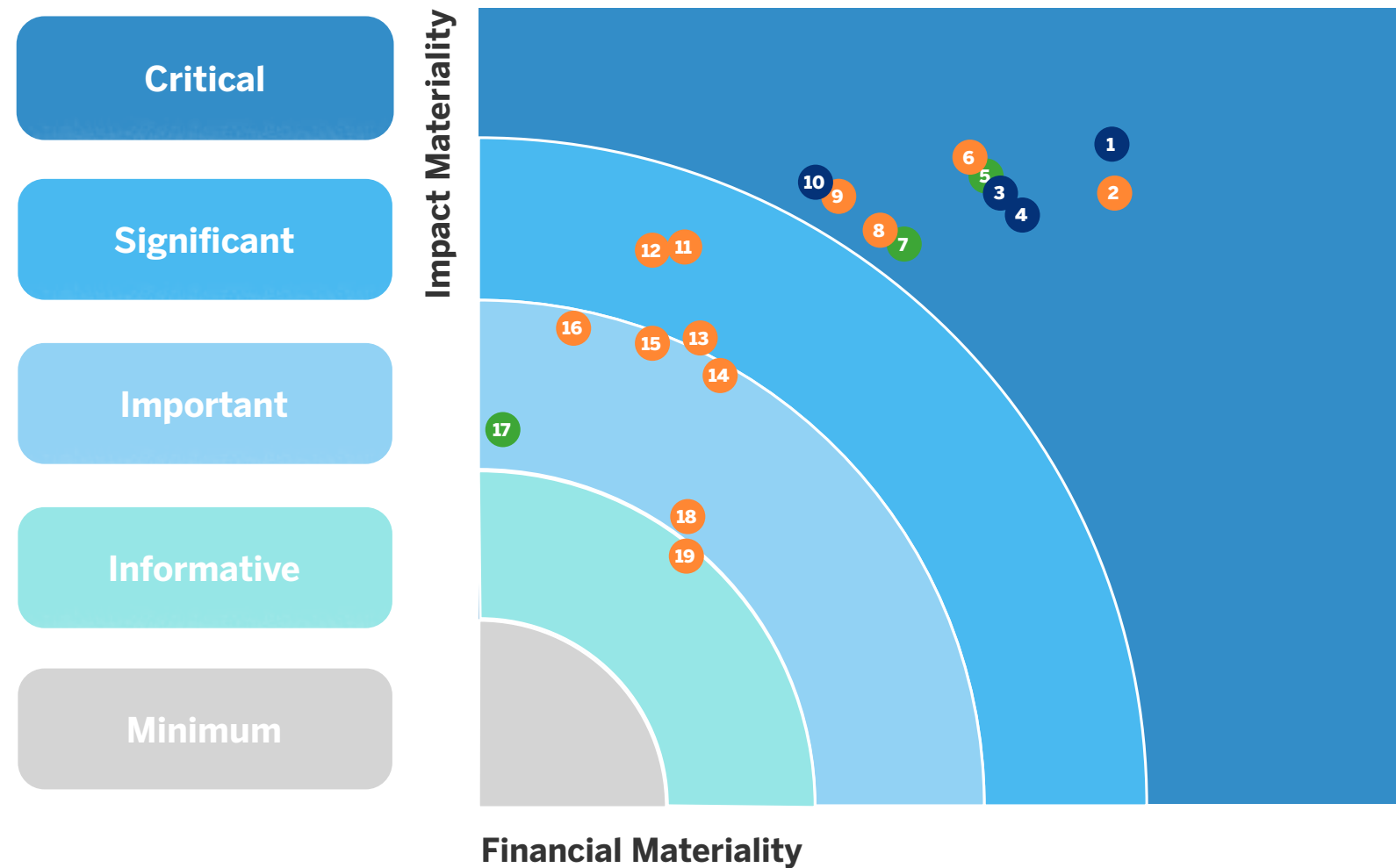


### Social and relational

Shared rules, common values and behaviors; relationships with key stakeholders; intangibles associated with the brand and reputation.

## Double materiality matrix, BBVA México 2023

The result of this exercise was a **new dual materiality matrix with 10 critical material topics, three significant, five important and one informative.**



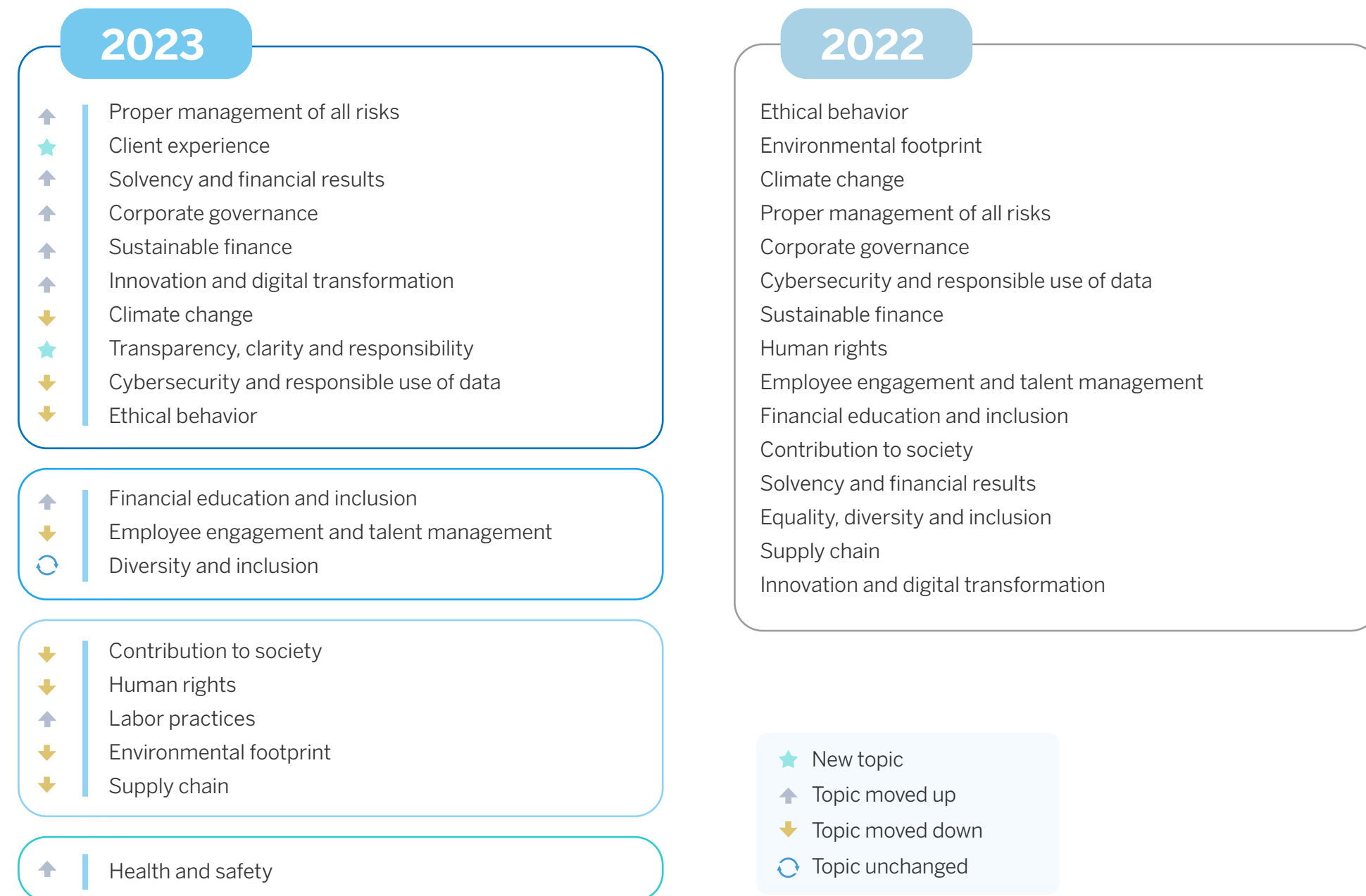
- 1 | Proper management of all risks
  - 2 | Client experience
  - 3 | Solvency and financial results
  - 4 | Corporate governance
  - 5 | Sustainable finance
  - 6 | Innovation and digital transformation
  - 7 | Climate change
  - 8 | Transparency, clarity and responsibility
  - 9 | Cybersecurity and responsible use of data
  - 10 | Ethical behavior
- 11 | Financial education and inclusion
  - 12 | Employee engagement and talent management
  - 13 | Diversity and inclusion
- 14 | Contribution to society
  - 15 | Human rights
  - 16 | Labor practices
  - 17 | Environmental footprint
  - 18 | Supply chain
- 19 | Health and safety

● Environmental ● Social ● Corporate Governance



## 2023 Materiality vs 2022 Materiality

The following table reflects the **changes in BBVA México's material issues** with respect to the previous analysis.



## Management of material issues

Current and potential positive and negative impacts on the economy, the environment and people, including impacts on human rights, were assessed during the determination of materiality, through the consideration of the results of an impact analysis exercise conducted by Grupo BBVA and BBVA México in 2022, in the framework of compliance with the implementation requirements of the Principles for Responsible Banking\*.

BBVA México has been involved in the management of sustainability impacts through the implementation of the Sustainability Policy and the Grupo BBVA's sustainability strategy. This is executed through work teams focused on sustainability. Each is responsible for implementing and managing sustainability actions in its area (compliance, talent and culture, reporting and finance, climate and social action, communication, among others). These work teams report their progress and results to the Local Sustainability Office through their own objectives, goals and/or indicators.

Note: BBVA México's 2022 Annual Report featured only the top 15 material issues, excluding the complete list of evaluated and prioritized material issues. In this assessment, Labor Practices and Health and Safety were evaluated and ranked lower in the prioritization results, leading to their exclusion from the top 15 list of material issues.

\* Materiality "from the inside out" also known as "impact materiality": the UNEP-FI tool -Portfolio Impact Analysis Tool for Banks- has been used as a base source for both Consumer Banking and Institutional Banking.

# Sustainable Development Goals (SDGs)



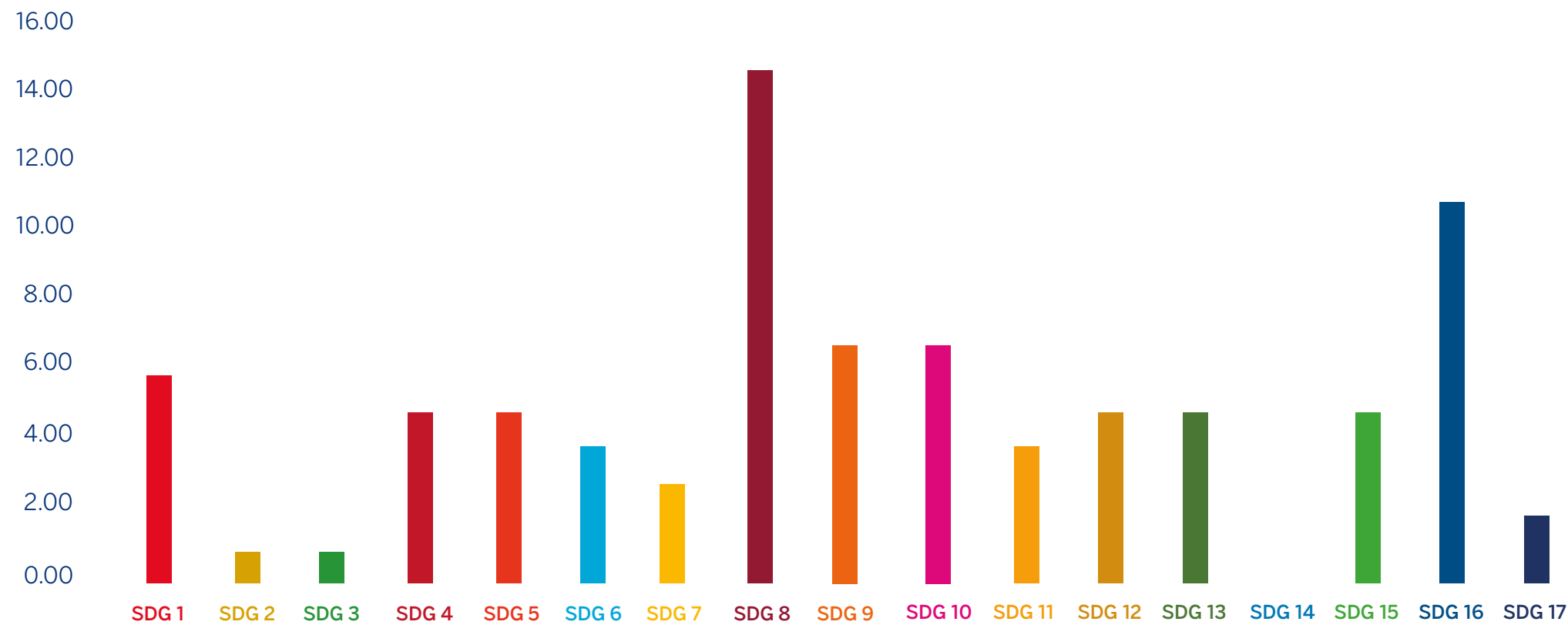
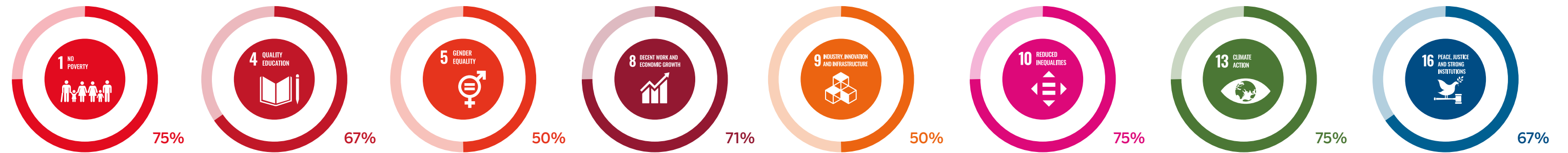
BBVA México is committed to the Sustainable Development Goals (SDGs) to build a **more prosperous, just and sustainable future** by meeting specific targets ranging from poverty eradication to climate action.

With a shared commitment, BBVA México is a signatory of the United Nations Global Compact, an initiative that aligns with the SDGs and promotes sustainable development by integrating fundamental principles across areas such as human rights, labor, environment, and anti-corruption. Participation in this initiative not only strengthens our ethical responsibilities but also sets high standards for business conduct, ethical practices, and transparent operations.

**BBVA México's alignment with the SDGs** demonstrates its direct contribution to global efforts to address humanity's most critical challenges.



## BBVA México's impact on the SDGs



The BBVA México 2023 Annual Report is a testament to the Group's active contribution to the global sustainability agenda. Through the implementation of responsible business practices and the promotion of inclusion and equality, BBVA México not only drives the transformation of its business, but also positively influences the communities and the environment in which it operates.

The results of Grupo Financiero BBVA's contribution are summarized in graphs showing the percentage contribution of BBVA México to each of the SDGs, according to an analysis conducted in 2020.



## Goal 1: End of poverty

Goals impacted: 1.2, 1.4 and 1.5

### End poverty in all its forms everywhere.

To contribute to Mexico's economic development, **BBVA México provides financing options to various social groups**, including women and vulnerable populations. In addition to financing, it also implements different programs and initiatives for social development, financial inclusion and support for natural disasters, among others.

### Initiatives

**Inclusive Growth:** is the focus of Grupo BBVA's and BBVA México's sustainability strategy, which aims to place its products and services within the reach of all.

»» **Support during natural disasters:** Fundación BBVA México provides humanitarian aid and support to the population in emergency situations during natural disasters, risky or extraordinary situations.

»» **Mi Comunidad:** program designed to regenerate areas with high levels of delinquency, abandonment and vandalism through the restoration of the social fabric and the recovery of heritage value by means of social and urban improvement interventions.

»» **Scholarships for Inspiring Young Boys and Girls:** program aimed at talented high school and university students facing financial barriers. The objective of the scholarships is to encourage school continuity and promote social mobility. This program is also extensive to Scholarships for Inspiring Young Boys and Girls with Disabilities.

**BBVA Women Entrepreneurs:** in collaboration with Victoria 147, promotes the economic empowerment of women through entrepreneurship. 5,086 women participated in different activities of this initiative during 2023.





## Goal 4: Quality education

Goals impacted: 4.1, 4.3, 4.4, 4.5, 4.7, 4.a, 4.b

Ensure **inclusive and equitable quality education** and promote lifelong learning opportunities for all.

Quality education is a fundamental pillar of BBVA México's commitment to contribute to the socioeconomic development and progress of the country. In 2023, programs, activities and initiatives were implemented to promote wider access to quality education for young people at different academic levels.

### Initiatives

»» **Scholarships for Inspiring Young Boys and Girls:** program aimed at talented middle school, high school and university students who face financial barriers. The objective of the scholarships is to encourage school continuity and promote social mobility.

»» **Scholarships for Inspiring Young Boys and Girls with Disabilities:** this program promotes school continuity and labor inclusion, which has an impact on access to opportunities and quality of life for students with disabilities and their families in vulnerable situations. The program supports children, adolescents, young people and adults with disabilities to continue their studies and reach the maximum achievement of their abilities and goals. Inspiring Young Boys and Girls with Disabilities benefits students with hearing, intellectual, motor, psychosocial, visual, multiple disabilities or Autism Spectrum Disorder.

»» **School for Inspiring Young Boys and Girls:** which aims to provide excellent education to students living in socioeconomically vulnerable contexts, at no cost to their families. The first school opened its doors in the municipality of Acolman, State of Mexico, an environment where nine out of ten families face economic challenges and where only one out of ten inhabitants complete university.

### Young Talent Programs:

- **Scholarship Recipients Program:** opportunities for students in their last year of their bachelor's degree who seek to further their professional development and experience through a 6-month project.
- **Trainee Program:** recent graduates have access to a 12-month training program to promote leadership, values and business skills.

**Once niños:** a children's series on savings was launched in 2023, with the aim of making children aware of the importance of saving.



## Goal 5: Gender equality

Goals impacted: 5.1, 5.2, 5.5, 5.b

Achieve **gender equality** and empower all women and girls.

Gender equality is a crucial element in building a sustainable world. As such, Grupo Financiero BBVA México is committed to fostering an inclusive culture within its facilities and across its value chain. To support this goal, the company develops activities, programs, and initiatives based on its institutional values. These efforts aim to ensure a diverse and inclusive environment that is respectful, free from discrimination, and harassment.

### Initiatives

**Gender awareness events:** panels and webinars held at various events to promote gender equality, inclusion and diversity. In 2023, events were organized within the framework of International Women's Day to create spaces for reflection, inspiration, awareness-raising, and open dialogue between men and women. These events were

aimed at fostering continued cultural evolution within the organization.

**I Am Female Talent:** this year saw the launch of the Yo Soy Talento Femenino (I am Female Talent) program, which aims to develop and empower BBVA's female employees in Mexico.

**Domestic Violence Hotline:** is a telephone line for employees to ask questions and receive emotional counseling in cases of domestic violence, staffed by certified specialists and available 24 hours a day, 365 days a year for all employees.

**BBVA Women Entrepreneurs:** in collaboration with Victoria 147, promotes the economic empowerment of women through entrepreneurship. 5,086 women participated in different activities of this initiative during 2023.

### »»» Scholarships for Inspiring Young Boys and Girls:

program aimed at talented high school and university students facing financial barriers. The objective of the scholarships is to encourage school continuity and promote social mobility.

**Values Day:** a global event that aims to reinforce the elements of Grupo BBVA' culture. In the 2023 edition, BBVA México's Values Day consisted of building an exclusive space for employees to reflect on their personal purpose and share it as a team to reinforce meaningful work, as well as to reconnect with what moves you on a daily basis. In addition, face-to-face and online activities were held in 100% of the offices to reinforce the concept of purpose.

**VIVA Award:** a recognition is awarded to employees who are worthy representatives for living the values of Grupo Financiero BBVA México on a daily basis.



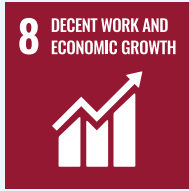
**Diversity and inclusion in the workforce:** in 2023, 50.76% of BBVA México’s workforce was made up of women, and more than 260 people with disabilities were employed.

**Breastfeeding rooms:** in 2023 we began to set up breastfeeding rooms in BBVA México branches, which were added to the breastfeeding rooms in buildings and corporate offices in the country, reaching a total of 129 safe spaces for women.

**Parental leave:** during the year, 1,026 BBVA México employees took parental leave. BBVA México’s parental leaves are higher than those established by law, and also consider inclusion criteria for moms and dads, including same-parent families, single-parent families and adoption.

**Diversity and Inclusion Board:** the purpose of this committee, made up of members representing each business area, is to guide the strategy and establish guidelines that promote a culture of respect for diversity, equality, non-discrimination and inclusion in the workplace.





## Goal 8: Decent work and economic growth

Goals impacted: 8.3, 8.4, 8.5, 8.6, 8.10

Promote **sustained, inclusive and sustainable economic growth**, full and productive employment and decent work for all.

Aware of the importance of economic growth that benefits all of society, **Grupo Financiero BBVA México supports businessmen and entrepreneurs** by promoting the creation of decent and accessible jobs for all. Also, recognizing that the true engine of the economy lies in people, the Group strives to offer excellent working conditions to its employees, not only from the perspective of benefits and benefits, but also in the creation of respectful work environments.

### Initiatives

**Inclusive Growth:** is the focus of Grupo BBVA's and BBVA México's sustainability strategy, which aims to place its products and services within the reach of all.

**Values Day:** a global event that aims to reinforce the elements of Grupo BBVA' culture. In the 2023 edition, BBVA México's Values Day consisted of building an exclusive space for employees to reflect on their personal purpose and share it as a team to reinforce meaningful work, as well as to reconnect with what moves you on a daily basis. In addition, face-to-face and online activities were held in 100% of the offices to reinforce the concept of purpose.

**Performance Appraisal Trips:** recognition is given annually to high-performance employees who consistently excel in their day-to-day work, positively impacting both internal and external clients as well as contributing to the institution's overall results. To honor their achievements, three international trips are organized to include employees from all of BBVA México's general areas.

### Young Talent Programs:

- **Scholarship Recipients Program:** opportunities for students in their last year of their bachelor's degree who seek to further their professional development and experience through a 6-month project.
- **Trainee Program:** recent graduates have access to a 12-month training program to promote leadership, values and business skills.





## Goal 9: Industry, innovation and infrastructure

Goals impacted: 9.1, 9.2, 9.3

Build resilient infrastructure, **promote inclusive and sustainable industrialization** and foster innovation.

Grupo Financiero BBVA México promotes the development of sustainable infrastructure by offering products, services and financing for projects with a favorable approach to the community and the environment.

### Initiatives

**Financing under Equator Principles:** BBVA analyzes the financing of energy, transportation and social services infrastructure projects under the Equator Principles in order to assess their environmental and social risks and impacts.

**School reconstruction:** investment in the reconstruction and physical and technological re-equipment of educational facilities damaged by Hurricane Otis in Guerrero.

»» **Mi Comunidad:** program designed to regenerate areas with high levels of delinquency, abandonment and vandalism through the restoration of the social fabric and the recovery of heritage value by means of social and urban improvement interventions.

**Support during natural disasters:** Fundación BBVA México provides humanitarian aid and support to the population in emergency situations during natural disasters, risky or extraordinary situations.

**App BBVA Empresas:** the app offers a service designed to empower SME clients, allowing them to conveniently access the Bank from their mobile devices.

**“Banca de Barrio” (Neighborhood Banking):** capitalizes on BBVA México’s presence to provide personalized attention to SMEs throughout the country.

**SME Banking:** is positioned as an essential pillar by providing value-added products and services specifically designed to enhance the growth of SMEs. Furthermore, loans are extended to small businesses, offering them crucial financial support to enhance their capabilities, thereby contributing to their expansion and the creation of employment opportunities.



## Goal 10: Reduce inequalities

Goals impacted: 10.2, 10.3, 10.6

**Reduce inequality** within and among countries.

**BBVA México has focused efforts to expand the reach of its services to a greater number of communities**, in addition to boosting connectivity through digital channels, allowing greater accessibility to essential financial services.

In addition, we have implemented programs in line with our institutional values that seek to create a safe and enabling environment for all employees regardless of age, gender, race, ethnicity, origin, religion, sexual preference and politics.

### Initiatives

**Inclusive Growth:** is the focus of Grupo BBVA's and BBVA México's sustainability strategy, which aims to place its products and services within the reach of all.

»» **Scholarships for Inspiring Young Boys and Girls:** program aimed at talented high school and university students facing financial barriers. The objective of the scholarships is to encourage school continuity and promote social mobility.

**Diversity and Inclusion Committee:** composed of members representing each business area, seeks to guide the strategy and establish guidelines that promote a diverse and inclusive work environment.

**Improvements in the coverage of the Major Medical Expenses Policy:** the Major Medical Expenses Insurance policy was improved, expanding coverage for congenital conditions and prostheses.

**Disability training:** this year we developed the disability awareness course, in which the entire commercial network was enrolled; additionally, an online talk was given to all the teams in which a disabled employee was incorporated.

**Accessibility:** BBVA México's branches and corporate headquarters have been modified, investing more than Ps. 10 million to ensure that work spaces are accessible. Some of the modifications that have been made include ramps (inside and outside branches), adaptations in restrooms and other work spaces. In the corporate headquarters, we have incorporated tactile floors, turnstile alarms, hydraulic jacks in the doors of rooms and restrooms, among other modifications.

**Induction Workshop for the Deaf Community:** with the support of a certified interpreter, BBVA México employees were instructed on the importance of knowing Mexican Sign Language in order to build a more inclusive company.

**Values Day:** a global event that aims to reinforce the elements of Grupo BBVA's culture. In the 2023 edition, BBVA México's Values Day consisted of building an exclusive space for employees to reflect on their personal purpose and share it as a team to reinforce



meaningful work, as well as to reconnect with what moves you on a daily basis. In addition, face-to-face and online activities were held in 100% of the offices to reinforce the concept of purpose.

**VIVA Award:** a recognition is awarded to employees who are worthy representatives for living the values of Grupo Financiero BBVA México on a daily basis.

**Awareness events:** panels and webinars held at various events to promote gender equality, inclusion and diversity on International Women’s Day, International LGBT Pride Day, among others.

**Be Yourself:** In 2023, BBVA México launched its first Employee Resource Group (ERG), named “Be Yourself.” ERGs are groups of employees united by common interests or backgrounds. “Be Yourself” is open to anyone interested in learning more about creating safe and inclusive spaces for the LGBT+ community within the organization.





## Goal 13: Climate action

Goals impacted: 13.a, 13.b

Take urgent action to **combat climate change** and its impacts.

Recognizing the urgency of the environmental situation, **BBVA México has implemented policies and goals to reduce its environmental footprint**, and has developed products and services that promote sustainable practices. Beyond its borders, Grupo Financiero BBVA México actively works with clients and suppliers to extend these standards and encourage environmentally friendly practices.

### Initiatives

**Net Zero:** Grupo BBVA is one of the founding banks of the Net Zero Banking Alliance and, as such, has made a commitment to be carbon neutral by 2050. To this end, the Bank is implementing the strategy of portfolio alignment and management of indirect emissions, considering the Mexican portfolio in its scope. Progress on this initiative can be found in Grupo BBVA's TCFD Reports, available on the Group's Investor Relations page.

**Green bonds:** Grupo Financiero BBVA México is the intermediary in the placement of green bonds. The proceeds will be used to finance projects for the efficient and sustainable use of water, renewable energy sources, emissions reduction, protection of labor rights and the fight against ecosystem degradation.

**Products and services with a focus on climate action:** the growth strategy in mobilizing climate finance includes advice through energy efficiency simulators and the Carbon Footprint Calculator; the establishment of alliances for the financial inclusion of vulnerable groups; and specialized advice from network executives, who have reinforced their knowledge of sustainability in 2023.

**Global Eco-efficiency Plan (GEP):** is a plan that drives Grupo Financiero BBVA México in its transition to a sustainable future through three main areas of management of its direct

environmental impacts: reducing consumption, raising awareness among employees and other stakeholders, and offsetting residual emissions.

**Carbon footprint management:** it is managed through the purchase and retirement of carbon credits in an amount equivalent to its CO<sub>2</sub> emissions from the categories over which it has direct management capacity (i.e. scopes 1, 2 and categories 5, 6 and 7 of scope 3). At the same time, the Group continues to implement its own emissions reduction strategy. Accordingly, it has set the goal of achieving 100% renewable energy use in its operations by 2030, reducing scope 1 and 2 CO<sub>2</sub> emissions by 68% compared to 2015 by 2025, and extending the scope of CO<sub>2</sub> emissions measurement to more scope 3 activities. BBVA México is actively contributing to the achievement of these goals; information on local results and progress can be found in the **Environmental Performance** section of this report.



**Renewable energy certificates:** purchase of renewable energy certificates to support the energy transition.

**Sustainable construction:** in 2023, BBVA achieved 11 ISO 14001-certified buildings for Environmental Management Systems and eight LEED-certified buildings.





## Goal 16: Peace, justice and strong institutions

Goals impacted: 16.5, 16.6, 16.7, 16.10

Promote **just, peaceful and inclusive companies.**

Grupo Financiero BBVA México is committed to leading the way towards sustainable development by building solid and transparent institutions.

### Initiatives

**I have Integrity (Soy Íntegro) Program:** aims to emphasize the expected ethical behavior and the practical application of integrity in the development of each of the activities of all employees.

**Values Day:** a global event that aims to reinforce the elements of Grupo BBVA' culture. In the 2023 edition, BBVA México's Values Day consisted of building an exclusive space for employees to reflect on their personal purpose and share it as a team to reinforce meaningful work, as well as to reconnect with what moves you on a daily basis. In addition, face-to-face and online activities were held in 100% of the offices to reinforce the concept of purpose.

**VIVA Award:** a recognition is awarded to employees who are worthy representatives for living the values of Grupo Financiero BBVA México on a daily basis.

**BBVA Friend:** the objective is to value friendship among employees and promote the importance of having a trusted person within the organization. It is implemented through a week dedicated to the dynamics of awarding diplomas, stories of friendship and inspirational talks by the Heads of Departments of BBVA México.

**Code of Conduct:** represents the essential pillar that guides ethical behavior throughout the organization. Its main objective is to promote principles of integrity and honesty, reflecting the commitment to stakeholders and maintaining the highest ethical standards in all operations.

**Institutional campaign #Hazlocorrecto (Do the Right Thing):** anti-corruption communication and training programs are carried out under the #Hazlocorrecto campaign. These efforts are designed to monitor and mitigate potential risks, promoting an organizational culture based on transparency and integrity.

**Whistleblower channel:** the establishment of a whistleblower channel that reflects the open invitation to employees, clients and suppliers to raise their voice in the event of identifying faults or non-compliance with the Code of Conduct. This channel is essential to maintain an open line of communication and ensure that any irregularities are effectively addressed and resolved.

**Transparent, Clear and Responsible Communication (TCR):** composed of three principles that allow us to generate solid links with stakeholders through various communication and/or advertising channels.

**Diversity and Inclusion Committee:** composed of members representing the different business area of BBVA México, seeks to guide the strategy and establish guidelines that promote a diverse and inclusive work environment.





## Goal 7: Partnerships for the goals

Goals impacted: 17.16, 17.17

Revitalize **the global partnership** for sustainable development through inclusive partnerships (global, regional, national and local) with a shared mission, vision, values and principles focused on society and the environment.

### Initiatives

BBVA México is part of and contributes to sustainability through the following initiatives:

- United Nations Global Compact, since 2004.
- Principles for Responsible Banking, since 2019.
- UN Principles for Responsible Investment, since 2019

Grupo Financiero BBVA México is a member of the following associations:

- Asociación de Bancos de México
- Asociación Interactiva en Publicidad
- Asociación Mexicana de Instituciones de Seguros
- Asociación Mexicana Factoraje Financiero y Actividades Similares
- Cámara Española de Comercio
- Capítulo Mexicano de la Cámara Internacional de Comercio
- Confederación Patronal de la República Mexicana
- Consejo de la Comunicación
- Consejo Nacional Agropecuario

# GRI content index

## Universal Standards

GRI Standard	Content	Section, response or reason for omission	
<b>GRI 1 Foundation 2021</b>			
<b>GRI 2: General Disclosures 2021</b>			
<b>1. The organization and its reporting practices</b>			
<b>GRI 2:</b> General Disclosures 2021	2-1	Organizational details	Group's Profile. The headquarters of BBVA México is Torre BBVA, located at Paseo de la Reforma 510, Col. Juárez, Cuauhtémoc, Ciudad de México.
	2-2	Entities included in the organization's sustainability reporting	About this report.
	2-3	Reporting period, frequency and contact point	Reporting period: January-December 2023 Frequency: Annual: Point of contact: <a href="mailto:ib.acosta@bbva.com">ib.acosta@bbva.com</a> Irma B. Acosta Pedregal, Head of Responsible Business and Sustainability E-mail: <a href="mailto:ib.acosta@bbva.com">ib.acosta@bbva.com</a>
	2-4	Restatements of information	There were no updates to information from prior reporting periods.
	2-5	External assurance	About this report.



GRI Standard	Content	Section, response or reason for omission
<b>2. Activities and workers</b>		
	2-6 Activities, value chain and other business relationships	Social performance. Coverage of indicator: 2-6-a and 2-6-b-i,ii
GRI 2: General Disclosures 2021	2-7 Employees	Social performance. Partial coverage of items a-e. Total number of employees by gender, omitting region. The total number of permanent employees, temporary employees, full-time employees, and part-time employees by gender is reported. In all of the above cases, the breakdown by region is omitted. There are no non-guaranteed hourly employees at BBVA México. The information reported is obtained from the consultation in the employee data management system. The consultation is performed after the closing date of December 31 of the reporting year. It does not refer to the average number of employees for the entire reporting period. No other assumptions or methodologies are considered. The difference in the data presented in relation to the previous year corresponds to the overall growth in the size of the organization. There are no significant fluctuations. The growth of the workforce over the last three years is consistent with each other and with the growth of the organization. In the Environmental Performance chapter, the number of employees is reported according to the management framework of the Global Eco-efficiency Plan, which does not correspond to the number of employees reported in the GRI 2-7 indicator. According to the Global Ecoefficiency Plan's information consolidation methodology, the occupants are the personnel within the perimeter (properties with operations considered in the CEMEX Global Ecoefficiency Plan indicators during the reporting year).
	2-8 Workers who are not employees	BBVA México identifies and manages external personnel who provide services to the bank. In 2023 we worked on understanding the management of the issue and the process for collecting information; however, the criteria for reporting the indicator have not been formally established.

GRI Standard	Content	Section, response or reason for omission
<b>3. Governance</b>		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Governance. The governance of BBVA México, S.A. is the responsibility of its corporate governance bodies, the Shareholders' Meeting, the Board of Directors, its delegated committees and the General Management and other officers in accordance with the applicable legal framework. Partial coverage: With respect to items c.vi and c.vii, BBVA México does not collect the information requested by the indicator.
	2-10 Nomination and selection of the highest governance body	Pursuant to articles 180 and 181 of the General Law of Commercial Companies, the members of the Board of Directors are appointed by the Institution's Shareholders' Meeting, which in turn must comply with the requirements of Articles 35 and 37 of the Law to Regulate Financial Groups, while the committees, being delegates of the Board of Directors, may be appointed by the Board of Directors itself or directly by the Shareholders' Meeting.
	2-11 Chair of the highest governance body	Governance. The chairman of the highest governance body is not an executive of the organization.
	2-12 Role of the highest governance body in overseeing the management of impacts	The General Ordinary Shareholders' Meeting approves the annual reports of the Chairman and Vice-Chairman (Chief Executive Officer) of the Board of Directors, which, among other things, include sustainable development issues.
	2-13 Delegation of responsibility for managing impacts	Governance.
	2-14 Role of the highest governance body in sustainability reporting	BBVA México does not currently have a formal process for review and approval by the highest governance body of the preparation of the report and determination of materiality.
	2-15 Conflicts of interest	Governance. BBVA México has a Conflict of Interest Policy and a Code of Conduct applicable to the entire organization.



GRI Standard	Content	Section, response or reason for omission
<p data-bbox="193 1021 430 1089"><b>GRI 2:</b> General Disclosures 2021</p>	<p data-bbox="721 544 1385 572">2-16 Communication of critical concerns</p>	<p data-bbox="2028 389 2952 731">There are various areas and sources through which concerns can be communicated that can be escalated to the relevant committees to determine their resolution (for example, investor relations, customer service units, internal control, internal audit, whistleblowing channel). The summaries of the resolutions adopted at the General Ordinary Shareholders' Meetings of Group Financiero BBVA México are published on the Investor Relations website. Resolutions on other types of concerns are recorded in internal minutes.</p>
	<p data-bbox="721 821 1616 848">2-17 Collective knowledge of the highest governance body</p>	<p data-bbox="2028 781 2952 886">In 2023 we had no measures that impacted the collective knowledge, skills and experience of the highest governance body in matters of sustainable development.</p>
	<p data-bbox="721 986 1743 1013">2-18 Evaluation of the performance of the highest governance body</p>	<p data-bbox="2028 926 2952 1071">In 2023 we did not implement processes for evaluating the performance of the highest governance body in relation to the supervision of the management of the organization's impacts on the economy, the environment and people.</p>
	<p data-bbox="721 1300 1205 1327">2-19 Remuneration policies</p>	<p data-bbox="2028 1115 2952 1512">Indicator coverage: 2-19-a-i and b (only for the governing body). Currently, the indicator does not have available/complete information on signing bonuses or incentive payments for hiring; compensation for termination of contracts, reimbursements, retirement benefits or the description of how the remuneration policies of the members of the highest governance body and senior executives are linked to their objectives and their performance in managing the organization's impacts on the economy, the environment and people. This is because it is confidential information. We will seek, within a maximum period of two years, to change the sense of confidentiality to present the information in accordance with the GRI standard.</p>
	<p data-bbox="721 1552 1385 1580">2-20 Process to determine remuneration</p>	<p data-bbox="2028 1552 2202 1580">Governance.</p>
	<p data-bbox="721 1667 1341 1695">2-21 Annual total compensation ratio</p>	<p data-bbox="2028 1628 2904 1733">We do not have information available to answer the requirements of this indicator. BBVA México has other indicators that monitor compensation, but this information is confidential.</p>

GRI Standard	Content	Section, response or reason for omission	
<b>4. Strategy, policies and practices</b>			
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	Profile.
	2-23	Policy commitments	Profile. Partial coverage of indicators c, d and f.
	2-24	Embedding policy commitments	Governance.
	2-25	Processes to remediate negative impacts	Governance.
	2-26	Mechanisms for seeking advice and raising concerns	Governance.
	2-27	Compliance with laws and regulations	In 2023, Group Financiero BBVA México had no significant cases of non-compliance with applicable laws and regulations.
	2-28	Membership associations	Profile.
<b>5. Stakeholder engagement</b>			
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	Profile.
	2-30	Collective bargaining agreements	Social performance.
<b>GRI 3: Material Topics 2021</b>			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Exhibit.
	3-2	List of material topics	Presentation.
	3-3	Management of material topics	In the GRI index of this report, each material topic includes mention of BBVA México's policies or commitments related to the topic. Additionally, there is a general description of how associated risks, opportunities, and stakeholder engagement are managed. However, we do not have complete information to fulfill all the requirements of items a-e of the GRI 3-3 indicator as we are transitioning to a dual materiality approach. Significant changes in the determination and presentation of materiality analysis results are planned for 2024.



## Topic Standards

GRI standard		Content	Section, response or reason for omission
<b>Material topic 1. Proper management of all risks</b>			
<b>GRI 3:</b> Material Topics 2021	3-3	Management of material topics	BBVA México's risk management is described in the Governance chapter (including environmental and social risks). The management of risks related to BBVA México's business is described in the Sustainable Finance chapter. Policies, responsibilities and mechanisms for monitoring BBVA México's risks are mentioned in these chapters.
<b>GRI Sector Supplement:</b> Product portfolio FSSS	FS2	Procedures for assessing and screening environmental and social risks in business lines	Governance. Sustainable finance.
	FS5	Interactions with clients/investees/business partners, regarding environmental and social risks and opportunities	Profile. Exhibits.
	FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	During 2023, no audits were conducted in BBVA México to evaluate the implementation of environmental and social policies and risk assessment procedures.
<b>Material topic 2. Client experience</b>			
<b>GRI 3:</b> Material Topics 2021	3-3	Management of material topics	BBVA México has principles, policies, programs and measurement mechanisms that allow it to comprehensively manage the client relationship and experience. This information is mentioned and described in the Group's Profile and Social performance chapters.
<b>Material topic 3. Solvency and financial results</b>			
<b>GR 3:</b> Material Topics 2021	3-3	Management of material topics	Management of BBVA México's financial results is described in the Economic Impact chapter and in the Financial Statements.
<b>GRI 201</b> Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic impact.

GRI standard		Content	Section, response or reason for omission
<b>Material topic 4. Corporate governance</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Governance.
<b>Material topic 5. Sustainable finance</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	BBVA México has a standard, procedure and measurement and monitoring tools for sustainable finance management. It also has training programs for executives linked to the topic of sustainable mobilization to support clients in their sustainable transition. This information is described in the Profile, Sustainable Finance and Social Performance chapters.
GRI Sector Supplement: Product portfolio FSSS	FS1	Policies with specific environmental and social components applied to business lines	Sustainable finance.
	FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	Sustainable finance.
	FS8	Monetary value of products and services designed to deliver specific environmental benefit for each business line broken down by purpose	Sustainable finance.
	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental and social issues	Currently, the BBVA México Annual Report includes the amount of mobilization by type of bank and category (climate change and inclusive growth). Information on the percentage and number of companies in the entity's portfolio with which the reporting organization has interacted on environmental or social issues is confidential.
	FS11	Percentage of assets subject to positive and negative environmental or social screening	Information not available.
<b>Material topic 6. Innovation and digital transformation</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	Group's Profile. Economic impact.



GRI standard	Content	Section, response or reason for omission
<b>Material topic 7. Climate change</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	BBVA México has a strategy, policies, programs and measurement mechanisms related to climate change management. This information is described in the Group's Profile and Environmental Performance chapters.
<b>GRI 201</b> Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Exhibits.
<b>Material topic 8. Transparency, clarity and responsibility</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	BBVA México has principles that allow it to manage the issue of transparency, clarity and responsibility with the client. This information is mentioned and described in the Social performance chapter and in this GRI Index in the responses to the GRI 417 indicators.
<b>GRI 417</b> Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	Social performance. Indicator coverage: 417-1-b. There is no information available for indicator 417-1-a.
<b>Material topic 9. Cybersecurity and responsible use of data</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	Digital transformation and new emerging technologies mean an increase in potential threats and exposure to risk and new challenges affecting security, privacy and, in general, digital trust, which are key aspects for the better development and survival of the digital economy. For Grupo BBVA, information security is not only crucial for ensuring operational resilience but also a key element in its strategy. Information security is organized around four fundamental pillars: (I) Cybersecurity, (II) Data security, (III) Physical security, and (IV) Security in business processes and fraud prevention. Each pillar has a dedicated program designed to mitigate risks faced by the Group. BBVA México adheres to the relevant management pillars and security programs established by the Group.
<b>GRI 418</b> Client privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Indicator coverage: 418-1-i-ii. The scope of item b is not reported and item c is not applicable.

GRI standard	Content	Section, response or reason for omission
<b>Material topic 10. Ethical behavior</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	<p>BBVA México has a Code of Conduct and an Anti-Corruption Policy that emanates from the Code of Conduct, as well as a comprehensive compliance system that allows it to identify and manage real and potential risks in terms of ethical behavior. Due to the relevance of the subject, the Code of Conduct and the Anti-Corruption Policy are approved by the Board of Directors. BBVA México employees receive mandatory training on these issues. Employees and other stakeholders have at their disposal mechanisms for consultation and reporting on ethical issues.</p>
<b>GRI 205</b> Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> <li>- BBVA México employees receive training on anti-corruption policies and procedures. See details in the Social performance chapter.</li> <li>- BBVA México suppliers do not receive training on anti-corruption policies and procedures, they only receive information on the policy through the agreement established with them. See details in the Social performance chapter.</li> <li>- In terms of communication and training on anti-corruption policies and procedures, BBVA México's General Anti-Corruption Policy stems from the Code of Conduct. Therefore, the Board of Directors is familiar with the Policy as it is the body responsible for its approval. The Policy undergoes review by the Audit and Corporate Practices Committee of Grupo Financiero BBVA México before being approved by the Board of Directors. As a result, 100% of the directors are familiar with the Policy. However, directors do not receive training specifically on BBVA México's anti-corruption policy and procedures. Indicators b. and d. are not applicable in this context.</li> </ul>
	205-3 Confirmed incidents of corruption and actions taken	We had no cases of corruption.



GRI standard	Content		Section, response or reason for omission
<b>Material topic 11. Financial education and inclusion</b>			
<b>GRI 3:</b> Material Topics 2021	3-3	Management of material topics	<p>In the area of contributing to inclusive growth, Grupo BBVA has a Community Investment Goal for 2025. This initiative involves allocating EUR 550 million between 2021 and 2025 towards social initiatives aimed at supporting the inclusive growth of societies, including Mexico. BBVA México has implemented programs designed to reduce inequalities and foster entrepreneurship. These initiatives include projects that facilitate access to essential goods and services necessary for improving social well-being, as well as providing financial education and digital training to empower individuals, enhance their financial resilience, and promote financial inclusion.</p>
<b>GRI Sector Supplement:</b> Product portfolio FSSS	FS13	Access points in low-populated or economically disadvantaged areas by type	Group's Profile. Social performance.
	FS14	Initiatives to improve access to financial services for disadvantaged people	Social performance.
	FS15	Policies for the fair design and sale of financial products and services	Sustainable finance.
	FS16	Initiatives to enhance financial literacy and by type of beneficiary	Social performance.
<b>Material topic 12. Employee engagement and talent management</b>			
<b>GRI 3:</b> Material Topics 2021	3-3	Management of material topics	<p>The goal of Grupo BBVA is to have the best and most committed team, one of BBVA's six strategic priorities. To achieve this, the Group has programs and initiatives to attract, motivate, train and retain the best talent.</p> <p>Find out about all the programs and initiatives on BBVA México's commitment to employees in the Social performance chapter.</p>

GRI standard	Content		Section, response or reason for omission
GRI 401 Employment 2016	401-1	New employee hires and employee turnover	Partial information, we do not report items a and b only in terms of region. In 2023 we do have mechanisms to know the region of our employees, however, the criteria for publishing the information has not been determined. In 2024 we will evaluate whether or not to report it in the next fiscal year.
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social performance.
	401-3	Parental leave	Social performance.
GRI 402 Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Social performance.
<b>Material topic 13. Diversity and inclusion</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	<p>One of the principles of Grupo BBVA's employee management strategy is to create the best environment for talent to give the best of itself at work. An environment that is open and flexible, focused on employee wellbeing, inclusive and diverse, where everyone can develop and grow personally and professionally. To comply with this principle, BBVA México has a Diversity and Inclusion Policy, as well as a Diversity and Inclusion Committee made up of representatives from different divisions of the bank.</p> <p>Find out about all of BBVA México's Diversity and Inclusion programs and initiatives in the Social Performance chapter."</p>



GRI standard	Content	Section, response or reason for omission
<p><b>GRI 405</b> Diversity and Equal Opportunity 2016</p>	<p>405-1 Diversity of governance bodies and employees</p>	<p>Information on employee diversity is reported in the Social performance chapter.</p> <p><b>Diversity in the Board of Directors:</b></p> <ul style="list-style-type: none"> <li>- 16.67% of BBVA México's Board of Directors are women (3) and 83.33% are men (15).</li> <li>- 93.33% of male Board Members are over 50 years of age (14) and 6.67% are between 30 and 50 years of age (1).</li> <li>- 100% of female Board Members are over 50 years old (3)</li> </ul> <p>In BBVA México we report the sex of the directors and not the gender. In terms of the applicable regulation, we do not have elements to answer about the gender of the directors, nor their belonging to minority groups.</p> <p>Items a-iii and b-iii, referring to other diversity indicators, are not reported.</p> <p>Although BBVA México hires personnel with disabilities, the criteria for managing and consolidating information are being established. The objective is to report this scope in the future in a period of no more than two years, although this will depend on the applicable legislation regarding respect for human rights and non-discrimination.</p>
<p><b>Material topic 14. Contribution to society</b></p>		
<p><b>GRI 3:</b> Material Topics 2021</p>	<p>3-3 Management of material topics</p>	<p>In the area of contributing to the inclusive growth of the societies in which the Group is present, BBVA has the Community Investment Goal for 2025, whereby it will allocate EUR 550 million between 2021 and 2025 to social initiatives to support the inclusive growth of these societies. In Mexico, in addition to creating opportunities and combating inequalities through financial inclusion and education initiatives and programs, we contribute to the community mainly through Fundación BBVA México. Learn more about some of the programs and results of Fundación BBVA México in the Social performance chapter, or in Fundación BBVA México Annual Report.</p>

GRI standard	Content	Section, response or reason for omission
<b>Material topic 15. Human rights</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	<p>Grupo BBVA's General Sustainability Policy includes, among other areas of action, our participation in international initiatives and commitment to human rights.</p> <p>Human rights initiatives are implemented in all countries where the Group is present, including Mexico. BBVA México's track record in the area of human rights can be found in the chapter on Social performance.</p>
<b>Material topic 16. Labor practices</b>		
<b>GRI 3:</b> Material Topics 2021	3-3 Management of material topics	<p>Grupo BBVA has Talent and Culture, the area of employee management. The Talent and Culture department at BBVA México is responsible for adapting and implementing the Group's talent management strategy, policies, standards and procedures. The results of the programs and work practices that promote the well-being of BBVA México's employees can be consulted in the Social performance chapter.</p>
<b>GRI 404</b> Training and Education 2016	404-1 Average hours of training per year per employee	Social performance.
	404-2 Programs for upgrading employee skills and transition assistance programs	Social performance.
	404-3 Percentage of employees receiving regular performance and career development reviews	Social performance.



GRI standard	Content		Section, response or reason for omission
<b>Material topic 17. Environmental footprint</b>			
<b>GRI 3:</b> Material Topics 2021	3-3	Management of material topics	<p>The direct environmental impact management objectives of Grupo BBVA and its subsidiaries, including BBVA México, are established and monitored through the Global Eco-efficiency Plan (GEP) 2021-2025.</p> <p>As part of the implementation of the GEP and compliance with applicable environmental regulations, BBVA México has an environmental management system (including an environmental policy, documented procedures and mechanisms for monitoring performance indicators for energy, emissions, water and waste). Learn more about BBVA's results and progress on its direct impact in the Environmental Performance chapter.</p>
<b>GRI 302</b> Energy 2016	302-1	Energy consumption within the organization	<p>Total fuel consumption from mobile sources</p> <ul style="list-style-type: none"> <li>- Gasoline: 507,481.77 liters (17,916.98 GJ).</li> <li>- Diesel: 0</li> </ul> <p>Total consumption of fuels from fixed sources</p> <ul style="list-style-type: none"> <li>- Natural gas: 43623.66 m<sup>3</sup> (1,586.00 GJ).</li> <li>- LP Gas: 110,273.00 liters (2,880.58 GJ).</li> <li>- Gasoline: 0.</li> <li>- Diesel: 298,540.09 (11,388.92 GJ).</li> <li>- Biofuel (renewable).</li> <li>- Biomass (renewable).</li> </ul> <p>Indicator coverage: 302-1-a,b,c-i. Currently the indicator does not report the items, since items c.ii., c.iv. and d: do not apply to the organization due to the type of energy we consume, item c.iii. there is no information available on the conversion factors to the corresponding units, and other items e, f and g are not reported because we do not have available/complete information.</p>

GRI standard	Content	Section, response or reason for omission
<p><b>GRI 302</b> Energy 2016</p>	<p>302-3 Energy intensity</p>	<p>Environmental performance. Electrical energy consumed per occupant: 6.69 MWh/FTE. Includes electrical energy (energy consumption within the organization). Employees are those accounted for in the scope of the EMP (44,398), not the employees reported in GRI 2-7.</p>
	<p>302-4 Reduction of energy consumption</p>	<p>At BBVA México we have several initiatives that promote the reduction of energy consumption, among which we highlight the efficient management and switching off of lighting whenever possible. With these initiatives we will achieve a reduction of 371,754,000,000 joules by 2023. This figure was obtained through software and estimates in some cases. The base year for these measurements in 2019.</p>
<p><b>GRI 303</b> Water and Effluents 2018</p>	<p>303-1 Interactions with water as a shared resource</p>	<p>Grupo Financiero BBVA México does not generate significant direct impacts in relation to water; however, since it is such a relevant resource, we consider its management in the Global Eco-efficiency Plan to reduce its consumption in our direct operations.</p>
	<p>303-2 Management of water discharge-related impacts</p>	<p>Grupo Financiero BBVA México's operations do not affect water quality and therefore do not require a treatment method for discharge into the municipal water system.</p>



GRI standard	Content	Section, response or reason for omission
<p><b>GRI 303</b> Water and Effluents 2018</p>	<p>303-3 Water withdrawal</p>	<p>Total water withdrawal by source                      - Water from third parties: 27.03 (megaliters)                      - Municipal water supply: 585,032 (megaliters)                      - Total: 653,150 (megaliters)</p> <p>Total water withdrawn by source that corresponds to fresh water                      - Third-party water: 27.03 (megaliters)                      - Municipal water supply: 585,032 (megaliters)                      - Total: 653,150 (megaliters)</p> <p>Total water withdrawn by source corresponding to other waters                      - Zero</p> <p>The information for this indicator is based on estimated consumption and receipts. Figures at the end of 2023.</p> <p>At the moment, this indicator does not have complete information for subsections 303-3-a-i, ii, iii, iv because there are no other sources of water extraction except for third-party water. Similarly, there is no available/complete information to report subsections 303-3-b and 303-3-c, related to water-stressed areas and the breakdown of water extraction for each source indicated in literals a and b; this is due to a lack of study on this matter.</p>
	<p>303-4 Water discharge</p>	<p>Priority substances of concern for which discharges are treated: Biochemical Oxygen Demand (BOD).                      Method for defining these priority substances of concern: Laboratory analysis.                      International Standards, official lists or criteria used: NMX-AA-028-SCFI-2001                      Method used to establish discharge limits for priority substances of concern: NOM-003-SEMARNAT-1997</p>
	<p>303-5 Water consumption</p>	<p>For the time being, this indicator does not have available/complete information for item 303- 5-b, related to areas subject to water stress, because there is no study on the subject.                      Regarding item 305-c, BBVA México does not currently carry out water storage.</p>

GRI standard	Content	Section, response or reason for omission
<p><b>GRI 305</b> Emissions 2016</p>	<p>305-1 Direct (Scope 1) GHG emissions</p>	<p>Direct CO<sub>2</sub> emissions (Scope 1): 13,224.86 (tCO<sub>2</sub>).                      The gases included in the calculation are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.                      The methodology described by the IPCC is used to calculate emissions. In the case of emission factors for fossil fuels and electricity, the IPCC and IEA are used. DEFRA emission factors are used for vehicle fleet, refrigerant gas leaks, business travel, waste management and employee travel.</p> <p>The methodology and calculation of emissions are determined by Grupo BBVA for all geographies. BBVA México is not ultimately responsible for the calculation. This methodology can be consulted in the <a href="#">Grupo BBVA Annual Report</a>.</p> <p>Regarding biogenic emissions, we have not identified whether biogenic CO<sub>2</sub> emissions are generated at the water treatment plant. In this regard, within a maximum period of two years we will conduct an analysis on the application and/or measurement of this type of emissions in order to - if applicable - present the information in accordance with the GRI standard.</p> <p>Partial coverage, paragraphs c, d and f are omitted.</p>
	<p>305-2 Energy indirect (Scope 2) GHG emissions</p>	<p>Direct CO<sub>2</sub> emissions (Scope 2): 0 (tCO<sub>2</sub>).                      The gases included in the calculation are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.                      The IPCC (Intergovernmental Panel on Climate Change) emission factors were used to calculate emissions. The methodology and calculation of emissions are determined by Grupo BBVA for all geographies. BBVA México is not ultimately responsible for the calculation.</p> <p>The emissions reported in this indicator are market-based emissions.</p> <p>Partial coverage. There are omissions in paragraphs a, d and f. BBVA México does not have available information and/or formal criteria to report the indicator in its entirety.</p>

GRI standard	Content	Section, response or reason for omission
GRI 305 Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	<p>Direct CO<sub>2</sub> emissions (Scope 3): 36,688.02 (tCO<sub>2</sub>).</p> <p>The activities included are waste, business air travel and employee commuting.</p> <p>The gases included in the calculation are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.</p> <p>The IPCC (Intergovernmental Panel on Climate Change) emission factors were used to calculate emissions. The methodology and calculation of emissions are determined by Grupo BBVA for all geographies. BBVA México is not ultimately responsible for the calculation.</p> <p>Partial coverage. There are omissions in paragraphs c, e and g. BBVA México does not have available information and/or formal criteria to report the indicator in its entirety.</p>
	305-4 GHG emissions intensity	<p>GHG emissions intensity ratio: 1.12 (tCO<sub>2</sub>/employee). Employees are those accounted for in the GEP perimeter, not the employees reported in GI 2-7. Gases included in the calculation are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O. The IPCC (Intergovernmental Panel on Climate Change) emission factors were used to calculate emissions. The methodology and calculation of emissions are determined by Grupo BBVA for all geographies. BBVA México is not ultimately responsible for the calculation.</p>
	305-5 Reduction of GHG emissions	<p>In 2023 BBVA México had a reduction of 1,613 (tCO<sub>2</sub>) compared to 2022.</p> <p>The gases included in the calculation are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.</p> <p>The IPCC (Intergovernmental Panel on Climate Change) emission factors were used to calculate emissions. The methodology and calculation of emissions are determined by Grupo BBVA for all geographies. BBVA México is not ultimately responsible for the calculation.</p>
	305-6 Emissions of ozone-depleting substances (ODS)	<p>Not applicable: Grupo Financiero BBVA México's operations do not generate significant ODS emissions.</p>
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	<p>Not applicable: Grupo Financiero BBVA México's operations do not generate significant NOx and SOx emissions.</p>



GRI standard	Content	Section, response or reason for omission
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	Environmental performance.
	306-2 Management of significant waste-related impacts	<p>Currently, we only take measures to prevent the generation of waste in the organization's own activities. These measures are not circular. Waste generated from the organization's activities is managed by a third party whose waste management is evidenced by collection letters, manifests or proof of payment.</p> <p>Waste data collection and management processes are described in GRI indicator 306-3.</p>
	306-3 Waste generated	<p>The figures can be found in the Environmental Performance chapter. BBVA México generates and manages hazardous and non-hazardous waste. Since this is an indicator that is monitored through the Global Eco-efficiency Plan, the information reported on waste is consolidated in a shared management file of the GEP. The amount of waste generated each month is recorded in the consolidated file. The information is obtained from logs, manifests and other mechanisms for recording information.</p>
<b>Material topic 18. Supply Chain</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>Grupo BBVA provides complete and transparent information to its suppliers in the procurement processes, ensuring compliance with the legal framework in force in all areas, including tax, labor and environmental matters, human rights, and stimulating the demand for socially responsible products and services. Within the supplier management framework, the Group has a series of mechanisms and rules that establish the fundamental guidelines to be followed by all suppliers with which any company or entity of the Group has a relationship.</p> <p>Grupo BBVA also has a Suppliers' Code of Ethics in the purchasing units of all the countries in which it is present, including Mexico, in which minimum standards of behavior have been established in terms of ethical, social and environmental conduct that suppliers must respect when providing products and services.</p> <p>Information on BBVA México's supply chain and the results of the supplier evaluation process is available in the Social performance chapter.</p>

GRI standard		Content	Section, response or reason for omission
<b>GRI 308:</b> Supplier Environmental Assessment <b>2016</b>	308-1	New suppliers that were screened using environmental criteria	Social performance.
<b>GRI 414:</b> Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Social performance.
<b>Material topic 19. Health and safety</b>			
<b>GRI:</b> Material Topics 2021	3-3	Management of material topics	<p>Grupo BBVA considers the promotion of occupational health and safety as a basic principle that is addressed through the continuous improvement of working conditions.</p> <p>In BBVA México, the main lines of action for health and safety include civil protection plans, training of brigades and employees in occupational health and safety issues, and occupational health programs and campaigns. The results of these programs and initiatives can be consulted in the Social performance chapter.</p>
<b>GRI Sector Supplement</b>			
<b>GRI Sector Supplement:</b> Product portfolio FSSS	FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	Social performance. Sustainable finance.
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g., micro/SMEs/large enterprises) and by sector	Confidential information.
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Sustainable finance.
	FS12	Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	Information not available.
	FS15	Policies for the fair design and sale of financial products and services	Sustainable finance.

# SASB Index

## Commercial banks

SASB Code	Content	Section, response or reason for omission
Data security	FN-CB-230a.1 (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	0 (0%)
	FN-CB-230a.2 Description of approach to identifying and addressing data security risks	BBVA México has an information security strategy and program, which is managed by an organizational structure made up of different directorates (areas) that holistically cover the different information security and cybersecurity domains. Your sentence is mostly clear, but it can be revised slightly for better clarity and flow. Additionally, there is a three-lines-of-defense model that enables standardized supervision of the program and risk management. This framework is supported by a set of security standards, processes, and procedures, governed by Grupo BBVA's general information security policy.
Financial inclusion & capacity building	FN-CB-240a.1 (1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	In relation to loans to vulnerable individuals and entrepreneurs, in 2023, almost 400,000 loans were granted in Spain, Mexico, Peru and Turkey. In relation to the amount, globally, loans granted to vulnerable clients and small businesses, EUR 274.6 million correspond to Mexico. See the <a href="#">Group's 2023 Annual Report</a> .
	FN-CB-240a.2 (1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Grupo BBVA is working to develop a data identification and quantification system aligned with its social standard in order to be able to report this metric in future years.
	FN-CB-240a.3 Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	1.5 million in Mexico
	FN-CB-240a.4 Number of participants in financial literacy initiatives for unbanked, underbanked or underserved customers	BBVA México's workshops have benefited more than 40,464 clients. The workshops are developed in collaboration with client companies, public administrations and third sector organizations.



SASB Code		Content	Section, response or reason for omission
Incorporation of environmental, social, and governance factors in credit analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Sustainable finance.
Financed emissions	FN-CB-410b.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-CB-410b.2	Gross exposure for each industry by asset class	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-CB-410b.3	Percentage of gross exposure included in the financed emissions calculation	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-CB-410b.4	Description of methodology used to calculate financed emissions	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
Business ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	There are no monetary losses incurred in fiscal year 2023. For issues related to acts of corruption, fraud and money laundering attributable to the entity, please refer to the information included in metric GRI 205-3.
	FN-CB-510a.2	Description of whistleblower policies and procedures	Governance.
Systemic risk management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Information not available. BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Group's Profile

SASB Code	Content	Section, response or reason for omission
Activity metrics	FN-CB-000.A 1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <b>Group's 2023 Annual Report</b> .
	FN-CB-000.B (1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <b>Group's 2023 Annual Report</b> .

## Consumer Finance

SASB Code	Content	Section, response or reason for omission
Customer privacy	FN-CF-220a.1 Number of account holders whose information is used for secondary purposes	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <a href="#">Group's 2023 Annual Report</a> .
	FN-CF-220a.2 Total amount of monetary losses as a result of legal proceedings associated with customer privacy	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <a href="#">Group's 2023 Annual Report</a> .
Data security	FN-CF-230a.1 (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	0 (0%)
	FN-CF-230a.2 Card-related fraud losses from (1) card-not present fraud and (2) card-present and other fraud	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <a href="#">Group's 2023 Annual Report</a> .
	FN-CF-230a.3 Description of approach to identifying and addressing data security risks	BBVA México has an information security strategy and program, which is managed by an organizational structure made up of different directorates (areas) that holistically cover the different information security and cybersecurity domains. Your sentence is mostly clear, but it can be revised slightly for better clarity and flow. Additionally, there is a three-lines-of-defense model that enables standardized supervision of the program and risk management. This framework is supported by a set of security standards, processes, and procedures, governed by Grupo BBVA's general information security policy.



SASB Code	Content	Section, response or reason for omission	
Selling practices	FN-CF-270a.1	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	Grupo BBVA's General Remuneration Policy, in compliance with applicable regulations on client protection, sets out the requirements and principles applicable to personnel performing functions related to the sale of products and the provision of services to clients. In this regard, the design and establishment of personnel remuneration in Grupo BBVA ensure the protection of client interests and the quality of services provided.
	FN-CF-270a.2	2 Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660	It is not applicable to Grupo BBVA's current business model because the Group does not have a presence in the United States.
	FN-CF-270a.3	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660	It is not applicable to BBVA's current business model because the Group does not have a presence in the United States.
	FN-CF-270a.4	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB	The Houston Agency (BBVA México representative office) does not offer consumer products.
	FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <a href="#">Group's 2023 Annual Report</a> .
Activity metric	FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card accounts	Partial information: In 2023 BBVA México issued more than 2.3 million new credit cards, which is 16.4% more new credit cards than last year. BBVA México will continue to work in the coming years to advance in the disclosure of this metric.

## Mortgages

SASB Code	Content	Section, response or reason for omission	
Lending practices	FN-MF-270a.1	(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above or below 660	It is not applicable to BBVA's current business model because the Group does not have a presence in the United States.
	FN-MF-270a.2	(1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660	It is not applicable to BBVA's current business model because the Group does not have a presence in the United States.
	FN-MF-270a.3	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-MF-270a.4	Description of remuneration structure of loan originators	The corresponding remuneration structure is defined in Grupo BBVA's General Remuneration Policy for other employees. The Policy has been approved and designed in compliance with the applicable regulations on client protection, taking into consideration the alignment with the best market practices and having included in it elements aimed at reducing exposure to excessive risks, aligning remuneration to the business strategy, objectives, values and long-term interests of the Group.
Discriminatory lending	FN-MF-270b.1	(1) Number, (2) value, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers, by FICO scores above and below 660.	It is not applicable to BBVA's current business model because the Group does not have a presence in the United States.
	FN-MF-270b.2	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	There are no monetary losses in 2023 incurred by the banking entities comprising Grupo BBVA as of December 31, 2023.
	FN-MF-270b.3	Description of policies and procedures for ensuring nondiscriminatory mortgage origination	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.

SASB Code	Content	Section, response or reason for omission	
Environmental risk to mortgaged properties	FN-MF-450a.1	(1) Number and (2) value of mortgage loans in 100-year flood zones	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-MF-450a.2	(1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
	FN-MF-450a.3	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	BBVA México will continue to work in the coming years to advance in the disclosure of this metric.
Activity metric	FN-MF-000.A	(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <a href="#">Group's 2023 Annual Report</a> .
	FN-MF-000.B	(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial	The specific data for BBVA México is not currently reported. BBVA México will continue to work in the coming years to advance in the disclosure of this metric. Consolidated information for Grupo BBVA is available in the <a href="#">Group's 2023 Annual Report</a> .



# Principles for Responsible Banking Template

## Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

### Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Response	Links and references
<p>Banco Bilbao Vizcaya Argentaria (BBVA) is a Spanish institution that offers financial services, with a global reach of 68 million clients. BBVA has operations in Latin America, where Mexico is one of the countries with the greatest relevance and participation. BBVA México is present throughout the Mexican Republic, through more than 1,700 branches, with almost 30 million clients.</p> <p>Business lines:</p> <ul style="list-style-type: none"> <li>• Consumer Banking</li> <li>• Corporate and Government Banking</li> <li>• Corporate and Investment Banking</li> </ul>	<p>BBVA México 2023 Annual Report, Group's Profile (Who we are, Business Units)</p>

### Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

Yes

No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
- International Labour Organization fundamental conventions
- UN Global Compact
- UN Declaration on the Rights of Indigenous Peoples
- Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: \_\_\_\_\_
- Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: \_\_\_\_\_
- None of the above

Response	Links and references
<p>Since 2018, BBVA has upheld a commitment to contribute to the Sustainable Development Goals (SDGs) and the Paris Agreement through three key lines of action: Finance, Manage, and Engage.</p> <ul style="list-style-type: none"> <li>• Curbing climate change, originating new financing and supporting the SDGs by mobilizing EUR 300,000 million between 2018 and 2025 for agribusiness, entrepreneurship, financial inclusion, green activities and sustainable infrastructure.</li> <li>• Set the goal that 100% of the energy contracted by BBVA by 2030 will be renewable. In addition to gradually aligning BBVA's activity to the Paris Agreement and minimizing the social and environmental risks associated with it, reducing potential direct and indirect negative impacts.</li> <li>• Incorporate all stakeholders to enhance the scope of sustainable development and collectively boost the contribution of the financial sector.</li> </ul> <p>In line with these commitments, BBVA has a General Sustainability Policy and has published its framework for the issuance of bonds linked to the SDGs, as a necessary step to issue its own sustainable bonds.</p>	<p>BBVA México 2023 Annual Report, Group's Profile (Grupo BBVA's sustainability strategy)</p>

## Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly<sup>1</sup> and fulfil the following requirements/elements (a-d)<sup>2</sup>:

**a) Scope:** What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Response	Links and references
The main business areas, products and services of BBVA México, considering the lines of business described in the business model (Principle 1).	BBVA México 2023 Annual Report, Group's Profile (Who we are, Business Units)

**b) Portfolio composition:** Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope i) by sectors & industries<sup>3</sup> for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Response	Links and references
<p>BBVA México's impact analysis exercise was conducted in 2022 and considered BBVA México's portfolio divided into two major groups, consumer banking and corporate banking:</p> <p><b>Consumer banking</b>, which includes products such as credit cards, personal credit and loans, mortgage products, and loans for the purchase of automobiles. It is worth mentioning that some of our products are offered to more than one client, so the number of clients that receive this type of service is greater than the number of Consumer Banking clients.</p> <p><b>Corporate banking</b>, made up of various services provided to government agencies and corporate accounts</p> <p>The composition of each of the markets is 51.85% and 48.15% respectively, considering as a base a total of 1,433,611,129,887.91 products provided as of October 21, 2022.</p> <p>The scope of the portfolio considered in the impact analysis was defined at Grupo BBVA level. A 98.91% of the consumer portfolio (which includes 19.62% of Mexico) and 99.11% of the corporate banking portfolio (which includes 16.91% of Mexico) were analyzed.</p> <p>During 2024, we will compile information to update the status of impacts, seeking a more detailed breakdown of the baseline information.</p>	BBVA México 2023 Annual Report, Sustainable finance (Principles for Responsible Banking, PBR)

<sup>1</sup> That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

<sup>2</sup> Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

<sup>3</sup> 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.



**c) Context:** What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate<sup>4</sup>? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

*This step aims to put your bank's portfolio impacts into the context of society's needs.*

Response	Links and references
<p><b>Results of the 2030 Agenda</b></p> <p>The 2030 Agenda for Sustainable Development is the most ambitious global agreement in history to build an inclusive, fair and balanced development model that lays the foundation for a more prosperous future for people and the planet. This Agenda, approved in 2015 by 193 Member States of the United Nations (UN), including Mexico, is made up of 17 Sustainable Development Goals (SDGs) that summarize the path that governments, companies and individuals must follow to achieve it.</p> <p>At the end of 2022, Mexico recorded a performance score of 69.7 in SDG compliance, only two points above the global average of 67.4, which places it in 80<sup>th</sup> place out of 166 countries whose progress was reported in the Sustainable Development Report 2023.</p> <p>This means that Mexico, facing 2030, still faces great and significant challenges, since in most of the SDGs it presents stagnation or moderate progress.</p> <p><b>Sustainable Taxonomy of Mexico</b></p> <p>Unlike other jurisdictions that have focused their taxonomies only on climate and environmental objectives, the Sustainable Taxonomy of Mexico also includes social objectives, recognizing the importance of addressing gaps and vulnerabilities for developing and emerging economies.</p> <p>The Sustainable Taxonomy of Mexico endorses the global commitments that Mexico has assumed on these issues, taking as a reference framework the Paris Agreement, the Sustainable Development Goals of the 2030 Agenda and the Nationally Determined Contribution (NDC).</p> <p>Specifically within the Well-Being pillar, axis 2.3 economic and social empowerment, criterion 2.3.1 is established for the promotion of women's autonomy and flexible financing with a gender perspective. To align with this criterion, financial products and services must be designed to support women in the planning of long-term goals, emergency care, among others. When they begin to access financial products, it is likely that they will seek to use other financial instruments to improve their quality of life.</p> <p><b>Financial inclusion and financial health data in Mexico</b></p> <p>Although Mexico is among the 15 largest economies in the world and the second largest in Latin America, it still has gaps and challenges to achieve financial inclusion for the entire population. According to the National Survey of Business Financing of the National Institute of Statistics and Geography (INEGI), during 2021 only 43% of companies in Mexico had access to some type of financing, of which 45% were microenterprises. This is important because microenterprises in Mexico represent 95% of the total number of companies and generate 40% of the country's employment.</p>	<p><a href="#">Sustainable Taxonomy of Mexico</a></p> <p><a href="#">World Bank in Mexico</a></p> <p><a href="#">Instituto Nacional de Estadística y Geografía (INEGI)</a></p> <p><a href="#">G20 Financial Inclusion Indicators</a></p> <p><a href="#">The Global Findex Database 2021</a></p>

<sup>4</sup> Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

Response	Links and references
<p>For personal and consumer banking, Mexico faces significant challenges, as in 2020 only 37% of the country's adult population had a bank account. In addition, there is a financing gap in rural areas, where only 7% of adults in rural areas accessed a loan from a financial institution during 2017, according to the World Bank's Global Findex Database.</p> <p>The data indicate disparities related to gender, socioeconomic status, wealth, geographical location, and education level. Women, individuals with low income, residents of rural areas, and those with only primary education tend to face exclusion from accessing financial products and services, such as savings and credit accounts, or facilities for conducting transactions. Consequently, they often experience lower levels of financial stability.</p> <p>Since 2018, Mexico has had a National Financial Inclusion Policy (PNIF). In 2020, a first analysis exercise was conducted on the state of financial inclusion, highlighting three problems on the service supply side focused on the low use of financial products, scarce use of digital payments and low infrastructure for access to financial services. On the demand side, the existence of very low economic-financial skills, insufficient information and financial protection tools, as well as the low inclusion of people in vulnerable situations.</p> <p>On the other hand, the study conducted in 2018 by the National Banking and Securities Commission (CNBV), in conjunction with the National Institute of Statistics and Geography (INEGI) for the National Survey of Financial Inclusion (ENIF), highlights that there are gaps in the adult population for the management of liquidity, the ability to deal with emergencies, planning and control of their finances:</p> <ul style="list-style-type: none"> <li>▪ 58% of adults earned enough income to cover their expenses.</li> <li>▪ 73% pay their bills on time.</li> <li>▪ 25% have home, auto, life or medical insurance.</li> <li>▪ 45% could face economic urgency.</li> <li>▪ 40% set financial goals and strive to achieve them.</li> </ul> <p>This survey highlights the relationship between behaviors and knowledge in financial matters, with behaviors being goal setting, preventing imbalances, saving, maintaining liquidity, budgeting and planning expenses, while knowledge is defined as knowing how to carry out these activities. In this sense, 41% of the adult population has good financial knowledge, but poor behaviors.</p> <p>It is important to highlight that, according to the ENIF results, the lack of inclusion in the financial system is due to the stigma attached to the system itself, since between 2% and 7% of the adult population does not seek to acquire a financial product, 12% of the adult population that does have a bank account does not use its debit card due to distrust, and 18% of this same population with an account does not contract mobile banking due to distrust. Financial inclusion must include vulnerable groups, given that in Mexico there are gaps of an average of 15 percentage points (pp.) in access to financial services, be they accounts, credit, insurance or afores for people in rural areas.</p>	

Response	Links and references
<p>The most recent edition of the ENIF highlights that there was an increase of 2 pp. in the population that has had at least one financial product, noting that the increase is focused on the northern regions and Mexico City, with gaps of 11 pp. in the northeastern region and the central-eastern and southern regions, and of 9 pp. between the western and northwestern regions. At the rural and urban levels, there are gaps in the accessibility and use of financial services, as there is greater tenure for the population in urban areas, with gaps of up to 20 pp. in some financial services.</p> <p>These data provide an overview of Mexico’s current state of financial inclusion and equal financial opportunities.</p>	

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)<sup>5</sup>? Please disclose.

Response	Links and references
<p>Supported by the UNEP FI tool, with the context, Consumer Banking and Institutional Banking modules, the analysis carried out during 2022 is summarized, highlighting positive and negative impacts.</p> <p>For positive impacts, availability, accessibility, affordability and quality of resources and services, followed by potential impacts to healthy economies, health and safety, and survival.</p> <p>On the other hand, negative impacts were identified as being directed towards climate stability, circularity and health and safety.</p> <p>During 2024, information will be compiled to update the status of impacts, so that the base information contains a greater breakdown.</p>	N/A

<sup>5</sup> To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.



**d) For these (min. two prioritized impact areas): Performance measurement:** Has your bank identified which sectors & industries as well as types of clients financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

*The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.*

Response	Links and references
<p>In Mexico there are around 5 million companies, of which an estimated 4.5 million are SMEs and SMBs, representing a large percentage of the labor force and value added for Mexico's development. However, microbusinesses and SMEs face major challenges, mainly in areas related to liquidity and financing for operating expenses. This can be exacerbated when the leaders of these organizations are from vulnerable groups, women and youth.</p> <p>For positive impacts on the availability, accessibility, affordability and quality of resources and services, it is correlated with the accessibility of the services provided to small and medium-sized enterprises. By having the number of clients categorized as SMEs, it is possible to measure the growth or decrease of BBVA's impact on this area of relevance.</p>	<p>NA BBVA México 2023 Annual Report, Economic impact</p>

**Self-assessment summary:**

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?<sup>6</sup>

- Scope:  Yes  In progress  No
- Portfolio composition:  Yes  In progress  No
- Context:  Yes  In progress  No
- Performance measurement:  Yes  In progress  No

Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other: please specify

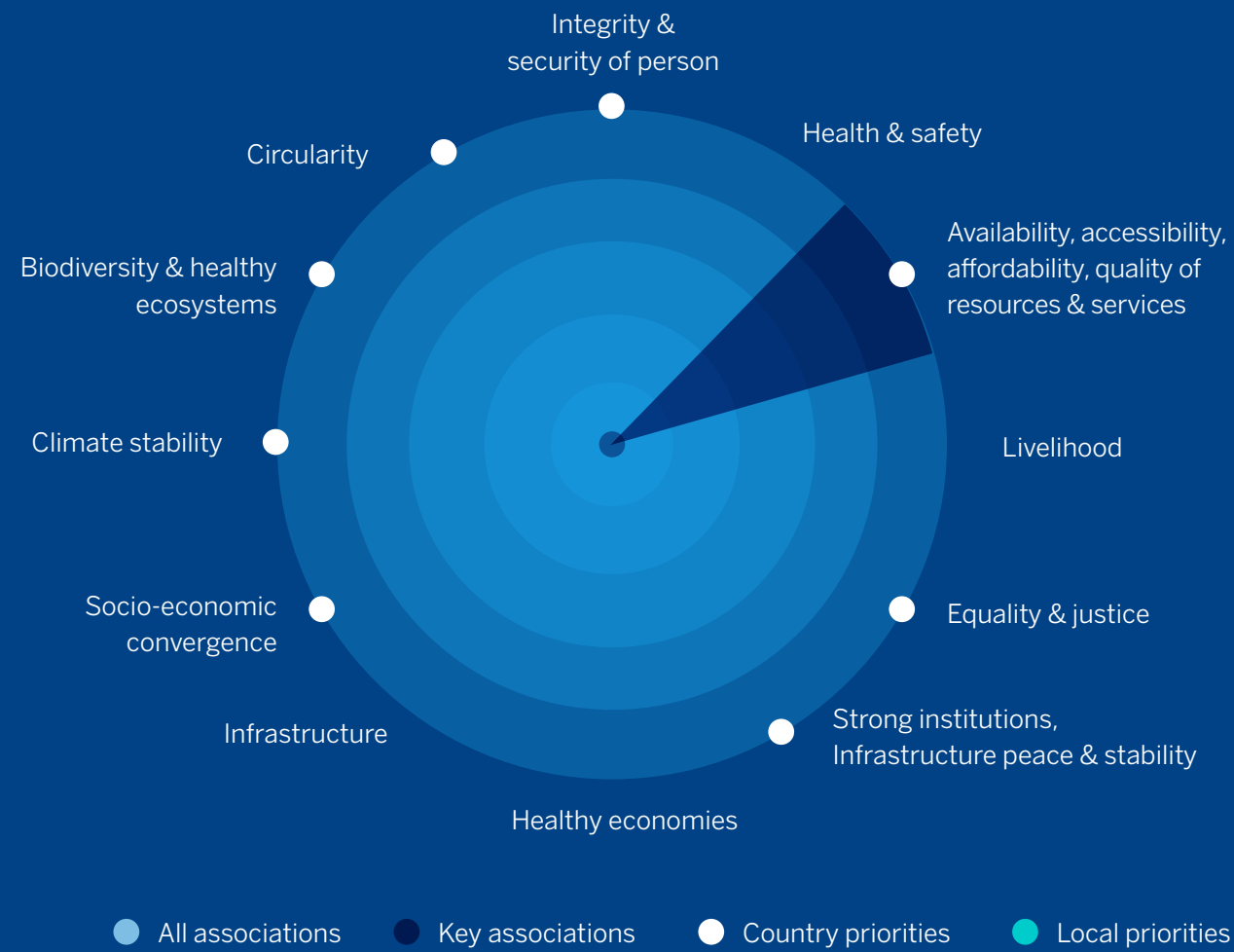
How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

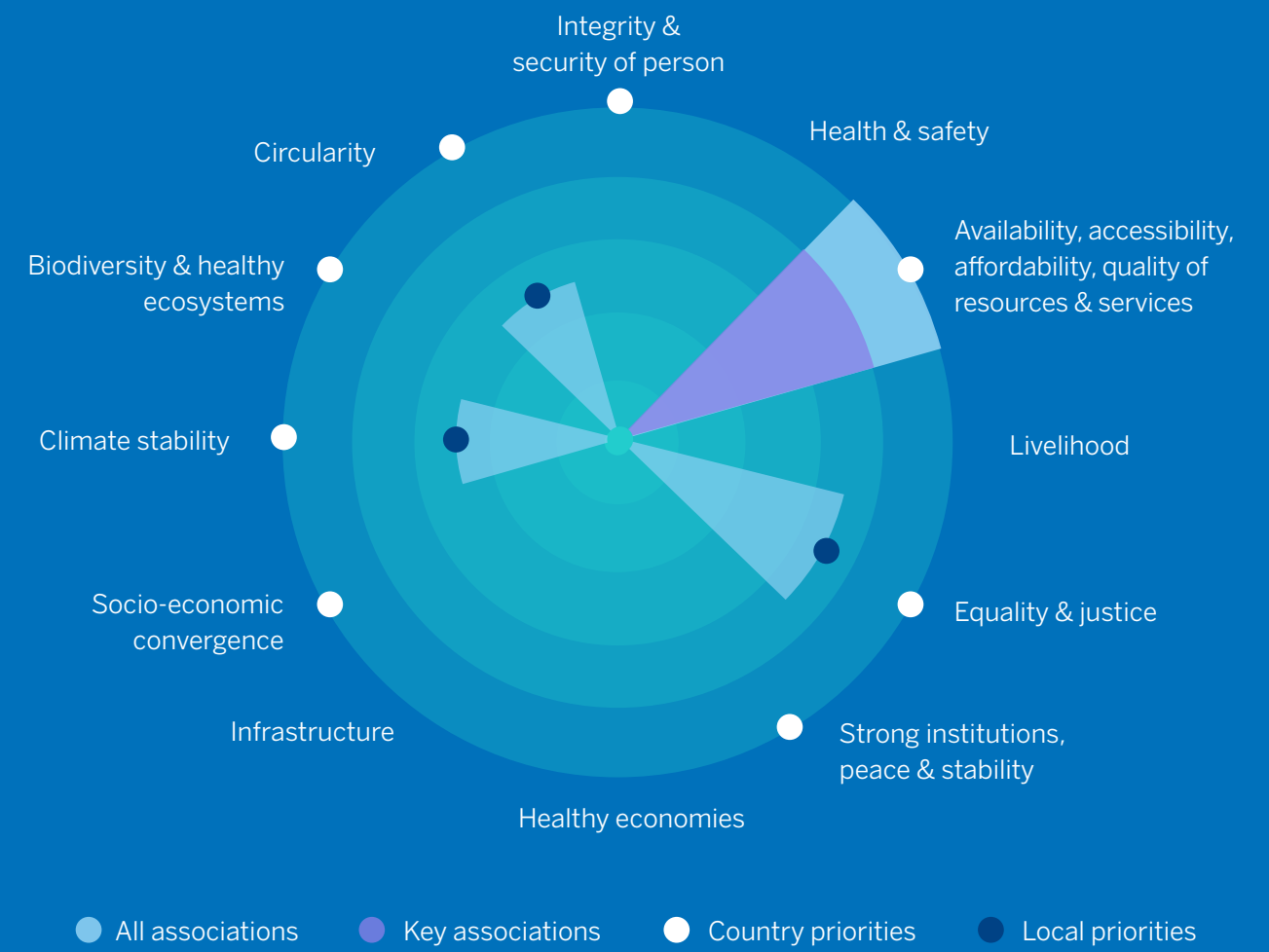
Open text field to describe potential challenges, aspects not covered by the above etc.: (optional)

<sup>6</sup> You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

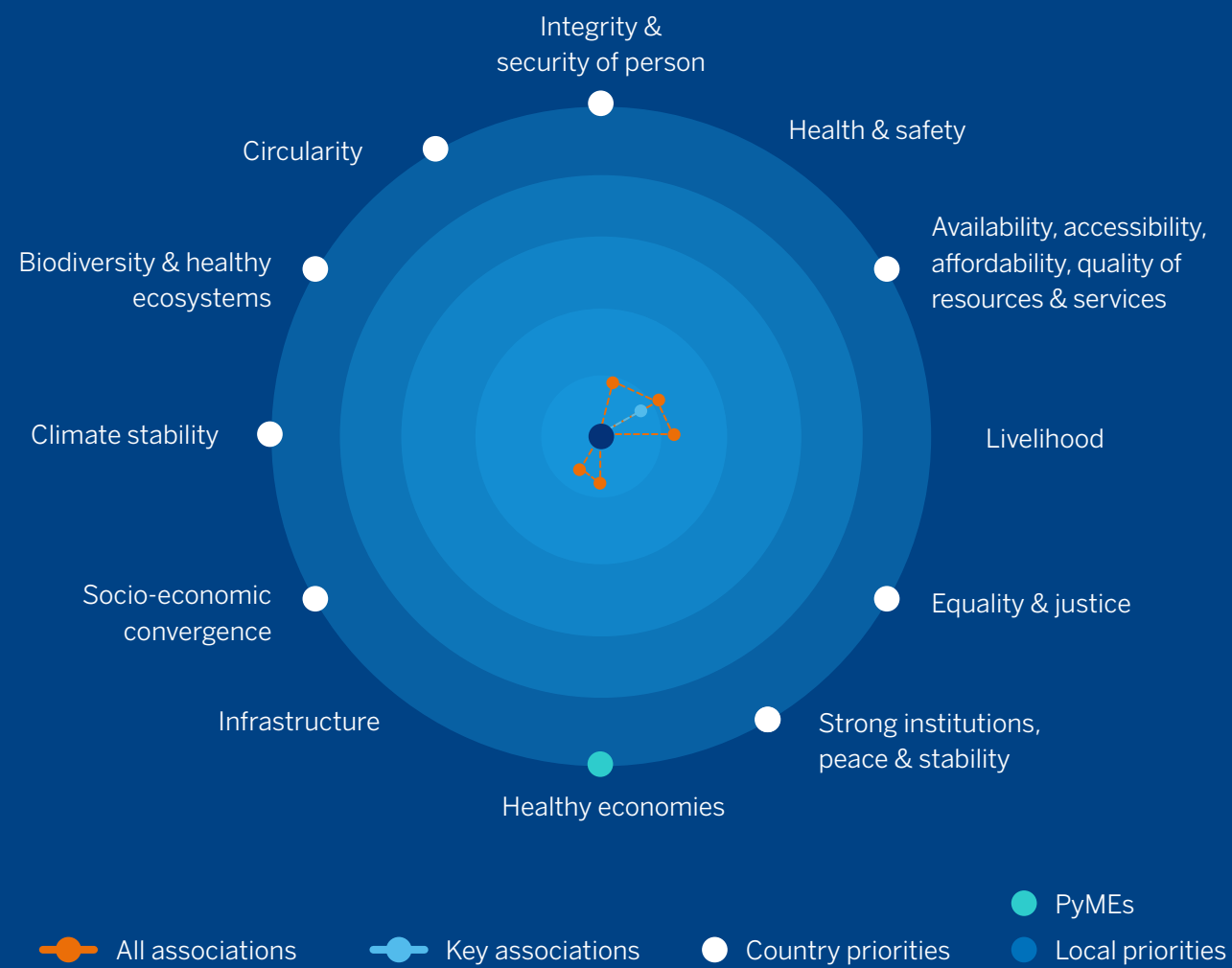
### Positive impact



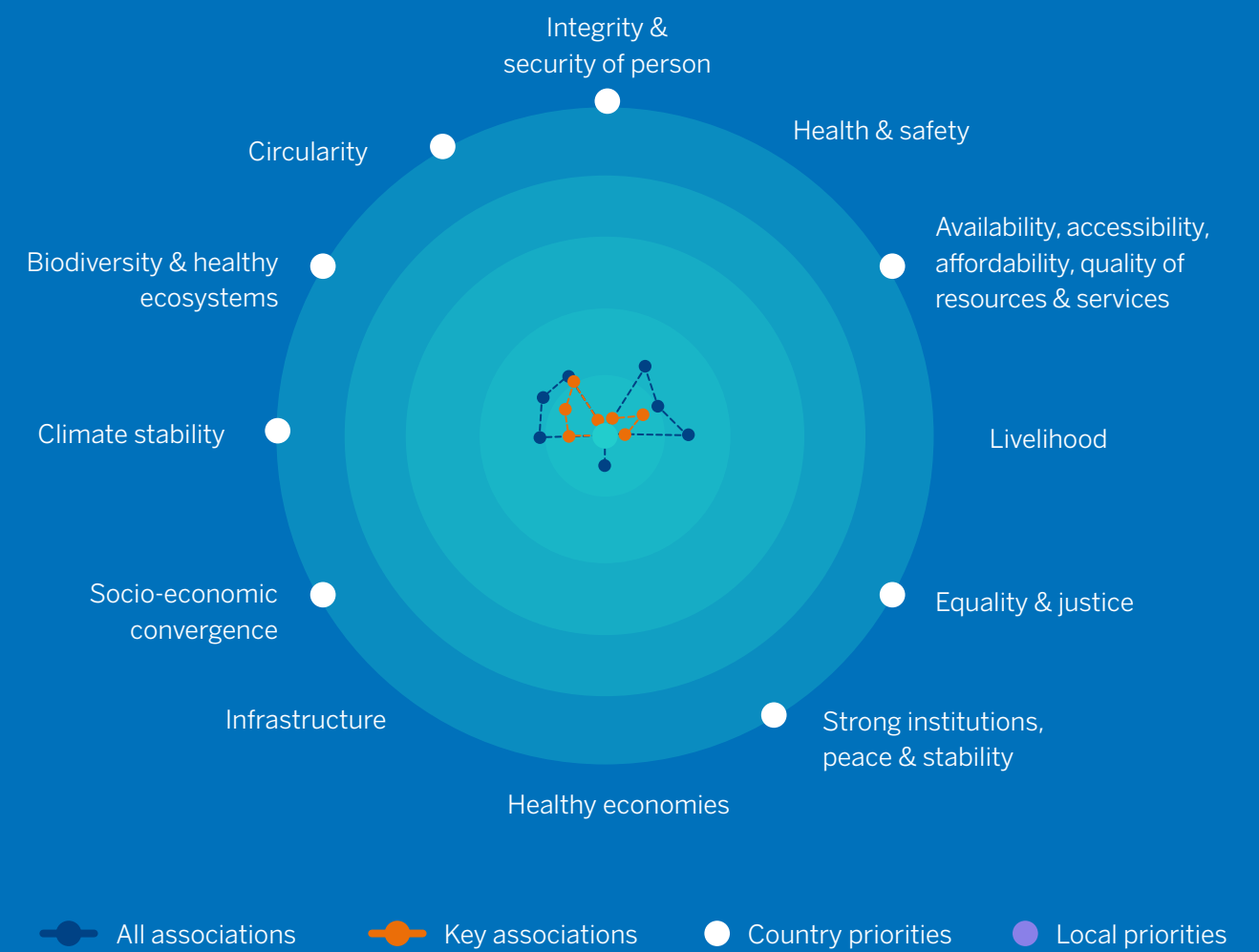
### Negative impact



### Positive impacts



### Negative impacts





## 2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets<sup>7</sup> have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

**a) Alignment:** which international, regional or national policy frameworks to align your bank’s portfolio with<sup>8</sup> have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

*You can build upon the context items under 2.1.*

Response	Links and references
<p>Based on publicly available information from the World Bank and performance reports related to the SDGs; reports, policies and data published by government agencies such as the National Institute of Statistics and Geography (INEGI) and the Ministry of Finance and Public Credit; as well as financial statistical information free of personally identifiable information.</p> <p>In this way, it is possible to understand the international context of management expectations in relation to the finances of BBVA México’s clients, analyzing the national context through statistics and finally applying it to the bank’s client portfolio.</p>	<p><a href="#">Sustainable Taxonomy of Mexico</a>  <a href="#">2023 SDG Sustainable Development Report Mexico</a>  <a href="#">World Bank in Mexico</a>  <a href="#">Instituto Nacional de Estadística y Geografía 2018 (INEGI)</a>  <a href="#">Instituto Nacional de Estadística y Geografía 2019 (INEGI)</a>  <a href="#">G20 Financial Inclusion Indicators</a>  <a href="#">The Global Findex Database 2021</a></p>

**b) Baseline:** Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

*You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.*

*A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the Annex of this template.*

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

Impact area	Indicator code	Response
Climate change mitigation	...	
	...	
	...	

<sup>7</sup> Operational targets (relating to for example water consumption in office buildings, gender equality on the bank’s management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

<sup>8</sup> Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank’s targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

Impact area	Indicator code	Response
Financial health & inclusion	...	
	...	
	...	

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

Response	Links and references
<p><b>Area of impact:</b> Financial inclusion  <b>Base year:</b> 2020  <b>Indicator:</b> Number of SME clients  <b>Base year value:</b> 552,000 SME clients</p> <p>In 2023, BBVA México has not established specific goals in the area of climate change impact. BBVA México is part of the scope of Grupo BBVA 's decarbonization goals; therefore, local actions contribute to their achievement.</p>	<p>TCFD 2022 Report, Grupo BBVA (Metrics and objectives)  BBVA México 2023 Annual Report, Social performance (Financial inclusion)</p>

**c) SMART targets** (incl. key performance indicators (KPIs)<sup>9</sup>): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Response	Links and references
<p><b>Financial inclusion objective:</b>  To bank and support the development and financial wellbeing of 1 million formalized, micro, small and medium-sized enterprises by 2025. By integrating them into the financial system and strengthening their businesses through access to products and services that enable their financial resilience.</p> <p><b>Tracking KPIs:</b>  # of new clients accessing the use of digital financial solutions as financial advice in other channels.  # of clients who acquire one or more products that enable their financial inclusion and resilience.</p> <p><b>Frequency of measurement:</b>  Measured quarterly through new account openings and number of products used by SMEs.  Frequency of disclosure: Annual</p> <p><b>Climate change target:</b>  In 2023, BBVA Mexico has not established specific targets on the climate change impact issue. BBVA México is part of the scope of the Grupo BBVA decarbonization goals, therefore, local actions contribute to its achievement (see reference link).</p>	<p>TCFD 2022 Report, Grupo BBVA  BBVA México 2023 Annual Report, Social performance (Financial inclusion)</p>

<sup>9</sup> Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

**d) Action plan:** which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analyzed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Response	Links and references
<p>BBVA México is currently implementing a program known as “Banca de Barrio” (Neighborhood Banking), a group of specialized executives provide personalized attention to the SME segment. Some of the actions carried out by this group include increasing the number of SME accounts, SME loans and providing a bank terminal to accept card payments. The priority groups served under this program are: micro, small and medium-sized formalized, unbanked companies.</p> <p>On the other hand, BBVA has 5 levers that are aligned with the vision of net zero emissions by 2050.</p> <p>Sector strategy for corporate clients: focus on low-carbon technologies and high-emission sectors, leveraging advisory capabilities.</p> <p>Driving enterprise business: developing products focused on 6 impact areas (automotive, real estate, agriculture, supply chain, energy, inclusive growth), leveraging expertise with corporate clients.</p> <p>Launching significant initiatives for the expansion of the retail business: creating a digital, innovative, and disruptive value proposition in specific vertical sectors.</p> <p>Financing new sustainable technologies: leading the financing of technologies previously unbanked through traditional financing, focusing on hydrogen technologies, batteries, carbon capture, storage and use, among others.</p> <p>Developing a better risk management capacity: focused on the increase of risks and relevance of sustainability-related issues, generating a strategy, guided by a taxonomy and internal credit policies, as well as the associated processes.</p>	<p>BBVA México 2023 Annual Report, Economic impact (Evolution of activity)            BBVA México 2023 Annual Report, Sustainable finance</p>

**Self-assessment summary**

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: <b>Availability, accessibility, affordability and quality of resources and services.</b>	... <b>second area of most significant impact:</b> Climate stability	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... (please name it)
Alignment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No



Baseline	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No

### 2.3 Target implementation and monitoring (Key Step 2)

**For each target separately:**

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank’s progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

**Or, in case of changes to implementation plans (relevant for 2<sup>nd</sup> and subsequent reports only):** describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/ review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Response	Links and references
<p>During 2023 BBVA México continued to promote its “Banca de Barrio” (Neighborhood Banking) business model, which has made it possible to serve small businesses within a delimited perimeter around the branch to attract a greater number of clients and generate closer relationships, improving the service experience through a wide range of specialized products for this segment. To this end, since its launch, it has 292 thousand new clients, placed 200 thousand new POS terminals, attracted 733 thousand new payrolls and, as an advisor to small businesses, it has also promoted the placement of insurance for more than Ps. 3,475 million to insure various types of damages.</p>	<p>TCFD 2022 Report, Grupo BBVA            BBVA México 2023 Annual Report, Economic impact (Evolution of activity)</p>

## Principle 3: Clients and Customers



We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

### 3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers<sup>10</sup> in place to encourage sustainable practices?

Yes       In progress       No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes       In progress       No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities<sup>11</sup>). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

*This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).*

Response	Links and references
<p>The Board of Directors approves and promotes the integration of sustainability and financial health in BBVA's business strategy, some of the milestones are:</p> <ol style="list-style-type: none"> <li>The General Sustainability Policy, establishing the vision and initiatives to accompany clients in the development of sustainable business models.</li> <li>A Corporate Social Responsibility policy has been implemented to foster a transparent, clear and responsible relationship with clients, promoting inclusion, financial education, and ensuring responsible access to financial services.</li> <li>In addition, BBVA has a framework for sustainable transactional products and a framework for the issuance of bonds linked to the SDGs.</li> <li>BBVA México implements the Equator Principles to assess the environmental and social risks of the projects financed.</li> </ol> <p>These policies and frameworks are global in scope and applicable to all geographies.</p>	<p>BBVA México 2023 Annual Report , Group's Profile (Grupo BBVA's sustainability strategy).            BBVA México 2023 Annual Report, Sustainable finance (Reference standards and guidelines).</p>

<sup>10</sup> A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

<sup>11</sup> Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

### 3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Response	Links and references
<p>Grupo BBVA undertook a strategic reflection process in 2019 to deepen its transformation and adapt to the major trends that are changing the world and the financial sector. Two of the main trends identified were the fight against climate change and the relevance of driving inclusive growth.</p> <p>In this regard, the Group has made it a priority to “help our clients in the transition to a sustainable future.” To make this possible, in 2018 Grupo BBVA published its 2025 Goal which consisted of mobilizing EUR 100,000 million in sustainable business between 2018 and 2025. Subsequently, in July 2021 it increased its target to EUR 200,000 million and in October 2022 it increased it again to EUR 300,000 million.</p> <p>Grupo BBVA’s priority is to support its clients, with advice and financing, in the development and implementation of their transition plans in all segments and the diversity of sectors served by the bank. This objective extends to the geographies where the Group operates, including Mexico. As of December 31, 2023, BBVA México channeled more than Ps. 206 billion, 29.27% more than in 2022.</p>	<p>BBVA México 2023 Annual Report, Sustainable Finance</p>



## Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

### 4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups<sup>12</sup>) you have identified as relevant in relation to the impact analysis and target setting process?

Yes       In progress       No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Response	Links and references
<p>In order to gather stakeholder perspectives, in the update of BBVA México's 2023 materiality analysis, surveys were conducted with employees, representing their voice and expectations on key sustainability issues for BBVA México and the sector. The materiality analysis was based on the previous year's exercise. Additionally, sources such as regulatory frameworks, international industry standards, rating agencies, press and internal information of the organization (IReNEs) were consulted in order to identify preliminary issues.</p> <p>As part of the analysis and prioritization of materiality impact issues, the most significant issues for BBVA México were examined and ranked. Initially, both internal and external stakeholders participated in two exercises. On the one hand, the application of 11 surveys to employees to evaluate the issues from an impact perspective (how the Bank impacts the environment and society). On the other hand, the review of IReNEs applied throughout the year to clients and suppliers, extracting information on the impacts of sustainability issues evaluated from another perspective.</p> <p>Additionally, the relevant areas within BBVA México were consulted to identify objectives, obtaining direct information from those responsible for financial inclusion, together with the programs currently being carried out, climate action and associated financed emissions, those responsible for the financial health of clients and those responsible for issuing green, social, sustainable and sustainability-linked bonds.</p>	<p>BBVA México 2023 Annual Report, Group's Profile (Grupo BBVA's sustainability strategy, Stakeholders)</p>

<sup>12</sup> Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations.

## Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

### 5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

Yes  In progress  No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Response	Links and references
<p>Grupo BBVA's corporate bodies have defined and promoted a strategy that incorporates sustainability as one of its strategic priorities from 2019. The Board considers the integration of sustainability in the Group's businesses and activities as an essential element of this approach, managing the risks associated with these areas, and considering them as a great business opportunity on which to support its growth strategy.</p> <p>Grupo BBVA incorporates the dimension of sustainability in its day-to-day business, both in its relations with clients and in internal processes. In this sense, the definition and execution of a strategy that incorporates sustainability and climate change as one of its priorities is of a cross-cutting nature, and all areas of the Group are responsible for progressively incorporating it into their strategic agenda and work dynamics.</p> <p>In 2021, Grupo BBVA gave new impetus to its strategy by raising sustainability to the highest executive level of the organization with direct reporting from the head of the Global Sustainability area to the CEO and the President (in this case, in areas related to strategy and transformation), thus creating the Global Sustainability business area. In 2021, BBVA México replicated the management model of the Global Sustainability Office (GSO), creating the Local Sustainability Office (LSO), an area that seeks to permeate sustainability from the highest executive level of the organization.</p>	<p>BBVA México 2023 Annual Report, Governance (Sustainability Governance)</p>

## 5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Response	Links and references
<p>Similarly, in 2023, the training program focused on corporate sustainability was upheld. This course allowed all employees to learn about the significance of sustainability in their respective areas of work.</p> <p>In addition, those involved with the implementation of the Principles of Responsible Banking attend classroom or remote courses offered through the PRB Academy, globally or locally.</p>	<p>BBVA México 2023 Annual Report, Social performance (Training)</p>

## 5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?<sup>13</sup> Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Response	Links and references
<p>BBVA México is governed by BBVA's Responsible Banking Policy. For more information, please refer to the 2023 Annual Report, section Due diligence: environmental and social assessment.</p>	<p>Due diligence: environmental and social assessment</p>

### Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

Yes  No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes  No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes  In progress  No

<sup>13</sup> Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.



## Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

### 6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes  Partially  No

If applicable, please include the link or description of the assurance statement.

Response	Links and references
In compliance with the PRB implementation requirements, BBVA México has requested external verification of items 2.1, 2.2, 2.3, 5.3 and 6.1.	BBVA México 2023 Annual Report, Exhibits

### 6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other: ....

Response	Links and references
BBVA México's 2023 Annual Report is prepared in accordance with the GRI Standards, meeting the requirements of SASB.	BBVA México 2023 Annual Report, Introduction (About this report)

### 6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis<sup>14</sup>, target setting<sup>15</sup> and governance structure for implementing the PRB)? Please describe briefly.

Response	Links and references
<p>During the next reporting year, BBVA México will measure performance against its objective related to financial inclusion to demonstrate progress compared to the baseline described in previous sections.</p> <p>On the other hand, BBVA México continues to work to obtain more information to set a target for the second area of greatest impact (climate stability).</p> <p>In addition, information will be compiled to update the impact analysis, seeking to have more detailed information for its analysis.</p>	<p>N/A</p>

### 6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualize the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

<input checked="" type="checkbox"/> Embedding PRB oversight into governance	<input checked="" type="checkbox"/> Customer engagement
<input type="checkbox"/> Gaining or maintaining momentum in the bank	<input type="checkbox"/> Stakeholder engagement
<input type="checkbox"/> Getting started: where to start and what to focus on in the beginning	<input type="checkbox"/> Data availability
<input type="checkbox"/> Conducting an impact analysis	<input type="checkbox"/> Data quality
<input checked="" type="checkbox"/> Assessing negative environmental and social impacts	<input type="checkbox"/> Access to resources
<input checked="" type="checkbox"/> Choosing the right performance measurement methodology/ies	<input type="checkbox"/> Reporting
<input checked="" type="checkbox"/> Setting targets	<input type="checkbox"/> Assurance
<input type="checkbox"/> Other: ...	<input type="checkbox"/> Prioritizing actions internally

If desired, you can elaborate on challenges and how you are tackling these

<sup>14</sup> For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement.

<sup>15</sup> For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

# Independent verification report



Mexico City, March 15, 2024

## INDEPENDENT ACCOUNTANT VERIFICATION REPORT

To the Administration of  
Grupo Financiero BBVA México S.A. de C.V.

### Scope

We have been engaged by Grupo Financiero BBVA México S.A. de C.V. (hereinafter "**the Company**"), to develop a limited external verification commitment, as defined by the International Standards on Assurance Engagements (hereinafter "**the Commitment**"), to report on the identified sustainability information (hereinafter the "**Subject Matter**") detailed in Annex 1 and contained in the **Annual** Financial and Sustainability Report of Grupo Financiero BBVA México S.A. de C.V. (hereinafter the "**Report**") for the period from January 1 to December 31, 2023.

### Criteria applied by Grupo Financiero BBVA México S.A. de C.V.

In the preparation of the identified sustainability information, which is detailed in Annex 1, Grupo Financiero BBVA México S.A. de C.V. applied the standards listed below (the **Criteria**) and which are listed in the table of contents of the **Report** and in **Annex 1** of this report

- GRI - *Global Reporting Initiative*
- *Principles for Responsible Banking (PRB)*
- Indicators with in-house developed criteria, aligned with the Global Eco-efficiency Plan of Banco Bilbao Vizcaya Argentaria S.A. (BBVA)

A member firm of Ernst & Young Global Limited



### Responsibilities of Grupo Financiero BBVA México S.A. de C.V.

The Management of Grupo Financiero BBVA México S.A. de C.V. is responsible for selecting the **Criteria** and presenting the identified sustainability information in accordance with these **Criteria**, in all material aspects. This responsibility includes establishing and maintaining internal controls, proper record keeping, and making estimates that are relevant to the preparation of the **Subject Matter** so that it is free from material errors, whether by fraud or error.

### EY's Responsibilities

Our responsibility is to express a conclusion on the presentation of the **Subject Matter** based on the evidence we have obtained.

We have carried out our commitment in accordance with International Standards on Assurance Engagements other than Auditing or Historical Information Review (ISAE 3000), EY Global Sustainability Assurance Methodology (EY SAM) and the terms and conditions for this commitment agreed with **Grupo Financiero BBVA México S.A. de C.V.** on *May 9, 2023*. Such standards require us to plan and execute our work in order to obtain limited assurance as to whether, in all material aspects, the **Subject Matter** is presented in accordance with **the Criteria**, and to issue a report. The nature, timing and extent of the procedures selected depend on our judgment, including our assessment of the risk of material misstatement, whether due to fraud or error.

We consider the evidence obtained to be sufficient and adequate to support our limited verification conclusions.

### Our Independence & Quality Control

We have maintained our independence and confirm that we comply with the requirements of the Handbook of the Code of Ethics for Accounting Professionals issued by the *International Ethics Standards Board for Accountants*, and have the required competencies and experience to carry out this verification work.





EY also applies International Quality Control Standard 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive quality control system that includes documented policies and procedures on compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

**Description of Procedures Performed**

The procedures performed in a limited verification job vary in nature and timeliness and are less extensive than for a reasonable assurance job. Consequently, the level of assurance obtained in a limited verification job is substantially lower than the assurance that would have been obtained if reasonable assurance work had been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance. While we have taken into account the effectiveness of management's internal controls in determining the nature and extent of our procedures, our verification commitment is not designed to provide assurance about internal controls. Our procedures did not include testing of controls or the execution of procedures relating to the aggregate review or calculation of data in information systems.

A limited verification commitment consists of consultations, mainly with the responsible person for the preparation of the identified sustainability information detailed in **Annex 1** and the implementation of analytical and other appropriate procedures.

Our limited assurance procedures included, but were not limited to:

- a. Conduct interviews with Company personnel to understand the business and the process of preparing the **Report**.
- b. Conduct interviews with those responsible for the **Report** to understand the process of collecting, consolidating, and presenting the information of the **Subject Matter**.



- c. Verify that the calculation criteria has been correctly applied in accordance with the methodologies described in the **Criteria**.
- d. Conduct analytical review procedures to support the reasonableness of the data.
- e. Identify and verify the assumptions that support the calculations.
- f. Test, based on sampling, the source information to verify the accuracy of the data.

We have also carried out other procedures that we have deemed necessary under the circumstances.

**Limitations of Our Assurance Commitment**

Our verification commitment was limited to the **Subject Matter** contained in the **Report** for the period from January 1 to December 31, 2023, it does not include information from previous years included in the **Report**, nor related to future projections or goals. Nor did it attempt to determine whether the technological tools used for the development of the Report are the most appropriate and/or efficient.

**Conclusion**

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the sustainability information identified in the **Report** for the period from January 1 to December 31, 2023, and which is detailed in the subject matter **Annex 1** of this Report, so that it is in accordance with the provisions of the **Criteria**.

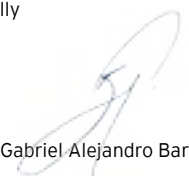
**Use of this Verification Report**

This report is intended solely for the information and use of **Grupo Financiero BBVA México S.A. de C.V.** and is not intended to be used, nor should it be, used by anyone other than those specified parties.



Our responsibility, in carrying out verification activities, is solely with the **Company's** Management, therefore, we do not accept or assume any liability for any other purpose or to any other person or organization.

Cordially



C.P.C. Gabriel Alejandro Baroccio Pompa  
 Professional License No.: 2825386  
 Appointed by Mancera, S.C.  
 Member of Ernst & Young Global Limited



#### ANNEX 1

The sustainability information identified (the "**Subject Matter**") in the scope of this report and included in the **Report** issued by **Grupo Financiero BBVA México** on its website is presented in the following table:

STANDARD	ID INDICATOR	INDICATOR	COVERAGE
GRI Standards	GRI 1	About this report	Complete
GRI Standards	Contents 2-1	Organizational Details	Complete
GRI Standards	Contents 2-7	Employees	Coverage: a, b, c, d, e
GRI Standards	Contents 2-9	Governance Structure and Composition	Coverage: a, b, c.i, c.ii, c.iii, c.iv, c.v, c.vii
GRI Standards	Contents 2-11	Chair of the highest governance body	Complete
GRI Standards	Contents 2-23	Policy commitments	Coverage: a, b, e
GRI Standards	Contents 2-26	Mechanisms for seeking advice and raising concerns	Complete
GRI Standards	Contents 3-1	Process of Determining Material topics	Complete
GRI Standards	Contents 3-2	List of Material Topics	Complete
GRI Standards	Contents 205-2	Communication and training about anti-corruption policies and procedures	Coverage: a, c, e
GRI Standards	Contents 302-1	Energy consumption within the organization	Coverage: a, b, c.i
GRI Standards	Contents 302-3	Energy Intensity	Complete
GRI Standards	Contents 303-3	Water withdrawal	Coverage: a, d
GRI Standards	Contents 303-5	Water consumption	Coverage: a, c
GRI Standards	Contents 305-1	Direct (scope 1) GHG emissions	Coverage: a, b, e, g
GRI Standards	Contents 305-2	Energy Indirect (scope 2) GHG emissions	Coverage: b, c, e, g
GRI Standards	Contents 305-3	Other indirect (scope 3) GHG emissions	Coverage: a, b, d, f, g
GRI Standards	Contents 305-4	GHG Emissions Intensity	Complete
GRI Standards	Contents 306-2	Management of significant waste-related impacts	Complete
GRI Standards	Contents 306-3	Waste generated	Complete



GRI Standards	Contents 401-1	New Employee Hires and Staff Turnover	Coverage: a.i, a.ii, b.i, b.ii
GRI Standards	Contents 401-3	Parental leave	Complete
GRI Standards	Contents 404-1	Average number of hours of training per year per employee	Complete
GRI Standards	Contents 404-3	Percentage of employees receiving regular performance and career development reviews	Complete
GRI Standards	Contenido 405-1	Diversity of governing bodies and employees	Coverage: a.i, a.ii, b.i, b.ii
Suplemento sectorial	FS16	Initiatives to improve financial literacy and education according to the type of beneficiary	Complete
Principles for Responsible Banking	2.1	Impact Analysis	Complete
Principles for Responsible Banking	2.2	Target Setting	Complete
Principles for Responsible Banking	2.3	Target Implementation and Monitoring	Complete
Principles for Responsible Banking	5.3	Governance Structure for Implementation of the Principles	Complete
Principles for Responsible Banking	6.1	Progress on Implementing the Principles for Responsible Banking	Complete
NA	BBVA - Global Eco-Efficiency Plan	Surface (m2)	Complete
NA	BBVA - Global Eco-Efficiency Plan	Renewable Energy Certificates Purchased	Complete
NA	BBVA - Global Eco-Efficiency Plan	% Purchased Renewable Electricity	Complete



NA	BBVA - Global Eco-Efficiency Plan	Total Water consumed per square meter	Complete
NA	BBVA - Global Eco-Efficiency Plan	Total Water Consumed Per Employee	Complete
NA	BBVA - Global Eco-Efficiency Plan	Total paper consumed per square meter	Complete
NA	BBVA - Global Eco-Efficiency Plan	Total Paper Consumed Per Employee	Complete
NA	BBVA - Global Eco-Efficiency Plan	LEED-certified buildings	Complete
NA	BBVA - Global Eco-Efficiency Plan	ISO 14001 certified buildings	Complete
NA	BBVA - Global Eco-Efficiency Plan	Reused water in m3	Complete

\*\* End of document \*\*



# Consolidated financial statements

Consolidated Financial Statements of Grupo Financiero BBVA México, S.A. de C.V.:

<https://investors.bbva.mx/wp-content/uploads/2024/02/23.-GFBBVA-Estados-financieros-dictaminados-VF-RUBRICA.pdf>

Consolidated Financial Statements of BBVA México, S.A. Institución de Banca Múltiple:

<https://investors.bbva.mx/wp-content/uploads/2024/02/23.-BBVA-Estados-financieros-dictaminados-VF-RUBRICA.pdf>

**BBVA**

Creating Opportunities