



# BBVA 2023 Green and Social Bonds

REPORT



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# Introduction

BBVA faces sustainability from a holistic perspective, taking into account environmental, social and governance aspects, as established in its General Sustainability Policy.

Sustainability is a significant and long-term opportunity. The world is living in an era of unprecedented change and sustainability and banks have a key role to play in financing the transformation by allocating funds to decarbonization technologies that offer long-term growth.

Thus, sustainability is at the core of BBVA strategy, which has a roadmap with two clear objectives:



1



**Promote new business through sustainability** with a global and holistic approach in the fields of climate, natural capital and inclusive growth.

2



**Achieve net zero emissions by 2050 (Net Zero)** setting and managing decarbonization targets by 2030, with sectoral decarbonization plans in those sectors most relevant to decarbonization

In order to foster new business, the bank is working on 3 levers: 1) promoting personalised advice to customers to capture incremental business opportunities across wholesale, enterprise and retail segments; 2) developing differential risk management capabilities; 3) building levers to do business in the right way.

In this context, the issuance of green and social bonds and other debt instruments plays a key role in achieving the Bank's objectives. Sustainable origination enables the bank to meet its strategic priority "Helping our clients in the transition towards a sustainable future", and to progressively align with the goals of the Paris Agreement and the SDGs.



Thanks to the use of funds obtained from green and social bonds, BBVA contributes to several SDGs, by generating a positive impact through its activity with clients, as well as through its interaction and support to society, through its investment in the community. Examples include funds channelled to activities such as renewable energies, energy efficiency, waste management and water treatment, or financing access to essential needs and services, such as housing and inclusive finance, among others.



In November 2022, BBVA published its Sustainable Debt Financing Framework (the “Framework”). This Framework replaced BBVA’s existing SDG Bond Framework, defined in 2018, under which ESG bonds could be issued and it has been updated in 2023.



The current Framework was developed to reflect the most updated Group’s commitment and best market practice and allows BBVA, S.A. or any of its subsidiaries (under the terms provided for herein) to issue Green, Social or Sustainability Instruments.



This Framework will be applicable to those relevant Instruments issued from the Framework’s effective date, that is November 2022, that it is foreseen in the relevant documentation of the Instrument. Instruments issued prior to such date will be governed, until their maturity, by the former BBVA SDG Bond Framework published in 2018 (the “2018 Framework”). For the purposes of any such prior issued instruments, this Framework does not amend, supplement, restate or otherwise update the 2018 Framework.



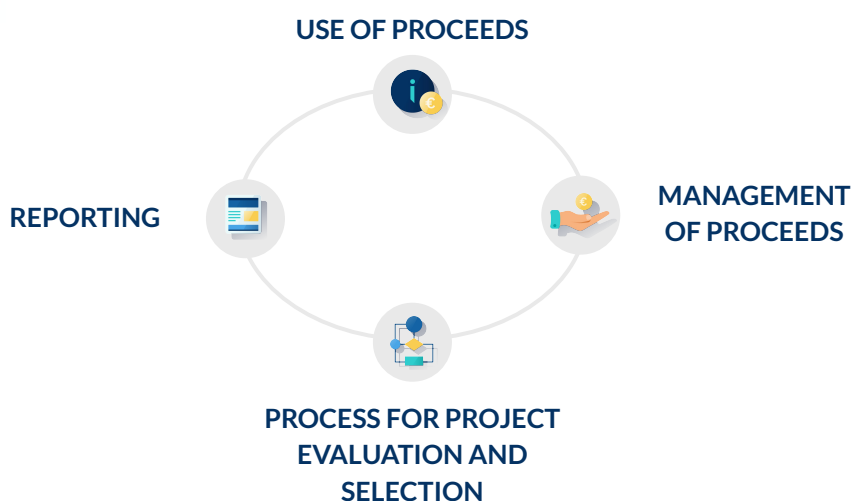
# Summary of the Sustainable Debt Financing Framework

BBVA has developed the Sustainable Debt Financing Framework under which BBVA, S.A. or any of its subsidiaries can issue Green, Social or Sustainable Instruments (Bonds, Certificate of deposits, Commercial paper or any other instrument with financing debt purposes which meets the criteria provided for in this Framework).

BBVA intends to update it periodically, including, if appropriate, to adapt it to the EU Green Bond Standard, once approved and applicable.



BBVA has developed this Framework based on international best practices and it is aligned with the 2021 ICMA Green Bond Principles (GBP), Social Bond Principles (SBP) and Sustainability Bond Guidelines<sup>1</sup>, which provides guidelines in the following four core components:



(1) More information [here](#)

# BBVA's eligible green and social portfolio vs outstanding ESG bond issuance

As of December 2023, BBVA's green and social bonds eligible portfolio amounted to **€12,651** million and **€3,717** million respectively. These amounts represent outstanding loans identified by BBVA as eligible in accordance with its Sustainable Debt Financing Framework.

In case of social bonds, the only one outstanding is the Covid-19 bond. This bond was issued to provide financial support to the most affected sectors by the COVID-19 pandemic through state guarantee loans. These loans have not been included in the social eligible portfolio figure



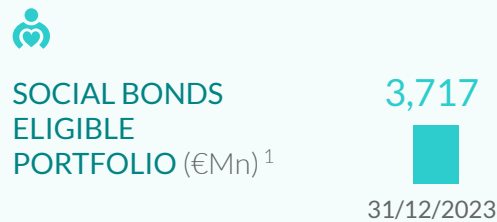
## GREEN BONDS ELIGIBLE PORTFOLIO

BREAKDOWN  
(EUR Mn)

Category	Amount (Mn)	%
Green Buildings	5,920	47%
Renewable Energies	4,061	32%
Clean Transport	1,439	11%
Energy Efficiency	635	5%
Sustainable water & wastewater management	309	2%
Pollution, prevention & control	64	0.5%
Circular economy adapted products, production technologies and processes	47	0.4%
Environmentally sustainable management of living natural resources and land use	42	0.3%
Others	133	1,05%

**Total drawn green asset portfolio** **12,651**

% of Eligible Green loan portfolio allocated 38.39%



## SOCIAL BONDS ELIGIBLE PORTFOLIO

BREAKDOWN  
(EUR Mn)

Category	Amount (Mn)	%
Socioeconomic advances and empowerment (Entrepreneurship & support for micro-business)	1,429	38%
Affordable core Infrastructure (Telecommunications & mass transit)	755	20%
Access to essential services (Health)	650	17%
Socioeconomic advances and empowerment (financing for individuals qualifying as vulnerable or on low incomes)	368	10%
Access to essential services (Education)	216	6%
Socioeconomic advances and empowerment (support for financial inclusion)	121	3%
Socioeconomic advances and empowerment (financing for Housing)	6	0%
Affordable core Infrastructure (Public works infrastructure)	4	0%
Others <sup>1</sup>	170	5%

**Total drawn social asset portfolio** **3,718**

% of Eligible Social loan portfolio allocated 0%



# Green bonds

## 4.1 Green eligible assets and their environmental impacts

As of 31 December 2023, BBVA has 9 green bonds outstanding guaranteed by BBVA S.A. with an outstanding amount of €4,768 Mn.

A summary of these bonds is included in the table below:

Debt type	Issuer	Amount (Mn)	Currency	Issue date	Maturity date	ISIN
Senior Non-Preferred	Banco Bilbao Vizcaya Argentaria, S.A.	1,000	EUR	05/14/2018	14/05/2025	XS1820037270
Senior Non-Preferred	Banco Bilbao Vizcaya Argentaria, S.A.	1,000	EUR	06/21/2019	21/06/2026	XS2013745703
Additional Tier 1	Banco Bilbao Vizcaya Argentaria, S.A.	1,000	EUR	07/15/2020	Perp NC5	ES08132211028
Senior Preferred	Banco Bilbao Vizcaya Argentaria, S.A.	1,250	EUR	10/14/2022	10/14/2029	XS2545206166
Senior Preferred	Banco Bilbao Vizcaya Argentaria, S.A.	215	CHF	11/28/2022	11/28/2025	CH1228837899
Senior Preferred	Banco Bilbao Vizcaya Argentaria, S.A.	210	CHF	11/28/2022	11/28/2028	CH1228837907
Senior Preferred	BBVA Global Markets	34	EUR	02/05/2019	02/19/2025	ES0205067426
Senior Preferred	BBVA Global Markets	43	PLN	11/30/2022	11/23/2026	XS2392204876
Senior Preferred	BBVA Global Markets	64	PLN	08/03/2023	08/03/2026	XS2491416744
Total Amount Equivalent in EUR <sup>1</sup>		4,768				

(1) Calculated taking into account FX as of december 2023. CHF = 1.08 EUR; PLN = 0,23 EUR

## 4.2 Key environmental impacts in 2023

	Total amount						SDGs
	Total (Eur)	CO <sub>2</sub> e avoided (Tons)	Electrical Energy Generated (MWh/Year) <sup>(2)</sup>	Installed Potency (MW)	wastewater treated (m <sup>3</sup> /year)	of waste managed (tons/year)	
<b>RENEWABLE ENERGY <sup>(1)b</sup></b>	<b>2,453,750,387</b>	<b>1,222,235</b>	<b>6,742,567</b>	<b>6,809</b>			
<b>Wind</b>	<b>947,976,544</b>	<b>728,630</b>	<b>3,972,887</b>	<b>4,975</b>			
On shore	688,718,050	444,027	2,741,516	4,965			
Off-shore	259,258,494	284,602	1,231,371	10			
<b>Wind (under development) - Off-shore</b>	<b>94,485,222</b>	<b>112,112</b>	<b>485,067</b>	<b>105</b>			
<b>Solar (operative)</b>	<b>856,465,655</b>	<b>332,636</b>	<b>2,073,412</b>	<b>1,406</b>			
<b>Solar (under development)</b>	<b>129,536,614 €</b>	<b>44,771</b>	<b>199,377</b>	<b>311</b>			
<b>Mixed wind &amp; solar portfolio</b>	<b>425,286,352 €</b>	<b>4,086</b>	<b>11,824</b>	<b>12</b>			
<b>SUSTAINABLE TRANSPORT</b>	<b>1,037,837,625</b>	<b>67,972</b>					
Completed transportation projects	1,037,837,625	67,972					
<b>GREEN BUILDINGS</b>	<b>1,293,048,966</b>	<b>3,752</b>					
<b>Green buildings (completed projects)</b>	<b>1,293,048,966</b>	<b>3,752</b>					
A certified	255,173,649	431					
LEED or BREEAM Certified	475,875,317	613					
Green mortgages	562,000,000	2,708					
<b>WATER MANAGEMENT</b>	<b>76,000,000</b>				<b>26,055,224</b>		
Water Management	76,000,000				26,055,224		
<b>WASTE MANAGEMENT</b>	<b>14,185,208</b>					<b>170,335</b>	
Waste Management	14,185,208					170,335	
<b>Total</b>	<b>4,874,822,186</b>	<b>1,293,959</b>	<b>6,742,567</b>	<b>6,809</b>	<b>26,055,224</b>	<b>170,335</b>	

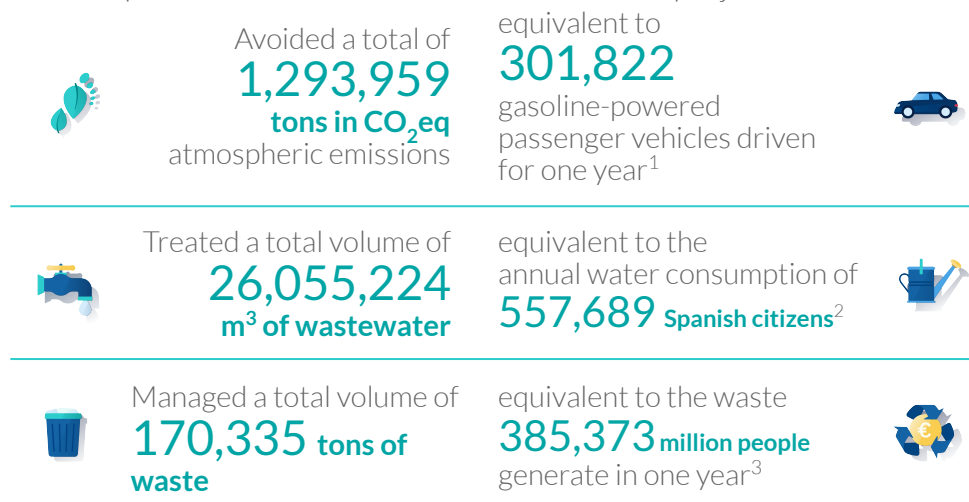


(1) The calculation of avoided emissions from renewable energy projects is calculated by multiplying the renewable electricity injected into local grids by the relevant national CO<sub>2</sub> emission factor for electricity. The proportional part of the investment corresponding to the bonds issued by BBVA has been accounted for.

(2) All figures reported for renewable electricity generation are based on actual generation amounts delivered to local grids during the calculation period. We have relied on several different sources to quantify the total amount of renewable energy generated from these renewable energy projects based on data availability.



## 2023 Impact of BBVA Green Bonds' allocation of projects:



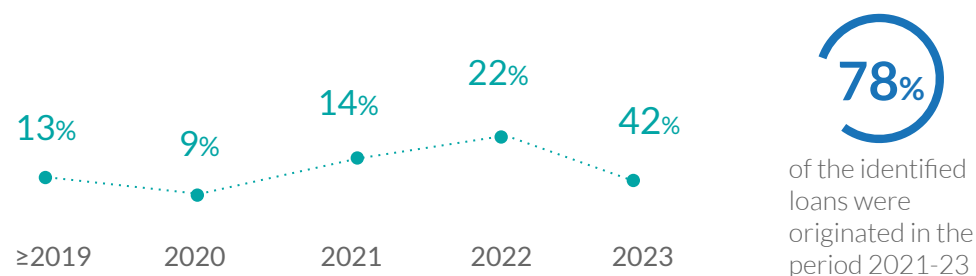
(1) Impact calculated according to Environmental Protection Agency (EPA) GHG Calculator

<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

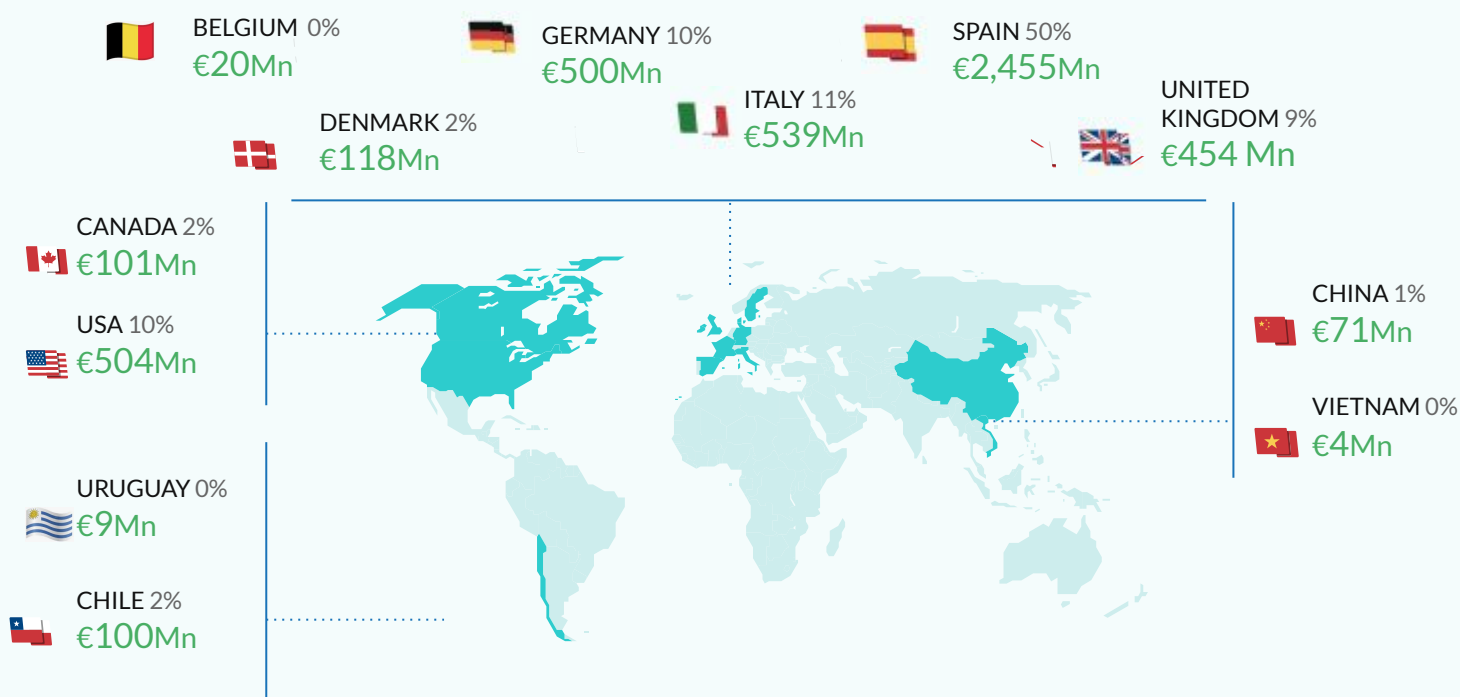
(2) Impact calculated taking as a reference the per capita water consumption in Spain in 2022.

(3) Impact calculated taking into account per capita waste generation in Spain in 2021.

## 4.3 Distribution by geography and vintage of selected assets



The following map shows the geographic distribution of the selected assets



## 4.4 Methodology for the calculation of impacts linked to green bonds

The methodology used by BBVA to calculate the emissions avoided related to the investment projects contained in this report is based on internationally recognized standards and guidelines, ensuring that results are certified, reliable and verifiable. Specifically, the methodology is based on the generation of equivalent and comparable scenarios following the baseline scenarios proposed in standard ISO-14,062, and specifically on section 2: “Greenhouse Gases. Specification with guidance at the project level for quantification and reporting of greenhouse gas emission reductions and removal enhancements.”

In the case of renewable energy projects, the avoided CO<sub>2</sub> emissions were calculated by multiplying the renewable electricity injected into the local power grid by the CO<sub>2</sub> emission factor of the national energy mix. CO<sub>2</sub> emission factors of the energy mix used in each country were the following:

Country	Emission factor (ton CO <sub>2</sub> /MWh)	Source
France	0.166	International Energy Agency
Ireland	0.257	International Energy Agency
Italy	0.226	International Energy Agency
Portugal	0.186	International Energy Agency
Uruguay	0.132	International Energy Agency
Bulgaria	0.315	International Energy Agency
Polonia	0.325	International Energy Agency
Chile	0.265	International Energy Agency
Colombia	0.21	International Energy Agency
Spain	0.122	Red Eléctrica de España
United States (Nebraska)	0.543	US Energy Information Administration
United States (Wyoming)	0.831	US Energy Information Administration
United States (Massachusetts)	0.431	US Energy Information Administration
Canada (Alberta)	0.463	Electricity maps

The renewable electric power generated by these projects was calculated based on the electric power generation estimates available during the due diligence of each investment project for the P90 value.

In the case of the mixed renewable power generation projects (with consumption of natural gas for producing electricity), emissions were calculated exactly as in the previous case, but deducting the emissions resulting from the combustion of natural gas from the avoided emissions. The emission and power mix factors considered were the same, while the emission factor used for natural gas was 0.173 ton CO<sub>2</sub>/MWh (official data of the Environmental Transition Ministry of Spain).



## 02 SUMMARY OF THE SUSTAINABLE DEBT FINANCING FRAMEWORK

BBVA has also taken into account the main sustainability objectives of the European Union's Taxonomy for Sustainable Finance in order to develop BBVA Standard for Financing Sustainable Activities with the aim to provide a harmonized approach to sustainable finance within the Group.

### GREEN & SOCIAL ELIGIBLE CATEGORIES



Green Categories	SDG
Renewable energy	7,13
Energy efficiency	7,13
Green buildings	7,11
Clean transportation	9,11
Sustainable water & wastewater management	6
Pollution prevention and control	11,12
Environmentally sustainable management of living natural resources and land use	14,15
Social Categories	SDG
Access to essential services (Education / healthcare)	3, 4,10,11
Affordable core infrastructure (Affordable housing /telecommunications and mass transit / Public works infrastructure/ Arts infrastructure / Infrastructure with a social purpose / Social enterprises and foundations	4, 9, 10, 11
Socioeconomic advances and empowerment (Financing for individuals qualifying as vulnerable or on low incomes/ Support for financial inclusion/ Entrepreneurship and support for micro-businesses	1,3,4, 8,10

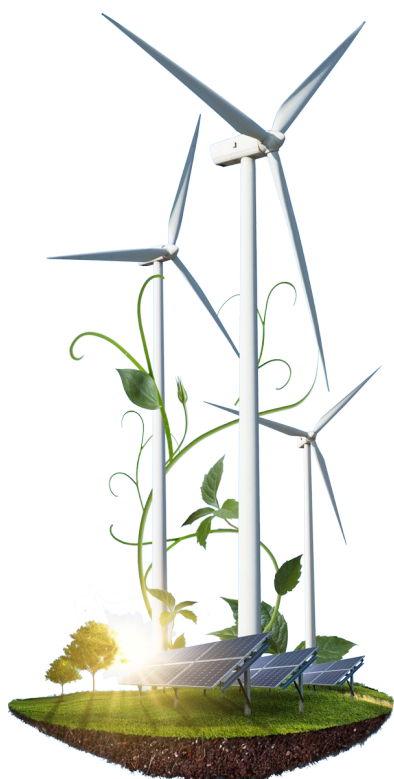


In the case of energy efficient building construction projects, energy savings have been calculated based on the difference between the building's non-renewable primary energy consumption and the limit established by the European Taxonomy to consider the building as eligible. Specifically, consumption must be at least 10% lower than the non-renewable primary energy consumption limit according to the appropriate national standard. This consumption is multiplied by the CO<sub>2</sub> emission factor of the national energy mix, indicated in the previous table, and by the surface area of the building. While on a provisional basis, for projects with a completion date prior to December 31, 2020, the European Taxonomy in regards to ownership or acquisition of buildings allows all buildings with an A, B or C emission rating to be identified as eligible, as these are in the top 15% of the national stock, BBVA's framework limits its selection process to only those buildings with an A rating. Therefore, a more restrictive condition has been adopted in the eligibility determination process. In this case, emissions are calculated as the difference between the consumption of the building and the limit between the levels of energy certification letters A and B (given that the national standard for NZEB<sup>1</sup> had not been defined at that time) multiplied as in the previous case by the CO<sub>2</sub> emission factor of the national energy mix, indicated in the previous table and by the surface area of the building.

For sustainable transport projects, emissions were calculated as the direct difference of emissions between the 50 gCO<sub>2</sub>/p.km threshold (proposed by the Expert Group that collaborated in the drawing up of the Proposal for an EU Green Bond Standard and defined in document Technical Annex to the TEG final report on the EU Taxonomy) and the emissions generated by the investment project. The emission factors used for the investment projects are the ones defined by the European Environment Agency in its document entitled "Energy Efficiency and Specific CO<sub>2</sub> Emissions" (Train: 28.39 gCO<sub>2</sub>/p.km).

For power transmission line projects for the evacuation of output from renewable facilities, the transported energy is considered to replace the net power injected into the electric grid, in a way such that the line is considered as another part of the property that contributes to curtailing emissions. Emissions were exclusively assigned to the financed amount, in this case, the transmission line.

As for projects entailing the upgrade and replacement of lighting systems with new technologies, the emissions are proportionally attributed to the energy savings generated by the new lighting compared to the replaced one, by the national electricity factor.



<sup>1</sup> Net Zero Energy Building



For projects that involve the build-up of electric vehicle charger networks, the calculation is based on the capacity of these networks to enable the use of low-emission vehicles. Based on this, the environmental impact measured as CO<sub>2</sub> emissions avoided, is calculated based on the difference in emissions generated by the electricity generation of the country in which the network is located, with the limit of 50 gCO<sub>2</sub>/p.km for efficient vehicles.

For green mortgages, the calculation of energy consumption and greenhouse gas (GHG) emissions avoided is based on the difference between the energy demand or GHG emissions of a reference asset (baseline) and the actual energy consumption or GHG emissions of the financed property. The methodology relies on the following key components:

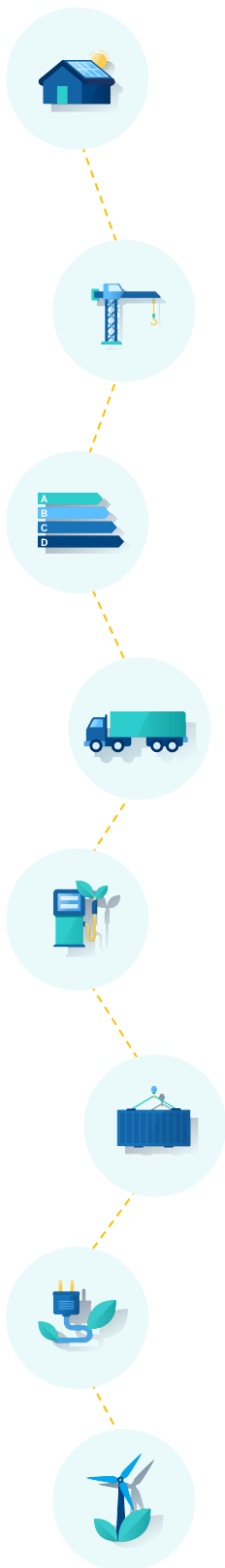
- **Baseline for Energy and GHG Emissions:** The baseline represents the energy demand or GHG emissions threshold that corresponds to the limit of an A-rated property, as this defines the primary eligibility criterion. These limits are set by the relevant Spanish authorities and vary depending on climate zone and property type (e.g., single-family homes or multi-unit buildings).
- **Actual Energy Consumption and GHG Emissions Data:** The actual energy consumption and GHG emissions of the financed property are determined using data reported by BBVA for each financed asset.

This approach ensures that the avoided energy consumption and emissions are accurately quantified, reflecting the difference between a standard reference property and the energy-efficient characteristics of the green-financed asset.



<sup>1</sup> Energy efficiency rating of buildings – Government of Spain and the Institute for Energy Diversification and Savings (IDAE)  
<https://www.miteco.gob.es/content/dam/miteco/es/energia/files-1/Eficiencia/CertificacionEnergetica/DocumentosReconocidos/documentos-reconocidos/normativamodelosutilizacion/20151123-Calificacion-eficiencia-energetica-edificios.pdf>





For heat and cold distribution networks, as stated in the EU taxonomy, environmental impacts in terms of emissions avoided are estimated by comparing the emissions of the same amount of energy produced conventionally versus the emissions produced by the network's generators, which includes both renewable energies and the use of residual heat.

For waste management projects, the amounts assigned to the collection and valuation thereof, as well as the population served, were estimated applying a specific ratio for each project and indicator, this ratio being based on each project's economic-operating variables. The information used was extracted from their year-end annual account reports and information disseminated through the official pages of the public bodies responsible for awarding the respective service contracts.

In the case of projects and activities related to the sustainable management of water resources, the total amount of wastewater treated, the equivalent population, the volume of drinking water supplied and the number of people with access to drinking water was estimated applying a specific ratio for each project and indicator, this ratio being built based on each project's economic-operating variables. Specifically, the metric of the volume of drinking water supplied was estimated taking into account the average consumption of the communities within the aquifer service area (obtained in all cases from official sources of statistics).

The timeframe for the calculation of the impacts of the chosen projects was January 1 through December 31, 2023, taking into account the month in which the loans originated in 2023 were formalized.

The methodology applied by BBVA for the calculation of environmental impacts of this report has been developed by an independent advisor (Ecodes), which guarantees its impartiality and the use of objective and comparable sources of information.

## 5.1 Social eligible assets and their impacts

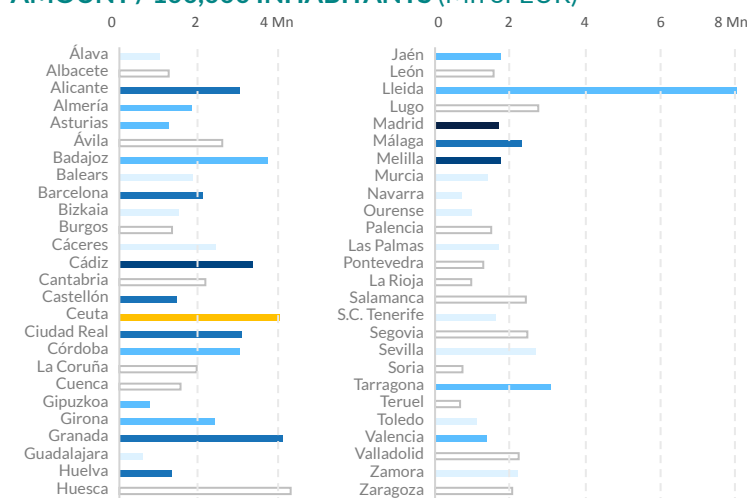
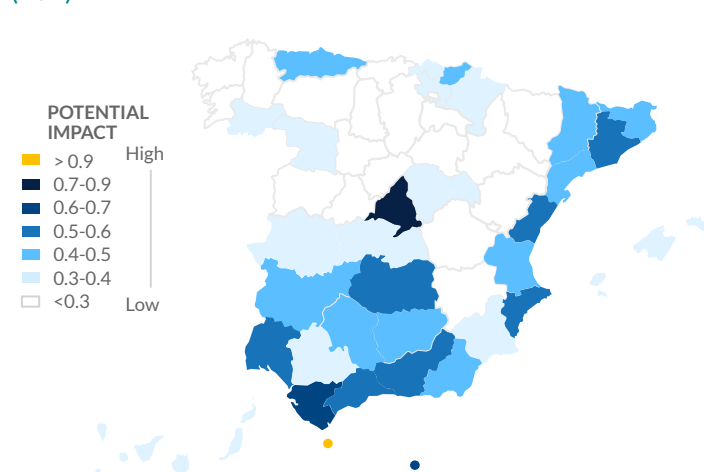
A summary of this bond is included within the table below:

Debt type	Issuing institution	Total (Euro)	Issue date	Maturity date	ISIN
Senior Preferred <sup>1</sup>	Banco Bilbao Vizcaya Argentaria, S.A.	1,000,000,000	04/06/2020	04/06/2025	XS2182404298
Total Outstanding amount		1,000,000,000			

## 5.2 Key Social impact relating Covid-19 Social Bond

By sectorial and territorial impact, 89% of the total amount has been allocated to companies in sectors that have suffered a high impact due to COVID-19<sup>2</sup>.

350,940,751 EUR	536,909,896 EUR	87,788,930 EUR	24,371,723 EUR
HIGH	MODERATE-HIGH	MODERATE LOW	LOW



(1) The €1 Bn bond corresponds to the social COVID-19 bond. Asset selection is prioritized based on their contribution to mitigate the impact of COVID-19.  
(2) Sector categories impacted due to Covid 19 according to DBK report /CESCE Group)"



## 5.2 Methodology for the calculation of the impacts linked to Covid-19 social bond

Both the eligibility criteria and the procedure for analyzing projects financed under BBVA's Covid-19 social bond issue are defined and described in this section.

First, in order to measure the social impact generated by funding provided to micro enterprises and small and medium businesses with the goal of enhancing socioeconomic advancement and empowerment as outlined in the Social Bond Principles<sup>1</sup>, it is necessary to establish criteria that allow defining which types of companies have the greatest potential for social impact associated with the funds granted.

These criteria are applied consecutively to act as a filter that generates a selected pool of companies that allow for the maximization of the social impact of the funds considered in the portfolio.

All of this is based on the premise that the direct social impact generated by the loan funds on large companies is less than the direct social impact on micro, small and medium-sized companies.

The reasoning behind is that the viability as ongoing concerns of large companies and corporations is not generally contingent on the reception or lack thereof of the loan funds. However, for many of the micro, small and medium-sized companies, receiving the loan funds contribute directly to their continuity or facilities payment commitments with employees and suppliers.



<sup>1</sup> Social Bond Principles. Voluntary Process Guidelines for Issuing Social Bonds Principles June 2021 (with June 2022 Appendix 1)

Thus, when prioritizing the pool of companies, SMEs are considered to have a greater potential for social impact derived from the use of the funds they receive.

As a consequence of this first selection criterion, the applied social impact calculation model starts from the first phase of exclusion, which leaves large companies out of the measurement phase. For this, all operations with companies with an annual turnover greater than €50 million euros and/or with a number of employees greater than 250 are excluded. As a result, the companies included in the analysis correspond to the following categories:

Company Category	Employees	Annual Turnover (Million euros)	Total Balance (Million euros)
Medium	< 250	≤ 50	≤ 43
Small	< 50	≤ 10	≤ 10
Micro	< 10	≤ 2	≤ 2

Source: [https://ec.europa.eu/growth/smes/sme-definition\\_en](https://ec.europa.eu/growth/smes/sme-definition_en)

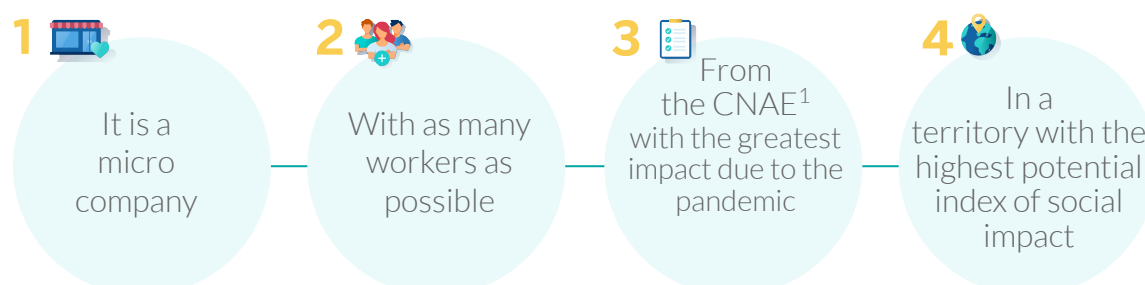
Additionally, since from a social point of view the impact that the funds of companies with reported sales of less than €25,000 per year would be considered irrelevant in a set that analyzes a funding pool of over 1,000 million euros, they have also been excluded in this first phase, and are therefore not part of the group of companies used to obtain the reported social impact indicators.

Once the study population has been reduced to SMEs with annual turnover of more than €25,000, a selection process is carried out using ordering criteria described below.

The method used to maximize the potential social impact is based on the sequential application of selection criteria, which has been considered in this order:

- 1**  
The **size** of the company receiving funding (micro, small or medium)
- 2**  
The number of **workers** employed by the host company
- 3**  
The company's **activity** sector (based on the impact derived from the COVID-19 crisis)
- 4**  
and the **location** of the company (based on the potential for territorial social impact).

This sequential ordering system allows companies to be ordered so that the one with the greatest potential for social impact meets the following characteristics:



<sup>1</sup> National Classification of Economic Activity

Being micro, small, or medium, is determined by the volume of turnover and the number of workers that are employed.

The impact associated with the CNAE is a categorical variable with three levels (strong, significant and moderate). The source used in this case was the “DBK Report (CESCE Group) COVID-19: Impact on the Main Sectors of the Spanish Economy” and other official resources related to said report.

The potential social impact index (PSII) for potential territorial social impact (IPSI) is a synthetic index that assesses the social reality of each province based on the most representative welfare and equality indicators, together with the potential to retain and amplify the impact associated with a European regional competitiveness index. The PSII reflects the direct impact and the potential for retention and amplification of the effects of the use of resources in a single indicator.

Welfare and equality indicators have been calculated through a linear combination of the following variables by area:





By using the AHP method (Analytical Hierarchy Process) the variables are weighed to assign them the final score in the index, a process undertaken by a nominal group of relevant experts, including sociologists and economists.

As a result of said index associated with each province, a numerical value is obtained for each province, which has been used in the ordering process.

However, for reporting purposes, four levels of potential social impact have been generated (high, moderate-high, moderate-low and low) related to said values and that allow segmenting the selected companies to obtain a broad view of the distribution by territories according to their potential social impact.

Once all the selected companies have been sorted according to the criteria of the first phase (all except those excluded), the potential social impact is determined by the descriptive analysis of the companies that end up added to the accumulated amount granted, thus guaranteeing a maximum potential for social impact.



# Independent review report



WHEN TRUST MATTERS

## Independent Limited Assurance Report to the Management of Banco Bilbao Vizcaya Argentaria S.A.

Banco Bilbao Vizcaya Argentaria S.A. ("BBVA") commissioned DNV Business Assurance Spain, S.L.U. ("DNV", "us" or "we") to conduct a limited assurance engagement over Selected Information presented in the BBVA 2023 Green and Social Bonds Report (the "Report") for the period from 1 January 2023 to 31 December 2023.



**Our Conclusion:** Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.

### Selected information

The scope and boundary of our work is restricted to the key performance indicators included within the Report for the reporting period 1 January 2023 to 31 December 2023 (the "Selected Information"), listed below:

- Impact indicators included in the table "Key environmental impacts in 2023"
- Impact indicators related to the number of companies that received funds from the Covid-19 Social Bond.
- The claims and assertions relating to the allocation of funds under the BBVA 2023 Green and Social Bonds Report

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used [BBVA Sustainable Development Goals \(SDGs\) Framework April 2018](#), [BBVA Sustainable Debt Financing Framework December 2023](#) and the reporting criteria defined in the mentioned BBVA 2023 Green and Social Bonds Report (the "Criteria").

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on BBVA's website for the current reporting period or for previous periods.

### Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with BBVA's management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and their scope provided to us by BBVA for the Selected Information is prepared in line with the Criteria;
- Assessing the appropriateness of the Criteria for the Selected Information; and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

### Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

### Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by BBVA have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.



### Standard and level of assurance

We performed a **limited** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

### DNV Business Assurance Spain, S.L.U

Madrid, Spain.  
30.09.2024



## WHEN TRUST MATTERS

### Responsibilities of the Directors of BBVA and DNV

The Directors of BBVA have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to BBVA in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the Report.

### DNV Business Assurance Spain, S.L.U

DNV Business Assurance Spain, S.L.U is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

<https://www.dnv.es/about/supplychain>

BBVA

