

# 6. Information on remuneration

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In accordance with the provisions of article 85 of Act 10/2014 of June 26, on the regulation, supervision and solvency of credit institutions ("Act 10/2014") and article 93 of Royal Decree 84/2015 of February 13, implementing said Act ("Royal Decree 84/2015"), and pursuant to the provisions of the Bank of Spain Circular 2/2016 of February 2, to credit institutions on supervision and solvency, completing the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) No.575/2013 (the "Bank of Spain Circular 2/2016"), credit institutions shall provide the public with and update periodically, and at least once a year, inter alia, information concerning their remuneration policies and practices established in section eight of Regulation 575/2013/EU, in relation to those categories of staff whose professional activities have a significant impact on the risk profile of the institution and/or its consolidated group (the "Identified Staff" or "Risk Takers").

## 6.1. Information on the decision-making process used to establish the remuneration policy for the Identified Staff

In accordance with the provisions contained in the Bylaws of BBVA ("BBVA", the "Institution" or the "Bank"), the BBVA Board of Directors Regulations grant the Board the powers, among others, to approve the remuneration policy for directors, for submission to the General Shareholders' Meeting, that of senior management and the rest of the Identified Staff, as well as the determination of the remuneration of non-executive directors; and, in the case of executive directors, the corresponding remuneration for their executive functions and the remaining conditions to be respected in their contracts.

In addition, among the Committees constituted to support the Board in carrying out its duties, the Remuneration Committee is the body which assists it in remuneration matters related to its directors, senior management and the rest of the Identified Staff, ensuring observance of the remuneration policies established.

Thus, in accordance Article 5 of the Remuneration Committee Regulations, and without prejudice to any other functions assigned to it by law, the internal rules of the Bank or assigned to it by decision of the Board of Directors, the Remuneration Committee performs, on a general basis, the following functions:

1. Propose the directors' remuneration policy to the Board of Directors, for submission to the General Shareholders' Meeting, likewise submitting the corresponding report, in the terms established by applicable law at any time.
2. Determine the remuneration of non-executive directors, as provided for in the directors' remuneration policy, submitting the corresponding proposals to the Board.
3. Determine the extent and amount of individual remunerations, rights and other economic rewards, as well as the remaining contractual conditions for executive directors, so that these can be contractually agreed, in line with the directors' remuneration policy, submitting the corresponding proposals to the Board of Directors.
4. Determine the objectives and criteria for measuring the variable remuneration of the executive directors and assess their degree of achievement thereof, submitting the corresponding proposals to the Board.
5. Analyse, where appropriate, the need to make *ex ante* or *ex post* adjustments to variable remuneration, including the application of reduction or recovery clauses for variable remuneration, submitting the corresponding proposals to the Board of Directors, prior report of the relevant committees in each case.
6. Propose on an annual basis to the Board of Directors the annual report on the remuneration of the Bank's directors, which will be submitted to the Annual General Shareholders' Meeting as set out in applicable legislation.
7. Propose to the Board of Directors the remuneration policy for senior managers and other employees of the Identified Staff; and, oversee its implementation, including the supervision of the process for the identification of the aforementioned Staff.
8. Submit to the Board of Directors the Group's remuneration policy, which may include that of the senior managers and the rest of the Identified Staff, as indicated in the previous paragraph, and oversee its implementation.
9. Submit to the Board of Directors the proposed basic contractual conditions for senior managers, including their remuneration and severance in the event of termination.
10. Directly supervise the remuneration of senior managers and determine, within the framework of the remuneration model applicable to Senior Management at any given time, the objectives and criteria for measuring variable remuneration of the heads of the Regulation & Internal Control area and the Internal Audit area, submitting the corresponding proposals to the Board of Directors, based on proposals submitted to it in turn by the Risk and Compliance Committee and the Audit Committee.
11. Ensure compliance with the remuneration policies established by the Institution and review them periodically, proposing modifications, where appropriate, to ensure, among other things, that they are adequate to attract and retain the best professionals, so that they contribute to the creation of long-term value and adequate control and management of risks, and that they attend to the principle of pay equality; in particular, ensure that the remuneration policies established by the Institution are subject to internal, central and independent review at least once a year.

12. Verify information on the remuneration of directors and senior managers contained in the various corporate documents, including the annual report on the remuneration of directors.
13. Oversee the selection of external advisers, whose advice or support is required for the performance of their functions in matters of remuneration, ensuring that any potential conflicts of interest do not impair the independence of the advice provided.

At the end of 2021 financial year, the Remuneration Committee was composed of five members; all of them had the status of non-executive directors, with the majority being independent, including the Chair. The names, positions and status of the members of the Remuneration Committee are detailed in the following table:

**Table 90.** Composition of the Remuneration Committee

Name and surname(s)	Position	Status
D <sup>a</sup> . Belén Garijo López	Chair	Independent
D <sup>a</sup> . Lourdes Máiz Carro	Member	Independent
D <sup>a</sup> . Ana Peralta Moreno	Member	Independent
D. Carlos Salazar Lomelín	Member	External
D. Jan Verplancke	Member	Independent

The members of the Remuneration Committee who held such position at the end of 2021 have received a total amount of 278 thousand euros for their membership. The Annual Report on BBVA Directors' Remuneration referred to said financial year includes the individual remuneration of each director, broken down by remuneration items.

The Remuneration Committee performs its functions with full autonomy of operation, meeting as often as necessary to carry out its duties, headed by its Chair. In 2021 financial year it met on a total of 7 occasions.

In order to adequately perform its functions, the Committee uses advice provided by the Bank's internal services, and may also make use of any external advice it needs to establish criteria on matters within its remit. Thus, during 2021 the Committee has relied on information provided by the leading global consulting firm on compensation of directors and senior managers, Willis Tower Watson, and has received legal advice from the law firm J&A Garrigues S.L.P. Both have provided advice on matters including the updating of remuneration policies which, as it is set out below, was carried out in 2021.

In addition, the Board's Risks and Compliance Committee also participates in the process of establishing a remuneration policy, ensuring that it is

compatible with adequate and efficient risk management and does not offer incentives to take risks that may exceed the level tolerated by the Group.

Since 2011, the Bank has a specific remuneration system applicable to the members of the Identified Staff, among whom are directors and senior management of BBVA. It has been designed within the framework of the regulations applicable to credit institutions, considering best practices and recommendations at the local and international level in this matter.

The new regulations governing remuneration which entered into force in 2021<sup>7</sup>, together with advances in market practice, have led the Remuneration Committee to carry out a review of the remuneration policies in place, with the main aim of ensuring that they are fully aligned with the new regulatory requirements and, in particular, with the specific regulations with respect to the remuneration systems of credit institutions applicable to the Identified Staff.

One of the key elements of the review of these policies is to make progress in aligning them with the BBVA Group's strategy and with long-term value creation. Specifically, they expressly incorporate the principle of equal remuneration for men and women; metrics related to sustainability in the remuneration scheme; changes to the payment schedule for the deferred part of the annual variable remuneration; changes in the mechanisms of reduction and recovery of the variable remuneration; in the case of the BBVA Directors' Remuneration Policy, the transformation of the pension system of the Chairman; and other technical improvements designed to make progress in the transparency and clarity of the remuneration systems.

As indicated above, the Remuneration Committee has among its functions the one of proposing these policies to the Board of Directors for its approval, and in the case of the BBVA Directors' Remuneration Policy, for submitting it to the General Shareholders' Meeting, likewise submitting the corresponding report in the terms established by law at any time.

Therefore, BBVA has a remuneration policy applicable to the Institution's directors - the BBVA Directors' Remuneration Policy -, whose latest update was approved by the Bank's General Shareholders' Meeting on April 20, 2021, for the years 2021, 2022 and 2023. In accordance with BBVA's Bylaws, it distinguishes between the remuneration system applicable to non-executive directors and executive directors. The policy is available on the Bank's corporate website ([www.bbva.com](http://www.bbva.com)).

As stated in this Policy, the remuneration system for executive directors corresponds, generally, with the system applicable to the rest of the Identified Staff,

<sup>7</sup> Modifications introduced by Act 5/2021, of April 12, amending the consolidated text of the Corporate Enterprises Act, approved by Royal Legislative Decree of 1/2010, of July 2; by Royal Decree-Law 7/2021, of April 27, amending Act 10/2014 to transpose to Spanish legislation Directive 2019/878/EU of the European Parliament and of the Council of May 20, 2019 ("CRD V"); and by the revised Guidelines of the European Banking Authority (EBA/GL/2021/04), of July 2, 2021, on sound remuneration policies taking into account Directive 2013/36/EU.

incorporating some particularities of its own derived from their status as directors. The remuneration system for non-executive directors is based on the criteria of responsibility, dedication and incompatibilities inherent to their position, consisting only of fixed items and no variable remuneration.

BBVA also has a general remuneration policy for BBVA Group, which was updated by the Board of Directors on June 30, 2021, upon the proposal of the Remuneration Committee, and is applicable in general to all the employees of BBVA and the companies in its Group (the "BBVA Group General Remuneration Policy" or the "Policy", and the "Group Entities", respectively). This Policy includes the specific rules applicable to the Identified Staff, as well as the procedure for their identification.

The BBVA Group General Remuneration Policy, is coordinated at the corporate level by BBVA's global Talent and Culture area. The supervisory functions of the Group actively and regularly cooperate in its design and oversight, in accordance with the powers conferred to them by applicable legislation.

Thus, the Board of Directors periodically reviews the general principles of the Policy and oversees its implementation, based on the information and report received by the Talent & Culture area and the various corresponding control functions, thus guaranteeing that this Policy is applied properly and in a manner consistent with BBVA's Corporate Governance System.

In this way, the Bank employs a decision-making system for remuneration featuring the Remuneration Committee as its central element, which, as stated, is in charge of proposing to the Board of Directors both the BBVA Group General Remuneration Policy, which includes the specific rules applicable to the Identified Staff, and the BBVA Directors' Remuneration Policy, for its subsequent submission to the General Shareholders' Meeting in the latter case.

In the course of implementing the remuneration policies approved by the Bank's corporate bodies, in 2021 the Remuneration Committee analysed the remuneration proposals needed for the development and implementation of these remuneration policies.

Thus, at the beginning of the financial year, the Committee was informed of the main new regulatory changes which were expected to enter into force in 2021 that could affect the remuneration policies approved by the Bank and, as stated above, analysed the approaches for their update and adaptation to the new regulations and most recent market practices and recommendations on remuneration.

Likewise, the Remuneration Committee determined the Annual Performance Indicators used for the calculation of the 2021 Annual Variable Remuneration of the executive directors and their corresponding weightings,

together with the performance targets and achievement scales associated with the indicators, submitting the corresponding proposals to the Board for approval.

The Remuneration Committee has also determined the minimum thresholds of Attributable Profit and Capital Ratio established as *ex ante* adjustments for the generation of Annual Variable Remuneration in 2021 for the executive directors and rest of the Identified Staff, submitting the corresponding proposals to the Board for approval.

In addition, the Remuneration Committee determined, for their proposal to the Board, the Multi-Year Performance Indicators that will be used as *ex post* adjustments to determine the Deferred Portion of the Annual Variable Remuneration for 2021 of the executive directors and the rest of the members of the Identified Staff, together with their corresponding weightings, counting for this with the prior analysis carried out by the Risks and Compliance Committee, which ensured their adequacy for the Bank's risk profile.

Moreover, in 2021, the Remuneration Committee submitted to the Board for its submission in turn to the General Shareholders' Meeting held in 2021 the proposed resolution regarding the increase of the maximum level of variable remuneration up to 200% of the fixed component of the total remuneration of a certain number of members of the Identified Staff, also proposing to the Board the report accompanying this resolution, which was made available to the Bank's shareholders.

Likewise, in accordance with the proposal submitted by the Remuneration Committee, the Board approved the Annual Report on the Remuneration of BBVA Directors, developed in accordance with Circular 4/2013 of the National Securities Market Commission (CNMV), which was submitted to an advisory vote at the General Shareholders' Meeting held in 2021, pursuant to article 541 of the Corporate Enterprises Act, and which was made available to the Bank's shareholders through the corporate website ([www.bbva.com](http://www.bbva.com)).

The Annual Report on the Remuneration of Directors of BBVA includes a description of the basic principles of the Bank's remuneration policy for the members of the Board, whether executive or non-executive, as well as a detailed presentation of the different elements and amounts making up their remuneration.

Moreover, within the framework of the function attributed to the Remuneration Committee for the oversight and periodic review of the established remuneration policies, the Committee reviewed the application of the BBVA Group Remuneration Policy in 2020, in accordance with applicable law and recommendations. For this purpose, the review covered the BBVA Group Remuneration Policy in force in that year, which includes the remuneration policy for the Identified Staff, as well as the procedure for their

identification, based on an internal, central and independent review carried out by the Bank's Internal Audit area. The result of all this was submitted to the Board.

Finally, the Committee has received information on the application of the procedure for identification of Identified Staff in 2021 financial year from the global Talent and Culture area, both at individual level for BBVA and for BBVA Group at consolidated level, in accordance with the qualitative and quantitative criteria established in the applicable regulations and internal criteria

## 6.2. Description of the different types of employees included in the Identified Staff

In accordance with BBVA Group's General Remuneration Policy, the selection of the persons who make up the Identified Staff within BBVA and/or its Group is part of an annual process based on the qualitative and quantitative criteria established under Article 32.1 of Act 10/2014 and (EU) Delegated Regulation 2021/923/EU of the Commission of March 25, 2021, supplementing CRD IV (the "Delegated Regulation 2021/923/EU"). This process also includes internal criteria established by BBVA complementary to those indicated in said Regulation, in compliance with Rule 38 of Bank of Spain Circular 2/2016 (hereinafter, the "Identification Process").

The qualitative criteria established in the Identification Process are defined based on the level of responsibility of the position (for example, members of the BBVA Board of Directors, members of BBVA Senior Management, staff responsible for control functions and other key functions or significant business units within the Group), as well as on the basis of the staff's capacity or responsibility to assume or manage risk.

The quantitative criteria establish that employees have a significant impact on the risk profile based on the total remuneration awarded, unless BBVA determines that, in fact, the activity of such staff has no significant impact on the risk profile. The application of these criteria takes into account the total remuneration awarded in the previous financial year, or the remuneration established by the applicable rules at all times.

The Identification Process is updated during the year and takes all BBVA and BBVA Group personnel into consideration, respectively, allowing the inclusion of personnel in the Identified Staff who meet or are likely to meet the qualitative criteria established under applicable law for at least three months out of a given financial year.

The Group Entities actively participate in the Identification Process carried out by BBVA, providing all the information necessary in order to adequately identify

established by the Bank. In particular, it was informed of the number of persons included in the Identified Staff and that no exclusions would be requested in 2021, the foregoing being duly reported to the Board.

All of the issues discussed above, along with other matters within its remit, are detailed in the Remuneration Committee Activity Report for 2021 financial year, published on the Bank's corporate website on the occasion of the calling of the 2022 Annual General Meeting ([www.bbva.com](http://www.bbva.com)).

the personnel having a significant impact on the Group's risk profile.

In accordance with the Identification Process previously indicated, at the year-end 2021 a total of 332 Risk Takers were identified at BBVA Group level, and 185 at individual level in BBVA, of whom 168 had already been identified as Risk Takers at consolidated level, including:

- Members of the BBVA Board of Directors<sup>8</sup>.
- Members of BBVA Senior Management.
- Risk Takers by function: comprised by those members that carry out the functions that correspond to the qualitative criteria established under Article 32.1 of Act 10/2014 and Delegated Regulation 2021/923/EU, as well as those Risk Takers identified according to internal Bank criteria based on Rule 38 of Bank of Spain Circular 2/2016.
- Risk Takers by remuneration: composed of those employees who meet the quantitative criteria of Article 32.1 of Act 10/2014 and Delegated Regulation EU 2021/923/EU.

The total number of Risk Takers identified in 2021 financial year fell with respect to the total number of members identified in 2020, which was 591 people, due mainly to the sale of most of the BBVA Group businesses in the United States and the application of new identification criteria in accordance with Act 10/2014 and Delegated Regulation 2021/923/EU.

Notwithstanding the foregoing, BBVA will adapt the composition of the Identified Staff, including the categories of professionals deemed necessary at any time, in accordance with the requirements established for that purpose under the terms of applicable regulations.

<sup>8</sup> In the remuneration policy for non-executive directors, they are identified as Risk Takers under article 32.1 of Act 10/2014, although as specified in section 6.3 of this document, they have a specific system of remuneration, different from that applicable to executive directors, and do not receive variable remuneration.

## 6.3. Key features of the remuneration system

As stated in section 6.1, at the proposal of the Remuneration Committee, the Board of Directors approved, in 2021 financial year, the update of the BBVA Group General Remuneration Policy applicable in 2021 financial year, in which the remuneration system applicable to the Identified Staff, as well as the Identification Process referred to in section 6.2 above is included.

The BBVA Group General Remuneration Policy is geared toward the recurring generation of value for the Group, the alignment of the interests of its employees and shareholders with prudent risk management, and the development of the strategy defined by the Group.

This policy is one of the elements devised by the Board of Directors, as part of the Bank's Corporate Governance System, to promote proper management and oversight of the Institution and its Group, and is based on the following principles:

- long-term value creation;
- results attained through sound and responsible risk-taking;
- attracting and retaining the best professionals;
- rewarding the level of responsibility and professional career;
- ensuring internal equity and external competitiveness;
- ensuring equal pay for men and women; and
- ensuring transparency of the remuneration model.

Based on the general principles above, BBVA has defined the Group's General Remuneration Policy, taking into account both compliance with the legal requirements applicable to credit institutions and to the different sectors in which the Group operates, and alignment with best market practices, including arrangements devised to reduce exposure to excessive risks and align remuneration with the Group's strategy, objectives, values and long-term interests.

Thus, according to these principles, the Policy:

- contributes to the business strategy of BBVA and its Group, and to the achievement of its objectives, values, interests, value creation and long-term sustainability;
- is compatible with and promotes sound and effective risk management and does not provide incentives to assume risks that exceed the level tolerated by the Institution or the BBVA Group, in a

manner that is consistent with the BBVA Group's risk strategy and culture;

- is clear, comprehensible and transparent, with a simple wording that enables the understanding of the different components making up remuneration and the conditions for the award, vesting and payment thereof. To that end, it distinguishes clearly between the criteria for determining fixed remuneration and variable remuneration;
- is gender neutral, as it reflects equal compensation for the same duties or duties of equal value and does not establish any difference or discrimination on the basis of gender;
- includes measures to avoid conflicts of interest, promoting the independence of judgement of persons involved in decision-making and in the oversight and control of management and the establishment of remuneration systems; and
- pursues that remuneration is not based solely or primarily on quantitative criteria, taking into account appropriate qualitative criteria, which reflect compliance with applicable regulations.

In accordance with the above, the remuneration system generally applicable to all BBVA Group staff comprises the following:

- a) A fixed remuneration, which takes into account the level of responsibility, the functions carried out and the professional career of each employee, under the principles of internal equity and the market value of the function, constituting a significant portion of the total pay. The award and amount of fixed remuneration are based on predetermined objective and non-discretionary criteria.
- b) A variable remuneration, consisting of payments or allowances in cash or in kind, in addition to fixed remuneration, which depend on variable parameters. In no case will variable remuneration limit the ability of the Group to strengthen its capital base in accordance with regulatory requirements and it shall consider current and future risks as well as the costs of the necessary capital and liquidity, reflecting a performance that is sustainable and adapted to risk.

Guaranteed variable remuneration will only be awarded on an exceptional basis, in accordance with the terms established under applicable regulations, only for newly hired staff, and limited to the first year of employment.

Within this remuneration model for general application, the BBVA Group General Remuneration Policy includes

certain special provisions, applicable, on the one hand, to staff exercising control functions and, on the other hand, to staff exercising functions related to the sale of products and the provision of services to clients. Thus:

- i. Staff who perform control functions are independent from the units they supervise, have the necessary authority and are remunerated according to the achievement of targets associated with their duties, regardless of the results of the areas they supervise, thereby avoiding potential conflicts of interest.

In order to strengthen the independence and objectivity of these functions, the fixed components of their remuneration have a greater weight than the variable components, with the variable components being mainly related to objectives specific to their function.

In addition, the remuneration of BBVA senior managers in independent control functions, including compliance and risk management functions, is directly supervised by the BBVA Remuneration Committee, as is the case with the rest of the members of BBVA's Senior Management, as the Board of Directors is the body responsible for establishing the basic conditions of their contracts.

Moreover, the Board of Directors, on the proposal of the BBVA Remuneration Committee following prior analysis by the BBVA Audit Committee and the BBVA Risk and Compliance Committee, respectively, is responsible for determining the targets and performance evaluation of the global heads of the Internal Audit and Regulation & Internal Control functions.

- ii. The design and implementation of the remuneration of the Group staff involved in the provision of services to clients, watches for the protection of their interests and the quality of the services provided, so that:

- responsible business conduct and fair treatment of clients is fostered;
- incentives are not established in a way that may induce staff to put their own interests or those of BBVA Group first, to the possible detriment of the interests of their clients;
- remuneration is not primordially or exclusively linked to the sale of a product, or a category or specific type of product, such as products that are more lucrative for the institution or employee, when there are others more in line with client needs; and that this objective is not set as that

with the greatest weight in the remuneration package; and

- an appropriate balance is maintained between the fixed and variable elements of the remuneration.

Moreover, BBVA and the Group Entities directly subject to the customer protection regulations must comply with the specific remuneration requirements established at any time.

Pursuant to the legal requirements established by Act 10/2014 and its regulatory implementation, the BBVA Group General Remuneration Policy defines specific rules applicable to the Identified Staff, in accordance with the regulations and recommendations applicable to remuneration schemes for these employees.

The result is a remuneration system for Identified Staff focused specifically on aligning their remuneration with the risks, and also the long-term objectives and interests of BBVA and its Group, whose fundamental characteristics are the following:

- Balance between the fixed and variable components of the total remuneration, in line with that established in the applicable regulations, allowing a fully flexible policy regarding the payment of variable components, which may cause them to be reduced, even in their entirety, where appropriate.

The proportion between the two components has been established taking into account the type of functions carried out by each beneficiary (business, support or control) and, consequently, their impact on the risk profile, adapted in each case to the reality of the different Group Entities or functions.

- The variable component of remuneration for a financial year (understood as the sum of all the variable components of remuneration) shall be limited to a maximum amount of 100% of the fixed component of total remuneration (understood as the sum of all the fixed components of remuneration), unless the BBVA General Shareholders' Meeting resolves to increase this percentage to a maximum of 200%. As explained in detail in section 6.7 of this report, the BBVA General Shareholders' Meeting held on April 20, 2021, authorized the increase in the maximum limit to 200% for a maximum of 339 Risk Takers.
- No personal hedging strategies or insurance may be used in connection with variable remuneration or liability that may undermine the effects of alignment with prudent risk management.
- Within the framework of the corporate variable remuneration model of BBVA Group, the members of the Identified Staff receive, as is the case with the rest of the staff, an incentive or annual variable



remuneration, which constitutes the main element of the variable component of their total remuneration and reflects their performance on the basis of the level of achievement of targets that are in line with the risk incurred, calculated on the basis of:

- i. group, area and individual annual performance indicators (financial and non-financial) that take into account current and future risks, as well as the strategic priorities defined by the Group (the "Annual Performance Indicators");
- ii. the scales of achievement established where appropriate according to the weighting assigned to each Annual Performance Indicator and based on the targets set for each of them; and
- iii. a "target" annual variable remuneration that represents the amount of annual variable remuneration if 100% of the targets were met, which is a single amount for each function (the "Target Annual Variable Remuneration" or "Target Bonus").

The amount to receive as annual variable remuneration, in accordance with the corresponding scales of achievement, can range between 0% and 150% of the Target Annual Variable Remuneration.

The resulting amount constitutes the annual variable remuneration ("Annual Variable Remuneration" or "AVR") of each beneficiary.

The financial Annual Performance Indicators are related to the Bank's most relevant management metrics, while the non-financial indicators are related to the strategic targets defined at Group, area and individual level for each beneficiary.

Each function within the organization has an assigned weighting or slotting which determines the percentage of Annual Variable Remuneration which is linked to the performance of the Group, the area and individual; and which depends on the extent that the function is linked to the global strategy and the area or with its own individual results.

The AVR Annual Performance Indicators approved for 2021 financial year for the Identified Staff are as follows:

**Table 91.** 2021 AVR Annual Performance Indicators

Indicator	Weighting		
	Chairman <sup>(1)</sup>	Chief Executive Officer <sup>(1)</sup>	Rest of Identified Staff <sup>(2)</sup>
<b>Financial indicators</b>			
<b>Net Attributable Profit without corporate transactions</b>	10%	15%	10%
<b>Tangible Book Value per share</b>	15%	10%	10%
<b>RORC</b>	10%	10%	15%
<b>Efficiency ratio</b>	10%	15%	15%
<b>Non-financial indicators</b>			
<b>Net Promoted Score (NPS)</b>	10%	15%	10%
<b>Mobilization of sustainable financing</b>	10%	10%	10%
<b>Digital Sales</b>	10%	10%	10%
<b>Own indicators / other indicators<sup>(3)</sup></b>	25%	15%	20%

<sup>(1)</sup>Including the 2021 AVR Annual Performance Indicators for executive directors.

<sup>(2)</sup>Including the 2021 AVR Annual Performance Indicators at Group level for the rest of the Identified Staff.

<sup>(3)</sup>Own indicators consider the strategic dimensions to be fostered by the Chairman and Chief Executive Officer, associated with their responsibilities and functions. The other indicators which apply to the rest of the Identified Staff are related to the Group's strategic priorities.

In 2021 a new indicator related to sustainability was included (mobilization of sustainable finance), linked to the Bank's strategic priority of "Helping our customers transition to a sustainable future", directly associated with the activity carried out by the Group in compliance with its climate change commitments to the market and which strengthens BBVA's commitment to achieve its sustainable development objectives. The Group is implementing the incorporation of metrics related to sustainability and ESG risks into the variable remuneration schemes of its employees, BBVA Senior Management and BBVA executive directors.

- To ensure alignment with results and long-term sustainability, the Annual Variable Remuneration for Identified Staff members for each financial year will be subject to *ex ante* adjustments, so that it shall be reduced at the time of the performance assessment in the event of negative performance of the Group's results or other parameters such as the level of achievement of budgeted targets; and it will not accrue, or will accrue by a reduced amount, should a certain level of profit and capital ratios not be achieved, as established at the start of each financial year by the Board of Directors.

- The Annual Variable Remuneration of members of Identified Staff shall be subject to the following rules for award, vesting and payment:

- Once the Annual Variable Remuneration has been awarded, at an amount determined by applying the above rules, a percentage of the Annual Variable Remuneration of the Identified Staff -40% for executive directors, members of Senior Management and members of the Identified Staff with particularly high levels of remuneration, and 60% for the rest of the Identified Staff- will be vested and paid, if the conditions are met, in the first four months of the financial year following that to which the Annual Variable Remuneration corresponds (the "Upfront Portion" of the Annual Variable Remuneration).
- The remaining part -60% for executive directors, members of Senior Management and members of Identified Staff with particularly high remuneration, and 40% for the rest of the Identified Staff-, will be deferred over time (the "Deferred Portion" of the Annual Variable Remuneration, or the "Deferred Annual Variable Remuneration"). For BBVA's executive directors and members of Senior Management, the deferral period shall be five years, and for the remaining members of the Identified Staff, four years.

The Deferred Annual Variable Remuneration will be paid, if the conditions are met, on a pro rata basis, after each of the years of deferral, in an amount equivalent to 25% in the case of the Identified Staff and 20% in the case of BBVA's executive directors and members of Senior Management.

- 50% of the Annual Variable Remuneration, both the Upfront and Deferred Portion, will be established in BBVA shares or in instruments linked to BBVA shares.. For executive directors and members of Senior Management, both 50% of the Upfront Portion and 60% of the Deferred Portion will be determined in BBVA shares.
- The shares or instruments awarded as Annual Variable Remuneration, both in the Upfront and Deferred Portion, will be withheld for a one-year period after delivery, except for those shares or instruments whose sale would be required to honour the payment of taxes accruing on their shares delivery.
- In order to ensure that the assessment process of the results to which the Annual Variable Remuneration is linked within a multi-year framework, considering long-term results, and that the effective payment is made

over a period which takes into account the institution's economic cycle and its risks, the Annual Variable Remuneration of the Identified Staff shall be subject to *ex post* risk adjustments, linked to the result of the multi-year performance indicators.

For this purpose, the Deferred Portion of the Annual Variable Remuneration of members of the Identified Staff may be reduced, but never increased, based on the result of multi-year performance indicators aligned with the Group's core risk management and control metrics ("Multi-Year Performance Indicators"), related to solvency, liquidity, profitability and value creation.

The Multi-Year Performance Indicators for all Identified Staff are approved every year by the Board of Directors, at the proposal of the Remuneration Committee, and subsequent to analysis by the Risk and Compliance Committee, which ensures that they are compatible with adequate and effective risk management.

The Multi-Year Performance Indicators and their weightings approved for 2021 financial year are as follows:

**Table 92.** Multi-year Performance Indicators

Indicator	Weighting
Common Equity Tier (CET ) 1 fully loaded	40%
Liquidity Coverage Ratio (LCR)	20%
Return On Tangible Equity (ROTE)	30%
Total Shareholder Return (TSR)	10%

Once the financial year corresponding to the third year of deferral of the Annual Variable Remuneration has ended, the result of the Multi-Year Performance Indicators established for each financial year will determine any *ex post* reduction adjustments to be made, if appropriate, on the amount pending payment of the Deferred Portion of the Annual Variable Remuneration.

For this purpose, the Multi-Year Performance Indicators have associated scales of achievement of the objectives established for each of them, which are determined by the Board of Directors, at the proposal of the Remuneration Committee and with a prior analysis by the Risk and Compliance Committee, once the amount of Annual Variable Remuneration for each financial year has been determined. In this way, if the pre-established thresholds set for each of the Multi-Year Performance Indicators are not achieved, the amount pending payment of the

Deferred Portion of the Annual Variable Remuneration will be adjusted, and may be reduced, in the terms indicated in the above paragraph, but never increase.

- Moreover, all the Annual Variable Remuneration of each member of the Identified Staff corresponding to each financial year will also be subject to reduction (malus) and recovery of remuneration already paid (clawback) arrangements, both linked to a downturn in financial performance of the Bank as a whole or of a specific unit or area, or of exposures generated by a member of Identified Staff, when such downturn in financial performance arises from any of the following circumstances:
  - a) Misconduct, fraud or serious infringement of the Code of Conduct and other applicable internal regulations by an Identified Staff member.
  - b) Regulatory sanctions or judicial convictions due to events that could be attributable to a specific unit or to personnel responsible for such events.
  - c) Significant failure of risk management committed by the Bank or by a business or risk control unit, to which the wilful misconduct or gross negligence of an Identified Staff member was a contributing factor.
  - d) Restatement of the Bank's annual financial statements, except where such restatement is due to a change in applicable accounting legislation.

For this purpose the Bank shall compare the performance assessment carried out for the Identified Staff member with the *ex post* behaviour of some of the criteria that contributed to achieve the targets. Both malus and clawback arrangements will apply to the Annual Variable Remuneration corresponding to the financial year in which the event giving rise to application of the arrangement occurred, and will remain in force during the deferral and withholding period applicable to said Annual Variable Remuneration.

Nevertheless, in the event that the above circumstances give rise to a dismissal or termination of contract of the Identified Staff member due to serious and guilty breach of duties, malus arrangements may apply to the entire Deferred Annual Variable Remuneration from previous financial years pending payment at the date of the dismissal or termination of

contract, in light of the extent of the damage caused.

Moreover, if the above circumstances, regardless of the financial impact caused, create a relevant reputational damage to the Bank, the malus and clawback arrangements may also apply to the Annual Variable Remuneration, including the amounts deferred from previous financial years, whose payment corresponds to or has taken place in the financial year in which the damage is revealed.

In any case, the Annual Variable Remuneration will only vest or be paid if it is sustainable according to the Group's situation as a whole, and justified based on the results of the Bank, the business unit and the Identified Staff member concerned.

- The resulting cash amounts of the Deferred Annual Variable Remuneration finally vested will be updated by applying the year-on-year change in prices given by the Consumer Price Index (CPI).
- In the event of the termination of the contractual relationship of an Identified Staff member before the award of Annual Variable Remuneration, the member will be entitled, if conditions are met, to receive the proportional part of such Annual Variable Remuneration, calculated pro rata for the length of service in the said financial year; subject, in all cases, to the same award, vesting and payment system that would be applicable if the member had remained working, in accordance with the rules described above. The above shall not be applicable to cases where the termination of the contractual relationship is due to a voluntary resignation or lawful dismissal, in which cases the right to the Annual Variable Remuneration will not accrue.
- If the members of the Identified Staff have the right to receive any type of remuneration other than Annual Variable Remuneration considered to be variable remuneration, this remuneration will be subject to the rules for award, vesting and payment applicable in accordance with the type and nature of the remuneration component itself and, in any case, shall comply with the applicable regulations in force at any given time.
- In particular, any retention bonuses to which Identified Staff members may be entitled in accordance with their contracts shall be considered to be variable remuneration and subject to the conditions established with respect thereto in applicable regulations. Thus, they shall comply with requirements in respect of payment in shares, deferral rules, *ex post* risk adjustments, and malus

and clawback arrangements established for Annual Variable Remuneration in the Policy, and shall be considered to be variable remuneration for the purposes of calculating the ratio between fixed and variable remuneration. In any case, retention bonuses shall be properly justified and will be awarded upon conclusion of the retention period.

- The BBVA Directors' Remuneration Policy includes additional restrictions to the transfer of shares derived from the variable remuneration of executive directors. Specifically, it establishes that once the BBVA shares have been received, the executive directors shall not be able to transfer their ownership until a period of at least three years has elapsed, except if the director in question has, at the time of the transfer, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice their Fixed Annual Remuneration through the ownership of shares, options or other financial instruments. The foregoing shall not apply to the shares that the director needs to sell to meet the costs related to their acquisition or, upon favourable assessment of the Remuneration Committee, to address an extraordinary situation..
- Moreover, in accordance with the provisions of BBVA Group General Remuneration Policy and in line with applicable regulations, payments to members of the Identified Staff due to early termination of a contract will be based on the results obtained over time. In no case shall bad results or inappropriate conduct be rewarded, and payments may not be awarded in cases where there have been clear and serious infringements that justify the immediate termination of the contract or the dismissal of the Identified Staff member. With regard to BBVA directors, the Bank has no commitments to make severance payments.

As regards the pension policy, this shall remain compatible at all times with the Group's long-term business strategy, objectives, values and interests. To this end, BBVA has a pension system which is arranged on the basis of geographic areas and coverage offered to different groups of employees. These groups have been formed according to parameters that, among others, include, origin (meaning the Entity of the Group in which the employees initiated the employment relationship); date of entry; and the level or category of responsibility within the organization.

In general, BBVA's pension schemes to cover the retirement contingency are defined-contribution. Contributions to the Group's employee pension schemes are made within the framework of relevant labour law and individual or group agreements applicable to each Group Entity, sector or geographic area.

The scope of the system (cover for retirement, death and disability) for each group is defined in consideration of the three factors mentioned above.

The basis for the calculation of the benefits (commitments for retirement, death and disability) are established using fixed annual amounts; there are no temporary fluctuations derived from variable components or Individual results.

However, in accordance with Bank of Spain Circular 2/2016, 15% of the agreed annual contributions covering the retirement contingency of executive directors and members of Senior Management shall be considered "discretionary pension benefits" and shall therefore be based on variable components and be subject to the conditions established for these instruments in the aforementioned Circular.

To comply with the above, the annual amount of the "discretionary pension benefits" will be determined by reference to the result of the Annual Variable Remuneration awarded in each financial year and the following rules will apply:

- They shall form part of the total amount of variable remuneration for the purposes of the maximum limit between fixed and variable remuneration;
- They shall be paid in full in BBVA shares;
- They shall be subject to a five-year withholding period from the date on which the beneficiary ceases to render services to the Bank for any reason; and
- During the aforementioned five-year withholding period, the Bank may apply, if the corresponding conditions are met, the malus and clawback arrangements applicable to Annual Variable Remuneration.

Detailed information on the implementation of the obligations contracted in terms of pensions for executive directors and members of Senior Management during the financial year can be found in Note 54 of Consolidated Financial Statements for 2021, which are available on the Bank's corporate website ([www.bbva.com](http://www.bbva.com)).

A detailed description of the remuneration system for BBVA's executive and non-executive directors is included in the BBVA Directors' Remuneration Policy, and its implementation in the financial year is outlined in the Annual Report on the Remuneration of BBVA Directors for 2021. Both documents are available on the Bank's corporate website ([www.bbva.com](http://www.bbva.com)).

As set out in those documents, in the case of the non-executive directors, they do not receive variable remuneration; they receive a fixed annual amount in cash as members of the Board and of the various committees,

where applicable, as well as for the performance of any other functions or responsibilities that may be attributed to them in the framework of the Bank's Corporate Governance System. The amount of annual allowance for each of the above positions or functions is set by the Board of Directors, at the proposal of the Remuneration Committee, depending on the nature of the assigned functions and the dedication and responsibility required from each director.

In addition, the Bank has a remuneration system in BBVA shares with deferred delivery to non-executive directors, which has been approved by BBVA General Shareholders' Meeting. This system comprises the annual allocation to non-executive directors of a number

of "theoretical shares" of the Bank, which are to be effectively delivered on the date of their removal as directors for any reason except for a serious breach of their duties.

The annual number of "theoretical shares" allocated to each non-executive director shall be equivalent to 20% of their total annual fixed allowance in cash received by each in the previous financial year, according to the average closing prices of the BBVA share during the 60 trading sessions prior to the General Shareholders' Meetings approving the corresponding financial statements for each financial year.

## 6.4. Information on the connection between the remuneration of the Identified Staff and the Group's performance

As explained in the preceding sections, the BBVA Group General Remuneration Policy provides for the payment to the members of the Identified Staff of an Annual Variable Remuneration, whose accrual is subject to *ex ante* adjustments, and the amount of which is calculated on the basis of the achievement of the targets established at the beginning of the year for each of the Annual Performance Indicators, according to the scales and weightings associated with each of them. In this way, the amount of variable remuneration received by the members of the Identified Staff is directly linked to the results of the BBVA Group and varies depending on them.

In addition to the results of the Group's Annual Performance Indicators, determined by the pre-established performance scales, and according to the weighting of each indicator, the amount of the Annual Variable Remuneration of the members of the Identified Staff also takes into account the level of achievement of strategic objectives (both financial and non-financial) set at Area level and for each individual, as well as the associated weighting in each case to the aforementioned Group, Area and Individual indicators (slotting), which are established according to the extent that the function is linked to the objectives of the Group, the Area and the individual, respectively.

In the 2021 financial year, the BBVA Group obtained a recurring attributable profit of €5,069 million, an increase of 86% compared to 2020. These results do not take into account the results generated until June 2021 by BBVA USA and the rest of the companies sold to PNC, nor the costs of the restructuring plan in Spain, and are due mainly to a strong revenue growth, supported by the recovery of activity after the crisis caused by the COVID-19 pandemic.

However, the figure for profit taken into account for incentive purposes was €5,028 million, which considers the said recurring profit and excludes, in addition, non-budgeted savings generated in the year by the restructuring plan in Spain. This profit figure has been used to calculate the rest of the financial indicators for incentive purposes.

Likewise, the result of the rest of the Annual Financial performance indicators -TBV per share, RORC and Efficiency Ratio- included as Group's indicators for members of the Identified Staff, have performed positively in 2021 with respect to the previous financial year.

With respect to the non-financial Annual Performance Indicators, as stated above, 2021 was the first year in which an indicator relating to sustainability, specifically, the "Mobilization of sustainable financing" indicator, was included in the variable remuneration system for all employees, including the members of the Identified Staff. Thus, the Bank mobilized a total of €30,615 million in 2021 of finance allocated to sustainable projects related to climate change, which puts the results of the indicator above the pre-established target.

With regard to the rest of non-financial Annual Assessment Indicators (NPS and Digital Sales), their levels of achievement have been aligned with the respective targets established by the Board to calculate the Annual Variable Remuneration for 2021 financial year.

Thus, accordingly, the Annual Variable Remuneration of the members of the Identified Staff is linked to factors such as the Group's financial and non-financial results, all within the framework of and in accordance with the rules of the remuneration system detailed in Section 6.3 of this report.

## 6.5. Description of the criteria used to take into consideration present and future risks in the remuneration processes

BBVA Group promotes the development of a risk culture at all levels in the organization through its Corporate Governance System. Thus, BBVA's Corporate Bodies have provided the Group with a set of general policies and management and control basic guidelines, that allow for integrated and consistent management and supervision across the Group, highlighting among these guidelines the Risk Appetite Framework and the general policies on risk management by risk type. The BBVA Group General Remuneration Policy forms part of the elements designed by the Board of Directors, as part of the Corporate Governance System, to promote adequate management and supervision of remuneration in the BBVA Group. Among the principles inspiring it, is the achievement of the results based on a prudent and responsible risk assumption.

Thus, in line with what has been set out in section 6.3 of this report, the remuneration policy applicable to executive directors, members of Senior Management and the rest of the Identified Staff features a number of specific elements which make their remuneration take into account current and future risks for the Bank, promoting their prudent and effective management, and not offering incentives to assume risks that exceed the level tolerated by the Institution or the Group, consistently with the risk strategy and culture of the BBVA Group.

In particular, the Bank's remuneration policies establish:

- Balance between the fixed and variable components of total remuneration;
- *Ex ante* adjustments, compliance with which is verified prior to the accrual and determination of the Annual Variable Remuneration;
- Financial and non-financial indicators to evaluate the results, which take account both current and future risks, and the strategic priorities defined by the Group;
- Consideration, in the measurement of performance, of financial and non-financial measures that value both the individual management aspects and the objectives of the area and the Group;
- Greater weight assigned to the objectives related to specific functions in the measurement of the performance of the members with control functions, to reinforce the independence and objectivity of these functions;
- Establishment of at least 50% of the Annual Variable Remuneration in BBVA shares or instruments linked to BBVA shares;
- Deferral rules, designed so that a substantial portion of the Annual Variable Remuneration - 60% in the case of executive directors, members of Senior Management and Risk Takers with particularly high variable remuneration; and 40% in all other cases - is deferred over time, thus taking into account the economic cycle and business risks;
- Incorporation of possible *ex post* risk adjustments related to the result of the Multi-Year Performance Indicators, measured over a period of three years from the beginning of the deferral period, to which weightings have been assigned and for which scales of achievement have been established; so that, in the event that the thresholds set for each indicator are not achieved, the Deferred Portion of the Annual Variable Remuneration pending payment may be reduced, but never increased. These indicators are aligned with the core metrics for the Group's risk control and management, and in particular, are related to solvency, liquidity, profitability and value creation;
- Mandatory retention periods of any shares or financial instruments delivered as Annual Variable Remuneration, so that the beneficiaries cannot freely dispose of them until one year after their delivery date, except for those whose sale would be required to honour the payment of taxes accruing on their delivery;
- Prohibition of carrying out personal hedging strategies or insurance related to the remuneration and liability;
- Limitation of the variable component of the remuneration for the year to 100% of the fixed component of total remuneration, except the BBVA General Meeting authorizes the application of a maximum ratio of 200% for a certain group of Risk Takers, as explained in detail in section 6.7 of this report.
- Subjection of the entire Annual Variable Remuneration to malus and clawback arrangements during the whole deferral and retention period, under the terms indicated in Section 6.3.

## 6.6. Main parameters and the motivation of any component of possible variable compensation plans and other non-cash advantages

The main parameters and motivation behind the components of the variable remuneration plans of the Identified Staff have been set out in the previous sections of this report.

## 6.7. Ratios between fixed and variable remuneration of the Identified Staff

As set forth in section 6.3 above, the fixed and variable components of the overall remuneration of the Identified Staff are appropriately balanced, in line with applicable regulations, to ensure a policy that is fully flexible with regard to payment of the variable components, allowing for such components to be reduced in their entirety, where appropriate.

The proportion between both components is established taking into account the type of functions carried out by each beneficiary (business, support or control) and, consequently, their impact on the risk profile, adapting to the reality existing in the different Group Entities or functions in which the members of the Identified Staff carry out their activity.

To this end, the Bank has defined target ratios between the main components of fixed and variable remuneration, which take into account both the function performed by each member of the Identified Staff as well as their impact on the risk profile.

Notwithstanding the foregoing, the variable component of the remuneration of the Identified Staff corresponding to a financial year (understood as the sum of all the variable components of remuneration) shall be limited to a maximum amount of 100% of the fixed component of total remuneration (understood as the sum of all the fixed components of remuneration), unless the BBVA General Shareholders' Meeting resolves to increase this percentage up to a maximum of 200%, as set forth under applicable legislation.

In this regard, the General Meeting held on April 20, 2021 resolved to increase the maximum level of the variable component of remuneration up to a maximum of 200% of the fixed component of total remuneration for certain members of the Identified Staff, in the terms indicated in the report issued for this purpose by the Board of Directors dated March 15, 2021. Thus, the Bank submitted the following proposed resolution to the General Meeting:

*"For the purposes of the provisions of Article 34.1 g) of Act 10/2014 of June 26 on the regulation, supervision and solvency of credit institutions, to approve a maximum level of variable remuneration of up to 200% of the fixed component of total remuneration for a group of employees whose professional activities have significant impact on the Group's risk profile, enabling subsidiaries of Banco Bilbao Vizcaya Argentaria, S.A. to likewise apply said maximum level to their professionals, pursuant to the Report issued in this regard by the Board of Directors of Banco Bilbao Vizcaya Argentaria S.A., on March 15, 2021, and which has been made available to shareholders as of the date on which the General Meeting was convened."*

This resolution was approved by the BBVA General Shareholders' Meeting for a maximum of 339 Risk Takers, with a favourable vote of 97.13% out of the 67.56% of the capital present or represented at said General Shareholders' Meeting.

The proposal submitted to the General Shareholders' Meeting included the detailed recommendation of the Board, explaining the reasons and scope of the resolution proposed to the General Meeting, and included the number of persons affected, their positions, as well as the expected effect on maintaining a solid capital basis, taking into account the considerations established by the competent authority as regards dividend distribution policies.

As reflected in the Board's Report, the persons for whom approval of the higher level of remuneration for 2021 financial year was requested performed one of the following functions:

- Members of the BBVA Board of Directors.
- Members of BBVA Senior Management.
- Members of the Identified Staff who perform their functions in the business areas of Spain, the United States, Mexico, Turkey, countries of South America, and Corporate and Investment Banking (CIB).

- Identified Staff members who perform their functions in corporate support areas, working globally for the Group as a whole, without being attached to a business area, including activities focused on digital transformation.

## 6.8. Quantitative information on remuneration of the Identified Staff

After year-end 2021, the Annual Variable Remuneration corresponding to the members of the Identified Staff for said financial year was calculated in accordance with the results obtained (described in Section 6.4 above).

In accordance with the award, vesting and payment system of the Annual Variable Remuneration for 2021 financial year applicable to members of the Identified Staff:

- The Upfront Portion will be paid, if the conditions are met, in 2022 financial year, at 40% in the case of the executive directors, members of Senior Management and members of the Identified Staff with particularly high variable remuneration amounts, and 60% for the remaining members of the Identified Staff.
- The Deferred Portion will be paid, if conditions are met, on a pro-rata basis, once each of the deferral years has elapsed, at an amount equivalent to 20% in the case of the executive directors and members

of Senior Management, and 25% in the case of the rest of the members of the Identified Staff. The amount pending payment once the third year of deferral has concluded will be subject to the result of the Multi-Year Performance Indicators to which reference has been made in section 6.3 of this report.

Thus the Deferred Portion will be paid, if appropriate, under the following payment schedule: (i) in the case of executive directors and members of Senior Management, 20% in 2023, 20% in 2024, 20% in 2025, 20% in 2026 and the remaining 20% in 2027; and (ii) in the case of the rest of the members of the Identified Staff, 25% in 2023, 25% in 2024, 25% in 2025 and the remaining 25% in 2026.

This gives rise to the amounts presented in the following table, broken down by types of employees:



**Table 93.** EU REM1 - Remuneration awarded for the financial year (Thousand euros)

	Supervisory function <sup>(1)</sup>	Management function <sup>(1)</sup>	management <sup>(1)</sup>	Other identified staff
<b>Fixed remuneration</b>				
Number of identified staff	13	2	16	301
<b>Total fixed remuneration<sup>(2)</sup></b>	4,395	6,843	17,844	122,280
Of which: cash-based	4,293	6,357	16,435	111,825
<b>(Not applicable in the EU)</b>				
Of which: shares or equivalent ownership interests	—	—	—	—
Of which: share-linked instruments or equivalent non-cash instruments	—	—	—	—
Of which: other instruments	—	—	—	—
<b>(Not applicable in the EU)</b>				
Of which: other forms	102	486	1,409	10,455
<b>(Not applicable in the EU)</b>				
<b>Variable remuneration</b>				
Number of identified staff	13	2	16	296
<b>Total variable remuneration<sup>(3)</sup></b>	—	7,468	9,151	66,583
Of which: cash-based	—	3,286	4,027	39,581
Of which: deferred	—	1,792	2,196	11,520
Of which: shares or equivalent ownership interests	—	4,182	5,125	24,541
Of which: deferred	—	2,688	3,294	10,438
Of which: share-linked instruments or equivalent non-cash instruments	—	—	—	2,460
Of which: deferred	—	—	—	1,039
Of which: other instruments	—	—	—	—
Of which: deferred	—	—	—	—
Of which: other forms	—	—	—	—
Of which: deferred	—	—	—	—
<b>Total remuneration (2 + 10)</b>	<b>4,395</b>	<b>14,310</b>	<b>26,995</b>	<b>188,863</b>

<sup>(1)</sup>Each of these columns includes remuneration for non-executive directors, executive directors and other members of Senior Management who held such position as of December, 31 2021. Information on remuneration and other benefits to the Board of Directors and members of the Bank's Senior Management is detailed in Note 54 of the Consolidated Financial Statements for 2021.

<sup>(2)</sup>Fixed remuneration received in 2021, both in cash and in kind, except for pension commitments. In the case of executive directors and Senior Management, the contributions made by the Bank in 2021 in relation to the pension commitments assumed with regard to social welfare are detailed in Note 54 of the Consolidated Financial Statements. Non-executive directors have a fixed remuneration system with deferred delivery of shares after they cease to hold office. Details of this system, including the number of "theoretical shares" allocated in 2021, are also disclosed in Note 54 of the Consolidated Financial Statements for 2021.

<sup>(3)</sup>Total variable remuneration corresponding to financial year 2021, which includes both the Annual Variable Remuneration and, for the purposes of this report, other payments considered variable under applicable regulations. Deferred variable remuneration is not vested and is subject to multi-year performance indicators related to the Risk Appetite Framework and shareholder return, which may reduce (but never increase) such deferred amounts, as well as to malus clauses.

Regarding the "discretionary pension benefits" (15% of the annual contribution agreed to cover the retirement contingency of the Chairman and members of Senior Management), detailed information can be found in Note 54 of the Consolidated Financial Statements for 2021, in the section on pension commitments.

**Table 94.** EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)  
(Thousand euros)

	MB Supervisory function	MB Management function	Other Senior Management	Other Identified Staff	Total Identified Staff
<b>Guaranteed variable remuneration awards</b>					
<b>Guaranteed variable remuneration awards - Number of identified staff</b>	—	—	—	—	—
<b>Guaranteed variable remuneration awards -Total amount</b>	—	—	—	—	—
Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	—	—	—	—	—
<b>Severance payments awarded in previous periods, that have been paid out during the financial year</b>					
<b>Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff</b>	—	—	—	—	4
Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	—	—	—	—	634
<b>Severance payments awarded during the financial year</b>					
<b>Severance payments awarded during the financial year - Number of identified staff</b>	—	—	—	—	21
<b>Severance payments awarded during the financial year - Total amount<sup>(1)</sup></b>	—	—	—	—	19,117
Of which paid during the financial year	—	—	—	—	16,843
Of which deferred	—	—	—	—	2,274
Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	—	—	—	—	16,843
Of which highest payment that has been awarded to a single person	—	—	—	—	3,066

<sup>(1)</sup> Includes the amount of the statutory severance payment under labor regulations, as well as, if applicable, the amount in addition to this legal severance payment.

Additionally, non-competition agreements have been signed with some beneficiaries for a total amount of 8.238 thousand euros, that will be paid periodically from the moment the member of the Identified Staff leaves, during the non-competition period.

In addition, in accordance with Rule 40.1 of Circular 2/2016 of the Bank of Spain, it is stated that of the 21 cases of payments for early termination of contract, 10 of them have exceeded two annuities of the fixed remuneration.

Payments were also made in 2021 for amounts deferred from previous years whose payment corresponded in said financial year. The following table shows the amounts of deferred remuneration from previous years awarded in 2021, distinguishing between the amounts of such remuneration that have been paid in the year and the amounts that, as of December 31, 2021 remain deferred.

Table 95. EU REM3 - Deferred remuneration (Thousand euros)

	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year <sup>(2)</sup>	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to explicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
<b>Deferred and retained remuneration</b>								
<b>MB Supervisory function</b>	—	—	—	—	—	—	—	—
Cash-based	—	—	—	—	—	—	—	—
Shares or equivalent ownership interests	—	—	—	—	—	—	—	—
Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
Other instruments	—	—	—	—	—	—	—	—
Other forms	—	—	—	—	—	—	—	—
<b>MB Management function<sup>(1)</sup></b>	<b>1,923</b>	<b>1,248</b>	<b>675</b>	<b>—</b>	<b>—</b>	<b>(342)</b>	<b>—</b>	<b>553</b>
Cash-based	965	695	270	—	—	—	—	—
Shares or equivalent ownership interests	958	553	405	—	—	(342)	—	553
Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
Other instruments	—	—	—	—	—	—	—	—
Other forms	—	—	—	—	—	—	—	—
<b>Other senior management<sup>(1)</sup></b>	<b>1,900</b>	<b>1,191</b>	<b>710</b>	<b>—</b>	<b>—</b>	<b>(331)</b>	<b>—</b>	<b>535</b>
Cash-based	941	656	285	—	—	—	—	—
Shares or equivalent ownership interests	959	535	425	—	—	(331)	—	535
Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
Other instruments	—	—	—	—	—	—	—	—
Other forms	—	—	—	—	—	—	—	—
<b>Other identified staff</b>	<b>33,181</b>	<b>31,998</b>	<b>1,183</b>	<b>—</b>	<b>—</b>	<b>(7,571)</b>	<b>—</b>	<b>12,241</b>
Cash-based	20,230	19,757	473	—	—	—	—	—
Shares or equivalent ownership interests	12,951	12,241	710	—	—	(7,571)	—	12,241
Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
Other instruments	—	—	—	—	—	—	—	—
Other forms	—	—	—	—	—	—	—	—
<b>Total amount</b>	<b>37,004</b>	<b>34,438</b>	<b>2,567</b>	<b>—</b>	<b>—</b>	<b>(8,244)</b>	<b>—</b>	<b>13,329</b>

<sup>(1)</sup> Each of these columns includes remuneration for executive directors and other members of Senior Management who held such position as of December, 31 2021. Information on remuneration and other benefits to the Board of Directors and members of the Bank's Senior Management is detailed in Note 54 of the Consolidated Financial Statements for 2021.

<sup>(2)</sup> In addition, the cash portion of the deferred remuneration awarded in respect of previous performance periods that has been vested in 2021 has been updated in accordance with the year-on-year CPI. These amounts are as follows: 22 thousand euros for executive directors, 13 thousand euros for other members of Senior Management and 794 thousand euros for the rest of the Identified Staff.

The number of employees receiving remuneration of €1 million or more is as follows:

**Table 96.** EU REM4 - Remuneration of €1 million or more per year

<b>EUR</b>	<b>Identified staff that are high earners as set out in Article 450(i) CRR</b>
1 000 000 to below 1 500 000	27
1 500 000 to below 2 000 000	11
2 000 000 to below 2 500 000	7
2 500 000 to below 3 000 000	4
3 000 000 to below 3 500 000	2
3 500 000 to below 4 000 000	—
4 000 000 to below 4 500 000	—
4 500 000 to below 5 000 000	—
5 000 000 to below 6 000 000	—
6 000 000 to below 7 000 000	1
7 000 000 to below 8 000 000	1

<sup>(1)</sup> Includes the sum of the fixed remuneration received in 2021 and the total variable remuneration corresponding to 2021. Of the Annual Variable Remuneration 2021, 60% has been deferred and therefore is not vested, being subject to multi-year performance indicators related to the Risk Appetite Framework and shareholder return that may reduce its amount (never increase it) and to malus clauses.

The table below gives the total remuneration of the Identified Staff for the year 2021, broken down by area of activity:

**Table 97.** EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff) (Thousand euros)

	Management body remuneration			Business areas					Total	
	MB Supervisory function	MB Management function	Total MB	Investment banking <sup>(3)</sup>	Retail management banking <sup>(4)</sup>	Asset management <sup>(5)</sup>	Corporate functions <sup>(6)</sup>	Internal control functions <sup>(7)</sup>		All other <sup>(8)</sup>
<b>Total number of identified staff</b>										332
Of which: members of the MB <sup>(1)</sup>	13	2	15							
Of which: other senior management <sup>(1)</sup>				1	3	—	9	3	—	
Of which: other identified staff				46	59	4	103	89	—	
<b>Total remuneration of identified staff<sup>(2)</sup></b>	4,395	14,310	18,705	40,712	47,256	2,947	81,235	43,708	—	
Of which: variable remuneration	—	7,468	7,468	16,397	17,149	1,168	26,311	14,708	—	
Of which: fixed remuneration	4,395	6,843	11,237	24,315	30,107	1,779	54,924	29,000	—	

<sup>(1)</sup> Each of these columns includes remuneration for non-executive directors, executive directors and other members of Senior Management who held such position as of December, 31 2021.

<sup>(2)</sup> Includes the sum of the fixed remuneration received in 2021 and the total variable remuneration corresponding to financial year 2021, which includes both the Annual Variable Remuneration and, for the purposes of this report, other payments considered variable under applicable regulations. Deferred variable remuneration is not vested and is subject to multi-year performance indicators related to the Risk Appetite Framework and shareholder return, which may reduce (but never increase) such deferred amounts, as well as to malus clauses.

Regarding the "discretionary pension benefits" (15% of the annual contribution agreed to cover the retirement contingency of the Chairman and members of Senior Management), detailed information can be found in Note 54 of the Consolidated Financial Statements for 2021, in the section on pension commitments.

<sup>(3)</sup> Includes trading and other investment banking activities.

<sup>(4)</sup> Includes Retail, Business, Corporate and Insurance Banking activities.

<sup>(5)</sup> Includes Asset Management and Private Banking activities.

<sup>(6)</sup> Includes support areas for the BBVA Group and business support areas (Finance, Legal, Human Resources, etc.).

<sup>(7)</sup> Includes Risk Management, Internal Audit and Compliance activities.

<sup>(8)</sup> Other activities not included in the previous categories.