BBVA

Transition Debt Financing Framework

November 2026



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1 BBVA's Sustainability Strategy & Approach to Climate Transition

1.1. Sustainability: A Strategic Priority for BBVA

BBVA is a global financial group with a customer-centric vision and a long-standing track record of transformation and innovation. Under its 2025–2029 Strategic Plan, the Group is focused on further strengthening its customer-centric model, leveraging artificial intelligence and next-generation technologies to accelerate innovation and transformation, while consolidating sustainability as a key driver of growth. With a presence in more than 25 countries, it serves over 81.2 million active customers through a team of 127,174 employees. BBVA holds a leading position in Spain, is the largest financial institution in Mexico, and has leading franchises in South America and Turkey. In Europe, BBVA has a steadily growing presence, driven by its specialised offices serving business customers and its focus on digital banks, currently operating in Italy and Germany. In addition, BBVA provides specialised services to large corporations through its offices in the United States and Asia. This strong geographic diversification, together with high levels of customer acquisition through digital channels, positions us to strengthen our leadership and address the challenges of the future.



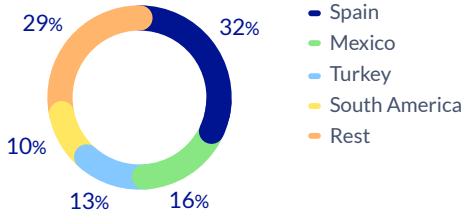
As mentioned, sustainability is a strategic priority for BBVA and one of the six pillars of the Group's 2025–2029 Strategic Plan. BBVA believes that the transition towards a low-carbon, more resilient and inclusive economy represents one of the most significant economic transformations of our time, creating substantial opportunities for innovation, investment and long-term value creation. As a financial institution, BBVA recognises its role in supporting this transformation by channeling capital, accompanying clients throughout their transition journeys and integrating sustainability into its business strategy, governance and risk management framework.

The transition to a low-carbon economy will require unprecedented levels of investment across energy systems, industrial processes, transport, infrastructure and value chains. Technological advances, increasing energy demand and the growing maturity of low-carbon technologies are accelerating this transformation and creating significant financing needs across the global economy. BBVA views this structural transformation as a significant long-term growth opportunity, creating new business opportunities and financing needs while supporting the development of more efficient, resilient and lower-carbon business models.

Supporting clients is central to BBVA's sustainability strategy. Drawing on specialised advisory capabilities and deep sector expertise, BBVA supports clients in navigating the transition to a low-carbon economy and in financing the investments required to transform their business models and decarbonise their activities. This includes supporting investment in both solutions that are already low-carbon and the transition technologies and activities needed to progressively decarbonise emissions-intensive sectors. Climate and environmental considerations are also integrated into client relationships, business development and risk management processes, enabling BBVA to accompany clients across different sectors, geographies and stages of their transition.

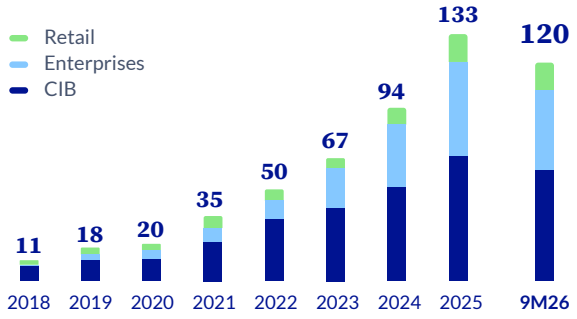
Following the achievement of its initial €100 billion target and its subsequent €300 billion target one year ahead of schedule, the Group established a new Sustainable Business Channeling Target of €700 billion between 2025 and 2029. From 1 January 2026, this target explicitly incorporates Transition Business, reflecting BBVA's conviction that achieving global climate objectives requires financing not only environmentally sustainable activities but also credible transition pathways for sectors where decarbonisation remains technologically or economically challenging.

SUSTAINABLE BUSINESS CHANNELING [1]
9M26



(1) Generally, the criterion used for distributing sustainable business channeling by geographical area is the location of the corresponding operation's registration. However, there are certain exceptions when several geographies are involved in the operation.

SUSTAINABLE BUSINESS CHANNELING
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Source: BBVA, *Quarterly Report*, 3Q2026 (p. 7)

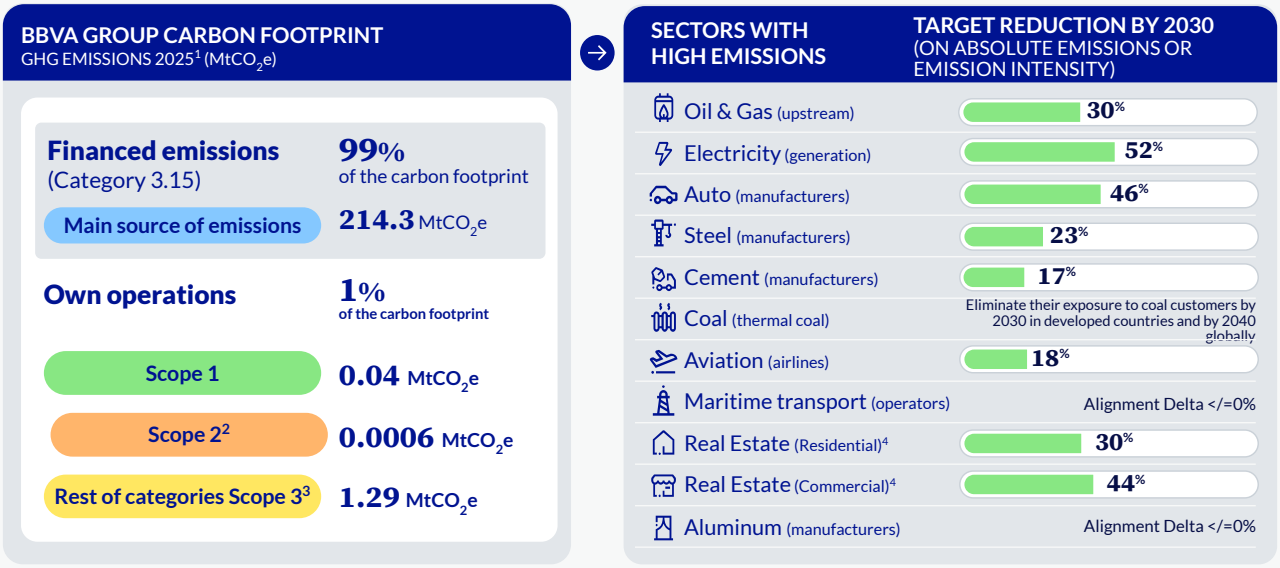
1.2. BBVA's Transition Plan

BBVA integrates climate change management as a cornerstone of its corporate strategy through its Group Transition Plan. The Transition Plan establishes the strategic framework through which the Group identifies, measures and manages climate-related risks and opportunities of its portfolios while supporting the transition of its clients towards a net-zero economy. It combines portfolio sectoral decarbonisation objectives, sector-specific transition strategies and client engagement to support the Group's decarbonisation strategy and its integration into business and risk management processes.

The Transition Plan is centred on financed emissions, which account for approximately 99% of BBVA's total carbon footprint. Accordingly, the Group has developed sector-specific transition plans covering the industries with the greatest contribution to financed emissions. These plans identify credible decarbonisation pathways, transition technologies, business opportunities and sector-specific risks, helping BBVA guide its business strategy while supporting clients throughout their transition journeys.

The information derived from these sector transition plans is integrated into BBVA's business strategy through a structured assessment process combining sector analysis, customer portfolio reviews and the identification of transition-related opportunities at sector level. The resulting insights are incorporated into business and risk management processes, supporting the implementation of sector-specific strategies and client engagement.

To measure the progress of its Transition Plan, BBVA has established 2030 emissions reduction targets for its loan portfolio across priority sectors, including:



(1) For the year 2025, estimates are used for data not available at the closing date of the Group Consolidated Management Report 2025.
(2) Gross market-based Scope 2 GHG emissions.
(3) Scope 3 GHG emissions include: 3.1 (Purchased goods and services), 3.2 (Capital goods), 3.3 (Fuel and energy-related activities (not included in Scope 1 or Scope 2), 3.4 (Upstream transportation and distribution), 3.5 (Waste generated in operations), 3.6 (Business travel), 3.7 (Employee commuting), 3.13 (Downstream leased assets).
(4)The geographic scope of the intermediate 2030 emission reduction target for the real estate sector is Spain.

BBVA Transition Debt Finance Framework is an additional relevant tool for BBVA to support its strategy, especially for hard-to-abate sectors like Energy, Steel, Cement, Aviation and Maritime transport, enabling the financing of credible transition activities backed up by transition eligibility criteria.

1.3. Governance and Risk Management

BBVA has a Corporate Governance System comprising a set of principles, rules and mechanisms that integrate and regulate the structures and operation of its corporate bodies, which are responsible, at the highest level, for the governance of the Bank. This system is mainly governed by the Bank's Articles of Association, the regulations of its various corporate bodies and certain general policies of the Bank.

The Board of Directors has adopted a governance model which, with the Board itself at the centre, is supported by the specialised assistance of its Committees on matters within their respective areas of competence. These Committees support the Board in the development of its functions in sustainability matters, including the oversight of the Group's sustainability strategy, climate transition objectives and associated risks.

In particular, the Executive Committee supports the Board in decision-making and monitoring BBVA's sustainability strategy and objectives. The Audit Committee oversees sustainability-related financial and non-financial reporting, while the Appointments and Corporate Governance Committee considers sustainability-related competencies in Board composition. The Remuneration Committee monitors sustainability-related remuneration indicators, the Risk and Compliance Committee supports the integration of sustainability into risk management, and the Technology and Cybersecurity Committee oversees technology strategy and associated risks.

Board of Directors



Executive Committee
- Supports the Board in decision-making and monitoring and control functions regarding strategic objectives such as budgets, capital and liquidity, and key projects
- Decision-making power on certain matters by delegation from the Board

Remuneration Committee
- Submits proposals on remuneration-related matters affecting Directors, senior managers, and other risk takers, including strategic KPIs linked to remuneration and internal control
- Monitors the implementation of remuneration policies and agreements

Audit Committee
- Oversees the preparation of financial and non-financial information and public information
- Oversees the Internal Audit function
- Handles relations with the external auditor

Appointments and Corporate Governance Committee
- Conducts performance evaluation of the Board and Executive Directors
- Oversees the Bank's and its Group's Corporate Governance
- Oversees Board composition and Director selection processes

Risk and Compliance Committee
- Supports the Board in risk-related decision-making
- Monitors and oversees the Group's financial and non-financial risks from a holistic perspective
- Supervises the Compliance Function
- Promotes a risk and compliance culture within the Group

Technology and Cybersecurity Committee
- Monitors the Group's technology strategy
- Lends support in overseeing cybersecurity management
- Lends support in monitoring technology risks

Source: BBVA, *Annual Report*, 2025 (p. 50)

At executive level, the Global Sustainability Area is responsible for disseminating the Group's sustainability principles and objectives and advising the various executive areas to facilitate their implementation and integration into the Group's activities. The implementation of the sustainability strategy is a cross-cutting responsibility across the Group, supported by a network of sustainability specialists across relevant business and corporate functions.

Governance of BBVA's Transition Debt Financing Framework

BBVA intends to update this Transition Debt Financing Framework periodically. Each update must be approved by the Standards Working Group (SWG), which comprises senior representatives from areas related to sustainable finance and whose function is to guide the Group on standards that define and regulate sustainable financing. In addition, an independent Second-Party Opinion will be obtained for each update to confirm the alignment of the Framework with market best practices.

As for the asset evaluation and selection process of eligible projects, the governance includes the Sustainable Funding Working Group (SFWG), formed by representatives from Treasury and departments related to sustainability, including Sustainability Compliance, Fixed Income Origination, Sustainable Finance and Sustainability. The SFWG will review and approve, on a quarterly basis, projects based on the defined Eligible Transition Categories listed in the section "Use of Proceeds".

Final approval of the Transition Allocation and Impact Report rests with the SWG. Final approvals are also applicable to those BBVA, S.A.'s subsidiaries willing to issue any Transition Debt Instrument - as defined in section 3.1. - under this Framework.

In the case of BBVA, S.A.'s subsidiaries, they shall establish their own governance to conduct the process for project evaluation and selection, management of proceeds and reporting. In addition, subsidiaries' reporting must also be approved by the SWG.

1.4. Transition Finance: A Strategic Opportunity for BBVA

Achieving the transition to a net-zero economy will require unprecedented levels of investment across all sectors of the economy, with total cumulative investment needs estimated at approximately USD 275 trillion between 2021 and 2050[1]. While green finance supports activities that are already environmentally sustainable, a significant share of this investment, estimated at USD 30–50 trillion through 2050[2], will be required to decarbonise emissions-intensive and hard-to-abate sectors through the deployment of transition technologies, infrastructure upgrades and the transformation of existing industrial assets.

Transition finance therefore complements green finance by channeling capital towards activities that deliver measurable greenhouse gas (GHG) emissions reductions and support credible decarbonisation pathways. Transition finance plays a critical role in accelerating the deployment of emerging technologies and supporting the orderly decarbonisation of the real economy, particularly in emissions-intensive and hard-to-abate sectors.

2 BBVA Approach to Transition Finance

2.1. Our Definition and Approach to Transition Finance

The transition to a net-zero economy requires financing not only activities that are already environmentally sustainable, but also those that enable the progressive decarbonisation of sectors where technically or economically viable low- or zero-carbon alternatives are not yet widely available. These sectors, often characterised as 'high-emitting' or 'hard-to-abate', require significant investment to deploy existing transition technologies, accelerate innovation and scale emerging low-carbon solutions.

BBVA considers Transition Finance to be a key area of opportunity within its broader sustainability strategy. It complements green finance by supporting activities, assets and investments that are not yet considered green but contribute to substantial and measurable greenhouse gas ("GHG") emissions reductions and facilitate credible transition pathways consistent with long-term climate objectives.

For the purposes of this Framework, Transition Finance refers to financing provided to activities, assets and investments that:

- **contribute to the decarbonisation of high-emitting or hard-to-abate sectors**
- **deliver substantial and measurable GHG emissions reductions or improvements in emissions intensity**
- **are aligned with recognised science-based sectoral decarbonisation pathways**
- **support credible client transition strategies**
- **mitigate potential carbon lock-in risks; and**
- **are implemented in accordance with robust environmental and social safeguards.**

(1) McKinsey Global Institute, *The Net-Zero Transition: What It Would Cost, What It Could Bring* (2022)
(2) World Economic Forum, *Net-Zero Industry Tracker* (2024)

BBVA's approach combines activity-level assessment with client-level assessment, recognising that financing individual transition activities should support the broader transition of the real economy. Accordingly, eligibility under this Framework considers both the characteristics of the financed activity and, where relevant, the credibility of the client's transition strategy.

2.2. BBVA Transition Finance Methodology

To operationalise its approach to transition finance, BBVA has developed a proprietary Transition Finance Methodology to identify transition activities, technologies and solutions capable of supporting the decarbonisation of emissions-intensive sectors. The methodology combines science-based sectoral pathways and technology assessments to identify relevant transition technologies and their potential contribution to sectoral decarbonisation. This methodology provides the technical foundation for the identification of eligible transition activities under this Framework.

The methodology follows a science-based approach and, where possible, aligns with internationally recognised taxonomies, sectoral decarbonisation pathways and market best practices. It has been informed by guidance and technical references including, but not limited to: the EU and global taxonomies, ICMA Climate Transition Bond Guidelines and Climate Transition Finance Handbook, LMA Guide to Transition Loans, International Energy Agency (IEA), Climate Bonds Initiative (CBI), Mission Possible Partnership (MPP), Science Based Targets initiative (SBTi), World Economic Forum (WEF), IFRS Transition Plan Taskforce (TPT) Disclosure Framework and BBVA's own sector expertise and transition analysis.

Unlike conventional green finance methodologies, BBVA's methodology does not rely solely on predefined technology lists. Instead, it evaluates the role of technologies and activities in supporting the decarbonisation of each sector, considering their technical characteristics, emissions reduction potential and alignment with sectoral transition pathways.

The methodology is structured around three sequential analytical phases.

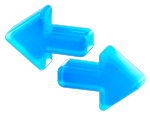
Phase 1

Identification of High-Emitting and Hard-to-Abate Sectors



Phase 2

Emissions Analysis Across the Value Chain



Phase 3

Identification of Transition Technologies



Phase 1 Identification of High-Emitting and Hard-to-Abate Sectors



The first phase consists of identifying sectors where transition finance can have the greatest potential contribution to decarbonisation. BBVA focuses on high-emitting sectors (those characterised by significant greenhouse gas emissions) and hard to abate sectors (where technological, economic or infrastructure constraints make immediate decarbonisation challenging).

Sector identification is based on BBVA's sector decarbonisation targets, financed emissions priorities, international climate guidance and recognised market references. This approach enables BBVA to periodically review and update the sectors covered by the methodology as transition technologies and scientific evidence continue to evolve.

Based on this analysis, BBVA has identified a range of high-emitting and hard-to-abate sectors that are currently considered within the scope of its Transition Finance Methodology, including:

Power & Utilities	Oil	Natural Gas
Thermal Coal	Nuclear	Steel
Aluminium	Cement	Chemicals
Mining	Shipping	Aviation
Automotive & Road Transport	Pulp & Paper	Agriculture & Livestock
Real Estate	Information and Communication Technologies ("ICT")	

The scope of sectors covered by the methodology is periodically reviewed to reflect technological developments, evolving decarbonisation pathways and emerging transition opportunities.

In parallel, BBVA identifies cross-sector transition technologies capable of supporting emissions reductions across multiple industries, alongside sector-specific technologies designed to address the unique decarbonisation challenges of individual sectors. This distinction enables the methodology to recognise both widely applicable transition solutions, such as electrification, renewable energy, hydrogen and carbon capture, and technologies that are specific to individual industrial processes or value chains.

The resulting sector mapping provides the foundation for the subsequent assessment of value-chain emissions and the identification of eligible transition technologies under this Framework.

Phase 2 Emissions Analysis Across the Value Chain



Once sectors have been identified, BBVA analyses their value chains to identify where emissions are generated.

This assessment considers upstream, midstream and downstream activities to identify:

- **the principal sources of greenhouse gas emissions;**
- **emission-intensive production processes;**
- **relationships between different stages of the value chain; and**
- **opportunities where transition technologies can deliver the greatest climate impact.**

This analysis supports the identification of technologies and activities capable of delivering measurable emissions reductions throughout the value chain rather than focusing solely on final products or individual assets.

Phase 3 Identification of Transition Technologies



The final phase consists of identifying technologies and activities capable of supporting the decarbonisation of the sectors identified in the previous phases.

Technologies are assessed using recognised international frameworks and scientific references, including sectoral decarbonisation pathways, taxonomies and market guidance. BBVA also considers developments in emerging technologies and evolving market practices.

Eligible technologies are subsequently classified according to two complementary dimensions:

- **Technology classification,** distinguishing between activities already considered environmentally sustainable ("green") and those supporting the transition towards lower-carbon production ("transition"), based on their environmental contribution and alignment with relevant eligibility criteria; and
- **Sector applicability**, distinguishing between cross-sector technologies applicable across multiple industries and technologies that are specific to individual sectors.

This structured approach provides a consistent basis for identifying transition activities and technologies, while allowing the methodology to evolve alongside technological developments and international market practices.

2.3. Client Review & Requirements

BBVA recognises that financing the transition requires assessing not only the characteristics of the financed activity but also its alignment with credible sectoral decarbonisation pathways and the eligibility criteria established under BBVA's Transition Finance Methodology. Accordingly, the assessment of eligible transition uses of proceeds focuses on the characteristics and decarbonisation contribution of the financed activities, complemented, where relevant, by an assessment of the client's broader transition strategy.

To this end, BBVA has developed significant internal capabilities to assess and monitor the transition profile of its clients. In particular, BBVA uses its proprietary Transition Risk Indicator ("TRi"), an internal transition scoring system that supports the assessment and segmentation of corporate clients according to their exposure to transition risks and their progress in addressing them. The assessment considers clients' activities and geographic exposure, as well as relevant aspects of their decarbonisation strategies, including the ambition of emissions reduction targets, the maturity of governance arrangements and transition strategies, the technological levers underpinning them and the evolution of greenhouse gas emissions. For sectors identified as particularly exposed to transition risks, BBVA applies an enhanced sector-specific approach, incorporating the most relevant variables and decarbonisation dynamics for each sector.

The TRi is embedded in BBVA's broader business and risk management processes and supports client segmentation, sectoral transition planning and client engagement, reflecting the Bank's established capabilities in understanding and monitoring clients' transition profiles. As of December 2025, 89% of BBVA's loan portfolio in key high-emitting sectors was with clients considered to be actively managing their transition[3], based on internal transition assessment tools such as the TRi. This assessment considers, among other factors, clients' medium-term emissions reduction targets, the levers available to manage those emissions and committed investments to implement their transition plans.

The TRi is an internal BBVA risk and business management tool and does not constitute, or replace, any client assessment that may be required to determine eligibility under this Framework. Where a client-level assessment is relevant for a particular Eligible Transition Project, such assessment will be performed in accordance with the requirements of this Framework and applicable transition finance market guidance.



Image generated with AI

(3) BBVA, *Sustainability as a Growth Engine*, June 2026

The client assessment aims to evaluate the credibility of the client's transition strategy, taking into account the client's sector, geography and stage of transition. Where relevant, BBVA evaluates whether clients have developed, or are in the process of developing, a transition strategy or Transition Plan that demonstrates a genuine commitment to decarbonisation and supports the long-term transformation of their business model. The assessment considers, among other factors:

- The client's transition ambition, governance and implementation strategy;
- Science-based or sector-aligned emissions reduction targets and associated transition pathways;
- The alignment of capital expenditure, operating expenditure and investment programmes with transition objectives; and
- Progress monitoring, climate-related disclosures and accountability mechanisms.

Recognising that transition maturity varies across sectors, geographies, jurisdictions and company size, BBVA applies a proportionate approach to client assessment. For Corporate & Investment Banking (CIB) and Corporate clients, the assessment considers the client's transition plan or relevant decarbonisation indicators. For other client segments, particularly SMEs or clients operating in emerging markets, BBVA may consider alternative evidence demonstrating credible progress towards decarbonisation, including governance arrangements, climate disclosures, transition indicators, past investments, planned expenditures or other relevant information.

The assessment forms part of BBVA's ongoing client dialogue and is intended to support clients throughout their transition journey rather than representing a one-off assessment undertaken solely for an individual financing transaction.

2.4. Environmental and Social Risk Monitoring

All transactions considered under this Framework remain subject to BBVA's environmental and social risk management policies and existing credit risk governance processes.

Environmental and social assessments are integrated into the transition finance eligibility process to support the assessment of whether financed activities contribute to climate transition while maintaining appropriate environmental integrity and social safeguards. This assessment considers potential environmental impacts, biodiversity, pollution prevention, human rights, labour standards, community impacts and other relevant environmental and social risks, consistent with BBVA's existing policies and sector-specific standards.

In addition, BBVA evaluates whether eligible transition activities appropriately manage potential carbon lock-in risks. Financing provided to eligible transition activities is expected to support an orderly and time-bound transition towards lower-carbon business models and should not unnecessarily extend the economic life of carbon-intensive assets where technically and economically viable alternatives are available.

Together, these assessments seek to ensure that transition finance supports credible decarbonisation while avoiding significant adverse environmental or social impacts.

2.5. BBVA Transition Finance Governance

BBVA has established governance arrangements to facilitate the consistent application, oversight and continuous enhancement of its Transition Finance Framework.

BBVA's Global Sustainability Area is responsible for establishing the eligibility and calculation criteria for Sustainable and Transition Business, through a specific committee comprising sustainability and control specialists alongside business representatives. In addition, each geography has local specialists responsible for the validation and/or structuring of Sustainable and Transition Business in accordance with these criteria. Once validated, these transactions are recorded as part of BBVA's Sustainable and Transition Business Channeling.

The diagram below illustrates BBVA's internal process for identifying and classifying Sustainable and Transition Business, distinguishing between dedicated use-of-proceeds and general-purpose financing. For the purposes of this Framework, only dedicated use-of-proceeds financing meeting the applicable transition eligibility criteria is considered eligible.



*For transition operations, the analysis process includes a customized review (ad hoc) to assess their alignment with the customer's transition strategy.[1]

Additionally, the evaluation and selection of projects take the following factors into account:
- The alignment of the project with sectoral trajectories or taxonomies;
- The prioritization of technically and economically viable low-carbon solutions in the local context (Best Available Technology)
- Environmental and social risk analysis that avoids negative impacts (including Just Transition considerations)
- Avoid the risk of carbon lock-in.

(1) DNV notes that, in order to better ensure the credibility of a climate transition instrument, additional safeguards may be required when climate transition projects are related to activities or assets that use fossil fuels, as indicated in ICMA's Climate Transition Bonds Guideline (CTBG).

Source: BBVA, *BBVA Sustainable and Transition Business Channeling Guide*, 2026 (p. 10)

The governance process involves collaboration between the originating business, Sustainability and other relevant internal functions to facilitate the consistent application of eligibility criteria under this Framework. These functions collectively contribute to the review of transition finance assessments and eligibility decisions.

In addition to transaction-level oversight, BBVA reviews its Transition Finance Methodology, as appropriate, to reflect developments in climate science, sectoral decarbonisation pathways, regulation and internationally recognised market guidance. Material revisions to the methodology or this Framework are subject to BBVA's internal governance and approval processes.

Eligible transactions remain subject to applicable monitoring processes. Where material changes affect the financed activity, the client's transition strategy or other relevant eligibility considerations, BBVA may reassess the eligibility of the financing under this Framework.



3 BBVA's Transition Debt Financing Framework

3.1. Purpose and Scope of the Framework

This Transition Debt Financing Framework (the "Framework") sets out BBVA's approach to financing or refinancing Eligible Transition Projects through the issuance of Transition Debt Instruments. It establishes the principles, governance and eligibility criteria under which proceeds are allocated to projects that support the decarbonisation of the real economy, while providing investors with transparency on the use of proceeds and the environmental impacts of the financed activities.

The Framework complements BBVA's existing Sustainable Debt Financing Framework by introducing a dedicated use-of-proceeds framework for transition finance. It has been developed to support activities that contribute to credible climate transition pathways but may not yet qualify as environmentally sustainable or "green" under existing green finance frameworks.

Under this Framework, Banco Bilbao Vizcaya Argentaria, S.A. and, where applicable, its subsidiaries, may obtain financing with a transition component, either under a loan/credit format or by issuing transition debt instruments (altogether the "Transition Debt Instruments"). Such Transition Debt Instruments may be in the form of loans, senior or subordinated, secured and/or unsecured bonds, certificates of deposit, commercial paper, or any other transition debt instruments. All of the above may be in multiple currencies and jurisdictions, offered or placed in the form of public and/or private placements and used to finance and/or refinance assets, loans or projects which meet the eligibility criteria provided in this Framework.

The Framework applies to those Transition Debt Instruments which are obtained/issued as from this Framework's effective date, which is the date appearing on the cover page, provided that it is foreseen in the relevant documentation of the Transition Debt Instrument.

BBVA intends to review and update the Framework periodically to reflect developments in climate science, regulation, market practice and its Transition Finance Methodology. Unless otherwise specified, future updates will apply only to Transition Debt Instruments received/ issued following the publication of the revised Framework, unless the update itself specifies otherwise.

Core Components

This Framework has been developed in alignment with the 2025 ICMA Climate Transition Bond Guidelines [4], the 2025 ICMA Climate Transition Finance Handbook [5] and the 2026 LMA Transition Loans Principles [6], while incorporating BBVA's proprietary Transition Finance Methodology described in Section 2. Together, these principles provide the basis for the identification, evaluation, financing and reporting of Eligible Transition Projects under this Framework.

Consistent with these market standards, the Framework is structured around the following four core components:



These components are intended to ensure the transparent allocation of proceeds, the consistent application of BBVA's Transition Finance Methodology and the ongoing reporting of the environmental impacts and contribution of financed activities to BBVA's broader Transition Plan.

In line with the ICMA Climate Transition Bond Guidelines and LMA/APLMA/LSTA Transition Loan Principles, the Use of Proceeds component also addresses relevant transition finance safeguards, including the assessment and disclosure of the entity-level transition strategy, where applicable.

3.2. Use of Proceeds

BBVA will allocate an amount equal to the net proceeds of the Transition Debt Instrument under this Framework to finance or refinance, in whole or in part, Eligible Transition Projects.

For the purpose of this Framework, Eligible Transition Projects are loans, investments and projects falling within any of the Eligible Categories described below. They are expected to contribute to substantial and measurable greenhouse gas ("GHG") emissions reductions and support credible decarbonisation pathways, particularly within high-emitting and hard-to-abate sectors. Projects financed under this Framework shall be consistent with BBVA's Transition Finance Methodology described in Section 2 and the process for project evaluation and selection described in Section 3.3.

Proceeds may be allocated to finance new Eligible Transition Projects and/or refinance existing Eligible Transition Projects. Where proceeds are allocated to refinancing, BBVA will disclose the share of financing and refinancing in its annual Transition Allocation and Impact Report.

(4) International Capital Markets Association (ICMA), *Climate Transition Bond Guidelines* (2025)
(5) International Capital Markets Association (ICMA), *Climate Transition Finance Handbook* (2025)
(6) Loan Market Association (LMA), *Transition Loan Principles* (2026)

The eligibility and assessment of Eligible Transition Projects under this Framework are informed by BBVA's broader Transition Plan and proprietary Transition Finance Methodology, incorporating recognised net-zero scenarios, sectoral decarbonisation pathways, emissions reduction objectives and relevant transition technologies. These are supported by BBVA's sector-specific transition strategies, client engagement and investment activities, with progress monitored through the Group's established sustainability reporting and risk management processes. Further information on BBVA's transition strategy, targets and implementation progress is provided in BBVA's Consolidated Non-financial Information Statements.

Eligible Transition Categories

Eligible Transition Projects financed under this Framework are grouped into Transition Categories representing technologies, assets and investments that contribute to the decarbonisation of the real economy.

These categories have been identified using BBVA's Transition Finance Methodology, which combines science-based sectoral pathways, internationally recognised taxonomies, technology assessments and market best practices.

Each category includes detailed eligibility criteria designed to facilitate that financed activities contribute to credible transition outcomes while remaining consistent with the principles and safeguards described throughout this Framework.

Eligible Transition Activities	**Power & Utilities**	- Grid modernisation and flexibility solutions, including transmission & distribution upgrades, smart grids, digital optimisation and energy storage supporting increased renewable integration. - Combined Cycle Gas Turbines (CCGT) replacing higher-emission thermal generation, including coal-to-gas conversion where aligned with recognised decarbonisation pathways. - Fuel switching in existing thermal generation, including sustainable biomass, renewable gases, ammonia co-firing and other lower-carbon fuels that deliver measurable lifecycle emissions reductions. - CCUS and Carbon Dioxide Removal (CDR) technologies for eligible existing thermal generation assets, including associated CO_2 transport and storage infrastructure, DACCS and BECCS. - Generation efficiency and asset optimisation, including waste heat recovery, thermal process improvements, digital optimisation, predictive maintenance and repurposing of existing generation assets to support lower-carbon electricity systems.

Eligible Transition Activities

Oil

- Electrification and operational efficiency across existing upstream, midstream and refining operations, including drilling, pumping, crude-water separation, pipeline transport, process optimisation, waste heat recovery, thermal process improvements and digital field or process controls.
- Methane and flaring reduction, including leak detection and repair (LDAR), vapour recovery units (VRUs), green completions, zero routine flaring and venting reduction across production, transport and storage assets.
- Low-carbon hydrogen integration within refining processes, including hydrogen for desulphurisation, process heat and other refinery operations aligned with credible transition pathways.
- CCUS for eligible refinery and industrial process emissions, including associated CO_2 transport and storage infrastructure (excluding Enhanced Oil Recovery (EOR).
- Lower-carbon fuels and feedstocks, including sustainable biomass, waste oils and renewable or recycled feedstocks supporting SAF and renewable fuels.
- Asset repurposing, including conversion of refineries into bio-refineries, SAF, renewable fuel or hydrogen hubs.

Natural Gas

- Electrification and operational efficiency across existing gas production, processing, LNG, compression and distribution infrastructure, including heat recovery, digital optimisation and process efficiency improvements.
- Methane and fugitive emissions abatement, including Leak Detection and Repair (LDAR), Vapour Recovery Units (VRUs), green completions, venting reduction, zero routine flaring and advanced methane monitoring across the gas value chain.
- Lower-carbon gas integration, including biomethane, renewable gases and hydrogen blending within existing gas infrastructure, together with hydrogen-ready networks and end-use infrastructure.
- Low-carbon hydrogen, including blue and turquoise hydrogen and associated infrastructure.
- CCUS for eligible existing gas-processing and industrial assets, including associated CO_2 transport and storage infrastructure, excluding applications primarily supporting Enhanced Oil Recovery (EOR).
- Infrastructure repurposing and managed phase-out, including conversion of pipelines, LNG terminals, storage facilities and other gas infrastructure for hydrogen, biomethane or CO_2 transport, together with the decommissioning or repurposing of obsolete gas assets.

Eligible Transition Activities

Thermal Coal

- Managed coal phase-out, including accelerated retirement, decommissioning and just transition measures.
- Coal mine methane (CMM) abatement, including methane capture, utilisation and ventilation air methane (VAM) mitigation.
- Coal-to-gas conversion and lower-carbon fuel switching, including biomass and ammonia co-firing, where aligned with recognised sector decarbonisation pathways.
- CCUS for eligible existing thermal coal assets, including associated CO_2 transport and storage infrastructure supporting the transition of existing facilities.
- Operational decarbonisation, including electrification, energy efficiency, emissions control technologies (e.g. FGD and NOx reduction) and digital optimisation.
- Asset repurposing and environmental restoration, including conversion of existing coal infrastructure for clean energy, hydrogen or energy storage, together with mine rehabilitation.

Nuclear

- Life extension and operational efficiency of existing nuclear facilities, including upgrades that improve plant performance, safety and reliability.
- Advanced nuclear technologies, including Small Modular Reactors (SMRs), advanced reactor designs and associated research & development.
- Nuclear-enabled hydrogen and industrial heat, including pink hydrogen production and other industrial applications where permitted under applicable regulation.
- Fuel cycle optimisation, including advanced fuel technologies, spent fuel recovery and waste minimisation to improve resource efficiency.
- Safe decommissioning and site remediation, including reactor decommissioning, radioactive waste management and long-term environmental restoration.

Steel

- Industrial process electrification, including Electric Arc Furnaces (EAF), iron ore electrolysis and electrification of ancillary equipment.
- Low-carbon steelmaking, including hydrogen-based Direct Reduced Iron (DRI), Blast Furnace (BF) retrofit and other lower-carbon production pathways.
- CCUS for eligible steel production processes, including existing blast furnace and DRI facilities.
- Fuel switching and process efficiency, including hydrogen and other lower-carbon fuels, waste heat recovery, process optimisation and Best Available Technologies (BAT).
- Circular steel production, including increased scrap utilisation, secondary steelmaking, hot briquetted iron (HBI) and steel slag valorisation.
- Digital optimisation, including advanced process control, automation and predictive maintenance to improve efficiency and reduce process emissions.

Eligible Transition Activities

Aluminium

- Electrification of refining and smelting operations, including electrification of process equipment powered by lower-carbon electricity.
- Low-carbon heat and fuel switching, including hydrogen integration and other lower-carbon fuels supporting industrial process heat.
- Advanced production technologies, including inert anodes, advanced electrolysis and other lower-carbon aluminium production processes.
- CCUS where technically applicable to eligible aluminium production processes.
- Secondary aluminium production and circular manufacturing, including increased scrap utilisation, recycled feedstocks and material recovery to reduce primary aluminium production.
- Energy efficiency and digital optimisation, including process optimisation, waste heat recovery and advanced process controls.

Cement

- Low-carbon clinker production, including clinker substitution through supplementary cementitious materials (SCMs) and alternative binders.
- Kiln electrification and fuel switching, including hydrogen, alternative fuels and coal-to-gas switching aligned with recognised sector decarbonisation pathways.
- CCUS for eligible cement production processes, including associated CO_2 transport and storage infrastructure.
- Energy efficiency and process optimisation, including waste heat recovery, digital optimisation and Best Available Technologies (BAT).
- Circular cement production, including recycled aggregates, industrial by-products and other clinker replacement materials to reduce virgin raw material use.
- Alternative fuel co-processing and asset repurposing, supporting the conversion of existing cement assets towards lower-carbon production.

Chemicals

- Electrified chemical production, including electric steam crackers, process electrification and lower-carbon industrial heat.
- Low-carbon hydrogen and chemical derivatives, including blue and turquoise hydrogen, ammonia, methanol and other hydrogen-derived chemicals.
- CCUS and carbon utilisation, including carbon capture for eligible production processes and the use of captured CO_2 as a feedstock.
- Alternative and circular feedstocks, including bio-based, renewable and recycled feedstocks replacing virgin fossil feedstocks.
- Chemical recycling and circular production, including advanced recycling technologies, plastics circularity and recovery of secondary chemical feedstocks.
- Energy efficiency and process optimisation, including waste heat recovery, digital optimisation and Best Available Technologies (BAT).

Eligible Transition Activities

Mining

- Critical minerals extraction and processing, including lithium, copper, nickel, cobalt, manganese, graphite, rare earth elements and other minerals recognised under internationally accepted critical mineral strategies (e.g. IEA, World Bank, EU CRMA or equivalent national lists).
- Mine electrification and operational decarbonisation, including electrification of mining fleets and equipment, energy efficiency, lower-carbon fuels and digital optimisation.
- Low-carbon mineral processing, including advanced separation technologies, Direct Lithium Extraction (DLE), rare earth processing and CCUS.
- Water and resource efficiency, including water recycling, tailings recovery and improved processing efficiency.
- Critical minerals recycling and circularity, including recovery of valuable minerals from end-of-life products, mining waste and industrial by-products.
- Mine rehabilitation and environmental restoration .

Shipping

- Alternative marine fuels, including biomethanol, ammonia, hydrogen and advanced biofuels.
- Transitional marine fuels, including LNG/LPG replacing heavy fuel oil where aligned with credible transition pathways.
- Fleet retrofits and propulsion upgrades, including dual-fuel conversions, wind-assisted propulsion and vessel efficiency improvements.
- Port electrification and alternative fuel infrastructure, including shore power and bunkering infrastructure.
- Operational efficiency and digital optimisation, including voyage optimisation, slow steaming and advanced navigation technologies.
- On-board CCUS and asset repurposing, including carbon capture systems and conversion of existing vessels or infrastructure to support lower-carbon maritime transport.

Aviation

- Sustainable Aviation Fuel (SAF), synthetic aviation fuels (e-SAF) and supporting production and airport infrastructure.
- Aircraft retrofits and efficiency upgrades, including aerodynamic improvements, lightweight materials, engine upgrades and higher SAF compatibility.
- Hydrogen and hybrid-electric propulsion, supporting lower-emission aircraft technologies and regional aviation.
- Airport decarbonisation, including electrification of airport infrastructure, ground support equipment and energy-efficient operations.
- Operational and digital optimisation, including air traffic management (ATM), flight optimisation and other technologies reducing fuel consumption.

Eligible Transition Activities

Automotive & Road Transport

- Vehicle manufacturing decarbonisation, including process electrification, industrial energy efficiency and digital optimisation.
- Heavy-duty fleet transition, including hybrid, hydrogen fuel-cell, dual-fuel technologies and retrofit solutions for existing commercial vehicles.
- Lower-carbon fuels and infrastructure, including biomethane, renewable diesel, synthetic fuels, hydrogen refuelling and charging infrastructure.
- Fleet efficiency and optimisation, including lightweight materials, aerodynamic improvements, digital logistics and smart fleet management.
- Circular manufacturing, including recycled materials, battery recycling, remanufacturing and component recovery.
- Transition vehicle technologies, including hybrid powertrains, lower-emission internal combustion engine (ICE) technologies and alternative fuel compatibility.

Pulp & Paper

- Industrial electrification and low-carbon process heat, including fuel switching towards biomass and other lower-carbon fuels.
- CCUS for eligible industrial process emissions, including recovery boilers and lime kilns where technically applicable.
- Sustainable fibre and alternative feedstocks, including certified forestry, recycled fibres and alternative raw materials reducing reliance on virgin feedstocks.
- Energy efficiency and process optimisation, including waste heat recovery, steam recovery systems, black liquor recovery and digital optimisation.
- Circular fibre production, including advanced paper recycling, fibre recovery and increased recycled content in paper products.
- Low-carbon logistics and material handling, supporting the decarbonisation of transport and downstream operations.

Agriculture & Livestock

- Precision agriculture and low-carbon machinery, including precision farming, alternative fuels and energy-efficient equipment.
- Methane reduction from livestock, including feed additives, selective breeding and improved manure management.
- Biogas and biomethane production from agricultural waste through anaerobic digestion and related technologies.
- Regenerative agriculture and nutrient optimisation, including alternative fertilisers, soil carbon enhancement and precision nutrient management.
- Nature restoration and sustainable land management, including biodiversity enhancement and peatland restoration.
- Efficient cold chain and low-carbon logistics, including energy-efficient storage, processing and transport infrastructure.

Eligible Transition Activities

Real Estate	- Deep energy renovations, delivering significant improvements in building energy performance through building envelope upgrades and energy-efficient retrofits. - Building electrification and low-carbon heating, including heat pumps, hydrogen-ready heating systems and other lower-carbon heating solutions. - Low-carbon construction materials (e.g., lower-clinker cement, recycled steel and other lower-embodied carbon materials). - Circular construction, including selective demolition, material recovery, reuse and recycling of construction materials. - Smart buildings and energy management, including building automation, digital energy management, renewable energy integration and energy storage.
Information & Communication Technologies (ICT)	- Energy-efficient data centres using advanced cooling technologies and improved power usage effectiveness (PUE). - Low-carbon digital infrastructure, including renewable-powered networks and energy-efficient telecommunications. - Digital technologies enabling energy efficiency and industrial decarbonisation across sectors. - Circular electronics, refurbishment and recovery of critical materials. - Network modernisation and efficient digital infrastructure.

Framework-wide exclusions

The use of any proceeds from Transition Loans or Transition Debt Instruments received or issued under this Framework will be subject to restrictions for certain activities in the mining, agribusiness, energy, infrastructure and defence sectors, as outlined in BBVA's Environmental and Social Framework.

These restrictions are also referenced in BBVA's Sustainable and Transition Business Channeling Guide. Additional information on the management of risks associated with climate change can be found in BBVA's Consolidated Non-financial Information Statements.

Adherence to Transition Finance Safeguards

All Eligible Transition Projects financed under this Framework must satisfy the applicable transition finance safeguards outlined below. These safeguards are designed to ensure that financed activities support credible decarbonisation outcomes, align with recognised transition pathways and appropriately manage environmental, social and carbon lock-in risks.

The assessment is conducted in accordance with BBVA's Transition Finance Methodology, considering the characteristics of the financed activity and, where relevant, the client's broader transition strategy. A proportionate approach may be applied depending on the client's sector, geography, size and stage of transition.

A. CREDIBILITY OF THE CLIENT'S TRANSITION STRATEGY AND GOVERNANCE

BBVA focuses on supporting clients in high-emitting or hard-to-abate sectors that demonstrate a credible commitment to decarbonisation, supported by a transition strategy consistent with the objectives of the Paris Agreement.

For relevant client segments, this commitment may be demonstrated through a formal transition plan. The assessment considers, where applicable:

- Transition ambition and strategy: The client's decarbonisation objectives and alignment with recognised sectoral pathways
- Implementation measures: Identified decarbonisation levers, planned investments and operational measures supporting the transition
- Targets and indicators: Measurable emissions reduction targets, relevant performance indicators and implementation milestones
- Governance and accountability: Appropriate oversight and monitoring arrangements supporting the implementation of the transition strategy.

BBVA also assesses whether the financed project contributes to the client's broader decarbonisation roadmap and supports the transformation of its business model.

Where a formal transition plan is not available, particularly for SMEs or clients operating in emerging markets, BBVA may consider alternative evidence of credible decarbonisation progress, including climate-related disclosures, emissions reduction commitments, planned investments and technology deployment milestones.

B. ASSESSMENT OF LOW-CARBON TECHNOLOGY ALTERNATIVES

BBVA assesses whether the proposed activity represents an appropriate transition solution, prioritising technically and economically viable lower-carbon alternatives in the relevant sectoral and geographical context. The assessment considers:

- The availability and technical maturity of lower-emission alternatives, including Best Available Technologies (BAT)
- Local infrastructure, technological readiness and implementation capacity
- The economic feasibility of the proposed technology and its potential contribution to decarbonisation
- Relevant research and development investments supporting the deployment of emerging low-carbon technologies

Where technically and economically viable lower-carbon alternatives are available, these should be prioritised. Where such alternatives are not yet commercially available or economically feasible, transitional technologies may be considered, provided they contribute to measurable emissions reductions and support credible sectoral decarbonisation pathways.

C. ALIGNMENT WITH RECOGNISED TAXONOMIES, SECTORAL PATHWAYS AND POLICY FRAMEWORKS

BBVA evaluates the alignment of Eligible Transition Projects with recognised international taxonomies, science-based sectoral decarbonisation pathways and relevant national or international policy frameworks. The assessment considers, where applicable:

- Recognised taxonomies and standards: International and regional taxonomies, Climate Bonds Initiative (CBI) criteria and other relevant transition finance frameworks
- Sectoral decarbonisation pathways: Science-based pathways and technology roadmaps, including those developed by the International Energy Agency (IEA), Science Based Targets initiative (SBTi) and Mission Possible Partnership (MPP)
- Policy and technical criteria: Applicable national climate policies, sector-specific technical performance thresholds and internationally recognised market practices

Where formal taxonomies or sectoral criteria are evolving or not sufficiently developed, BBVA may consider other recognised technical references and science-based pathways to assess the credibility and consistency of the proposed transition activity.

D. MEASURABLE CONTRIBUTION TO SECTORAL DECARBONISATION

Eligible Transition Projects are expected to contribute to substantial and measurable GHG emissions reductions or improvements in emissions intensity, supporting the decarbonisation of emissions-intensive sectors. BBVA assesses the expected decarbonisation contribution of the financed activity, considering, where relevant:

- Emissions reduction potential: Expected absolute GHG emissions reductions or improvements in emissions intensity against an appropriate baseline
- Sectoral benchmarks: Relevant sectoral emissions trajectories and decarbonisation benchmarks
- Transition contribution: The extent to which the proposed activity supports the client's broader decarbonisation objectives and delivers improvements beyond business-as-usual practices

Where feasible, expected emissions reductions should be assessed using appropriate methodologies, baseline assumptions and relevant performance indicators.

Where direct quantification is not feasible, appropriate proxies or sectoral benchmarks may be considered to demonstrate the activity's contribution to decarbonisation.

E. ASSESSMENT AND MANAGEMENT OF CARBON LOCK-IN RISKS

BBVA recognises that certain transition activities, particularly those involving existing carbon-intensive assets or infrastructure, may create risks of prolonged dependence on high-emission technologies.

To address these risks, BBVA assesses, where relevant:

- Potential carbon lock-in: Whether the proposed investment could prolong the economic life of carbon-intensive assets beyond a credible transition pathway
- Lower-carbon alternatives: The availability of technically and economically viable alternatives that could replace the proposed technology
- Technological adaptability: The potential for future upgrading, conversion or replacement with lower-carbon technologies
- Time-bound transition: Whether investments have a defined duration, progressive replacement schedules or divestment strategies consistent with the client's long-term climate commitments

For projects presenting material carbon lock-in risks, BBVA may consider additional supporting evidence, including asset-level transition plans, technological adaptability assessments, replacement schedules and relevant mitigation measures.

The objective is to ensure that transition financing supports credible and time-bound decarbonisation pathways without creating long-term dependencies incompatible with the transition towards a net-zero economy.



Environmental and Social Safeguards

In addition to the safeguards outlined above, Eligible Transition Projects remain subject to BBVA's Environmental and Social Framework and applicable internal sector policies.

BBVA assesses relevant environmental and social risks associated with financed activities, including potential impacts on biodiversity, ecosystems, communities, workers and other sustainability objectives. Where applicable, these risks may be assessed through environmental and social impact assessments (EIA/ESIA), technical reports, risk analyses and other relevant documentation.

Appropriate prevention, mitigation and monitoring measures are considered to address identified risks, including environmental and social management plans, monitoring arrangements and relevant corporate policies. These assessments seek to ensure that transition financing contributes to credible decarbonisation outcomes while avoiding significant adverse environmental or social impacts and supporting a just and orderly transition.

3.3. Process for Project Evaluation and Selection

Proceeds from Transition Debt Instruments will be managed on the basis of a portfolio approach.

BBVA evaluates those loans, investments and/or projects which could fall under the Eligible Transition Categories and selects those Eligible Transition Projects in accordance with the following procedure:

The Sustainable Funding Working Group (SFWG), whose functions are described in BBVA's Governance and Risk Management section, monitors the eligible projects of the Bank's portfolio and assigns projects once reporting of transition-related impacts has been prepared.

Final approval of the Transition Allocation and Impact Report rests with the Standards Working Group (SWG).

This approval will be documented in the relevant SWG minutes and shared with the relevant sustainability external verifier.

Following approval, Eligible Transition Projects remain subject to monitoring in accordance with the requirements of this Framework. Where a project no longer satisfies the applicable eligibility criteria, BBVA will remove it from the Eligible Transition Portfolio and seek to replace it with another Eligible Transition Project, subject to the applicable provisions of this Framework.

3.4. Management of Proceeds

BBVA will monitor and track the use of proceeds of the Transition Debt Instruments received/issued under this Framework through its internal systems and processes.

BBVA will maintain an excess of Eligible Transition Projects beyond the proceeds from the outstanding Transition Debt Instruments in order to guarantee compliance with the requirements for the use of proceeds.

Nevertheless, if this is not possible, unallocated proceeds will be held by BBVA in its treasury liquidity portfolio in cash or other instruments at BBVA's own discretion.

BBVA will make an effort to dedicate a percentage of the proceeds of each Transition Debt Instrument to finance the most recently originated Eligible Transition Projects (as appropriate), taking into consideration their expected decarbonisation contribution and environmental and social impacts.

Any Eligible Transition Project assigned to a Transition Debt Instrument that ceases to comply with the eligibility requirements established under this Framework will be substituted by another Eligible Transition Project that meets these same requirements.

3.5. Reporting

BBVA will publish an annual Transition Allocation and Impact Report for as long as any Transition Debt Instrument under this Framework remains outstanding.

The report will be made publicly available on BBVA's investor relations website and prepared on a portfolio basis, taking into consideration, where appropriate, the recommendations of the ICMA Harmonised Framework for Impact Reporting (2026)[7], the ICMA Climate Transition Bond Guidelines (2025) and the LMA Transition Loans Principles (2026).

The report will seek to provide investors with transparent information regarding both the allocation of proceeds, the contribution of financed activities to sectoral decarbonisation pathways and relevant environmental impact indicators associated with the Eligible Transition Portfolio.



Allocation Reporting

Allocation reporting will include the following information:

- Total amount of proceeds allocated to each Eligible Transition Category;
- Proportion of proceeds allocated to financing and refinancing;
- Distribution of Eligible Transition Projects by geography and sector;
- Remaining balance of unallocated proceeds, if any;
- Share of proceeds allocated to the principal transition technologies and sectors financed under this Framework;
- Information on how financed activities contribute to GHG emissions reductions, sectoral decarbonisation pathways and, where relevant, clients' broader transition strategies; and
- Subject to confidentiality, regulatory and client consent considerations, illustrative examples or aggregated descriptions of Eligible Transition Projects financed or refinanced under this Framework.



Impact Reporting

BBVA intends to report relevant environmental impact indicators associated with the Eligible Transition Portfolio. Depending on the nature of the financed activities, indicative metrics may include:

- Annual GHG emissions reduced or avoided (tCO_2e);
- Annual GHG emissions captured, removed or abated (tCO_2e);
- Reductions in emissions intensity;
- Renewable or low-carbon energy capacity installed (MW);
- Annual production or use of low-carbon fuels;
- Number or value of assets upgraded, retrofitted or financed;
- Other sector-specific indicators reflecting the environmental outcomes of financed activities.

BBVA will seek to apply recognised market methodologies when calculating impact metrics and will disclose the principal methodologies and assumptions used.

Each BBVA subsidiary will prepare its report. This report will be reviewed and approved by the Standards Working Group.

(7) International Capital Markets Association (ICMA), *Harmonised Framework for Impact Reporting* (2026)

4 External Review

4.1. Second-Party Opinion (SPO)

BBVA has obtained an independent Second-Party Opinion ("SPO") from DNV. The SPO confirms the alignment of the BBVA Transition Debt Financing Framework with the relevant market guidance and principles, including the ICMA Climate Transition Bond Guidelines (2025), the ICMA Climate Transition Finance Handbook (2025), the LMA Transition Loans Principles (2026) and other relevant market practices applicable at the time of issuance.

The SPO is publicly available on BBVA's investor relations website.

BBVA intends to periodically review this Framework to reflect developments in climate science, regulation and market practice. An independent Second-Party Opinion will be obtained for each update to confirm the alignment of the BBVA Transition Debt Financing Framework with market best practices.

4.2. Assurance of Annual Allocation Reports

The Transition Allocation and Impact Report will be subject to limited assurance conducted by an independent external assurance provider to verify that the Framework has been adequately followed.

Each year from the year following the Transition Debt Instruments' issuance and until maturity (or full redemption), BBVA will appoint a qualified independent external assurance provider to conduct limited assurance on the allocation of proceeds to Eligible Transition Projects and on the verification that the published impact indicators have been prepared in accordance with the calculation methodologies included in the Report.

The relevant assurance reports will be made publicly available through BBVA's investor relations website.



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