

# 04

## Governance

Grupo Financiero BBVA México's Governance system is the central pillar of the ethical operation of the organization, and of the efficient integration of sustainability at all levels. Based on the institutional principles and applicable regulations, the Governance system is made up of both a consolidated corporate governance structure and the efficient management of financial and non-financial risks, the compliance system and the Integrity Program.

# Corporate governance

GRI 102-18, 102-19, 102-20, 102-21, 102-22, 102-23, 102-24, 102-25, 102-26, 102-29, 102-31, 102-32, 102-33, 102-35 and 102-36

Grupo Financiero BBVA México's corporate governance system ensures efficient communication with its stakeholders and the creation of ethical value both by offering banking solutions adapted to the needs of its customers, and by ensuring working conditions that promote the growth of its employees. To achieve its goals, the corporate governance structure is based on four principles and characteristics:

1. Optimum composition of its governing bodies.
2. Clear definition of duties between the Board of Directors, its Committees and Senior Management.
3. Solid decision-making process and consolidated informational model.
4. BBVA Mexico management monitoring, supervision and control system.

The **Board of Directors** is the body in charge of the management of the GFBB, and its members are appointed by the General Ordinary Shareholders' Meeting.

The Board is responsible for approving goals, guidelines and policies in matters of credit origination and servicing, which must be consistent with, compatible with and complementary to those established for Comprehensive Risk Management. It also appoints the Committees and officers of GFBB responsible for preparing said goals, guidelines and policies. Additionally, the Board knows and, where appropriate, approves, at the proposal of the Audit Committee, the goals of the internal control system and the guidelines for its implementation.

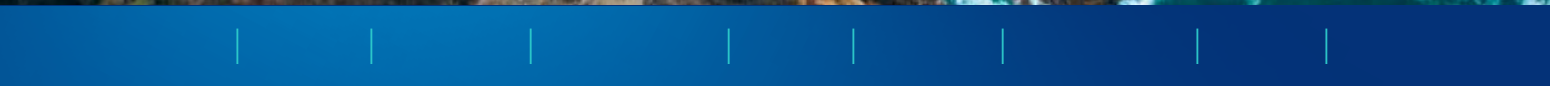
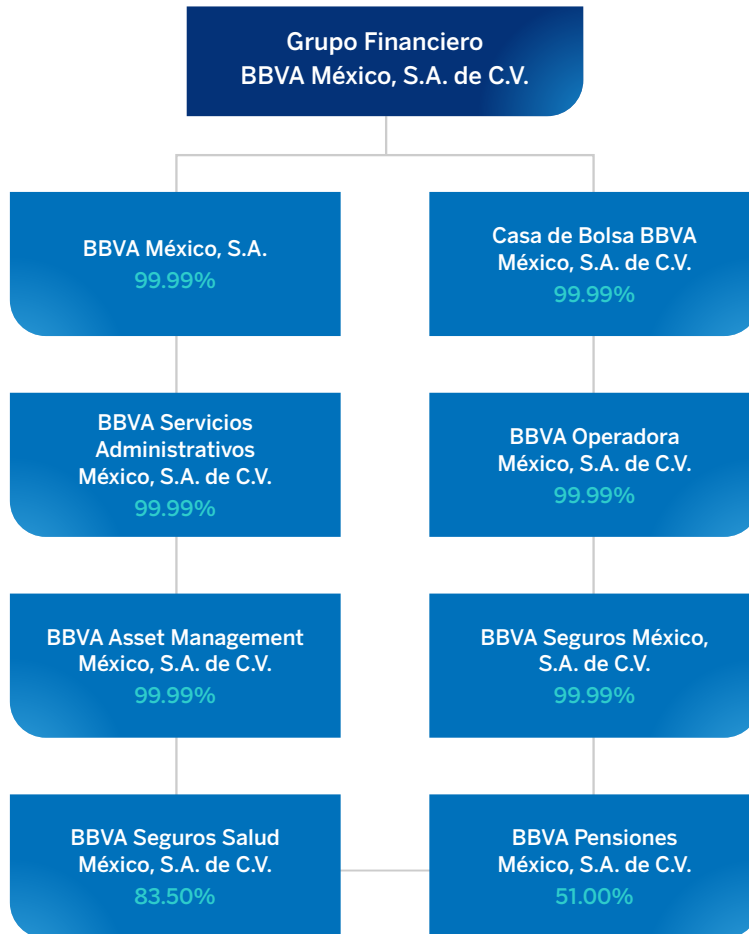
The criteria for the appointment and selection of the Board of Directors are those contained in Articles 23 and 45-K of the Banking Law. The criteria relating to delegate Committees of the Board are found in Articles 70, 145 and 168 Bis 8 of the General regulations applicable to banking institutions.

The **General Ordinary Shareholders' Meeting** is in charge of evaluating the performance of the Board through approval of the Board's Annual Report, audited financial statements and ratification of Board members.

In July 2021, the Board of Directors of Grupo Financiero BBVA México approved the **General Corporate Governance Policy** of Grupo Financiero BBVA México, with the purpose of maintaining a governance consistent with the Group’s corporate governance system and its internal organization, based on general principles and minimum requirements regarding structure, composition and operation of its corporate bodies, seeking to promote the diversity of its members, and the parent-subsidary relationship model.

## Corporate Structure of Grupo Financiero BBVA México

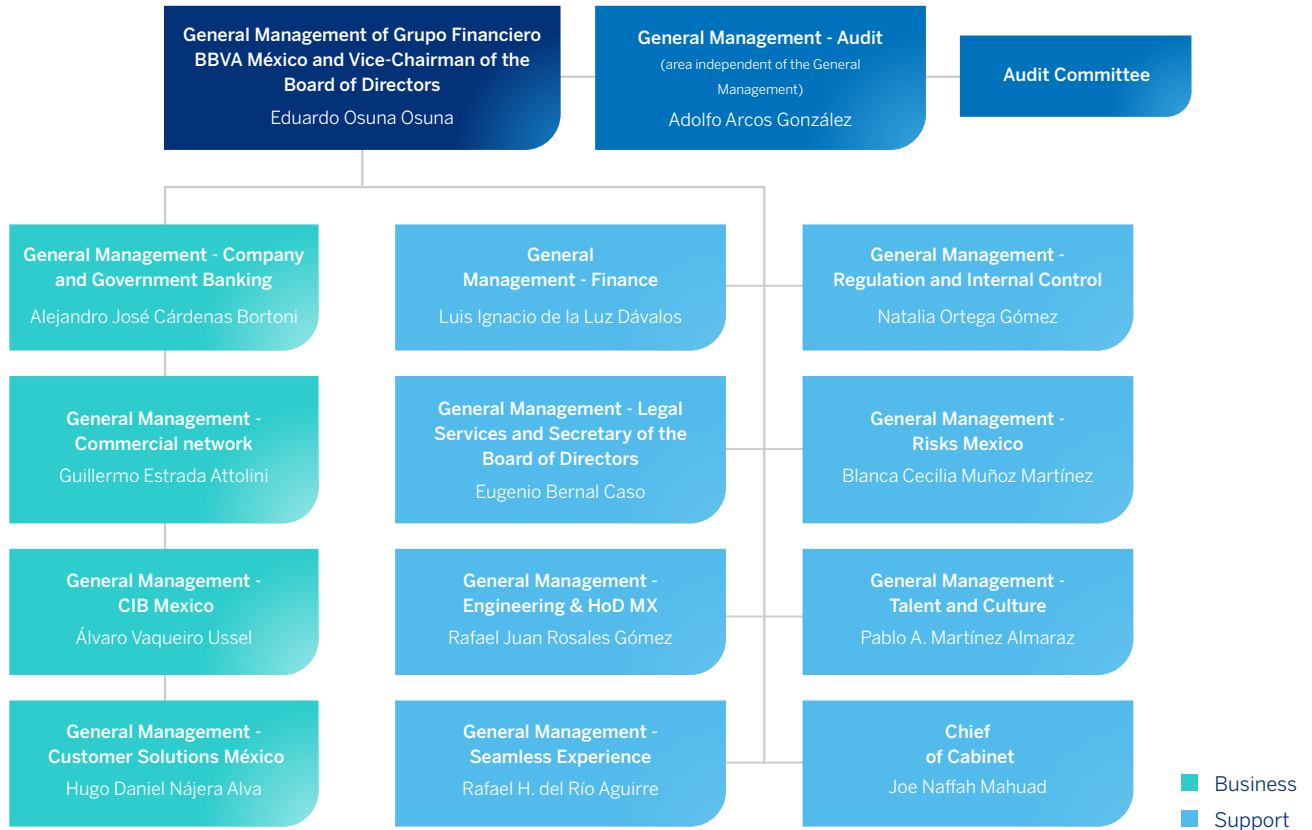
As of December 31, 2021.





## Structure of the Board of Directors

As of December 31, 2021.



## Composition of the Board of Directors of Grupo Financiero BBVA México

The **General Ordinary Shareholders' Meeting** is the corporate body entrusted with the appointment of the individuals who will serve as members of GFBB's Board of Directors based on the process and requirements provided by the applicable law and in chapter V, Article 25 and other applicable articles of GFBB's bylaws.

In turn, the members of the Board of Directors have the power to designate the individuals who will be members of the different Committees.

The **Board of Directors** approves, at the proposal of the Chief Executive Officer of BBVA México, S.A., the Institution's Code of Conduct, which prevents potential conflicts of interest among its employees, as well as

Directors and Executives. Also, said Code contains the procedures to be followed in various scenarios to avoid conducts contrary to the interests of the Institution.

The Board of Directors determines the mechanisms to be followed by the relevant officers, to keep GFBB informed of the financial, administrative, operational and legal condition of each of the financial entities and other legal entities controlled by GFBB.

## Board Members

Information as of December 31, 2021.

### DIRECTORS

- Jaime Serra Puche**  
 CHAIRMAN OF THE BOARD
  - Time holding position: 14 years

- Eduardo Osuna Osuna**  
 VICE-CHAIRMAN OF THE BOARD
  - Time holding position: 6 years

- Onur Genc**
  - Time holding position: 3 years

- Carlos Torres Vila**
  - Time holding position: 5 years

- Vicente María Rodero Rodero**
  - Time holding position: 9 years

- Carlos Vicente Salazar Lomelín**
  - Time holding position: 16 years

- Ricardo Guajardo Touché**
  - Time holding position: 30 years

- Jorge Saenz-Azcunaga Carranza**
  - Time holding position: 5 years

- Cristina de Parias Halcón**
  - Time holding position: 2 years

### ALTERNATES

- Alejandro Mariano Werner Wainfeld**
  - Time holding position: less than a year

- Armando Garza Sada**
  - Time holding position: 3 years

- Juan Asúa Madariaga**
  - Time holding position: 3 years

- Fernando Gerardo Chico Pardo**
  - Time holding position: 12 años

- Eduardo Javier Garza Fernández**
  - Time holding position: 3 years

- Arturo Manuel Fernández Pérez**
  - Time holding position: 27 years

- Ana Laura Magaloni Kerpel**
  - Time holding position: less than a year

- Enrique de Jesús Zambrano Benítez**
  - Time holding position: 2 years

- Alejandro Ramírez Magaña**
  - Time holding position: 8 years

**I** Independent

## Board Meetings

Meetings are held periodically on a quarterly basis and when called by the Chairman, Secretary, Assistant Secretary, one of GFBB's Statutory Examiners or at least a one fourth of the directors. To hold a meeting, a minimum attendance of 51% of the members is required and at least one must be Independent.

## Remuneration

In 2020, for attending each meeting of the Board, GFBB directors receive the price of two coins of fifty pesos gold, the so-called "Centenario" multiplied by 1.53846<sup>3</sup>, to residents in Mexico or 1.3333 for residents abroad, as remuneration for the performance of their duties.

## 2021 Schedule

During 2021, six meetings were held on the following dates:



- January 21
- March 24
- April 22
- July 22
- October 18
- December 16

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



## Regional boards

### NORTHWEST

Baja California  
Chihuahua  
Sinaloa  
Sonora

### NORTHEAST

Tamaulipas  
La Laguna  
Nuevo León

### WEST

Colima  
Jalisco  
Michoacán  
Nayarit

### METROPOLITAN AREA

Toluca  
Metropolitana

### BAJÍO

Guanajuato  
Aguascalientes  
San Luís Potosí  
Querétaro  
Hidalgo

### SOUTH

Morelos  
Puebla  
Guerrero  
Oaxaca  
Veracruz

### SOUTHEAST

Chiapas  
Peninsular  
Quintana Roo  
Tabasco

The non-delegated Regional Boards of the Board of Directors integrate 541 great leaders in charge of creating an active forum to promote the progress and growth of Grupo Financiero BBVA México. In these forums, the objective is:

- Form an active business community for the development of Mexico.
- Receive feedback on banking activity, service levels and local business culture.
- Business reference.
- Create solid links between the officers of Grupo Financiero BBVA México and the community and local authorities.
- Participate actively with the Fundación BBVA México.

Each Board is structured as follows:

- Minimum 10 members depending on the size of the region.
- The Secretary or Coordinator of the Board is the BBVA México officer designated to coordinate the Board of each region.
- Remuneration only applies to Chairmen and Vice-chairmen.

In line with the advances in equity and diversity of Grupo Financiero BBVA México, in 2021, 25 women were registered as part of the regional directors. Thus, there are currently 25 Boards made up of one or more women. Also, 26 guest advisors joined, including artists, athletes, social activists and those dedicated to conservation.



**25 women** were integrated as part of the **regional councilors** in 2021.



## 2021 Schedule of the Regional Boards

During 2021, the following meetings were held virtually:



- 3 meetings of Chairmen
- **Divisional Meetings:** February 28 to March 9
- **Shareholders' Meeting:** April 12
- **Local Board's Meetings:** May 17 to June 23
- **Webinar for children of Directors:** June 30



In addition to these meetings, eight virtual Trade Missions were carried out throughout the year.

The drop in the number of infections by COVID-19 during the month of October allowed the holding of the Multiregional Meeting, the first face-to-face event after approximately two years, in Cancún, Quintana Roo, from November 18 to November 20, in 2021.

## Sustainability in Governance Structure

Created in 2021, BBVA's global Sustainability unit, led by Javier Rodríguez Soler, is a new division that guarantees the permeability of sustainability at the highest executive level of the organization. This is part of the Global Leadership Team and reports to the delegated director. This unit designs the strategic sustainability

schedule and defines the lines of work that it integrates among the different global and transformation units, such as Risk, Finance, Talent and Culture, Data, Engineering and Organization, among others.

Also, this global business unit integrates the teams that made up the Global Sustainability Office (GSO) and promotes BBVA's leadership to coordinate the management of sustainability issues through the following functions and activities:

- Development of sustainable and innovative products
- Dissemination of specialized knowledge through differential advice to customers
- Establishment of marketing methodologies and relationships with strategic partners



# Risk management

GRI 102-15, 102-30  
SASB FN-CB-550a.2, FN-IB-550a.2, FN-AC-550a.2, FN-IN-550a.3

## Organizational Structure

BBVA Mexico's General Risk Management reports directly to GFBB's Management, thus enduring its independence from the Business Units and allowing the necessary autonomy for the development of its activities.

In general, and considering the best national and international practices, three teams specialized in Credit Risk have been integrated; the first aimed at the Wholesale portfolio, with admission, follow-up and recovery functions; the second team focused on the SME sector; and the last one focused on the Individuals sector, both fulfilling admission and monitoring functions. These three teams are supported and complemented by a unit dedicated to the management of recovered Non-Financial Assets (NFA).

There is also a specific unit for SMEs and Individual sectors that concentrates the recovery functions given the common characteristics and synergies involved in carrying out the function for these sectors. Also, the management of

Market, Structural and Liquidity Risks are integrated into a Unit including the risk management of non-banking businesses and asset management.

In addition, Advanced Analytics, Risk Solutions and Risk Transformation provide support of the units mentioned above:

- **Advanced Analytics** meets the specialized needs of methodologies and technologies in risk units.
- **Risk Solutions** ensures that the areas have the necessary technological resources to perform their duties and leads the portfolio of projects in this unit.
- **Risk Transformation** seeks the efficient execution and continuous improvement of the processes of the risk areas.

The Portfolio Management, Data & Reporting unit has been implemented for the integration, monitoring and generation of reports for the management of the areas, and for the measurement of operational risk and loss management. In addition, this area is responsible for disclosing information within Risks in strict compliance with national and international regulations.

In accordance with CNBV regulatory requirements relating to the disclosure of the policies and procedures established by the banking institutions for Comprehensive Risk Management, the measures that the management of Grupo Financiero BBVA México has implemented for this purpose are presented below, including the relevant quantitative information.

## Participation of corporate bodies

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

The Board of Directors of Grupo Financiero BBVA México plays an essential role within the risk management model, as it is in charge of approving:

- The objectives, guidelines and policies of Comprehensive Risk Management, as amended.
- The global limits of exposure to risk and, where appropriate, the Specific Limits of Exposure to Risk, considering the Consolidated Risk, broken down by business unit or risk factor and the Risk Tolerance Levels.
- The events or special circumstances in which both the Global Risk

Exposure Limits and the Specific Risk Exposure Limits may be exceeded.

- The Capital Sufficiency Assessment including the capital estimate and, where appropriate, the capitalization plan.
- The Contingency Plan and its amendments.





Additionally, the Delegate Risk Committee of the Board of Grupo Financiero BBVA México approves:

- Specific Risk Exposure Limits and Risk Tolerance Levels, and liquidity risk indicators
- The methodologies and procedures to identify, measure, monitor, limit, control, report and reveal the different types of risk to which Grupo BBVA México is exposed, as amended.
- The models, parameters, scenarios, assumptions, including those related to stress tests, that are used to carry out the Capital Sufficiency Assessment and that will be used to conduct the valuation, measurement and control of risks proposed by the Comprehensive Risk Management Unit, which must be in accordance with the technology of Grupo Financiero BBVA México.
- The methodologies for the identification, valuation, measurement and control of the risks of new operations, products and services that Grupo Financiero BBVA México intends to offer to the market.
- The correction plans proposed by the CEO.
- The evaluation of the aspects of Comprehensive Risk Management.
- The level of effectiveness that the validation mechanisms of the security elements of the identifications presented by potential customers should have, and the technology to carry out the biometric recognition contemplated in the law.



## Politics and procedures

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

A training program on risks and disclosure of regulations is carried out, including the responsibility of third parties defined and delimited.

## Tactical decision making

Under its General Risk Management and Control Model, Grupo Financiero BBVA México develops its activities, products and services in accordance with the risk management and control strategy and policy established by the corporate bodies, and promotes a risk culture across all organizational levels. In addition, this Model guarantees the independence of the Comprehensive Risk Management Unit.

Similarly, it establishes monitoring processes through reports and alerts to timely detect deterioration and deviations from the business objectives and the structure of limits defined by type of risk.

## Tools and analytics

A continuous measurement of credit, market, liquidity, operation and legal risks is carried out under methodologies and parameters consistent with international standards. Budgets are prepared for these metrics, which serve as the axis of direction for risk management. The reports monitor the series of metrics and analyze the risks incurred by the different business units of Grupo Financiero BBVA México, taking into account: Risk Metrics, Risk Appetite, Main Concentrations, Compliance with Regulatory Limits, Credit Stress Analysis, Calculation of Regulatory Capital Requirement, Structural Risks, Market Risks, Liquidity Risk, Operational Risk and Legal Risk.

Additionally, the methodologies and parameters used to measure the risks are periodically calibrated and submitted for approval to the authorized authorities. The establishment of periodic processes of sensitivity analysis, tests under extreme conditions, as well as revision and calibration of models is carried out.





## Information

Information is an essential pillar in risk management and is used to carry out anticipated management through the definition and establishment of early warning indicators and metrics that make it possible to anticipate movements –positive and negative– in the risk profile (customers, portfolios, products, asset classes).

Similarly, these indicators seek to avoid deterioration and point out deviations and potential threats in all risks, along all defined axes, in all their phases (current, impaired and in recovery), at all organizational levels of the risk function, (risk units in the business areas, corporate area and specialist areas) and the corporate bodies, ensuring compliance and consistency with the regulatory requirements in this matter.

It is ensured that the data used in preparing the reports:

- Come from reconciled and unified sources by type of risk.
- Are traceable and automated to a greater extent, or in the case of being manual, have controls.
- Have a single definition, guaranteeing the frequency, distribution and confidentiality of reporting, among other aspects.

## Technologic Platform

Periodically, the source and calculation systems for risk measurements are reviewed. Likewise, a process of continuous improvement is carried out to guarantee the quality and sufficiency of data, with the aim of automating processes.



## Due Diligence

Annually, Internal Audit, in compliance with the obligations indicated in the Mexican Banking Regulations (Circular Única de Bancos, CUB), conducts an audit of Comprehensive Risk Management in accordance with the legal provisions applicable to the matter, which is sent to the National Banking and Securities Commission (CNBV). Once the audit is concluded, the recommendations made by the delegated Audit Committee of the Board of Directors are followed up periodically.

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

Beyond complying with the provisions regarding Risk Management, Grupo Financiero BBVA México continues to carry out projects to improve measurements and limitations, process automation and methodological refinements.

## Methodological framework

Grupo Financiero BBVA México' general balance of risks is as follows:



### Market Risks:

- **Transaction and investment portfolios:** Investments in securities for trading, reports and transactions with derivative financial instruments.
- **Structural Balance:** Available for sale, other operations, including securities held-to-maturity and derivative financial instruments for managing the structural risk of interest rates and exchange rates.



### Credit Risk:

- Companies and Corporations
- Consumer
- Mortgage portfolio



### Liquidity Risk:

- **Banking business:** With on and off balance sheet positions, including loans, traditional deposits, investments in securities, derivatives and wholesale financing, among others.

Also, with respect to contractual obligations, the monitoring and control of the liquidity risk of the banking business integrates the liquidity that its subsidiaries, entities belonging to the same financial group or relevant related persons may require, as well as the liquidity that the banking business itself may require from any of the related entities or persons mentioned.



The **general risk balance of BBVA** is made up of market, credit and liquidity risks.

# Non-financial risk management

GRI 102-30 and FS2

In addition to the risk management and control model, Grupo Financiero BBVA México has a Non-Financial Risk Management Corporate Policy, which defines the guidelines and regulations in relation to the management of operational risks inherent to its activities. With the support of the Business and Support Areas, the Non-Financial Risk Units and the Specialist Control Units, methodologies and procedures are developed that allow the prioritization, assessment and periodic monitoring of risks and, in each case, to adopt the appropriate suitable mitigation and control measures.

## Reputational risk management

Institutional reputation is extremely important for Grupo Financiero BBVA México and its stakeholders, since it has a direct impact on the performance and results of the organization. Since 2016 there are tools and methodologies to identify, assess and prioritize reputational risk on an annual basis based on two main variables: the impact on the perceptions of stakeholders and the strength of GFBB with respect to risk in order to generate action plans and adequate mitigation controls.

Through the mechanisms for identifying and assessing reputational risk, Grupo Financiero BBVA México generates action plans and appropriate mitigation controls.



**In 2021, 17 mitigation action plans were carried out at Group level.**

Since 2020, GFBB implemented the Manual for Annual Reputational Risk Assessment, which works as a guide and provides support to the Operational Risk Admission Committee in the identification and assessment of risks. Every year, Grupo Financiero BBVA México reports to the Global Corporate Assurance Committee and to the Permanent Executive Committee of the Board the results of the Annual Evaluation of Reputational Risk.

## Risk management associated with climate change

Grupo Financiero BBVA México considers the risks associated with climate change as a factor that has an impact on the identified risk categories; therefore, the management of this type of risk is carried out through the governance processes and mechanisms of the Group's risk management frameworks (credit, market, liquidity, operational and other non-financial risks). Aware of the importance of climate risk management, Grupo Financiero BBVA México takes into account regulations and trends on the subject.



# Regulatory compliance

GRI 103-1, 103-2, 103-3, 206-1  
 SASB FN-CB-510a.2, FN-IB-510a.2, FN-AC-510a.2

## Compliance System

Grupo Financiero BBVA México's Compliance System consists of a series of elements that prevent the risks associated with the prevention of money laundering, conduct with customers, corporate compliance, data protection, the securities market, and it achieves this through the identification of risks, procedures, communication actions and training. This, in order to establish strict standards of ethical behavior to conduct its daily activities and mitigate possible compliance risks. Additionally, there is a statute for the Compliance function that regulates the framework of action of the Compliance Department within Grupo Financiero BBVA México.

Additionally, Grupo Financiero BBVA México aligns itself with the provisions of the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the Global Compact as part of its commitment to guarantee respect for dignity and the rights of all people through the creation of a favorable environment that preserves their well-being and contributes to integral development of the Societies in which it has a presence, contributing to generate sustainable actions for the well-being of said communities.

This system consists of **seven basic pillars**:



Adequate organizational structure



Policies and procedures



Mitigation processes and compliance controls



Technological infrastructure



Communication and training mechanisms and policies



Monitoring metrics and indicators



Independent periodic review



## Human Rights

GRI 103-1, 103-2, 103-3, 412-1

In line with the United Nations Guiding Principles on Business and Human Rights, Grupo Financiero BBVA México conducted a new human rights due diligence process in 2021 to prevent, mitigate and remedy the potential impacts of its activities on human rights.

This process was carried out under a preventive approach in identify the impacts of operations, as well as the appropriate procedures to repair any damage in the event of a violation. The issues evaluated are grouped into six topics:



**1. Conditions of employment:** hiring and fair compensation, labor rights and relations, and health and safety.



**2. Projects and products:** impact on human rights derived from the credit activity.



**3. Supply chain:** fair contracting conditions, supplier control and responsible purchasing policies.



**4. Customer welfare:** accessibility and service, security and respect.



**5. Respect for communities:** environmental protection and inclusive businesses.



**6. Cross-cutting issues:** data protection and the impact of new technologies on human rights.

The inherent risks were evaluated, based on the seriousness of the impact and the frequency of occurrence, and the residual risks, derived from GFBB's management, of each of these six topics with respect to the interest groups, including employees, suppliers, customers and local communities, among others.

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

# BBVA and Human Rights: our history

A vertical timeline on a dark blue background, marked with a light blue line and dots. The years are listed on the left, and the corresponding events are listed on the right.

2002	Publication of the Code of Conduct Members of the UN Global Compact
2004	1 <sup>st</sup> Spanish bank to adhere to the Equator Principles
2005	Publication of the 1 <sup>st</sup> Regulation of the defense sector
2007	Publication of the 1 <sup>st</sup> Commitment on human rights
2008	Adherence to the United Nations Principles for Responsible Investment (UN-PRI)
2011	Launch of the Diversity Plan
2012	Adherence to the Thun Group of Banks Publication of the Responsible Purchasing Policy Publication of the Social Housing Policy
2014	Review of the defense sector standard
2017	1 <sup>st</sup> global human rights due diligence Publication of the Code of Ethics for suppliers

- 2018
- Update of the Commitment on human rights
  - Publication of the Human Rights Action Plan 2018-2020
  - Publication of Sector Standards for environmental and social due diligence
- 2019
- Expansion of the scope of the Sector Standards and the scope of the Defense Sector Standard
- 2020
- New CSR policy
  - Update of the human rights commitment "BBVA and Human Rights"
  - Publication of the Environmental and Social Framework for due diligence in the mining, agribusiness, energy, infrastructure and defense sectors
  - Update of the Code of Ethics for Suppliers
  - General Procurement Principles
- 2021
- 2<sup>nd</sup> Global Human Rights Due Diligence Process
  - Expansion of the scope of the Environmental and Social Framework
  - Update of the General Procurement Principles



# Integrity program

GRI 102-16, 102-17, 103-1, 103-2, 103-3, 205-1, 205-2, 205-3  
SASB FN-IB-510b.4

For Grupo Financiero BBVA México, integrity is a fundamental value in the development of its activities since it continually prioritizes the interests of the customer. Within GFBB, everyone must act with respect for the applicable laws and regulations in an honest, transparent and professional manner, in accordance with the social impact of the financial activity and the trust that its shareholders and customers have placed in GFBB.

As part of Grupo Financiero BBVA México's efforts to create a culture of integrity, the "Soy Íntegro" Program was implemented, which first phase ended in July 2021, achieving 1,485 virtual sessions, benefiting 36,951 employees. As a second phase, an online version of the Program was carried out, aimed at newly hired employees and those employees who could not do it in the first phase. The foregoing, with the aim of emphasizing the expected ethical behavior and the practical application of integrity in the development of each of the activities of said employees.

The Program is structurally complemented by:

- 1 Personal reflection on the meaning of integrity, prior to the start of the Program
- 2 Live or online session to ratify BBVA's position on integrity issues
- 3 Interactive series of 21 chapters with various ethical dilemmas to reinforce the principles established in the Code of Conduct



## Code of Conduct

The Code of Conduct of Grupo Financiero BBVA México represents the commitment to its stakeholders as it seeks to promote ethical behavior principles across the organization to maintain the best standards of integrity and honesty. Strict rules of conduct are established for the development of the activities of Grupo Financiero BBVA México, focused on safeguarding the information of its customers in accordance with legal provisions, based on four key pillars:

### Conduct with



the customer



our colleagues



the company



society

For all employees to become aware of the importance of a culture of integrity and renew their adherence to the Code of Conduct, a series of campaigns were carried out focused on the communication of certain topics, such as Leadership and Code of Conduct, Whistleblower Channel, Competition Policies, Anti-Corruption, Gifts and Conflict of Interest.

In May 2021, a new Whistleblower Channel was launched the fundamental principles of which are confidentiality, whistleblower protection and other types of advantages that make the whistleblower experience more trustworthy for the whistleblower. This system also includes a mechanism to make inquiries about the application of the Code of Conduct.

The channel is also available for customers, suppliers and employees:



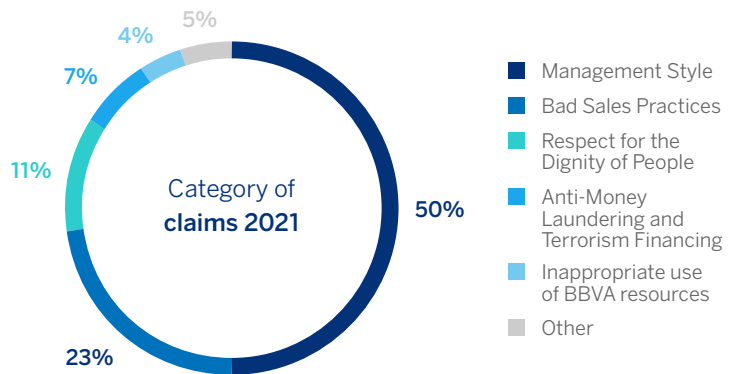
**Whistleblower Channel:**  
<https://www.bkms-system.com/bbva>

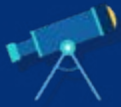
**Inquiry Channel:**  
<https://www.bkms-system.com/consultas>

**Telephone:** (55) 5621 4188 o 800 001 0011

**Global telephone:** (34) 91537 7222

At the end of December 2021, 1,301 complaints were received, which represent 70% more than in 2020, a year that was impacted by the effects of the health emergency derived from COVID-19. Also, the generation of a culture of integrity was reinforced with the “Soy Íntegro” Program and communication campaigns. The complaints received in the channel are classified as follows:





## 2022 Goals

By 2022, the Code of Conduct will be updated on issues of sustainability, inclusion and diversity, to strengthen the guidelines that govern the conduct of Grupo Financiero BBVA México employees.

Additionally, it seeks to consolidate the Culture of Integrity through the formalization of an Integrity Governance Model, which will dictate and supervise the lines of action on integrity issues.

## Anti-corruption

Grupo Financiero BBVA México has clear policies and procedures defined in Anti-corruption and Economic Competition matters, which are disseminated to all employees through the institutional campaign #Hazlocorrecto. In 2020, training programs on these topics were carried out in order to monitor possible risks.

During 2021, no cases of corruption were reported that could have affected the reputation of Grupo Financiero BBVA México or its employees.

## Acknowledgments

In 2021, Grupo Financiero BBVA México obtained first place in the ranking of the 500 Companies Against Corruption published by Expansión magazine with a score of 100/100, an honor shared with other companies in the union and other sectors. As a Financial Group, GFBB continues to be a leader in the sector, as is its insurance company, which received awards with the same ranking. The Code of Conduct, the Whistleblower Channel, the Anti-Corruption Policy and the “Soy Íntegro” Program, together with the identification of risks in the matter, explain the position obtained. The challenge for 2022 is to maintain the same rank in the financial sector and in the country, to position GFBB as a benchmark in anti-corruption practices.



In 2021, Grupo Financiero BBVA México obtained **1<sup>st</sup> place** in the ranking of the **500 Companies against corruption** published by **Expansión** magazine.

# Anti-Money Laundering and Terrorist Financing

Grupo Financiero BBVA México collaborates and works actively in Anti-Money Laundering (AML) and the Financing of Terrorism (FT). These two activities constitute a priority objective that GFBB associates with its commitment to promoting and preserving the well-being of the different social environments in which its activities are carried out. To achieve this objective, Grupo Financiero BBVA México has publicly assumed the following commitments:

- Actively collaborate with government agencies, international organizations and other institutions in the fight against drug trafficking, terrorist activities and other forms of organized crime.
- Establish a set of corporate criteria and procedures aimed at mitigating the risk that its products and services are used for criminal purposes.
- Design and implement an organizational structure that has the necessary resources to manage this function and a clear assignment of responsibilities.
- Create a regulatory body that determines the obligations to prevent money laundering and terrorist financing, with special emphasis on identification and knowledge of the customer (Know Your Customer) measures.
- Implement monitoring and filtering measures for customers and their transactions, aimed at identifying potential suspicious activities and guaranteeing their report to the competent authority.
- Serve as an instance of consultation within BBVA regarding the application of the rule of law, criteria and procedures in AML and TF matters.
- Execute annually the communication and training plans for employees, which are designed at the union level by the Association of Banks of Mexico (ABM), depending on the level of exposure of each group to the risk of money laundering and in order to equip them with the necessary capacities to comply with the applicable regulations.

Training and dissemination programs contemplate, at least, the following:

- The disclosure of the know your customer policies and the criteria, measures and procedures for due compliance with the applicable provisions regarding anti-money laundering and terrorist financing.
- Dissemination of the provisions and their amendments.
- The members of the Board of Directors and Executives are also included.
- Information on techniques, methods and trends to prevent, detect and report transactions that could be intended to favor, provide aid, aid or cooperation of any kind for money laundering and terrorist financing.
- The courses are accredited by applying evaluations on the knowledge acquired.

Below is the detail of the employees who were trained in the last three-four years:



	2018	2019	2020	2021
Participants in AML training activities	32,546	36,444	36,472	37,967
Specialists in activities to anti-money laundering and terrorist financing activities	305	481	347	352
AML and TF Management Committee and Board of Directors	29	29	31	31