

Correspondence between the sections of Pillar III and the Group's Consolidated Annual Report

The information included in this Report may be supplemented with the financial information contained in the Group's Consolidated Annual Financial Statements. For this purpose, the following table presents the correspondence between the sections of the Pillar III Report and the Group's Consolidated Annual Financial Statements.

Block	Section	Group Consolidated Financial Statements	Pillar III
Introduction	Regulatory environment	Note 32	Introduction
General information requirements	Corporate name and differences between the consolidated group for the purposes of the solvency regulations and accounting criteria		
	Corporate name and scope of application	Note 1.1	1.1.1
	Differences in the consolidated group for the purposes of the solvency regulations and accounting criteria	N/A	1.1.2
	Reconciliation of the Public Balance Sheet from the accounting perimeter to the regulatory perimeter	Note 32	1.1.3
	Main changes to the Group's scope of consolidation in 2017	Note 3	1.1.4
	Identification of dependent institutions with capital resources below the minimum requirement. Possible impediments to capital transfer	N/A	1.2
Capital resources	Exemptions from capital requirements at the individual or sub-consolidated level	N/A	1.3
	Characteristics of the eligible capital resources	N/A	2.1
	Amount of capital	Note 32	2.2
	Bank risk profile	Note 7	2.3
	Breakdown of minimum capital requirements by risk type	Note 32	2.4
	Procedure employed in the internal capital adequacy assessment process	N/A	2.5
Risks	General risk control and management model		
	Governance and organisation	Note 7.1.1	3.1.1
	Risk Appetite Framework	Note 7.1.2	3.1.2
	Decisions and processes	Note 7.1.3	3.1.3
	Assessment, monitoring and reporting	Note 7.1.4	3.1.4
	Infrastructure	Note 7.1.5	3.1.5
	Risk culture	Note 7.1.6	3.1.6
	Credit and counterparty risk		
	Scope and nature of the credit risk measurement and reporting systems	Note 7.3	3.2.1
	Definitions and accounting methodologies	Notes 2.2.1, 2.3 and Glossary	3.2.2
	Information on credit risks	N/A	3.2.3
	Information on the standardised approach	N/A	3.2.4
	Information on the IRB approach	N/A	3.2.5
	Information on counterparty risk	N/A	3.2.6
	Information on securitisations	Note 2.1	3.2.7
	Information on credit risk mitigation techniques	Note 7.3.2	3.2.8
	RWA density by geographical area	N/A	3.2.9
	Market risk		
	Scope and nature of the market risk measurement and reporting systems	Note 7.4	3.3.1
	Differences in the trading book for the purposes of applying the solvency regulations and accounting criteria	N/A	3.3.2
	Standardised approach	N/A	3.3.3
	Internal Models	Note 7.4.1	3.3.4

Block	Section	Group Consolidated Financial Statements	Pillar III
Risks	Structural risk in the equity portfolio		
	Scope and nature of the structural risk in the equity portfolio measurement and reporting systems	Note 7.4.2	3.4.1
	Differentiation between portfolios held for sale and those held for strategic purposes	N/A	3.4.2
	Book value and exposure of equity investments and capital instruments contained in above portfolios	N/A	3.4.3
	Risk-weighted assets of equity investments and capital instruments	N/A	3.4.4
	Profit and loss and adjustments for valuation of equity investments and capital instruments	Note 49	3.4.5
	Structural exchange-rate risk		
	Scope and nature of the exchange-rate risk measurement and reporting systems	Note 7.4.2	3.5.1
	Interest-Rate Risk		
	Scope and nature of the interest-rate risk measurement and reporting systems	Note 7.4.2	3.6.1
	Nature of interest-rate risk and key hypotheses	Note 7.4.2	3.6.2
	Variations in interest rates	Note 7.4.2	3.6.3
	Liquidity Risk		
	Scope and nature of the liquidity risk measurement and reporting systems	Note 7.5.1	3.7.1
	Governance and monitoring	Note 7.5.1	3.7.2
	Liquidity and funding performance in 2017	Note 7.5.1	3.7.3
	Liquidity and funding outlook	N/A	3.7.4
	LCR Disclosure	Note 7.5.1	3.7.5
	Assets committed in finance transactions	Note 7.5.2	3.7.6
	Operational risk		
	Operational Risk definition	Note 7.6	3.8.1
	Operational Risk methodology	N/A	3.8.2
	Model based on 3 lines of defense	Note 1.6	3.8.3
	Principles of BBVA's Operational Risk management model	Note 7.6	3.8.4
	Methods used	N/A	3.8.5
	The Group's Operational Risk profile	N/A	3.8.6
Remuneration	Information on remuneration	Note 54	5
Information on the Corporate Governance system	Information on the Corporate Governance system	Annual Corporate Governance Report	6
Subsequent events	Subsequent events	Note 56	7