

Kutxabank, S.A. and dependent companies

Limited review report
Condensed consolidated interim financial statements
for the six-month period ended June 30, 2025
Consolidated interim management report



Limited Review Report Consolidated Summary Interim Financial Statements

To the shareholders of Kutxabank, S.A.:

Introduction

We have carried out a limited review of the accompanying consolidated summary interim financial statements (hereinafter the interim financial statements) of Kutxabank, S.A. (hereinafter the Parent Company) and subsidiaries (hereinafter the Group), which include the balance sheet as of June 30, 2025, the profit and loss account, the statement of recognised income and expenses, the total statement of changes in equity, the statement of cash flows and the explanatory notes, all summarised and consolidated, for the six-month period ended on that date. The directors of the Parent Company are responsible for the preparation of such interim financial statements in accordance with the requirements established in International Accounting Standard (IAS) 34, Interim Financial Reporting, adopted by the European Union, for the preparation of summary interim financial information. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of the review

We have conducted our limited review in accordance with International Standard of Review Work 2410, Review of Interim Financial Information by the Entity's Independent Auditor. A limited review of interim financial statements consists of asking questions, primarily of staff responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review has a substantially smaller scope than that of an audit carried out in accordance with the regulations governing the audit of accounts in force in Spain and, therefore, does not allow us to ensure that all the important matters that may have been identified in an audit have come to our attention. Therefore, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

As a result of our limited review, which at no time can be construed as an audit of accounts, we have not come to our attention to any matter that would lead us to conclude that the accompanying interim financial statements for the six-month period ended June 30, 2025 have not been prepared, in all material respects, in accordance with the requirements set forth in International Accounting Standard (IAS) 34, Interim Financial Reporting, adopted by the European Union, for the preparation of summary interim financial statements.

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Emphasis paragraph

We draw attention to note 1.3 of the interim financial statements, which mentions that the aforementioned interim financial statements do not include all the information that would be required for a complete consolidated financial statement prepared in accordance with the International Financial Reporting Standards, adopted by the European Union, so the accompanying interim financial statements should be read together with the Group's consolidated financial statements corresponding to the year ended December 31, 2024. Our conclusion has not been changed in relation to this issue.

Other issues

Consolidated interim management report

The accompanying consolidated interim management report for the six-month period ended June 30, 2025 contains the explanations that the directors of the Parent Company consider appropriate regarding the material events that occurred during this period and their impact on the interim financial statements presented, of which it is not a part. We have verified that the accounting information contained in the aforementioned management report is consistent with the interim financial statements for the six-month period ended June 30, 2025. Our work as auditors is limited to the verification of the consolidated interim management report with the scope mentioned in this same paragraph and does not include the review of information other than that obtained from the accounting records of Kutxabank, S.A. and subsidiaries.

Preparation of this review report

This report has been prepared at the request of the Board of Directors of the Parent in connection with the publication of the Group's half-yearly financial report.

PricewaterhouseCoopers Auditores, S.L.

Amagoia Delgado Rodríguez

July 24, 2025

**Kutxabank, S.A. y
Societies
Dependents (Group
Consolidated)**

Interim Financial Statements
Consolidated Summaries as of 30th of
June 2025 and Management Report
Consolidated Summarized Intermediate

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 22). In the event of a discrepancy, the Spanish-language version prevails.

KUTXABANK, S.A.
AND SUBSIDIARIES (CONSOLIDATED GROUP)
CONSOLIDATED SUMMARY BALANCE SHEETS AS OF JUNE 30, 2025 AND DECEMBER 31, 2024 (*)
(Euro Miles)

ACTIVE	30/06/2025	31/12/2024 (*)	LIABILITIES AND EQUITY	30/06/2025	31/12/2024 (*)
Cash, cash balances at central banks and other demand deposits	5,215,163	6,039,906	Financial liabilities held for trading (fn, 14)	42,457	39,956
Financial assets held for trading (fn, 9)	49,175	39,089	Financial liabilities designated to value reasonable with changes in results	-	-
<i>Pro-memorial: lent or given as collateral with Right of sale or pledge</i>	-	-	<i>Pro memoria: subordinated liabilities</i>	-	-
Non-trading financial assets mandatorily measured at fair value with changes in results (Note 9)	46,799	40,911	Financial liabilities at amortised cost (Nota 14)	58,897,863	57,188,876
<i>Pro-memorial: lent or given as collateral with Right of sale or pledge</i>	-	-	<i>Pro memoria: subordinated liabilities</i>	-	-
Financial assets designated at fair value with changes in results (Note 9)	-	-	Derivatives - hedge accounting	273,610	249,274
<i>Pro-memorial: lent or given as collateral with Right of sale or pledge</i>	-	-	Changes in the fair value of the covered items of a wallet with Hedging interest rate risk	-	-
Financial assets at fair value through exchange in other comprehensive income (Note 9)	3,936,435	4,475,618	Liabilities covered by contracts Insurance or Reinsurance	583,033	578,630
<i>Pro-memorial: lent or given as collateral with Right of sale or pledge</i>	586,255	595,538	Provisions (Note 17)	701,079	664,007
Financial assets at amortised cost (Note 9)	56,127,121	52,704,285	Pensions and other obligations of Post-employment defined benefits	221,292	236,043
<i>Pro-memorial: lent or given as collateral with Right of sale or pledge</i>	4,718,286	5,327,472	Other long-term employee benefits	49,409	48,324
Derivatives - hedge accounting	10,257	16,343	Procedural issues and tax litigation	-	-
Changes in the fair value of items covered by a portfolio with Interest rate risk	-	-	Earnings	-	-
Investments in joint ventures and associates	162,161	147,487	Commitments and guarantees granted	48,424	52,237
Joint Ventures	-	-	Remaining provisions	381,954	327,403
Associated	162,161	147,487	Tax liabilities	459,713	428,626
Assets covered by insurance contracts or reinsurance	30,361	29,794	Current tax liabilities	30,288	46,221
Tangible assets (Note 11)	746,914	755,663	Deferred tax liabilities	429,425	382,405
Property, plant and equipment	674,669	671,764	Refundable share capital on demand	-	-
For own use	-	-	Other liabilities	299,961	245,945
Leased in operating lease	-	-	Liabilities included in alienable groups of items that have been classified as held for sale	-	-
Real estate investments	72,245	83,899	TOTAL LIABILITIES	61,257,716	59,395,314
<i>Of which: assigned in operating lease</i>	26,828	35,174	EQUITY	6,224,510	6,196,444
<i>Pro memoria: acquired on lease</i>	-	-	Shareholders' funds (Note 16)	2,060,000	2,060,000
Intangible assets (Note 12)	496,665	504,492	Capital	2,060,000	2,060,000
Goodwill	301,457	301,457	Paid-up capital	-	-
Other intangible assets	195,208	203,035	Capital in the required out-of-pocket	-	-
Tax assets	1,146,973	1,310,481	<i>Pro memoria: capital not required</i>	-	-
Current tax assets	32,396	40,793	Share premium	-	-
Deferred tax assets	1,114,577	1,269,688	Equity instruments issued other than equity	1,668,360	1,460,544
Other assets (Note 13)	108,751	105,015	Revaluation reserves	-	-
Insurance contracts linked to pensions	-	-	Other bookings	2,163,713	2,377,791
Stock	6,135	5,458	(-) Own actions	-	-
Other Other Assets	102,616	99,557	Profit attributable to the owners of the parent	332,437	535,806
Non-current assets and disposal groups of items that have been classified as held for sale (Note 10)	51,866	54,810	(-) Interim dividends	-	(237,697)
			Other accumulated comprehensive income (Note 16)	641,419	631,789
			Items that will not be reclassified in results	635,841	634,996
			Actuarial gains or (-) losses on defined benefit pension plans	(44,181)	(45,131)
			Non-current assets and disposal groups of items that have been classified as held for sale	-	-
			Share of other recognised income and expenses from investments in joint ventures and associates	(28)	(29)
			Changes in the fair value of equity instruments measured at fair value through changes in other comprehensive income	680,050	680,156
			Ineffectiveness of fair value hedges of equity instruments measured at fair value through other comprehensive income	-	-
			Changes in the fair value of equity instruments measured at fair value through changes in other comprehensive income [hedged item]	13,214	1,546
			Changes in the fair value of equity instruments measured at fair value through changes in other comprehensive income [hedging instrument]	(13,214)	(1,546)
			Changes in the fair value of financial liabilities at fair value with changes in profit or loss attributable to changes in credit risk	-	-
			Items that can be reclassified into results	5,578	(3,207)
			Hedging of net investments in foreign businesses [effective part]	-	-
			Currency Conversion	-	-
			Hedging derivatives, Cash Flow Hedging Reserve [Effective Part]	(58)	(1,349)
			Changes in the fair value of debt instruments measured at fair value through changes in other comprehensive income	3,183	(3,406)
			Changes in the fair value of insurance contracts	2,453	1,548
			Hedging instruments [non-designated items]	-	-
			Non-current assets and disposal groups of items that have been classified as held for sale	-	-
			Share of other recognised income and expenses from investments in joint ventures and associates	-	-
			Minority interests (non-controlling interests) (Note 16)	4,996	347
			Other cumulative overall result	-	-
			Other items	4,996	347
TOTAL ASSETS	68,128,641	66,223,894	TOTAL NET WORTH	6,870,925	6,828,580
			TOTAL NET WORTH AND LIABILITIES	68,128,641	66,223,894
			PRO-MEMORIA: OFF-BALANCE SHEET EXHIBITIONS		
			Loan commitments granted (Note 18)	7,695,618	7,475,072
			Financial guarantees granted (Note 18)	643,505	590,424
			Other commitments granted (Note 18)	4,402,668	4,283,479

(*) It is presented solely and exclusively for comparative purposes
Notes 1 to 22 attached are an integral part of the consolidated summary balance sheet as at 30 June 2025

KUTXABANK, S.A.
AND SUBSIDIARIES (CONSOLIDATED GROUP)
CORRESPONDING CONSOLIDATED SUMMARY PROFIT AND LOSS ACCOUNTS
TO THE SEMESTERS ENDING ON JUNE 30, 2025 AND 2024 (*)
(Euro Miles)

	30/06/2025	30/06/2024 (*)
Interest income (Note 20)	898,405	1,051,010
Financial assets at fair value through other comprehensive income	31,241	38,573
Financial assets at amortised cost	755,587	831,813
Remaining interest income	111,577	180,624
Interest expense (Note 20)	(290,166)	(364,326)
Expenses for reimbursable share capital on demand	-	-
NET INTEREST INCOME	608,239	686,684
Dividend income	46,843	66,534
Results of entities valued by the equity method	14,211	2,463
Income from fees and commissions (Note 20)	285,949	270,546
Fee expenses (Note 20)	(22,837)	(21,376)
Gains or losses on the derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	-	(167)
Financial assets at amortised cost	-	(163)
Other financial assets and liabilities	-	(4)
Gains or losses on financial assets and liabilities held for trading, net	2,835	1,495
Reclassification of financial assets from fair value through changes to other comprehensive income	-	-
Reclassification of financial assets from amortised cost	-	-
Other gains or losses	2,835	1,495
Gains or losses on non-trading financial assets compulsorily measured at fair value through profit or loss, net (Note 9,2)	4,135	3,249
Reclassification of financial assets from fair value through changes to other comprehensive income	-	-
Reclassification of financial assets from amortised cost	-	-
Other gains or losses	4,135	3,249
Gains or losses on financial assets and liabilities designated at fair value through profit or loss, net	-	-
Gains or losses resulting from hedge accounting, net	-	-
Exchange differences, net	1,463	1,225
Other operating income (Note 20)	14,834	12,834
Other operating expenses (Note 20)	(35,112)	(105,196)
Income from assets covered by insurance or reinsurance contracts (Note 20)	131,086	127,115
Expenses on liabilities covered by insurance or reinsurance contracts (Note 20)	(60,258)	(55,308)
GROSS MARGIN	991,388	990,098
Administration Fees	(343,423)	(321,630)
Staff costs (Note 20)	(246,087)	(232,658)
Other administration costs	(97,336)	(88,972)
Depreciation and amortisation (Note 20)	(24,805)	(21,268)
Provisions or reversal of provisions	(95,589)	(159,628)
Impairment or reversal of impairment and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and net gains or losses (Note 9)	(29,352)	(2,385)
Financial assets at fair value through other comprehensive income	219	61
Financial assets at amortised cost	(29,571)	(2,446)
Impairment or reversal of impairment of investments in joint ventures or associates	108	164
Impairment or reversal of impairment of non-financial assets (Notes 11, 12 and 13)	(25,911)	(64,516)
Tangible assets	(12,639)	(10,411)
Intangible assets	(11,579)	-
Otros	(1,693)	(54,105)
Gains or losses on the derecognition of net non-financial assets (Notes 4 and 11)	3,248	615
Negative goodwill recognised in profit or loss	-	-
Gains or losses from non-current assets and disposal groups of items classified as held for sale that are not eligible for discontinued operations (Note 10)	18,077	(78,541)
PRE-TAX PROFIT OR LOSS FROM CONTINUING OPERATIONS	493,741	342,909
Expenses or income from taxes on the results of continuing operations	(161,094)	(79,137)
AFTER-TAX GAINS OR LOSSES FROM CONTINUING OPERATIONS	332,647	263,772
After-tax gains or losses from discontinued operations	-	-
RESULT OF THE YEAR	332,647	263,772
Attributable to minority interests (non-controlling interests)	210	103
Attributable to the owners of the parent	332,437	263,669

(*) It is presented solely and exclusively for comparative purposes

Notes 1 to 22 attached are an integral part of the consolidated summary income statement corresponding to the semester ended June 30, 2025

KUTXABANK, S.A. AND SUBSIDIARIES (CONSOLIDATED GROUP)
CONSOLIDATED SUMMARY RECOGNISED INCOME AND EXPENSE STATEMENTS
CORRESPONDING TO THE COMPLETED SEMESTERS
JUNE 30, 2025 AND 2024 (*)
(Euro Miles)

	30/06/2025	30/06/2024 (*)
RESULT OF THE YEAR	332,647	263,772
OTHER OVERALL RESULT	189,046	3,568
Items that will not be reclassified in results	180,261	8,302
Actuarial gains or losses on defined benefit pension plans	1,316	1,152
Non-current assets and disposal groups of items held for sale	-	-
Share of other recognised income and expenses from investments in joint ventures and associates	1	-
Changes in the fair value of equity instruments measured at fair value through changes in other comprehensive income	252,050	11,989
Gains or losses resulting from hedging accounting for equity instruments measured at fair value through changes in other comprehensive income, net	3,623	-
Changes in the fair value of equity instruments measured at fair value through changes in other comprehensive income (hedged item)	62,928	(1,143)
Changes in the fair value of equity instruments measured at fair value through changes in other comprehensive income (hedging instrument)	(59,305)	1,143
Changes in the fair value of financial liabilities at fair value with changes in profit or loss attributable to changes in credit risk	-	-
Income tax on items not to be reclassified	(76,729)	(4,839)
Items that can be reclassified into results	8,785	(4,734)
Hedging of net investments in foreign businesses [effective part]	-	-
<i>Gains or losses in value accounted for in equity</i>	-	-
<i>Transferred to results</i>	-	-
<i>Other reclassifications</i>	-	-
Currency Conversion	-	-
<i>Foreign exchange gains or losses accounted for in equity</i>	-	-
<i>Transferred to results</i>	-	-
<i>Other reclassifications</i>	-	-
Cash flow hedges [effective part]	1,793	1,373
<i>Gains or losses in value accounted for in equity</i>	3,139	(2,245)
<i>Transferred to results</i>	(1,346)	3,618
<i>Transferred to the initial carrying amount of covered items</i>	-	-
<i>Other reclassifications</i>	-	-
Hedging instruments [non-designated items]	-	-
<i>Gains or losses in value accounted for in equity</i>	-	-
<i>Transferred to results</i>	-	-
<i>Other reclassifications</i>	-	-
Debt instruments at fair value through other comprehensive income	9,185	(12,380)
<i>Gains or losses in value accounted for in equity</i>	9,185	(12,380)
<i>Transferred to results</i>	-	-
<i>Other reclassifications</i>	-	-
Non-current assets and disposal groups of items held for sale	-	-
<i>Gains or losses in value accounted for in equity</i>	-	-
<i>Transferred to results</i>	-	-
<i>Other reclassifications</i>	-	-
Changes in the fair value of insurance contracts	1,257	4,426
<i>Gains or losses in value accounted for in equity</i>	1,257	4,426
<i>Transferred to results</i>	-	-
<i>Other reclassifications</i>	-	-
Share of other recognised income and expenses from investments in joint ventures and associates	-	-
Income tax on items that can be reclassified into gains or losses	(3,450)	1,847
TOTAL OVERALL PROFIT FOR THE YEAR	521,693	267,340
Attributable to minority interests (non-controlling interests)	210	(19)
Attributable to the owners of the parent	521,483	267,359

(*) It is presented solely and exclusively for comparative purposes
Notes 1 to 22 attached form an integral part of the statement of recognised income and expenses
Consolidated summary for the six months ended June 30, 2025,

KUTXABANK, S.A. AND SUBSIDIARIES (CONSOLIDATED GROUP)
CORRESPONDING CONSOLIDATED SUMMARY TOTAL STATEMENTS OF CHANGES IN EQUITY
TO THE SEMESTERS ENDING ON JUNE 30, 2025 AND 2024 (*)
(Euro Miles)

Status for the six months ended June 30, 2025	Capital	Share Premium	Equity instruments issued other than equity	Other items of equity	Accumulated Earnings	Revaluation reserves	Other bookings	Own actions	Profit attributable to the owners of the parent	Interim dividends	Other cumulative overall result	Minority interests		Total
												Other cumulative overall result	Other elements	
Opening balance (before restatement)	2,060,000	-	-	-	1,460,544	-	2,377,791	-	535,806	(237,697)	631,789	-	347	6,828,580
Effects of error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies (see Note 1,3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance [current period]	2,060,000	-	-	-	1,460,544	-	2,377,791	-	535,806	(237,697)	631,789	-	347	6,828,580
Total overall profit for the year	-	-	-	-	-	-	-	-	332,437	-	189,046	-	210	521,693
Other changes in equity	-	-	-	-	207,816	-	(214,078)	-	(535,806)	237,697	(179,416)	-	4,439	(479,348)
Issuance of common shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of Preferred Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercise or maturity of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (or remuneration to partners)	-	-	-	-	(83,787)	-	(400,000)	-	-	-	-	-	(486)	(484,273)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between components of equity	-	-	-	-	291,603	-	185,922	-	(535,806)	237,697	(179,416)	-	-	-
Increase or decrease in net worth resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-	4,925	4,925
Share-based payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other increases or decreases in net worth	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending balance as of June 30, 2025	2,060,000	-	-	-	1,668,360	-	2,163,713	-	332,437	-	641,419	-	4,996	6,870,925

Status for the six months ended June 30, 2024	Capital	Share Premium	Equity instruments issued other than equity	Other items of equity	Accumulated Earnings	Revaluation reserves	Other bookings	Own actions	Profit attributable to the owners of the parent	Interim dividends	Other cumulative overall result	Minority interests		Total
												Other cumulative overall result	Other elements	
Opening balance (before restatement)	2,060,000	-	-	-	1,255,854	-	2,374,912	-	510,712	(231,127)	510,330	122	3,992	6,484,795
Effects of error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies (see Note 1,3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance [current period]	2,060,000	-	-	-	1,255,854	-	2,374,912	-	510,712	(231,127)	510,330	122	3,992	6,484,795
Total overall profit for the year	-	-	-	-	-	-	-	-	263,669	-	3,690	(122)	103	267,340
Other changes in equity	-	-	-	-	201,420	-	6,260	-	(510,712)	231,127	(3,499)	-	(3,772)	(79,176)
Issuance of common shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of Preferred Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercise or maturity of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (or remuneration to partners)	-	-	-	-	(75,300)	-	-	-	-	-	-	-	(10)	(75,310)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between components of equity	-	-	-	-	276,720	-	6,364	-	(510,712)	231,127	(3,499)	-	-	-
Increase or decrease in net worth resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other increases or decreases in net worth	-	-	-	-	-	-	(104)	-	-	-	-	-	(3,762)	(3,866)
Ending balance as of June 30, 2024	2,060,000	-	-	-	1,457,274	-	2,381,172	-	263,669	-	510,521	-	323	6,672,959

(*) It is presented solely and exclusively for comparative purposes

Notes 1 to 22 are an integral part of the total statement of changes in consolidated summary equity for the six months ended June 30, 2025,

KUTXABANK, S.A.
AND SUBSIDIARIES (CONSOLIDATED GROUP)
CONSOLIDATED SUMMARY CASH FLOW STATEMENTS FOR THE
SEMESTERS ENDED ON JUNE 30, 2025 AND 2024 (*)
(Euro Miles)

	30/06/2025	30/06/2024 (*)
A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	332,647	263,772
Adjustments to obtain cash flows from operating activities:	281,751	376,452
Amortisation	24,805	21,268
Other settings	256,946	355,184
Net increase/(decrease) of operating assets:	(3,071,517)	(1,931,278)
Financial assets held for trading	(7,251)	9,280
Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss	(1,753)	4,182
Financial assets designated at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income	400,637	253,033
Financial assets at amortised cost	(3,460,767)	(2,225,499)
Other operating assets	(2,383)	27,726
Net increase/(decrease) of operating liabilities:	1,732,591	2,530,506
Financial liabilities held for trading	-	-
Financial liabilities designated at fair value through profit or loss	2,501	(2,714)
Financial liabilities at amortised cost	1,756,090	2,603,603
Other operating liabilities	(26,000)	(70,383)
Income Tax Collections/(Payments)	9,059	472
Total cash flows from operating activities	(715,469)	1,239,924
B) CASH FLOWS FROM INVESTING ACTIVITIES		
Pagos:		
Tangible assets	(24,988)	(25,970)
Intangible assets	(15,439)	(15,054)
Investments in joint ventures and associates	(599)	-
Subsidiaries and other business units	-	-
Non-current assets and liabilities that have been classified as held for sale	-	-
Other payments related to investment activities	-	-
	(41,026)	(41,024)
Cobros:		
Tangible assets	9,524	6,879
Intangible assets	-	-
Investments in joint ventures and associates	349	255
Subsidiaries and other business units	-	-
Non-current assets and liabilities that have been classified as held for sale	42,385	40,148
Other charges related to investment activities	-	-
	52,258	47,282
Total net cash flows from investing activities	11,232	6,258
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Pagos:		
Dividends	(84,273)	(75,310)
Subordinated liabilities	-	-
Amortization of equity instruments	-	-
Acquisition of equity instruments	-	-
Other payments related to financing activities	(410,257)	(566,681)
	(494,530)	(641,991)
Cobros:		
Subordinated liabilities	-	-
Issuance of equity instruments	-	-
Disposal of equity instruments	-	-
Other collections related to financing activities	374,024	852,066
	374,024	852,066
Total net cash flows from financing activities	(120,506)	210,075
(D) EFFECT OF EXCHANGE RATE CHANGES	-	-
E) NET INCREASE/(DECREASE) OF CASH AND EQUIVALENTS (1+2+3+4)	(824,743)	1,456,257
(F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6,039,906	4,830,295
G) CASH AND EQUIVALENTS AT THE END OF THE PERIOD (5+6)	5,215,163	6,286,552
PRO-MEMORY		
COMPONENTS OF CASH AND EQUIVALENTS AT THE END OF THE PERIOD		
Effective	225,174	243,502
Cash-equivalent balances at central banks	4,798,897	5,804,118
Other financial assets	191,092	238,932
Less: Bank overdrafts that can be repayable on demand	-	-

(*) It is presented solely and exclusively for comparative purposes

Notes 1 to 22 are an integral part of the consolidated summary statement of cash flows for the six months ended June 30, 2025,

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Kutxabank, S.A. and Subsidiaries (Consolidated Group)

Explanatory notes to the consolidated summary interim financial statements as at 30 June 2025

1. Introduction, accounting principles and valuation standards applied in the preparation of consolidated summary interim financial statements and other information

1.1 Nature of the Institution

Kutxabank, S.A. (hereinafter, the "Bank", "Kutxabank" or the "Parent Company") was incorporated by public deed dated June 14, 2011 under the name of Banco Bilbao Bizkaia Kutxa, S.A. (Sole Proprietorship), a private law entity subject to the rules and regulations of banking entities operating in Spain. Subsequently, on 22 December 2011, the Bank changed its corporate name to the current one. Kutxabank, S.A. is the Parent Entity of the Kutxabank Group, which arises from the process of integration of the three Basque savings banks – Bilbao Bizkaia Kutxa, Aurrezki Kutxa eta Bahitetxea (hereinafter "BBK"), Caja de Ahorros y Monte de Piedad de Guipúzcoa and San Sebastián (hereinafter "Kutxa") and Caja de Ahorros de Vitoria y Álava (hereinafter "Caja Vital") - see Note 1.2 -. Its registered office is located in Bilbao, Gran Vía 30.

The Bank is governed by the Articles of Association, by Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions and its implementation by Royal Decree 84/2015, of 13 February, by Law 6/2023, of 17 March, on Securities Markets and Investment Services, by Royal Decree 813/2023, of 8 November, on the legal regime of Investment Services Companies and other entities that provide Investment Services, by the Consolidated Text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 3 July, and by the other applicable provisions in force.

Kutxabank, S.A. began its activity on 1 January 2012 and is registered in the Register of Banks and Bankers under the code 2095 which previously corresponded to BBK. Its corporate purpose is made up of all kinds of activities, operations and services typical of the banking business in general and that are permitted by current legislation, including the provision of investment services and auxiliary services provided for in articles 125 and 126 of Law 6/2023, of 17 March, on Securities Markets and Investment Services, and the acquisition, holding, enjoyment and disposal of all kinds of securities.

To carry out its activity, the Group has 620 branches as of June 30, 2025 (641 offices as of December 31, 2024). As of June 30, 2025 and December 31, 2024, the entire network of the Group's offices is located in Spain.

1.2 Integration between Bilbao Bizkaia Kutxa, Aurrezki Kutxa eta Bahitetxea (BBK), Caja de Ahorros y Monte de Piedad de Guipúzcoa and San Sebastián – Gipuzkoa eta Donostiako Aurrezki Kutxa (Kutxa), Caja de Ahorros de Vitoria y Álava – Araba eta Gasteizko Aurrezki Kutxa (Caja Vital), and Kutxabank, S.A.

On 30 June 2011, the Boards of Directors of BBK, Kutxa, Caja Vital, and the Bank, approved the integration agreement for the constitution of a consolidated group of contractual-based credit institutions (Institutional Protection System or "SIP") whose parent institution would be the Bank, and which would also be made up of BBK, Kutxa and Caja Vital (hereinafter, jointly the "Savings Banks"). This integration contract regulated the shaping elements of the new Group, its governance and that of the Bank and the stability mechanisms of the latter.

In addition, the Boards of Directors of the Savings Banks, and the Bank (the latter as the beneficiary entity), approved, in accordance with the provisions of Title III and the Third Additional Provision of Law 3/2009, of 3 April, on structural modifications of commercial companies, the corresponding segregation projects by virtue of which the contribution to the Bank of all the assets and liabilities associated with the financial activity was promoted of BBK, Kutxa and Caja Vital, which would indirectly develop, through the Bank, their purpose as credit institutions.

The purpose of this segregation was to transfer en bloc, by universal succession, the elements that made up the economic unit consisting of the Segregated Assets, which included all the elements that made up the assets of the respective Savings Banks, with the exception of the excluded Assets and Liabilities, not directly linked to their financial activity. identified in the respective spin-off projects, which include BBK's stake in the Bank.

These spin-off projects, as well as the integration agreement and its subsequent novation, were approved by the corresponding General Meetings of the Savings Banks and sessions of the General Shareholders' Meeting (at that time, the sole shareholder) of the Bank on 23 September and 20 October 2011, respectively.

With the foregoing, and once the appropriate administrative authorisations had been obtained, on 22 December 2011, BBK, Kutxa and Caja Vital granted, together with the Bank, the corresponding deeds of separation of the financial businesses of the Savings Banks and their contribution in favour of Kutxabank, S.A.

For the purposes of Article 31.7 of Law 3/2009 of 3 April 2009 on structural modifications of commercial companies, the effectiveness of the spin-off of the businesses of the Savings Banks and their contribution to the Bank, and consequently, to the SIP, was determined by the registration of the spin-off in the Bizkaia Mercantile Registry, which took place on 1 January 2012.

With the registration of the segregations, the last of the conditions precedent to which the entry into force of the integration contract signed between the Savings Banks was subject was perfected. Consequently, on 1 January 2012, the integration contract establishing an Institutional Protection System by which the Savings Banks approve the indirect exercise of their activity and segregate their financial businesses in favour of the Bank became effective. The Bank, as the beneficiary of the spin-off, was subrogated to all the rights, actions, obligations, liabilities and charges of the segregated assets. The Bank also assumed the human and material

resources linked to the operation of the business of the respective savings banks that was subject to the spin-off.

In exchange for the segregated equity, the Bank carried out a total capital increase of €1,981,950 thousand, corresponding to 1,981,950 registered shares, with a par value of €1,000 each, plus an issue premium, so that each Fund received newly issued shares representing the Bank's share capital, for a value equivalent to the value of the equity segregated by each one. The shares issued are represented by registered securities, as are those existing in circulation, all of them belonging to the same class and with the same rights as those existing at the time of said increase. After the capital increase, the participation of each of the Savings Banks (with their current corporate name as Banking Foundations) in the Bank is as follows:

	% participation
Bilbao Bizkaia Kutxa Banking Foundation – Bilbao Bizkaia Kutxa Banku Fundazioa	57%
Kutxa Banking Foundation – Kutxa Banku Fundazioa	32%
Vital Banking Foundation - Vital Banku Fundazioa	11%

On the other hand, in compliance with the provisions of Law 26/2013, of 27 December, on savings banks and banking foundations, the Ordinary General Assemblies of BBK and Caja Vital at their meetings held on 30 June 2014 and the Extraordinary General Assembly of Kutxa held on 24 October 2014, approved to carry out the transformation of the same into Banking Foundations. Subsequently, BBK, on 24 November 2014, Kutxa, on 22 December 2014 and Caja Vital, on 29 July 2014, were registered in the Register of Foundations of the Basque Country.

The registration of the three extinct Savings Banks in the Register of Foundations meant, de facto, the loss of their status as credit institutions and, consequently, the Institutional Protection System constituted by them and Kutxabank became terminated. In this regard, the Board of Trustees of the Bilbao Bizkaia Kutxa Foundation Banking Foundation, on 23 January 2015, and the Board of Trustees of the Vital Banking Foundation, on 10 February 2015, respectively, unanimously agreed to terminate the SIP, as well as the integration contract signed by the extinct Savings Banks and Kutxabank. In addition, on 17 March 2015, the Board of Trustees of the Kutxa-Kutxa Banku Fundazioa Banking Foundation unanimously agreed to terminate the Integration Agreement signed by the former Savings Banks and Kutxabank, signing the Termination Document of said Contract on a date to be determined and granting, simultaneously, a new "Shareholders' Agreement". among the banking foundations shareholders of Kutxabank, S.A. Finally, on 17 March 2016, the Kutxa Banking Foundation – Kutxa Banku Fundazioa signed the agreement expressly establishing its adherence to the document of Termination of the Integration Agreement formalised by Kutxabank, S.A., Bilbao Bizkaia Kutxa Banking Foundation and Vital Banking Foundation. on March 24, 2015.

Likewise, and as a result of the termination of the SIP, Bilbao Bizkaia Kutxa Fundación Bancaria, with registered office at Gran Vía 19-21 in Bilbao, has the power to exercise control over Kutxabank. Therefore, Kutxabank and its Subsidiaries are part of the Bilbao Bizkaia Kutxa Banking Foundation. The consolidated financial statements of the Bilbao Bizkaia Kutxa Banking Foundation Group for the 2024 financial year were approved by the Board of Trustees on 30 April 2025 and were deposited with the Bizkaia Companies Registry.

1.3 Merger by absorption of Cajasur Banco, S.A.U. by Kutxabank, S.A.

The Boards of Directors of Kutxabank, S.A. and Cajasur Banco, S.A.U. on 30 and 29 April 2025, respectively, have approved the Common Merger Project which provides for the integration of both entities through the absorption of Cajasur by Kutxabank, under the terms provided for in Royal Decree-Law 5/2023 and in accordance with the simplified regime contemplated in Article 53 of the Law on Structural Modifications, as Kutxabank holds 100% of the share capital of Cajasur.

The General Shareholders' Meeting of Kutxabank, S.A., held on 30 June 2025 approved the merger of the Company through the absorption of the Absorbed Company, with the latter's dissolution without liquidation and the transfer en bloc, on a universal basis, of its assets to the Company, which will acquire the rights and obligations of the Absorbed Company by universal succession. all subject to the mandatory authorisation of the Ministry of Economy, Trade and Business, under the terms provided for in the twelfth additional provision of Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions.

The transaction is part of the Group's 2025-2027 Strategic Plan, and aims to complete the integration process initiated in 2011, strengthening the brand unity, consolidating the technological platform, and maximising commercial, operational and people management synergies. The merger will also allow greater efficiency in complying with regulatory and supervisory requirements.

From an accounting point of view, the merger will have retroactive effects from 1 January 2025 – subject to obtaining the corresponding regulatory and administrative authorisations. No capital increase or exchange of shares is contemplated, as it is a merger by absorption between wholly owned companies. Nor are there any special rights, cash compensations or statutory modifications as a result of the operation.

The operation is subject to the special tax regime provided for in the regulations in force, as the requirements of valid economic motivation are met. Likewise, compliance with labour, tax and Social Security obligations has been guaranteed by both entities.

The main results of this operation will be to strengthen the brand strategy at the national level, optimising the commercial network and simplifying the organisational structure. It also seeks to consolidate the technological platform and capture operational synergies, improving the quality of the service. In addition, it is intended to efficiently manage personnel, while simplifying regulatory requirements.

As of the date of preparation of the interim financial statements, the effectiveness of the above agreements is conditional on authorisation by the Ministry of Economy, Trade and Enterprise.

1.4 Accounting principles and valuation standards applied in the preparation of the consolidated summary interim financial statements

The Group's consolidated summary interim financial statements for the six-month period ended June 30, 2025 have been prepared by its Directors at the meeting of the Board of Directors held on July 24, 2025. These consolidated summary interim financial statements have been prepared and are presented in accordance with IAS 34 "Interim Financial Reporting". In addition, the rest of the regulatory framework applicable to the Group has been taken into account in its preparation, Bank of Spain Circular 4/2017 of 27 November 2017, which is the adaptation of the EU-IFRS to the Spanish credit institution sector, the Commercial Code and other commercial legislation.

The main objective of the accompanying consolidated summary interim financial statements is to provide an explanation of those significant events and variations, in accordance with the principle of materiality, necessary for the understanding of the changes in the Group's financial position and results since the date of the latest consolidated financial statements of Kutxabank, S.A. and Subsidiaries dated December 31, 2024. without duplicating the information contained in the last annual accounts formulated.

Therefore, the accompanying consolidated summary interim financial statements do not include all the information that would be required for a complete consolidated financial statement prepared in accordance with the International Financial Reporting Standards adopted by the European Union (hereinafter, "EU-IFRS"), so that, for an adequate understanding of the information included therein, they must be read together with the Group's consolidated Financial Statements for the year year ended December 31, 2024, which were filed in accordance with the provisions of the EU-IFRS applicable to December 31, 2024, taking into account Bank of Spain Circular 4/2017, of November 27, 2017, as well as its successive amendments; and other provisions of the regulatory framework for financial reporting applicable to the Group in Spain.

The accompanying consolidated summary interim financial statements have been prepared applying the same consolidation principles, accounting policies and valuation criteria as those applied by the Group in the consolidated Financial Statements for 2024, which can be consulted in Note 14 of said consolidated Financial Statements, so that they show a true and fair view of the Group's consolidated equity and consolidated financial position as of June 30, 2025 and of the Group's consolidated financial position. the consolidated results of its operations and consolidated cash flows, which have occurred in the Group in the period from January 1 to June 30, 2025.

The consolidated summary interim financial statements and their explanatory notes have been prepared on the basis of the accounting records maintained by the Bank and by each of the other entities in the Group, and include the adjustments and reclassifications necessary to standardise the accounting policies and valuation criteria applied by the Group.

There is no accounting principle or valuation criterion that, having a significant effect on the accompanying consolidated summary interim financial statements, has not been applied in their preparation.

In determining the disclosures of the different items in the consolidated summary interim financial statements or other matters, the Group has, in accordance with IAS 34, taken into account materiality in relation to the consolidated summary interim financial statements.

Rules and interpretations that have entered into force during the financial year 2025

In the 2025 financial year, the following standards, amendments to IFRS and/or interpretations thereof (hereinafter, "IFRIC") have entered into force:

- **IAS 21 (Amendment) "Lack of interchangeability":**

The IASB has amended IAS 21 by adding requirements to help entities determine whether a currency is interchangeable for another currency and the spot exchange rate to use when it is not. When a currency cannot be exchanged for another currency, it is necessary to estimate the spot exchange rate on a valuation date in order to determine the rate at which an orderly exchange transaction would take place on that date between market participants under prevailing economic conditions.

When an entity first applies the new requirements, it is not permitted to restate comparative information. Instead, the conversion of the amounts concerned to spot exchange rates estimated on the date of initial application of the modification is required, with an adjustment against reserves.

This modification is effective for fiscal years beginning on or after January 1, 2025. However, the amendment has not had a significant impact on the Group's consolidated summary interim financial statements.

Norms and interpretations issued that are not in force

As of the date of preparation of these consolidated interim summary financial statements, the following are the most significant standards and interpretations that have been published by the IASB, but have not yet entered into force, either because their effective date is later than the date of the consolidated interim summary financial statements, or because they have not yet been adopted by the European Union:

Standards, modifications and interpretations	Content of the regulation	Mandatory application of fiscal years starting from
Amendments to IFRS 9 and IFRS 7	Classification and valuation of financial instruments.	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts relating to nature-dependent electricity.	January 1, 2026
IFRS 18	Presentation and breakdown in the financial statements.	January 1, 2027 (1)
IFRS 19	Breakdowns of dependants without public responsibility.	January 1, 2027 (1)
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and their associates or joint ventures.	(2)

(1) Standards and interpretations not adopted by the European Union as of the date of preparation of these consolidated half-yearly financial statements.

(2) The IASB decided to postpone the effective date of the same (without setting a specific date).

Below is a brief summary of the rules, modifications and interpretations included in the table above:

- **Amendments to IFRS 9 and IFRS 7 "Amendments to the classification and measurement of financial instruments"**: These amendments to IFRS 9 and IFRS 7 are for:
 - Clarify the date of recognition and derecognition of certain financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - Clarify and add additional guidance to assess whether a financial asset meets the criterion of principal and interest payments only;
 - Incorporate new disclosure requirements for certain instruments with contractual terms that may change cash flows (such as some instruments with characteristics linked to the achievement of environmental, social and governance (ESG) objectives); and
 - Update the disclosures for equity instruments designated at fair value with changes in other comprehensive income.

These amendments are effective for fiscal years beginning on or after January 1, 2026. Early application is allowed.

- **Amendments to IFRS 9 and IFRS 7 "Contracts relating to nature-dependent electricity"**: Nature-dependent electricity contracts help companies secure their electricity supply from sources such as wind and solar energy. The amount of electricity generated under these contracts can vary depending on uncontrollable factors, such as weather conditions.

The amendments help companies better reflect these contracts in the financial statements and consist of:

- A clarification of the application of the "own use" requirements;
- The possibility of applying hedge accounting if these contracts are used as hedging instruments; and
- The addition of new disaggregation requirements to allow understanding of the effect of these contracts on the company's financial information.

These amendments are effective for fiscal years beginning on or after January 1, 2026. Early application is allowed.

- **IFRS 18 "Presentation and Disclosure in Financial Statements"**: The IASB has issued a new standard on presentation and disclosure in financial statements, which replaces IAS 1 "Presentation of Financial Statements". Many of the existing principles in IAS 1 are maintained; however, the new key concepts introduced in IFRS 18 relate to:
 - The structure of the profit and loss account, requiring the presentation of certain specific totals and subtotals and requiring the classification of the items in the profit and loss account into one of five categories: operation, investment, financing, income taxes, and discontinued operations;

- Disclosures required in the financial statements for certain performance measures reported in the financial statements (i.e., management-defined performance measures); and
- Enhanced principles on aggregation and disaggregation that apply to the main financial statements and notes in general.

IFRS 18 does not change the recognition or measurement of items in the financial statements, but it could change what an entity reports as its "operating income".

This new standard is effective for financial years beginning on or after January 1, 2027, including for interim financial statements, and retrospective application is required. Its early application is allowed, although the regulation is pending approval by the European Union.

- **IFRS 19 "Non-Publicly Liable Dependents: Disclosures"**: This new standard has been developed to enable non-publicly liable dependants, with a parent company that applies IFRS standards in their consolidated financial statements, to apply IFRS standards with reduced disclosure requirements. IFRS 19 is a voluntary standard that eligible subsidiaries may apply when preparing their own consolidated, separate or individual financial statements, as permitted by applicable regulatory legislation. These dependants will continue to apply the recognition, valuation and reporting requirements of other IFRS standards, but may replace the disclosure requirements of those standards with reduced disclosure requirements.

The new rule is effective for fiscal years beginning on or after January 1, 2027. Its early application is allowed, although the regulation is pending approval by the European Union.

- **IFRS 10 (Amendment) and IAS 28 (Amendment) "Sale or Contribution of Assets between an Investor and Its Associates or Joint Ventures"**: These amendments clarify the accounting treatment of sales and contributions of assets between an investor and its associates and joint ventures that will depend on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a "business". The investor will recognise the full gain or loss when the non-monetary assets constitute a "business." If the assets do not meet the definition of a business, the investor recognises the gain or loss to the extent of the interests of other investors. The modifications will only apply when an investor sells or contributes assets to its associate or joint venture.

Originally, these amendments to IFRS 10 and IAS 28 were forward-looking and effective for annual periods beginning on or after January 1, 2016. However, at the end of 2015, the IASB made the decision to postpone the effective date of the Directives (without setting a new specific date), as it is planning a broader review that may result in the simplification of the accounting of these transactions and other aspects of the accounting of associates and joint ventures.

The Directors are in the process of analysing the impact that these standards will have on the Group's consolidated financial statements.

1.5 Other information

(a) Comparison of information

The information for the period of 31 December 2024 contained in the consolidated summary balance sheet and the information for the six months ended 30 June 2024 contained in the consolidated summary income statement, the consolidated summary statement of recognised income and expenses, the consolidated summary statement of changes in equity, and the consolidated summary statement of cash flows, is presented solely and exclusively for comparative purposes with the information relating to June 30, 2025 and the six-month period ended on that date.

b) Information on dividends paid and distribution of profit for the 2024 financial year

The General Shareholders' Meeting of the Parent Company, at its meeting held on March 18, 2025, agreed to distribute an interim dividend against the results of the 2024 financial year in the amount of €83,787 thousand, which was paid out on March 28, 2025.

The financial statements drawn up, in accordance with the legal requirements, which showed, among others, the existence of the appropriate results and sufficient liquidity for the distribution of said amount on account of the result, were as follows:

	Euro miles	
	Financial statement as of January 31, 2025	
Net profit for the 2024 financial year		509,166
Estimated allocation to the Legal Reserve	-	
Interim dividends paid in 2024		237,697
Maximum distributable profit		271,469
Available liquidity		3,163,503
Liquidity available in Bank of Spain policy		3,694,667
Free assets		6,231,949
Additional liquidity		9,926,616

On the other hand, the Board of Directors of the Parent Entity on November 28, 2024 proposed to the General Shareholders' Meeting the distribution of a dividend in kind, charged to freely available reserves, amounting to €400,000 thousand through the delivery of equity instruments from the portfolio "Financial assets at fair value through changes in other comprehensive income" (Note 9.3). This agreement was subject to the approval of the European Central Bank. On 18 March 2025, once the mandatory authorisation had been received from the European Central Bank, the General Shareholders' Meeting agreed to distribute the aforementioned dividend, which was paid in kind, through the delivery of the corresponding shares.

Subsequently, the General Meeting of Shareholders of the Parent Company, at its meeting held on June 30, 2025, unanimously approved the proposal agreed by the Board of Directors of the Parent Company, at its meeting held on March 27, 2025, to allocate the Parent Company's profit for the year ended December 31, 2024, which amounted to 509,166 thousand euros, to the following items:

- (i) To Voluntary Reserves: 187,682 thousand euros.
- (ii) Interim dividend July 2024: €131,835 thousand.
- (iii) Interim dividend December 2024: €105,862 thousand.
- (iv) Interim dividend March 2025: €83,787 thousand.

Finally, the Board of Directors of the Parent Entity dated July 24, 2025, in accordance with the legal requirements, has formulated the financial statements that show, among others, the existence of sufficient results and liquidity so that, subsequently, the General Shareholders' Meeting that is scheduled to be held on the same date, proceed, where appropriate, to distribute an interim dividend against 2025 results in the amount of €166,219 thousand and a disbursement date of 30 July 2025.

The financial statements prepared were as follows:

	Euro miles	
	Financial statement as of June 30, 2025	
Year-to-date net profit		265,893
Estimated allocation to the Legal Reserve	-	
Interim dividends	-	
Maximum distributable profit		265,893
Available liquidity		3,181,831
Liquidity available in Bank of Spain policy		3,317,681
Free assets		5,933,436
Additional liquidity		9,251,117

2. Seasonality of operations, unusual events and significant changes in the estimates made

2.1 Seasonality of operations

Given the nature of the most significant activities and operations carried out by the Group, which correspond fundamentally to the characteristic and typical activities of financial institutions, it can be stated that its operations are not significantly affected by seasonality or cyclicity factors, which may exist in other types of businesses.

2.2 Unusual Facts

During the first half of the 2025 financial year, no significant unusual events have been disclosed in addition to those disclosed in the consolidated summary financial statements.

2.3 Significant changes in estimates made

In the preparation of the Group's consolidated summary interim financial statements, estimates made by the Directors of the Parent Entity are sometimes used to quantify some of the assets, liabilities, income, expenses and commitments recorded therein. Basically, these estimates refer to:

- Impairment losses on certain assets.
- Assessing the recoverability of deferred tax assets.
- The term of the lease for operations in which the Group acts as lessee.
- Corporate tax expense.
- Actuarial assumptions used in the calculation of liabilities and commitments for post-employment and other long-term benefits
- The applied useful life of the elements of Tangible Assets and Intangible Assets.
- The valuation of consolidation goodwill.
- The methodologies and hypotheses used in the valuation of insurance and reinsurance contracts.
- The fair value of certain unlisted assets (see Note 21).
- The expected cost and evolution of provisions and contingent liabilities.

Although the estimates described above are made based on the best information available at the date on which they are made on the facts analysed, it is possible that events that may take place in the future will force them to be modified (upwards or downwards) significantly, which would be done, if necessary, in accordance with the provisions of the applicable regulations, prospectively, recognising the effects of the change in the estimate in the consolidated income statement for the affected years.

In this regard, the Parent has proceeded to reassess certain estimates made at the end of the 2024 financial year.

Calculation of impairment losses on financial assets

The first half of 2025 has been marked by a complex geopolitical situation, with the continuation of conflicts in Ukraine and the Middle East, as well as growing international trade tension. In particular, the imposition of new tariff measures by the United States has had a significant impact on economic relations with Europe, China and Latin America, affecting supply chains and operating costs. Likewise, the evolution of inflation and the decisions of the main Central Banks have continued to condition the global macroeconomic environment.

The Group has made a number of modifications to reflect the impact of macroeconomic scenarios on the credit risk impairments of its loan portfolio estimated in accordance with IFRS 9.

Estimation of risk parameters

As described in Note 14.h) of the consolidated financial statements, the methodology for calculating the expected loss is based on the construction of the following risk parameters: Probability of default (PD), severity (LGD) and exposure at the time of default (EAD), estimated as the case may be based on a conversion factor (CCF). The models have been developed based on the Group's existing historical experience, considering all reasonable and documented information, and including forward-looking information.

The Group regularly adapts its PD and LGD models in accordance with the new internally estimated macroeconomic scenarios. These scenarios are incorporated through econometric models that relate the parameter (PD, LGD) with the economic situation. In June 2025, the Group updated all projections of its PD and LGD parameters to incorporate the Group's approved macroeconomic forecasts for 2025.

For the calculation of the expected credit loss for June 2025, the Group has used a set of more up-to-date scenarios and projections that reflect the latest macroeconomic information as well as the forecasts incorporated into processes such as capital and financial planning during the first half of 2025. These scenarios have been approved by the Governing Bodies of the Parent in January 2025 for use in financial and capital planning. Based on the variables described in the supervisor's report, a complete and coherent set of variables has been drawn up for Spain, the Basque Country and Andalusia.

- The base or central scenario presents a level of growth in activity of 2.5% in 2025 in terms of GDP; The following two years, although they present relevant growth figures, are always below the first year, showing a slowdown in growth. The period 2025-2027 presents a cumulative growth of 6.2%, with values between 1.7%-2.5%, corresponding to a lower value in the following years. The unemployment rate improves compared to the forecasts used in the last year under this central scenario. In terms of inflation and interest rates, the base scenario always presents CPI levels always around 2% in the 2025-2027 period, while the 12-month Euribor also remains stable at around 2%, which is a lower level than projected last year. The real estate market, through the house price index, is witnessing higher levels of growth compared to those presented in the 2024 base scenario. In general, the base scenario presents a situation of higher growth, lower unemployment and contained inflation, resulting in lower rates than in the past scenario. In this sense, the projections of the parameters under the base scenario are expected to be somewhat better than in 2024.
- For its part, the approved adverse scenario contemplates an intensification of war situations in Ukraine and the Middle East, with an extension to adjacent areas in both, which accentuates geoeconomic fragmentation, generating greater instability by indirectly instigating an increase in tension in previously sensitive areas (Syria, the Sahel Strip, the China Sea, etc.). These tensions are beginning to affect commercial traffic globally. The price of oil is increasing as a result of these problems, and tensions in the price of gas are added to this, both due to distribution problems due to the blockage of gas pipelines and the paralysis of liquefied gas distribution projects. All this, together with the increase in protectionist measures, aggravates geopolitical polarisation and contributes to the fragmentation of the international trading system. In terms of indicators and aggregates, GDP presents, as usual under this scenario, negative growth values (recession) during the years 2025-2027, with a cumulative fall of -8.3%. The unemployment rate, as normal, shows an increase of approximately 8 points compared to the rates of the base scenario for 2027. The real estate market, through the price of residential housing, does project cumulative falls of -7%, while both the CPI and the 12-month Euribor rate present very low values, consistent with a recession scenario: the CPI projects very weak year-on-year increases of 0.3% and 0.2% in the first 2 years to rebound to 1.3% in 2027. while the 12-month Euribor moves in the range of -0.1% to 0.2%.

The forecasts used cover 5 years, but the first three years (including the current year) of the most significant variables are presented below, as they are the most prominent:

	Base Scenario			Intermediate Scenario			Adverse Scenario		
	2025	2026	2027	2025	2026	2027	2025	2026	2027
Gross Domestic Product (GDP)	2.5%	1.9%	1.7%	0.3%	0.2%	0.7%	-4.1%	-3.2%	-1.3%
Unemployment rate	11.2%	10.8%	10.5%	12.5%	12.9%	13.3%	15.1%	17.2%	18.8%
Housing prices evolution	4.5%	4.0%	5.6%	2.2%	1.7%	3.1%	-2.3%	-2.8%	-2.1%
Wage Prices Evolution	0.0%	0.6%	2.8%	-0.3%	0.6%	0.9%	-0.9%	-2.1%	-3.6%
CPI Variation	2.1%	2.0%	2.4%	1.5%	1.4%	2.0%	0.3%	0.2%	1.3%
12-month Euribor	1.9%	2.1%	2.2%	1.2%	1.4%	1.5%	-0.1%	0.0%	0.2%

The approach employed by the Group is to give greater weight to the most likely scenario (baseline scenario) that is consistent with the one used in the Group's internal management processes and then apply an additional adjustment, calculated by considering the weighted average of the expected losses in two other economic scenarios (intermediate and adverse). The weights assigned to each scenario, which have not been modified in the current exercise, are 70% for the base, 25% for the intermediate and 5% for the adverse scenario.

Of all the variables used, GDP in the form of year-on-year or quarterly variation and the unemployment rate are the most recurrent and significant, with the evolution of the average price of housing also being present in some models (especially the LGD models with mortgage collateral), although in recent years additional indicators have been incorporated in accordance with the recent situation of higher rates than in most of the last decade. Thus, for example, the PD model for mortgages and the PD model for Companies (SMEs and Microenterprises) include as an explanatory variable the 12-month Euribor at levels, in addition to GDP and the unemployment rate. On the other hand, the LGD with corporate mortgage collateral incorporates the quarterly variation of the CPI (inflation factor) in addition to the unemployment rate, while the LGD without mortgage collateral of this same portfolio includes the annual variation of the CPI together with that of GDP. For its part, the consumer portfolio incorporates the CPI as an explanatory variable in both the PD and the LGD. In June 2025, a complete reestimation of the LGD model with mortgage guarantee of the developers' portfolio has been approved, which incorporates the variation in house prices, GDP and the quarterly variation in the CPI.

Therefore, it can be said that the current situation of uncertainty reflected in factors such as inflation and interest rates is being incorporated into the estimates of the parameters of the Group's main segments, ensuring the correct translation of macroeconomic expectations to the calculation of expected credit losses.

The time horizon of the scenarios incorporated in the models is as follows: consider the average of the parameter projections in 4 quarters for the case of stage 1 parameters, while in the case of lifetime PD longer periods are considered (assuming a reversion to the average PD of the segment cycle from the third year onwards).

Likewise, during the first half of 2025 the Group has carried out certain analyses complementary to those carried out during the 2024 financial year, constituting and/or maintaining the following additional funds:

- The Group, in view of the growing uncertainty generated by the tariff policy of the new US administration and its potential impact on international trade, has estimated the additional allocation, in the form of PD overlays, of the adverse effect derived from the establishment of burdensome tariffs in certain sectors. In addition, this additional allocation includes an estimate of the indirect impact of tariffs on the rest of the sectors not directly affected. This additional allocation complements that made during the 2024 financial year in the form of a PD overlay in the face of worsening geopolitical tensions, especially in the Middle East due to the conflict between Iran and Israel and the partial interruption of energy raw material supply chains that continues to affect the sectors most dependent on them. All these additional provisions apply to the portfolio of companies.
- The Group has carried out a credit analysis of a portfolio of mortgage-backed transactions, reinforcing their provisions, considering, among others, the possibility of carrying out future transactions.

- The Group has updated the additional provision in the form of an overlay for the following climatic risks: risk of coastal and river flooding in the mortgage portfolio of individuals, risk of extreme drought and fires in the mortgage portfolio of individuals, physical risk due to heat wave and fall in productivity in the portfolio of companies, energy transition risk in the portfolio of companies as well as transition risk in the portfolio of mortgages of individuals. The absence of historical data on these emerging factors prevents them from being considered within the statistical models, so post-model adjustments (overlay) have been applied to the parameters of LGD (physical risks of flood and drought and fires, transition risk in the mortgage portfolio) and PD (transition risk of companies).

The implementation of new models (LGD with mortgage guarantee of the developers' portfolio, together with the partial recalibration of the consumer PD), as well as the update to the most recent macroeconomic scenarios, together with the other analyses carried out and updates, has led to the recording of impairment provisions for a net amount of 27,922 thousands of euros during the first half of 2025, which are recognised under the headings "Impairment or reversal of impairment on financial assets not measured at fair value through changes in profit or loss and net gains or losses due to changes – Financial assets at amortised cost – Loans" and "Provisions or reversal of provisions – Commitments and guarantees granted" of the consolidated income statement corresponding to semester ended on June 30, 2025.

- Sensitivity of Expected Loss

The impact of the different macroeconomic scenarios proposed is captured in the expected loss from the awareness of the risk parameters and associated econometric models, as detailed above. The impact of the different variables on the parameters occurs in a non-linear manner, realistically capturing the effect of variations in the main aggregates and indicators. This translates into a non-linear effect of changes in GDP, unemployment rate or variation in house prices in terms of expected loss.

The Panel believes that the correct measure of the sensitivity of the expected loss should be done in a holistic manner, i.e. at the scenario level; the strong interrelationship between macroeconomic variables precludes an independent (and *ceteris-paribus*) treatment of them. In this circumstance, the variation of the expected loss of the adverse scenario with respect to the base scenario (thus comparing the two most distant scenarios considered) is presented. To do this, once the parameters under the base scenario and the adverse scenario have been estimated, the expected loss of the portfolio under each one is calculated by assigning a weight of 100% to each scenario separately.

In this way, and in accordance with the scenarios presented, GDP presents an estimated cumulative variation of +6.20% in 2025-2027 under the base scenario compared to a fall of -8.30% in the adverse scenario. With regard to the unemployment rate, it fell by -1.0% under the base scenario between December 2024 (latest real data) and December 2027, in a linear manner, while it increased by +7.3% in the adverse scenario between December 2024 and the year with the highest rate (December 2027). The estimated average house price shows a cumulative increase of +2.98% in the base scenario in the period 2025-2027, while in the adverse scenario the significant cumulative fall is -7.02%. Under these scenarios and the assumptions established, the expected loss of the loan portfolio in the adverse scenario is €119 million higher than in the base scenario (20.5% increase).

The criteria for classifying credit risk by stages have not changed with respect to those described in Note 14.h) of the 2024 consolidated financial statements.

In relation to the rest of the estimates, during the six-month period ended June 30, 2025, the estimates made at the end of the 2024 financial year have been revised, including both the valuation of goodwill and the recoverability of deferred tax assets. This review has not resulted in any significant changes in the resulting valuations, in addition to those described in this note and those indicated in these consolidated summary interim financial statements.

3. Consolidated Statement of Cash Flows

In the consolidated cash flow statements, the following expressions are used to read as follows:

- Cash flows: inflows and outflows of cash and cash equivalents; understood as short-term investments of high liquidity and low risk of alterations in their value.
- Operating activities: typical activities of credit institutions, as well as other activities that cannot be classified as investment or financing.
- Investment activities: those of acquisition, disposal or disposal by other means of long-term assets and other investments not included in cash and its equivalents.
- Financing activities: activities that result in changes in the size and composition of equity and liabilities that are not part of operating activities.

For the purposes of preparing the consolidated statement of cash flows, "cash and cash equivalents" have been considered to be those short-term investments that are highly liquid and have a low risk of changes in value. Thus, the Group considers cash and cash equivalents to be the items recognised under the heading "Cash, cash balances at central banks and other demand deposits" in the consolidated balance sheet. The amount of cash owned by the Group as of June 30, 2025 amounted to €5,215,163 thousand (€6,286,552 thousand as of June 30, 2024).

4. Changes in the composition of the Group

The criteria followed by the Group to consider an entity as a Group company, joint venture or associate, together with a description of the consolidation and valuation methods applied to each of them, are those established by the International Financial Reporting Standards adopted by the European Union (hereinafter, "EU-IFRS"), taking into account Bank of Spain Circular 4/2017, of 27 November, which constitutes the development and adaptation to the Spanish credit institution sector of the International Financial Reporting Standards approved by the European Union.

The most relevant changes in the consolidation perimeter during the first half of 2025 are described below:

- On 3 February 2025, the liquidation and dissolution of Promoción Los Melancólicos, S.L., a company in which the Group held a 42.50% stake, took place, in accordance with the decision of the General Shareholders' Meeting on 20 December 2024, without the transaction having had any impact on the Group's assets.
- On 4 February 2025, Kutxabank acquired 70% of the shares of Talde Gestión, S.G.E.I.C., S.A. (Talde Gestión). The transaction was signed in a private contract on October 24, 2024, pending compliance with a series of conditions precedent, which have been confirmed on January 30, 2025. The purchase price of the stake includes an initial payment, as well as an additional price conditional on the materialisation of capital gains from the funds in which it holds and the accrual of success fees corresponding to the funds it manages. The estimated amount for the total price amounts to 9,312 thousand euros.

At the same time as the purchase operation by Kutxabank, within the framework of the "Partnership" scheme with the Management team, the sale of 7% of the shares representing the share capital of Talde Gestión has been carried out to certain members of its management team who will continue to lead the management. The conditions, in terms of price and term agreed, replicate those agreed for the purchase by Kutxabank.

Based on the above, since February 4, 2025, Talde Gestión, S.G.E.I.C., S.A. is part of the Kutxabank Group, which holds 63% of the company's share capital.

- On the occasion of the biennial shareholder adjustment of the investee company Viacajas, S.A., on 9 May 2025, the Group has sold 1.20% of the shares of the company Viacajas, S.A. for an amount of 63 thousand euros, without the transaction having generated any result for the Group and now holding 34.62% of the company.
- Neos Surgery, S.L. has agreed during 2025 two share capital increases to which the Group has resorted to one of them and, consequently, has led to changes in the percentage of participation in it:
 - On 15 January 2025, the company agreed to increase its share capital by €4 thousand through the issuance of 716 shares with a par value of €5. The Group has not participated in the increase, so that its percentage of participation has been reduced by 0.77%, going from holding 28.39% of the share capital to 27.62%. The operation has resulted in a gain of 104 thousand euros.
 - On May 2, 2025, the company has agreed to increase the share capital by 4 thousand euros through the issuance of 716 shares with a nominal value of 5 euros. This increase has been fully subscribed by the Group, so that its percentage of participation has been increased by 1.91%, going from holding 27.62% of the share capital to 29.53%.

The net result generated by the operations described above amounted to €104 thousand and is recognised under the heading "Gains or losses when derecognition of net non-financial assets in the accounts" of the accompanying consolidated income statement.

5. Remuneration of the Directors and Senior Management of the Parent Company

a) *Remuneration of directors*

As of June 30, 2025 and June 30, 2024, the Bank's Board of Directors is composed of 16 members.

The annual remuneration accrued by the members of the Board of Directors of the Parent in the six months ended June 30, 2025 and June 30, 2024, including 2 with executive functions, amounted to €1,393 thousand and €1,310 thousand, respectively, and the breakdown is as follows:

Remuneration concept	Euro Miles	
	30/06/2025	30/06/2024
Remuneration for membership of the Board and/or Board Committees	599	560
Salaries	676	644
Annual variable remuneration in cash (*)	58	52
Annual variable remuneration systems based on shares (*) (**)	58	52
Indemnities	-	-
Long-term savings systems (***)	2	2
Other concepts	-	-
Total	1,393	1,310

(*) The information for the first half of 2025 and 2024 includes the half-yearly proportion of maximum annual variable remuneration that could be accrued at the end of each of the respective financial years by a single executive director participating in it, in the event of achieving the best possible degree of compliance with all the objectives established.

(**) Given the nature of an unlisted company, it is settled through instruments that replace shares, which represent the evolution of the value of the Entity.

(***) Certain members of the Board of Directors of the Parent Entity are entitled to defined contribution post-employment benefits by virtue of their status as directors. These rights are outsourced through insurance policies with voluntary pension companies and entities outside the group.

In addition, during the six months ended June 30, 2025 and June 30, 2024, the Entity maintained long-term variable remuneration supplementary plans in force, linked to the objectives of the strategic plans established for the three-year periods between 2025-2027 and 2022-2024 respectively, and which included an executive director as a participant in both cases. In accordance with the characteristics of both multi-year plans, their settlement takes place, where appropriate, once the respective accrual periods have expired, i.e. from 2028 in the multi-year plan in force in the first half of 2025, and 2025 in the multi-year plan in force in the first half of 2024. Both multi-year schemes are subject to the ex ante evaluation of results and ex post risk adjustment, applying the same prudential mechanisms in force for annual variable remuneration (settlement of 50% in cash and 50% in instruments), and conditional in any case on the maximum limit approved by the General Shareholders' Meeting with respect to the remuneration of the Board of Directors for each of the periods.

Long-term variable remuneration	Miles of Euros (*)	
	30/06/2025	30/06/2024
Linked to the Strategic Plan 2025-2027	88	-
Linked to the Strategic Plan 2022-2024	-	78
Total	88	78

(*) Pro-rata attributable to the first half of 2025 and the first half of 2024 of the maximum amount that can be accrued, in the event that an executive director participating in each of the plans achieves the best possible degree of compliance with all the objectives linked to the respective Strategic Plans established respectively for the three-year periods 2025-2027 and 2022-2024.

In addition, at the end of the semester ended June 30, 2025, €0.6 thousand were paid in insurance premiums covering the contingency of death, €0.6 thousand at the end of the semester ended June 30, 2024.

Likewise, at the end of the semester ended June 30, 2025, 269 thousand euros of annual and multi-year variable remuneration subject to withholding and/or deferral periods, accrued in years prior to 2024, and which were already included in the total remuneration of the aforementioned periods, have been paid. At the end of the semester ended June 30, 2024, the amounts paid were €376 thousand of annual and multi-year variable remuneration subject to retention and/or deferral periods, accrued in years prior to 2023.

On the other hand, in addition to the above information that includes the remuneration accrued in the Parent Company, the members of the Board of Directors did not accrue any amount in the first half of 2025 for the performance of positions within the governing bodies of the Group's companies (no amount in the first half of 2024).

b) Remuneration of Senior Management and similar personnel of the Parent Company

For the purposes of preparing these consolidated summary interim financial statements, and in accordance with supervisory expectations, a group of 13 people has been considered as Senior Management staff and assimilated as of June 30, 2025, a group of 12 people as of June 30, 2024.

The following table shows the annual remuneration accrued in favour of the aforementioned groups in the Parent Entity:

	Euro Miles	
	30/06/2025	30/06/2024
Remuneration (*)	1,830	1,740
	1,830	1,740

(*) For comparative purposes, the information provided in the table above includes the six-month proportion of maximum annual variable remuneration that could be accrued at the end of each of the respective financial years by 13 people in the first half of 2025 and 12 people in the first half of 2024, if the best possible degree of compliance with all the established objectives is achieved.

The above table includes the accrual of contributions to defined contribution pension systems within the six months ended 30 June 2025 and 30 June 2024. There are, on the other hand, defined benefit commitments, whose provision constituted at the end of the semester ended June 30, 2025 amounted to €1,056 thousand, €925 thousand at the end of the semester ended June 30, 2024.

In addition, during the six months ended June 30, 2025 and June 30, 2024, the Entity maintained long-term variable remuneration supplementary plans in force, linked to the objectives of the strategic plans established for the three-year periods between the years 2025-2027 and 2022-2024 respectively, and which included as participants the 13 people and 12 people from the groups referred to in the table above as Senior Management and personnel assimilated to Closing of the first half of both years. In accordance with the characteristics of both multi-year plans, their settlement takes place, where appropriate, once the respective accrual periods have expired, i.e. from 2028 in the multi-year plan in force in the first half of 2025, and 2025 in the multi-year plan in force in the first half of 2024. Both multi-year schemes are subject to ex ante performance assessment and ex post risk adjustment, applying the same prudential mechanisms in force for annual variable remuneration (settlement of 50% in cash and 50% in instruments).

Long-term variable remuneration	Miles of Euros (*)	
	30/06/2025	30/06/2024
Linked to the Strategic Plan 2025-2027	528	-
Linked to the Strategic Plan 2022-2024	-	535
Total	528	535

(*) Pro-rata attributable to the first half of 2025 and the first half of 2024 of the maximum amount accruable in the event of achieving, in each of the plans, the best possible degree of compliance with all the objectives linked to the respective Strategic Plans established respectively for the 2025-2027 and 2022-2024 trienniums (of 13 beneficiaries of Senior Management and similar personnel at the end of the first half of 2025, 12 beneficiaries of the equivalent group at the end of the first half of 2024).

In addition, at the end of the semester ended June 30, 2025, €2.7 thousand were paid in insurance premiums covering the contingency of death, €2.6 thousand at the end of the semester ended June 30, 2024.

Likewise, in the first half of 2025, €457 thousand of annual and multi-year variable remuneration subject to retention and/or deferral periods, accrued in years prior to 2024 and which were already included in the total remuneration of the aforementioned periods, €434 thousand of annual and multi-year variable remuneration subject to retention and/or deferral periods in the first half of 2024, have been paid. accrued in years prior to 2023.

On the other hand, in the six months ended on 30 June 2025 and 30 June 2024, no amount was accrued as compensation for the dismissal of members of Senior Management or similar personnel.

Likewise, in the first half of 2025, €194 thousand of compensation amounts accrued in previous years, subject to retention and/or deferral periods, €271 thousand paid in the first half of 2024 for compensation amounts accrued in previous years, have been paid.

6. Information by segments

In accordance with the provisions of IFRS 8, it is required to report on the financial compliance of the business segments based on the information that Management uses internally to evaluate the performance of these segments.

In addition, IFRS 8 establishes that all operating segments whose ordinary income represents at least 10% of the aggregate ordinary income of all operating segments, or whose results represent at least 10% of the greater of the following magnitudes, must be reported: (i) the aggregate profit of all operating segments that have not declared losses, (ii) the aggregate reported loss of all operating segments that have reported losses. Or, if your assets are at least 10% of the aggregate assets of all operating segments. Likewise, those operating segments, regardless of their size, that together account for at least 75% of the Group's ordinary revenues will be reported.

a) Targeting criteria

The information by segment is presented according to the different business areas of the Kutxabank Group, in accordance with the organisational structure of the Group in force on 30 June 2025 and is grouped into the following areas, mainly taking into account the subgroup from which the information comes:

- Kutxabank subgroup.
- Cajasur Banco.
- Insurance Companies.
- Management Companies.
- Real Estate Companies.
- Other Activities.

The Kutxabank Subgroup area includes the activity carried out by Kutxabank through its network of branches with private customers, small and medium-sized enterprises, developers and institutions, and the development of business holdings. The set of products and services offered include mortgage loans, consumer credit, financing for companies and developers, demand and term savings products, guarantees, debit and credit cards, etc. In addition, it includes the activity carried out by certain companies that are considered to be a direct extension of the activity carried out by the Parent Company. The highest operational decision-making body in this area is the Board of Directors of Kutxabank.

The Cajasur Banco area comprises the activity carried out by Cajasur Banco through its network of branches with private customers, small and medium-sized enterprises and developers. The catalogue of products and services offered is similar to that described for the Kutxabank Subgroup. The highest operational decision-making body in this area is the Board of Directors of Cajasur Banco, S.A.U.

The Insurance Companies area comprises the activity carried out by the Group through the companies Kutxabank Vida y Pensiones Compañía de Seguros y Reaseguros, S.A.U. and Kutxabank Aseguradora Compañía de Seguros y Reaseguros, S.A.U. The highest operational decision-making bodies in this area are the Boards of Directors of both subsidiaries.

The Management Companies area comprises the activity carried out by the Group through the subsidiaries Kutxabank Gestión, SGIIC, S.A., Grupo Fineco, Kutxabank Pensiones, S.A. and Talde Gestión S.G.E.I.C, S.A., corresponding, mainly, to the management of client funds through collective investment institutions, social welfare and closed-end collective investment entities. The highest operational decision-making bodies in this area are the Boards of Directors of the subsidiaries themselves.

The Real Estate Companies area comprises the activity carried out by the Group through subsidiaries whose activity corresponds, mainly, to the administration and disposal of real estate assets, including real estate assets foreclosed or received in payment of debts with entities of the Kutxabank Group. The highest operational decision-making bodies in this area are the Boards of Directors of companies.

The Other Activities segment incorporates all activities that are not charged to the previous segments. The highest operational decision-making body in this area is the Boards of Directors of each of the subsidiary companies, in which the Area Divisions of the corresponding Parent Entity are represented, depending on the activity of each of the subsidiary companies.

Notwithstanding the above, decisions in the Group's different businesses are taken in the context of control that their membership of the Kutxabank Group entails.

b) Bases and methodology used in the preparation of information by business segments

The operating segments are formed from the aggregation of the commercial companies in which each activity is carried out, so the information of each segment has been prepared from the consolidation of the accounting information of the companies that make up each segment. Therefore, the use of internal transfer fees has not been necessary. In all cases, the financial statements are homogenised with the accounting criteria used in the Group.

Adjustments and deletions correspond, fundamentally, to the elimination of internal results between segments.

The sum of the profit and loss accounts of the operating segments together with the adjustments and eliminations, coincide with the consolidated income statement.

c) Information by business segments

The following tables show the consolidated income statements by business segments as of June 30, 2025 and 2024:

Profit and loss account	Euro Miles							
	30/06/2025							
	Kutxabank Subgroup	Cajasur Banco	Insurance Companies	Management Companies	Real Estate Companies	Other Activities	Adjustments and Deletions	Total Group
Net interest income	469,009	134,418	6,589	844	(2,057)	1,018	(1,582)	608,239
Dividend income	46,600	-	21	-	-	222	-	46,843
Results of entities valued by the equity method	-	-	-	-	(99)	14,310	-	14,211
Net fees	192,385	38,690	(43,603)	72,024	(101)	3,829	(112)	263,112
Gains or losses on derecognition or valuation of financial assets and liabilities	4,184	855	8	203	-	138	1,582	6,970
Exchange differences, net	1,335	129	-	-	-	-	(1)	1,463
Other operating income and expenses and Insurance contract income and expenses	(17,254)	(4,598)	70,944	(160)	2,683	807	(1,872)	50,550
Gross margin	696,259	169,494	33,959	72,911	426	20,324	(1,985)	991,388
Personnel costs	(174,180)	(59,342)	(983)	(8,726)	-	(2,856)	-	(246,087)
Other administration costs	(73,671)	(18,341)	(881)	(4,561)	-	(1,725)	1,843	(97,336)
Amortisation	(20,377)	(3,600)	(8)	(237)	(291)	(292)	-	(24,805)
Provisions or reversal of provisions	(71,481)	(24,782)	-	-	683	(9)	-	(95,589)
Impairment or reversal of impairment of financial assets not measured at fair value through profit or loss	(17,625)	(10,528)	57	(160)	(1,096)	-	-	(29,352)
Impairment or reversal of impairment of non-financial assets	(18,033)	(541)	1,535	-	(8,767)	-	3	(25,803)
Other income and expenses	235	(84)	-	-	21,035	-	139	21,325
Profit before tax	321,127	52,276	33,679	59,227	11,990	15,442	-	493,741
Income from taxes on the results of continuing operations	(117,163)	(18,836)	(9,430)	(16,595)	1,148	(218)	-	(161,094)
Profit after tax	203,964	33,440	24,249	42,632	13,138	15,224	-	332,647
Profit or loss from taxes on discontinued operations	-	-	-	-	-	-	-	-
Profit for the year	203,964	33,440	24,249	42,632	13,138	15,224	-	332,647
Attributable to minority interests	-	-	-	210	-	-	-	210
Attributable to the owners of the parent	203,964	33,440	24,249	42,422	13,138	15,224	-	332,437

Profit and loss account	Euro Miles							
	30/06/2024							
	Kutxabank Subgroup	Cajasur Banco	Insurance Companies	Management Companies	Real Estate Companies	Other Activities	Adjustments and Deletions	Total Group
Net interest income	527,885	159,966	6,803	1,129	(6,080)	867	(3,886)	686,684
Dividend income	66,268	2	60	-	-	204	-	66,534
Results of entities valued by the equity method	-	-	-	-	-	2,463	-	2,463
Net fees	186,562	37,801	(38,696)	60,309	(132)	3,413	(87)	249,170
Gains or losses on derecognition or valuation of financial assets and liabilities	(2,608)	173	175	249	2,623	80	3,885	4,577
Exchange differences, net	1,113	113	-	-	-	-	(1)	1,225
Other operating income and expenses and Insurance contract income and expenses	(71,369)	(20,859)	71,910	(176)	241	975	(1,277)	(20,555)
Gross margin	707,851	177,196	40,252	61,511	(3,348)	8,002	(1,366)	990,098
Personnel costs	(160,401)	(62,561)	(956)	(6,119)	-	(2,621)	-	(232,658)
Other administration costs	(67,157)	(17,713)	(868)	(3,120)	-	(1,480)	1,366	(88,972)
Amortisation	(17,091)	(3,417)	(9)	(154)	(372)	(225)	-	(21,268)
Provisions or reversal of provisions	(122,869)	(38,765)	-	-	2,015	(9)	-	(159,628)
Impairment or reversal of impairment of financial assets not measured at fair value through profit or loss	(2,887)	2,518	(74)	-	(1,942)	-	-	(2,385)
Impairment or reversal of impairment of non-financial assets	(1,106)	(377)	-	-	(62,869)	-	-	(64,352)
Other income and expenses	206	84	-	-	(78,216)	-	-	(77,926)
Profit before tax	336,546	56,965	38,345	52,118	(144,732)	3,667	-	342,909
Income from taxes on the results of continuing operations	(70,696)	(22,542)	(10,711)	(14,315)	39,316	(189)	-	(79,137)
Profit after tax	265,850	34,423	27,634	37,803	(105,416)	3,478	-	263,772
Profit or loss from taxes on discontinued operations	-	-	-	-	-	-	-	-
Profit for the year	265,850	34,423	27,634	37,803	(105,416)	3,478	-	263,772
Attributable to minority interests	-	-	-	75	-	28	-	103
Attributable to the owners of the parent	265,850	34,423	27,634	37,728	(105,416)	3,450	-	263,669

The breakdown of the Group's ordinary revenues as of June 30, 2025 and 2024 by business segment is presented below. Ordinary income is considered to be made up of "Interest income", "Dividend income", "Income from commissions", "Gains or losses on the derecognition of financial assets and liabilities not measured at fair value through profit or loss, net", "Gains or losses on financial assets and liabilities held for trading, net". the "Gains or losses on non-trading financial assets compulsorily measured at fair value through profit or loss, net", "Gains or losses on financial assets and liabilities designated at fair value through profit or loss, net", "Gains or losses resulting from hedging accounting, net", "Other operating income" and "Income from assets covered by insurance or reinsurance contracts":

Segments	Euro Miles	
	Total Ordinary Income	
	30/06/2025	30/06/2024
Kutxabank Subgroup	987,111	1,127,100
Cajasur Banco	233,636	265,590
Insurance Companies	149,282	146,133
Management Companies	138,570	120,317
Real Estate Companies	6,601	8,442
Other Activities	7,239	6,555
Adjustments and Eliminations of Common Revenue between segments	(138,352)	(141,521)
Total	1,384,087	1,532,616

The Group operates through 620 branches as of June 30, 2025 (641 offices as of December 31, 2024), all located in Spain.

The geographical distribution of the Group's financial assets is detailed in Notes 9 and 22 of these consolidated summary interim financial statements. As far as the Group's revenues are concerned, practically all of them are generated in Spain.

7. Capital Management Objectives, Policies and Processes

The main pieces of legislation that have been regulating the capital requirements of credit institutions, both individually and for their consolidated groups, are those published by the European Union on 27 June 2013: Directive 2013/36/EU (CRD IV) and Regulation (EU) No. 575/2013 (CRR). Both regulations, responsible for the adaptation of Basel III at the Community level, entered into force on January 1, 2014.

While these texts helped to increase the stability and resilience of the financial system to shocks and shocks, they did not address all the problems highlighted in previous economic and financial crises.

For this reason, since the entry into force of this regulatory package, the European Commission recognised the need to continue introducing modifications in this area and to this end presented a legislative proposal based on internationally agreed standards (in particular, those issued by the Basel Committee on Banking Supervision and the Financial Stability Board).

The proposed amendments covered a wide range of issues related to the risk profile of institutions (including own funds requirements and eligible liabilities, leverage ratios, liquidity ratios, counterparty risk and market risk).

These amendments, which were reflected on 7 June 2019 in the publication of Directive (EU) 2019/878 of the European Parliament and of the Council (CRD V, amending CRD IV) and Regulation (EU) 2019/876 of the European Parliament and of the Council (CRR II, amending CRR), in addition to enhancing the resilience of the European banking system and market confidence, laid the foundations for further progress towards the completion of the Banking Union.

Broadly speaking, the provisions of both regulatory texts entered into force on 27 June 2019, although some of them did not apply until two years later, seeking to ensure that the European regulatory framework remained aligned with the internationally agreed Basel III framework.

Subsequently, and in the context of the COVID-19 pandemic, different regulatory amendments were published with the main objective of making adaptations in response to the serious economic disruptions caused by it. The most relevant changes were established in Regulation (EU) 2020/873 of the European Parliament and of the Council, which amended Regulation (EU) 575/2013 and Regulation (EU) 2019/876.

In parallel, in December 2017 the Basel Committee on Banking Supervision published a document that culminated the reforms addressed in the global regulatory framework (final reforms of Basel III) and that modified the international standards on solvency and liquidity requirements applicable to financial institutions around the world.

After an adaptation process that took more than six years, the new European banking package was published on 19 June 2024, the aim of which is to adapt European regulations to the final reforms of Basel III, introducing aspects related to supervision, corporate governance and sustainability. The aforementioned banking package is made up of Regulation (EU) 2024/1623 (CRR III), which amends Regulation (EU) 575/2013 and Directive (EU) 2024/1619 (CRD VI), which amends Directive 2013/36/EU.

Regulation 2024/1623 has made amendments to Regulation (EU) 575/2013 in relation to own funds requirements for credit risk, credit valuation adjustment risk (CVA) arising from exempt transactions and operational risk, as well as incorporating binding own funds requirements for market risk based on FRTB rules. This Regulation also introduces an output floor on savings derived from the use of internal models in the calculation of risk-weighted assets. Most of the provisions included in this Regulation are applicable from 1 January 2025, with the entry into force of the provisions relating to the FRTB having initially been delayed until 1 January 2026 and a further delay is foreseeable until 1 January 2027 for the final entry into force. In any case, financial institutions have applied for the first time the main provisions included in Regulation 2024/1623 for the calculation of solvency ratios using reference data from 31 March 2025.

For its part, Directive (EU) 2024/1619 amends Directive 2013/36/EU as regards the supervisory powers of competent authorities, the extension of the sanctioning regime and the regulation of branches established by third-country companies for the provision of banking services in EU Member States, as well as their supervision, assessing the adequacy and incorporation of environmental, social and governance (ESG) risks. Member States must transpose this Directive into their national legislation by 10 January 2026 at the latest, but this has not yet taken place.

With regard to Spanish legislation, the most relevant regulatory texts are Royal Decree-Law 14/2013, of 29 November, on urgent measures for the adaptation of Spanish law to European Union regulations on the supervision and solvency of financial institutions, Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions, RD 84/2015, of 13 February, which develops the aforementioned law and CBE 2/2016, of 2 February, which completes the adaptation of the Spanish legal system to the CRR and CRD IV.

These regulatory texts were complemented by others aimed at transposing CRD V, such as Royal Decree-Law 7/2021, of 27 April, Royal Decree 970/2021, of 9 November, amending RD 84/2015, CBE 5/2021 of 23 December, CBE 3/2022 of 6 April and CBE 3/2023 of 31 October, amending CBE 2/2016, thus finalising and until the transposition of CRD VI, the adaptation of the supervision and solvency requirements of credit institutions established in European regulations to Spanish regulations.

These rules regulate the minimum capital to be maintained by Spanish credit institutions, both individually and as a consolidated group, and the way in which such capital must be determined, as well as the different capital self-assessment processes that institutions must carry out and the public information that they must submit to the market.

The minimum capital requirements established by the aforementioned regulations are calculated based on the Group's exposure to credit risk, counterparty, position and settlement risks corresponding to the financial assets held for trading, foreign exchange and gold position risk, and operational risk.

In addition, the Group is subject to compliance with the limits established for large exposures, as well as the obligations of internal corporate governance, self-assessment of capital, measurement of interest rate risk and public information to be submitted to the market. In order to ensure compliance with the objectives indicated above, the Group carries out integrated management of these risks.

In addition to strict compliance with current solvency regulations, the Group has strategic guidelines for managing its global risk profile, established in its Risk Appetite Framework, which include the setting of corporate objectives and observation and alert thresholds for the main risk indicators. The accreditation of the levels of solvency pursued, combined with the analysis of the risks that the Group assumes in the exercise of its activity and with the assessment of the degree of adequacy of the infrastructure intended for its management and control, make it possible to determine its overall risk profile.

The practical implementation of the above aspect entails two different types of action: on the one hand, the management of eligible capital and its various sources of generation, and on the other, the incorporation into the admission criteria of the different exposures to risk of taking into account their level of capital consumption.

This execution is monitored through the continuous monitoring of the Group's solvency situation, as well as its future planning, which includes both a central scenario that incorporates the most likely compliance hypotheses for the next three years, and various stress scenarios aimed at assessing its financial capacity to overcome particularly adverse situations of different kinds.

The main area of solvency management is the consolidated Group of Credit Institutions.

In addition to complying with the capital requirements arising from current solvency regulations, European banks must cover the additional capital requirements imposed on them by the supervisory authorities, in the exercise of the powers established in Regulation (EU) 1024/2013. These supervisory requirements are different for each institution, as they depend on the conclusions drawn in each case during the supervisory review and evaluation (SREP) process.

In this regard, on 29 October 2024, the ECB notified Kutxabank through an operational act that it maintained in force the capital requirements that were applicable to it until that time. These requirements, which have remained unchanged in recent years, reach 7.675% (in terms of Tier 1 Ordinary Capital Ratio, or CET1) and 11.70% (in terms of Total Solvency Ratio). The latter requirement includes, in addition to the regulatory requirements required by Pillar 1, a Pillar 2 supervisory requirement of 1.20% and a capital conservation buffer of 2.50%. These requirements will be increased by 0.50% as of 1 October 2025, the date of entry into force of the countercyclical buffer established by the Bank of Spain corresponding to the exposures of institutions in Spain.

As of both June 30, 2025 and December 31, 2024, the Group's eligible capital well exceeds its requirements.

In addition, the Group must comply with the minimum requirement for own funds and eligible liabilities (MREL) established by the Single Resolution Board (SRB) and communicated by the Bank of Spain in its letter of 17 December 2024, according to which the Kutxabank Group must have a volume of own funds and eligible liabilities at a consolidated level of minus 17.34% of its total risk exposure (TREA) and 5.24% of its exposure for leverage ratio (LRE) purposes. Until that date, the Group had to meet a binding target of 17.71% of the TREA and 5.23% of the LRE.

8. Subsequent events

In the period between June 30, 2025 and the date of preparation of these consolidated summary interim financial statements, there have been no events in addition to those described in this report that significantly affect the Group or the content of these consolidated summary interim financial statements.

9. Financial assets

The following is a breakdown of the carrying amount of the Group's financial assets as of June 30, 2025 and December 31, 2024:

	Miles of Euros (*)				
	Financial assets held for trading	Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss	Financial assets designated at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost
Balances as of June 30, 2025					
Derivatives	44,761	-	-	-	-
Equity instruments	-	34,223	-	1,628,017	-
Debt securities	4,414	12,576	-	2,308,418	5,600,741
Loans and advances	-	-	-	-	50,526,380
Central banks	-	-	-	-	-
Credit institutions	-	-	-	-	713,765
Clientele	-	-	-	-	49,812,615
Total	49,175	46,799	-	3,936,435	56,127,121
Balances as of December 31, 2024					
Derivatives	39,089	-	-	-	-
Equity instruments	-	27,519	-	1,729,316	-
Debt securities	-	13,392	-	2,746,302	4,483,253
Loans and advances	-	-	-	-	48,221,032
Central banks	-	-	-	-	-
Credit institutions	-	-	-	-	626,206
Clientele	-	-	-	-	47,594,826
Total	39,089	40,911	-	4,475,618	52,704,285

(*) It does not include cash, cash balances at central banks and other demand deposits or hedging derivatives.

During the first half of 2025, there were no reclassifications of assets into the categories "Financial assets held for trading", "Financial assets not intended for trading compulsorily measured at fair value through profit or loss", "Financial assets designated at fair value through profit or loss", "Financial assets at fair value through other comprehensive income" and "Financial assets at amortised cost" in the balance sheet.

The detail of the fair value of financial assets is included in Note 21.

9.1 Financial assets held for trading

As of June 30, 2025, this heading includes derivative instruments amounting to €44,761 thousand (€39,089 thousand as of December 31, 2024) and debt securities amounting to €4,414 thousand (no amount as of December 31, 2024). These financial assets are measured at fair value.

9.2 Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss

The breakdown of the balance of this chapter in the accompanying consolidated summary balance sheets according to the nature of the transactions as of June 30, 2025 and December 31, 2024, is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Debt securities:		
Credit institutions	12,568	13,384
Other fixed income securities	8	8
	12,576	13,392
Equity instruments:		
Unlisted Stocks	87	87
Shares in Investment Funds and others	34,136	27,432
	34,223	27,519
Loans and advances:		
Clientele	-	-
	-	-
	46,799	40,911

During the first half of 2025, a net gain from financial instruments in this portfolio amounted to €4,135 thousand (net gain of €3,249 thousand in the first half of 2024) under the heading "Gains or losses on non-trading financial assets compulsorily measured at fair value through profit or loss, net" of the consolidated income statement.

9.3 Financial assets at fair value through other comprehensive income

Financial assets classified at fair value with changes in other comprehensive income are measured at fair value and the change in value is recognised, where appropriate, net of the corresponding tax impact, in equity, under "Other accumulated comprehensive income".

The breakdown of the balance of this chapter in the accompanying consolidated summary balance sheets according to the nature of the transactions as of June 30, 2025 and December 31, 2024, is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Debt securities:		
Spanish public administrations	1,611,972	2,005,474
Foreign public administrations	73,219	51,623
Credit institutions	242,773	291,908
Other fixed income securities	380,454	397,297
	2,308,418	2,746,302
Equity instruments:		
Listed Stocks	1,380,527	1,477,925
Unlisted Stocks	247,490	251,391
	1,628,017	1,729,316
	3,936,435	4,475,618

As of June 30, 2025 and December 31, 2024, the Group has not recorded any amount for non-performing assets of debt securities; all debt securities included under this heading correspond to assets classified in Stage 1. During the first half of 2025, impairment reversal gains amounting to €219 thousand (€61 thousand of impairment reversal gains during the first half of 2024) have been recognised under the heading "Impairment or impairment reversal and gains or losses on changes in cash flows of financial assets not measured at fair value through profit or loss and net losses or gains due to modification".

For equity instruments, IFRS 9 does not provide for the recognition of value adjustments charged to the income statement, and any change in their fair value is reflected under the heading "Changes in the fair value of equity instruments measured at fair value through other comprehensive income", except for those instruments for which it has been decided to classify them as "Financial assets not intended for trading that are mandatorily measured at value reasonable with changes in results."

During the first half of 2025, dividend income derived from equity instruments in the portfolio "Financial assets at fair value through other comprehensive income" amounted to €46,843 thousand (€66,534 thousand during the first half of 2024), which are recognised under the heading "Dividend income" in the accompanying consolidated income statement.

On the other hand, during the first half of 2025 there has been a derecognition due to sale of equity instruments recorded under this heading for an amount of €12,136 thousand and which has entailed a cumulative gain, net of its tax effect, amounting to €8,280 thousand (€18,901 thousand of listed equity instruments derecognised by sale during the first half of 2024 that represented a cumulative gain, net of its tax effect, of 3,499 thousand euros).

In addition, there has been the derecognition of listed equity instruments amounting to €400,000 thousand as a result of the distribution by the Parent of a dividend in kind (Note 1.5.b)-. The shares delivered had been subject to accounting coverage with respect to changes in fair value. This operation has generated a cumulative profit, net of its tax effect, amounting to 168,527 thousand euros.

These gains have been recognised under the heading "Other reserves" in equity of the consolidated balance sheet, after having been carried forward in each period from the heading "Other accumulated comprehensive income – Items that will not be reclassified to profit or loss – Changes in the fair value of equity instruments measured at fair value with changes in other comprehensive income".

9.4 Financial assets at amortised cost

The breakdown of this heading of the consolidated summary balance sheets as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Debt securities	5,600,741	4,483,253
Loans and advances:	50,526,380	48,221,032
Credit institutions	713,765	626,206
Clientele	49,812,615	47,594,826
	56,127,121	52,704,285

a) *Debt securities*

The breakdown of the heading "Debt securities" as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Debt securities:		
By counterparty classes:		
Issued by Spanish public administrations	3,882,434	3,117,491
Issued by foreign public administrations	901,627	527,363
Issued by credit institutions	701,170	744,896
Issued by financial companies	38,003	37,533
Foreign non-financial corporations	77,507	55,970
	5,600,741	4,483,253

All the instruments included under this heading correspond to assets classified in Stage 1. During the first half of 2025, impairment losses amounting to €177 thousand (impairment losses amounting to €504 thousand during the first half of 2024) were recognised, recognised under the heading "Impairment or reversal of impairment of

financial assets not measured at fair value through profit or loss – Financial assets at amortised cost" in the consolidated summary income statement.

b) Loans and advances

The breakdown of the heading "Credit institutions" as of 30 June 2025 and 31 December 2024, depending on the nature of the instrument, is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Temporary acquisition of assets	399,945	349,878
Term and other accounts	309,615	271,452
Non-performing assets	1	7
Valuation adjustments		
Impairment allowances	(1)	(7)
Resto	4,205	4,876
	713,765	626,206

The breakdown of the heading "Customers" by modality as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Trade Credit	784,842	745,812
Debtors with mortgage guarantee	32,720,763	31,999,787
Debtors with other security rights	190,675	159,489
Other term debtors	14,512,529	13,584,421
Leasing	118,805	119,940
Demand and miscellaneous debtors	1,421,393	724,864
Credit card debtors	527,044	555,563
Non-performing assets	593,884	635,088
Advances other than loans:		
Financial guarantee fees	3,205	3,355
Other concepts	259,321	346,918
	51,132,461	48,875,237
Valuation adjustments:		
Impairment allowances	(719,161)	(704,781)
Other Valuation Adjustments	(600,685)	(575,630)
	(1,319,846)	(1,280,411)
	49,812,615	47,594,826

The breakdown of the heading "Financial assets at amortised cost – Loans and advances – Customers" by credit quality as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Gross amount		
Stage 1	48,040,301	45,529,061
Stage 2	1,897,591	2,135,458
Stage 3	593,884	635,088
	50,531,776	48,299,607
Impairment allowances		
Stage 1	(149,659)	(110,525)
Stage 2	(169,162)	(179,712)
Stage 3	(400,340)	(414,544)
	(719,161)	(704,781)
Impairment allowances		
Collectively calculated	(609,359)	(566,858)
Individually calculated	(109,802)	(137,923)
	(719,161)	(704,781)
Book value		
Stage 1	47,890,642	45,418,536
Stage 2	1,728,429	1,955,746
Stage 3	193,544	220,544
	49,812,615	47,594,826

The change in the gross balance under the heading "Financial assets at amortised cost – Loans and advances – Customers" by credit quality during the first half of 2025 and 2024 is as follows:

	Euro miles			
	A Stage 1	A Stage 2	A Stage 3	Total
Balance at the beginning of financial year 2025	45,529,061	2,135,458	635,088	48,299,607
Transfers				
De stage 1	(467,758)	459,712	8,046	-
De stage 2	427,982	(469,404)	41,422	-
De stage 3	24	28,128	(28,152)	-
New financial assets	5,776,946	37,021	3,818	5,817,785
Write-offs of financial assets (other than non-performing loans)	(2,474,617)	(187,690)	(27,806)	(2,690,113)
Failed	-	-	(24,240)	(24,240)
Risk variation	(751,337)	(105,634)	(14,292)	(871,263)
Balance as of June 30, 2025	48,040,301	1,897,591	593,884	50,531,776

	Euro miles			
	A Stage 1	A Stage 2	A Stage 3	Total
Balance at the beginning of the 2024 financial year	44,078,031	2,428,427	672,579	47,179,037
Transfers				
De stage 1	(625,563)	612,123	13,440	-
De stage 2	654,358	(712,330)	57,972	-
De stage 3	6	21,746	(21,752)	-
New financial assets	4,419,070	30,012	5,645	4,454,727
Write-offs of financial assets (other than non-performing loans)	(1,949,179)	(95,127)	(32,617)	(2,076,923)
Failed	-	-	(17,250)	(17,250)
Risk variation	(517,517)	(107,303)	(18,008)	(642,828)
Balance as of June 30, 2024	46,059,206	2,177,548	660,009	48,896,763

The breakdown of the value of collateral received based on credit quality as of 30 June 2025 is as follows:

	Euro Miles
	30/06/2025
Value of security rights	
Stage 1	33,565,676
Stage 2	1,671,511
Stage 3	404,796
	35,641,983
Value of Other Collateral	
Stage 1	343,642
Stage 2	44,430
Stage 3	27,780
	415,852
Total value of collateral received	36,057,835

Doubtful Risk – Stage 3

The breakdown of "Non-performing Risk" included under the heading "Customers" as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
By geographical areas -		
España	588,405	628,906
Resto	5,479	6,182
	593,884	635,088
By Counterparty Classes -		
Public administrations	4,817	8
Other resident sectors	583,588	628,898
Other non-resident sectors	5,479	6,182
	593,884	635,088
By modality -		
Trade Credit	7,643	14,860
Debtors with mortgage guarantee	479,655	510,123
Debtors with other security rights	12,315	13,687
Other term debtors	77,181	78,926
Leasing	1,095	7,331
Demand debtors and others	5,962	3,660
Credit card debt	3,480	849
Advances other than loans	6,553	5,652
	593,884	635,088

The breakdown as of June 30, 2025 and December 31, 2024 of the balance of "Impairment allowances" under the heading "Financial assets at amortised cost - Loans and advances - Customer and customer service" is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
By geographical areas:		
Estado	(716,192)	(700,200)
Rest of the world	(2,969)	(4,581)
	(719,161)	(704,781)
Depending on the nature of the asset covered:		
Loans	(712,594)	(698,767)
Advances other than loans	(6,567)	(6,014)
	(719,161)	(704,781)
On the other hand:		
Other resident sectors	(716,192)	(700,200)
Other non-resident sectors	(2,969)	(4,581)
	(719,161)	(704,781)

The following is a presentation of the movement in the six months ended 30 June 2025 and 2024 of the impairment allowances recorded to cover the credit risk of loans and advances at amortised cost:

	Euro Miles	
	30/06/2025	30/06/2024
Balance at the beginning of the semester	(704,781)	(656,084)
Net provisions charged to profit for the first half of the year	(30,607)	(6,606)
Balances applied to instruments derecognised in the first half of the year	21,485	14,905
Transfers and other movements	(5,258)	(5,218)
Balance at the end of the semester	(719,161)	(653,003)

As of June 30, 2025, the Group has recorded charges to the consolidated summary income statement for amortisation of insolvencies amounting to €2,807 thousand, and credits to profit or loss for recoveries of non-performing assets amounting to €4,020 thousand (€2,387 thousand and €7,051 thousand as of June 30, 2024, respectively).

The following is how changes in financial instruments have contributed to changes in impairment allowances from 1 January 2025 to 30 June 2025, and from 1 January 2024 to 30 June 2024:

	Euro miles			
	Stage 1	Stage 2	Stage 3	Total
Balance as of 1 January 2025	(110,525)	(179,712)	(414,544)	(704,781)
Origination and acquisition increases	(15,072)	(17,151)	(618)	(32,841)
Decreases due to deletion in accounts	5,571	19,828	8,164	33,563
Change in credit risk (net)	(29,873)	7,942	(15,641)	(37,572)
Changes due to modifications without deletion in accounts (net)	25	(69)	785	741
Decrease in the value correction account for write-offs	-	-	21,485	21,485
Other settings	215	-	29	244
Balance as of June 30, 2025	(149,659)	(169,162)	(400,340)	(719,161)

	Euro miles			
	Stage 1	Stage 2	Stage 3	Total
Balance as of 1 January 2024	(110,075)	(185,251)	(360,758)	(656,084)
Origination and acquisition increases	(11,721)	(804)	(2,474)	(14,999)
Decreases due to deletion in accounts	5,363	2,002	10,991	18,356
Change in credit risk (net)	6,815	(2,353)	(18,490)	(14,028)
Changes due to modifications without deletion in accounts (net)	193	(1,228)	(271)	(1,306)
Decrease in the value correction account for write-offs	-	11	14,894	14,905
Other settings	(34)	2	185	153
Balance as of June 30, 2024	(109,459)	(187,621)	(355,923)	(653,003)

Assets derecognised from the balance sheet because their recovery is considered remote

The following is a showing of the movement in the first half of 2025 and 2024 of the Group's impaired financial assets that are not recognised in the consolidated summary balance sheet because their recovery is considered remote ("Non-performing Assets"), even though the Group has not interrupted actions to obtain the recovery of the amounts owed:

	Euro Miles	
	30/06/2025	30/06/2024
Balance at the beginning of the semester	3,686,011	3,667,745
Remote Recovery Add-Ons:		
Against impairment allowances on financial assets at amortised cost	21,485	14,905
Charged directly to the profit and loss account	2,755	2,345
Expired and uncollected products	33,485	26,058
Other concepts	-	414
	57,725	43,722
Recoveries:		
By cash collection	(4,240)	(4,463)
By asset allocation	(1,128)	(3,852)
	(5,368)	(8,315)
Permanent withdrawals:		
By forgiveness	(7,279)	(8,515)
By sales	(522)	-
For other reasons	(145,277)	(978)
	(153,078)	(9,493)
Balance at the end of the semester	3,585,290	3,693,659

10. Non-current assets and disposal groups of items that have been classified as held for sale

As of June 30, 2025 and December 31, 2024, the balances of this chapter of the consolidated summary balance sheets were as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Tangible asset:		
Assets from foreclosures:		
Residential Real Estate	140,864	156,368
Commercial real estate, rustic estates and others	92,252	101,155
Urban and developable land	638,439	666,715
	871,555	924,238
Other non-current assets held for sale		
Other non-current assets held for sale	176	67
	176	67
Impairment allowances		
Awarded	(819,865)	(869,495)
	(819,865)	(869,495)
	51,866	54,810

The movement of impairment allowances for assets from foreclosures in the half-year periods ended 30 June 2025 and 2024 is as follows:

	Euro Miles	
	30/06/2025	30/06/2024
Balance at the beginning of the semester	(869,495)	(788,953)
Net allocations against results	(15,448)	(91,837)
Transfers of/to Tangible Assets	968	(458)
Disposals of assets from foreclosures	56,416	15,136
Maintenance costs (Servicing and others)	7,695	8,159
Other movements	(1)	46
Balance at the end of the semester	(819,865)	(857,907)

During the first half of 2025, sales of tangible assets were made from foreclosures with a net book value of €6,407 thousand (€26,862 thousand during the first half of 2024). A net profit from sales of tangible assets from foreclosures amounted to €33,459 thousand and €13,296 thousand was recorded in the first half of 2025 and 2024, respectively.

11. Tangible assets

As of June 30, 2025 and December 31, 2024, the balances of this chapter of the consolidated summary balance sheets are as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Property, plant and equipment:		
For own use-		
Computer equipment and its installations	17,172	18,427
Furniture, vehicles and other installations	47,532	32,764
Buildings	600,384	602,674
Works in progress	33,313	36,218
Otros	4,992	4,889
Impairment allowances tangible products for own use	(28,724)	(23,208)
	674,669	671,764
Leased in operating lease	-	-
Real estate investments-		
Residential, commercial, and other real estate	139,313	150,620
Rustic properties, plots and plots	69,339	65,485
Impairment allowances of real estate investments	(136,407)	(132,206)
	72,245	83,899
	746,914	755,663

During the first six months of 2025 and 2024, acquisitions of tangible assets were made for amounts of €24,988 thousand and €25,970 thousand, respectively. In addition, during these periods, disposals were made of tangible assets whose net book value amounted to €6,879 thousand and €6,092 thousand, respectively. These sales generated a result for the Group of €3,144 thousand and €615 thousand as of June 30, 2025 and 2024, respectively, which are recognised under the heading "Gains or losses on derecognition of net non-financial assets" in the accompanying consolidated summary income statements.

During the first six months of 2025 and 2024, net provisions of impairment allowances on tangible assets amounted to €12,639 thousand and €10,411 thousand, respectively.

As of June 30, 2025 and December 31, 2024, the Group has no significant commitments to purchase property, plant and equipment.

12. Intangible assets

a) *Goodwill*

The goodwill recognised as of June 30, 2025 and December 31, 2024 has been allocated to the cash-generating unit of Retail and Corporate Banking of Cajasur Banco, S.A.U., which includes the business of individuals and companies, and does not include the real estate business.

The review of the impairment indicators of the Cash Generating Unit (CGU) to which the Goodwill is attached, allows us to appreciate the existence of no indications of impairment as of June 30, 2025.

b) *Other intangible assets*

During the first half of 2025, net provisions of impairment allowances on intangible assets amounted to €11,579 thousand. As of June 30, 2024, no allocations were made for this item.

13. Other assets

This heading of the consolidated summary balance sheets includes "Inventories" and "Other other assets", which mainly include advance payments, accrued accruals and items on the way derived from regular transactions with customers.

The breakdown of the heading "Other assets" in the consolidated balance sheet as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Stock	339,815	364,879
Impairment allowances	(333,680)	(359,421)
	6,135	5,458
Other Other Assets	102,616	99,557
	108,751	105,015

The inventories as of June 30, 2025 and December 31, 2024 shown in the table above are mainly made up of land of different types whose use, in general, is the sale for real estate development and are valued at the lower of the cost and the estimated value of realisation, as described in Note 14.u) of the consolidated financial statements.

The movements that have affected the impairment losses of these items during the half-year periods ended June 30, 2025 and 2024 have been as follows:

	Euro Miles	
	30/06/2025	30/06/2024
Balance at the beginning of the semester	(359,421)	(319,900)
Net allocations against results	(1,693)	(54,105)
Disposals due to disposals	23,952	4,555
Other casualties	-	4,407
Transfer to tangible asset	2,933	-
Maintenance costs (Servicing and others)	549	496
Balance at the end of the semester	(333,680)	(364,547)

During the first half of 2025, inventory sales were made for a net book value of €84 thousand (€804 thousand during the first half of 2024). These sales have generated a positive net result for the Group of €1,266 thousand during the first half of 2025 (€353 thousand in the first half of 2024).

14. Financial liabilities

The following is a breakdown of the carrying amount of the Group's financial liabilities as of June 30, 2025 and December 31, 2024, excluding hedging derivatives and classified according to their nature and the accounting category in which they are classified:

	Euro Miles					
	30/06/2025			31/12/2024		
	Financial liabilities held for trading	Financial liabilities designated at fair value through profit or loss	Financial liabilities at amortised cost	Financial liabilities held for trading	Financial liabilities designated at fair value through profit or loss	Financial liabilities at amortised cost
Derivatives	42,457	-	-	39,956	-	-
Short Positions	-	-	-	-	-	-
Deposits	-	-	54,757,127	-	-	53,207,574
<i>Central banks</i>	-	-	-	-	-	-
<i>Credit institutions</i>	-	-	419,551	-	-	382,255
<i>Clientele</i>	-	-	54,337,576	-	-	52,825,319
Debt securities issued	-	-	3,393,246	-	-	3,440,349
Other financial liabilities	-	-	747,490	-	-	540,953
Total	42,457	-	58,897,863	39,956	-	57,188,876

The detail of the fair value of financial liabilities is included in Note 21.

Central Bank Deposits

On 25 March 2020, 24 June 2020 and 24 March 2021, the Group decided to participate in the financing operation offered and promoted by the European Central Bank under the TLTRO III (Targeted Long Term Refinanced Operations) modality for a total amount of 660 (TLTRO III.3). €5,045 million (TLTRO III.4) and €570 million (TLTRO III.7), respectively. During the first half of 2024, the Group proceeded with the amortisation of the last financing operation under the TLTRO III modality.

In the first half of 2024, the Group recognised interest amounting to €5,450 thousand recognised under the heading "Interest expense" in the consolidated summary income statement (Note 20), on the eligible net financing obtained under TLTRO III.

15. Issuances, repurchase and redemption of debt securities made or guaranteed by the Group

15.1 Issuance, repurchase and redemption of debt securities carried out by the Group

The details and movements of the debt securities issued by the Group in the half-year periods ended June 30, 2025 and June 30, 2024 are presented below:

	Euro Miles				
	Opening Vivo Balance 01/01/2025	Emissions	Buybacks or Refunds	Valuation adjustments	Saldo Vivo Final 30/06/2025
Mortgage securities	1,395,130	-	-	-	1,395,130
Securitisation bonds issued	62,724	-	(6,819)	-	55,905
Kutxabank Promissory Notes	440,425	369,099	(403,438)	-	406,086
Borrowings					
Other non-convertible securities	1,496,680	-	-	-	1,496,680
Valuation adjustments	45,390	-	-	(5,945)	39,445
	3,440,349	369,099	(410,257)	(5,945)	3,393,246

	Euro Miles				
	Opening Vivo Balance 01/01/2024	Emissions	Buybacks or Refunds	Valuation adjustments	Saldo Vivo Final 30/06/2024
Mortgage securities	1,092,895	300,000	-	-	1,392,895
Securitisation bonds issued	77,000	-	(8,048)	-	68,952
Kutxabank Promissory Notes	438,580	552,066	(553,983)	-	436,663
Borrowings					
Other non-convertible securities	1,993,785	-	-	-	1,993,785
Valuation adjustments	21,465	-	-	(19,964)	1,501
	3,623,725	852,066	(562,031)	(19,964)	3,893,796

Interest accrued on the Group's debt securities issued during the first half of 2025 and 2024 amounted to €42,770 thousand and €49,475 thousand, respectively (Note 20.a).

Mortgage securities

On January 31, 2024, and disbursement on February 8, the Parent Entity issued negotiable covered bonds for a nominal amount of €1,300,000 thousand, with a final maturity date of February 8, 2032, extendable if any of the circumstances triggering a maturity extension provided for in Article 15 of Decree-Law 24/2021 occur. The issue is associated with a floating coupon referenced to the Euribor for 6 months plus a spread of 70 basis points, payable semi-annually. Of the nominal amount issued, €300,000 thousand were placed among third parties with the same cash value received. The remaining €1,000,000 thousand were retained by the Group.

Kutxabank Promissory Notes Borrowings

The details as of June 30, 2025 of the issues of promissory notes admitted to trading on the AIAF Organized Secondary Market and whose characteristics are summarised below, are set out below:

Emisión	Expiration Date	Number of values	Unit nominal	Interest rate	June 2025 (Thousands of euros)	
					Pagarés	Own values
Promissory notes (CNMV V 24-07-2024)	23/07/2025	38,300	1,000	3,56%	36,988	-
Promissory notes (CNMV V 04-09-2024)	03/09/2025	150,000	1,000	2,97%	145,685	(145,685)
Promissory notes (CNMV V 24-01-2025)	23/01/2026	100,000	1,000	2,36%	97,701	(97,701)
Promissory notes (CNMV V 27-03-2025)	26/03/2026	53,185	1,000	2,39%	51,948	-
Promissory notes (CNMV V 02-05-2025)	03/11/2025	280,000	1,000	2,16%	276,966	-
Promissory notes (CNMV V 29-05-2025)	28/05/2026	41,000	1,000	2,04%	40,184	-
Promissory notes (CNMV V 17-06-2025)	16/06/2026	50,000	1,000	2,11%	48,968	(48,968)
Total		712,485			698,440	(292,354)

The promissory notes issued that are held by the Group as of June 30, 2025 have been recognised under the heading "Own securities", with a debit balance reducing the amount of the issue.

15.2 Issuance, repurchase and redemption of debt securities guaranteed by the Group

During the six months ended June 30, 2025 and June 30, 2024, there were no debt instruments issued by associates or joint ventures valued by the equity method or by other entities outside the Group, which are guaranteed by the Group.

16. Equity

The breakdown of this heading of the accompanying consolidated summary balance sheets as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Equity	6,224,510	6,196,444
Other cumulative overall result	641,419	631,789
Minority interests (non-controlling interests)	4,996	347
	6,870,925	6,828,580

a) Equity

Capital

As of June 30, 2025 and December 31, 2024, the share capital of the Parent Company amounted to €2,060,000 thousand, represented by 2,000,000 registered shares with a par value of €1,030 each, numbered from 1 to 2,000,000, both inclusive, all of them with identical political and economic rights. fully subscribed and paid up, with the distribution of capital per shareholder being as follows:

	% participation
Bilbao Bizkaia Kutxa Banking Foundation – Bilbao Bizkaia Kutxa Banku Fundazioa	57%
Kutxa Banking Foundation – Kutxa Banku Fundazioa	32%
Vital Banking Foundation – Vital Banku Fundazioa	11%

As of June 30, 2025 and December 31, 2024, the Parent does not own shares.

During the first half of 2025, there has been no significant quantitative or qualitative change in the Group's equity beyond those indicated in the statement of recognised income and expenses and in the total statement of changes in equity, both of which are consolidated summaries attached.

Accumulated Earnings

This heading includes the net amount of accumulated profit (profit or loss) recognised in previous years through the profit and loss account which, in the distribution of profit, was allocated to equity. Therefore, it includes legal, statutory and voluntary reserves that have as their origin the distribution of profits.

Other bookings

This heading includes the net amount of accumulated profit or loss in previous years generated by entities measured by the equity method recognised through the income statement and the amount of reserves not included in other items, such as, where appropriate, amounts from permanent adjustments made directly to equity as a result of expenses in the issuance or reduction of equity instruments, disposals of equity instruments and the retroactive restatement of financial statements due to errors and changes in accounting criteria. This heading also includes the amounts that are transferred from "Other accumulated comprehensive income – Items that will not be reclassified to profit or loss" for the results that, where applicable, are generated, mainly, on the sale or derecognition of equity instruments classified in the portfolio "Financial assets at fair value through other comprehensive income" (see Note 16.b).

Legal reserve

In accordance with the Consolidated Text of the Capital Companies Act, in any case, an amount equal to 10% of the profit for the year must be allocated to a legal reserve until it reaches at least 20% of the share capital. The legal reserve may be used to increase the capital in the part of its balance that exceeds 10% of the capital already increased. Except for the purpose mentioned above, and as long as it does not exceed 20% of the share capital, this reserve may only be used to offset losses and provided that there are no other reserves available sufficient for this purpose.

On 27 March 2014, the General Shareholders' Meeting of the Parent Company unanimously agreed to allocate the "Legal Reserve", charged to "General Reserves", for an amount of €400,529 thousand. The amount of the Legal Reserve as of June 30, 2025 and December 31, 2024 amounts to €412,000 thousand, i.e. 20% of the share capital.

b) Other cumulative overall result

As of June 30, 2025 and December 31, 2024, the balance under this heading amounted to €641,419 and €631,789 thousand, respectively, and mainly includes the net amount of changes in the fair value of equity instruments, debt instruments measured at fair value through other comprehensive income and insurance contracts. The share of other recognised income and expenses from investments in joint ventures and associates, those derived from cash flow coverage and actuarial gains and losses in defined benefit pension plans.

The changes that occurred during the first half of 2025 in the different items that make up the heading "Accumulated other comprehensive income" have led to a total increase, net of tax effect, of €9,630 thousand, of which €189,046 thousand correspond mainly to increases, net of the tax effect, in the fair value of equity and debt instruments measured at fair value with changes in other profit or loss global. The remaining €179,416 thousand of net negative variation correspond to the reclassification from the heading "Other accumulated comprehensive income - Items that will not be reclassified in profits" to the heading "Other reserves" of the net income obtained by the Group as a result, mainly, of the derecognition of equity instruments (See Note 9.3). The main movements in Other comprehensive income accumulated during the first half of 2025 are detailed in the statements of Recognized Income and Expenses and Changes in Equity.

c) Minority interests (non-controlling interests)

Includes the amount of Equity of subsidiaries attributable to capital instruments that do not belong directly or indirectly to the Group, including their share of the year's profit.

The main changes under this heading in the first half of 2025 are detailed in the total statement of changes in consolidated summary equity.

17. Provisions and contingent liabilities

Provisions

Provisions are credit balances that cover obligations present at the balance sheet date arising as a result of past events from which financial losses may arise for the Group, which are considered probable in terms of their occurrence and specific in terms of their nature, but undetermined in terms of their amount and/or time of cancellation. Likewise, contingent liabilities are possible obligations arising as a result of past events, the materialisation of which is conditional on the occurrence or non-occurrence of one or more future events independent of the will of the consolidated entities.

These consolidated summary interim financial statements of the Group reflect all significant provisions with respect to the obligations for which it is estimated that the probability that they will have to be met is greater than otherwise. Contingent liabilities are not recognised in the consolidated summary interim financial statements, but are reported in accordance with the requirements of IAS 37.

Provisions, which are quantified taking into account the best available information on the consequences of the event in which they are caused and are reestimated at the time of each accounting closing, are used to meet the specific obligations for which they were originally recognised; proceeding to their reversion, total or partial, when said obligations cease to exist or diminish.

A breakdown of the Group's provisions as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Pensions and other post-employment defined benefit obligations	221,292	236,043
Other long-term employee benefits	49,409	48,324
Commitments and guarantees granted	48,424	52,237
Remaining provisions	381,954	327,403
	701,079	664,007

The balance under the heading "Pensions and other post-employment defined benefit obligations" includes the amount of the present value of post-employment commitments made with staff covered through internal Group funds.

The heading "Commitments and guarantees granted" includes the amount of provisions made to cover contingent risks, understood as transactions in which the Group guarantees obligations of a third party, arising as a result of financial guarantees granted or other types of contracts, and contingent commitments, understood as irrevocable commitments that may give rise to the recognition of financial assets. Note 18 includes the breakdown of these provisions by item.

Remaining provisions

The balance under the heading "Remaining provisions" is intended to cover possible contingencies, liabilities and other specific circumstances to which the Group is exposed as a result of the development of its ordinary activities. These provisions respond to the best estimate of future obligations, arising as a result of past events, which are clearly specified as to their nature as of the date of the financial statements, but are indeterminate as to their amount or time of cancellation, at the maturity of which and in order to pay them, the Group expects to divest resources that incorporate economic benefits. Provisions are quantified taking into account the best available information on the consequences of the event that gives rise to them and are estimated at each financial year-end. They are used to meet the specific obligations for which they were recognised, proceeding to their reversion, in whole or in part, when these obligations cease to exist or diminish.

The breakdown by nature of the main items recognised under the heading "Remaining provisions" of the consolidated balance sheets as of June 30, 2025 and December 31, 2024 is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Coverage for products sold and marketed	164,137	186,942
Other concepts	217,817	140,461
	381,954	327,403

Contingencies for products sold or marketed

As indicated in Note 34.c) of the 2024 consolidated financial statements, at the end of 2024 there were various legal proceedings and claims filed against the Group arising from the normal course of its activities, the situation at that date being described as one of the most significant.

During the first half of 2025, the Group made additional provisions amounting to €8.8 million to meet legal claims and claims arising from contingencies for products sold and marketed.

18. Off-balance sheet exposures

The following is a breakdown of the risks and commitments granted by the Group as of June 30, 2025 and December 31, 2024:

	Euro Miles	
	30/06/2025	31/12/2024
Loan commitments granted:		
Available by third parties		
For the Public Administration sector	1,374,880	1,563,901
By other private sectors	6,320,738	5,911,171
	7,695,618	7,475,072
Financial guarantees granted	643,505	590,424
Other commitments granted:		
Other guarantees provided	2,739,626	2,609,832
Other contingent commitments	1,638,962	1,659,425
Subscribed securities pending disbursement	3,355	1,791
Irrevocable documentary credits	20,725	12,431
	4,402,668	4,283,479

The breakdown by credit quality of the value of loan commitments granted, financial guarantees granted and other commitments granted is as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Loan commitments granted:		
Stage 1	7,508,149	7,242,543
Stage 2	172,495	214,708
Stage 3	14,974	17,821
	7,695,618	7,475,072
Financial guarantees granted:		
Stage 1	611,370	541,884
Stage 2	17,466	33,244
Stage 3	14,669	15,296
	643,505	590,424
Other commitments granted:		
Stage 1	4,212,904	4,072,475
Stage 2	180,943	202,120
Stage 3	8,821	8,884
	4,402,668	4,283,479

The provisions recognised to cover loan commitments granted, guarantees granted and other commitments granted, which have been calculated by applying criteria similar to those applied to calculate the impairment on financial assets measured at amortised cost, which have been recognised under the heading "Provisions – Commitments and guarantees granted" in the consolidated balance sheet (Note 17), They are as follows:

	Euro Miles	
	30/06/2025	31/12/2024
Loan commitments granted	7,410	6,530
Financial guarantees granted	18,912	20,777
Other commitments granted	22,102	24,930
	48,424	52,237

19. Related Party Transactions

For the purposes of preparing these consolidated summary interim financial statements, "related parties" to the Group *have been considered* to be those over which, individually or as part of a group acting in concert, the Group exercises or has the possibility of exercising directly or indirectly, or by virtue of pacts or agreements between shareholders, control over them or a significant influence on their financial and operational decisions, as well as those entities or parties that exercise or have the possibility of exercising such control or significant influence over the Group, including pension plans for employees of the Group's banking institutions.

All significant balances held as of June 30, 2025 and December 31, 2024 between the consolidated entities, and the effect of the transactions carried out between them during the first half of 2025 and 2024, have been eliminated in the consolidation process.

The transactions carried out by the Group with the parties related to it belong to the ordinary course of business or traffic of the Group. Transactions related to significant shareholders, directors and senior management of the parent company are approved by the Board of Directors. The rest of the transactions with related entities or persons are approved in accordance with the general procedures in force at all times. The conditions of these transactions do not differ from those applicable to customers depending on the nature of the transactions and those that, where appropriate, derive from the provisions of the collective agreement for employees of the Parent Company and employees of Cajasur Banco, S.A.U.

In addition to the information on remuneration of the members of the Board of Directors and Senior Management of the Parent Company, which is presented in Note 5 above, the following is a breakdown of the significant balances maintained between the Group and the associated entities, joint ventures and other related parties and the effect of the transactions carried out by the Group with them. as well as significant balances and transactions with individuals linked to the Group as members of the Governing Bodies and Senior Management of the Parent Company:

	Euro Miles			
	30/06/2025			
	Shareholders	Associates and Joint Ventures	Other related parties (*)	Key personnel
Asset Positions:				
Loans and advances	169	52,152	39,408	2,218
Equity instruments	-	-	2,790	-
Derivatives	-	-	26	-
Other assets – Rest	238	-	53	-
<i>Of which: Impairment adjustments on performing financial assets</i>	-	(1)	(1,371)	-
<i>Of which: Impairment adjustments on non-performing financial assets</i>	-	(83)	-	-
	407	52,152	42,277	2,218
Liability positions:				
Deposits	314,252	92,506	84,860	3,878
Other financial liabilities	10,430	-	-	-
Derivatives	-	-	2,610	-
Other Liabilities - Rest	-	1,090	210	-
Provisions for contingent risks and commitments and other non-performing contingencies	1	2,087	231	-
	324,683	95,683	87,911	3,878
Off-balance sheet exposures:				
Loan commitments granted	35	894	9,862	521
Financial guarantees granted	-	-	1,536	-
Other commitments granted	151	2,151	1,421	-
	186	3,045	12,819	521

(*) Family members and entities related to members of the Board of Directors and Senior Management of the Entity, as well as pension plans for employees of the Group's banks.

	Euro miles			
	31/12/2024			
	Shareholders	Associates and Joint Ventures	Other related parties (*)	Key personnel
Asset Positions:				
Loans and advances	151	46,456	35,184	1,656
Equity instruments	-	-	2,790	-
Derivatives	-	-	2,087	-
Other assets – Rest	15	-	100	-
<i>Of which: Impairment adjustments on performing financial assets</i>	-	(1)	(1,367)	-
<i>Of which: Impairment adjustments on non-performing financial assets</i>	-	(83)	-	-
	166	46,456	40,161	1,656
Liability positions:				
Deposits	434,427	69,617	64,991	3,116
Other financial liabilities	7,212	732	-	-
Other Liabilities - Rest	-	1,423	223	-
Provisions for contingent risks and commitments and other non-performing contingencies	2	1,907	247	-
	441,641	73,679	65,461	3,116
Off-balance sheet exposures:				
Loan commitments granted	33	1,047	16,343	567
Financial guarantees granted	-	-	1,828	-
Other commitments granted	151	2,862	1,229	-
	184	3,909	19,400	567

	Euro Miles			
	30/06/2025			
	Shareholders	Associates and Joint Ventures	Other related parties (*)	Key personnel
Profit and loss:				
Debe-				
Interest Expense	(5,659)	(593)	(732)	(17)
Commission expenses	-	-	(1,273)	(2)
Other operating expenses and administrative expenses	-	(3,415)	-	-
Impairment (-) or reversal of impairment of performing financial assets	-	-	(4)	-
Impairment (-) or reversal of impairment of non-performing financial assets	-	(13)	-	-
Provisions (-) or reversal of provisions for guarantees and contingent commitments and other non-doubtful contingencies	-	(180)	16	-
	(5,659)	(4,201)	(1,993)	(19)
Haber-				
Interest income	-	909	873	18
Commission Income	264	623	355	12
Gains or losses (-) financial assets and liabilities and Exchange differences - net	-	-	(4,665)	-
Other operating income	238	6	-	-
	502	1,538	(3,437)	30

(*) Family members and entities related to members of the Board of Directors and Senior Management of the Entity, as well as pension plans for employees of the Group's banks.

	Euro Miles			
	30/06/2024			
	Shareholders	Associates and Joint Ventures	Other related parties (*)	Key personnel
Profit and loss:				
Debe-				
Interest Expense	(8,618)	(269)	(151)	(20)
Commission expenses	-	-	(1,332)	-
Other operating expenses and administrative expenses	-	(2,889)	(2)	-
Impairment (-) or reversal of impairment of performing financial assets	-	(5)	18	-
Impairment (-) or reversal of impairment of non-performing financial assets	-	10,493	-	2
Provisions (-) or reversal of provisions for guarantees and contingent commitments and other non-doubtful contingencies	-	33	(148)	-
	(8,618)	7,363	(1,615)	(18)
Haber-				
Interest income	-	1,691	1,201	13
Commission Income	194	30	382	17
Gains or losses (-) financial assets and liabilities and Exchange differences - net	-	2,623	(92)	-
Other operating income	192	6	-	-
	386	4,350	1,491	30

In addition, during the first half of 2025, the Group sold equity instruments classified in the portfolio "Financial assets at fair value through other comprehensive income" to shareholders for €12,136 thousand, which resulted in an accounting result of €8,280 thousand, recognised directly under the heading "Other reserves" of the Group's equity.

20. Other income statement breakdowns

Below is a breakdown of the following headings in the income statement for the six months ended June 30, 2025 and 2024:

a) Interest income and expense

Interest income by concept	Euro Miles	
	30/06/2025	30/06/2024
Central bank deposits	59,857	93,478
Credit institutions	12,260	20,979
Clientele	661,268	769,573
Debt securities	113,121	82,556
Non-performing assets	3,485	5,172
Rectification of income from hedging operations	44,063	76,681
Resto	4,351	2,571
	898,405	1,051,010

Interest income on instruments and portfolios	Euro miles	
	30/06/2025	30/06/2024
Financial assets held for trading	39	17
Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss	339	389
Financial assets at fair value through other comprehensive income	31,241	38,573
Financial assets at amortised cost	755,587	831,813
Rectification of income from hedging operations	44,063	76,681
Remaining interest income	67,136	103,537
	898,405	1,051,010

Interest Expense	Euro Miles	
	30/06/2025	30/06/2024
Transactions through central counterparties	-	(1,233)
Central banks (Note 14)	-	(5,450)
Credit institutions	(5,933)	(13,460)
Clientele	(216,313)	(246,803)
Debt securities issued (Note 15)	(42,770)	(49,475)
Rectification of expenses for hedging operations	(7,772)	(21,412)
Interest cost of pension funds	(3,714)	(3,618)
Financial expenses arising from insurance contracts issued	(4,614)	(4,750)
Resto	(9,050)	(18,125)
	(290,166)	(364,326)

b) Commission income and expenses

Commission Income	Euro Miles	
	30/06/2025	30/06/2024
By guarantees granted	7,996	7,677
For contingent commitments granted	3,052	2,819
Currency exchange and foreign banknotes	1,493	1,526
By payment service	65,329	67,637
By securities service:		
Securities Assurance and Placement	1,360	1,228
Securities Trading	2,867	2,250
Securities custody	2,333	2,161
Wealth Management	186,951	172,703
	271,381	258,001
For the marketing of non-bank financial products	5,975	6,072
Other fees	8,593	6,473
	285,949	270,546

Commission expenses	Euro Miles	
	30/06/2025	30/06/2024
Fees paid for asset management	(15,978)	(14,398)
Commissions paid for payment services	(4,062)	(4,176)
Commissions paid for securities custody	(324)	(315)
Brokerage fees on active and passive trades	(324)	(282)
Other fees	(2,149)	(2,205)
	(22,837)	(21,376)

c) Other operating income and expenses

Other operating income	Euro Miles	
	30/06/2025	30/06/2024
Real Estate Development and other non-financial services	1,350	1,157
Income from the exploitation of real estate investments	3,528	3,855
Other Products	9,956	7,822
	14,834	12,834

Other operating expenses	Euro Miles	
	30/06/2025	30/06/2024
Real estate development	(1,074)	(2,329)
Operating expenses of real estate investments	(1,356)	(1,635)
Temporary levy on credit institutions	-	(71,775)
Other concepts	(32,682)	(29,457)
	(35,112)	(105,196)

d) Income and expenses from assets and liabilities covered by insurance or reinsurance contracts

	Euro Miles	
	30/06/2025	30/06/2024
Income from assets covered by insurance or reinsurance contracts		
CSM recognised for services provided	16,217	16,670
Benefits and other expected expenses to be incurred by insurance contracts	13,342	13,911
Expected release for premiums received valued under the PAA method	92,177	87,424
Income from reinsurance contracts	8,289	8,149
Release of risk adjustment for non-financial risks	911	808
Experience adjustments not related to future services	150	153
	131,086	127,115
Expenses of liabilities covered by insurance or reinsurance contracts		
Insurance service costs incurred: benefits and expenses	(48,641)	(43,962)
Reinsurance contract expenses: distribution of premiums paid	(9,940)	(10,087)
Changes related to past services	(1,679)	(1,254)
Changes Related to Future Services	8	2
Amortization of acquisition expenses	(6)	(7)
	(60,258)	(55,308)

e) Personnel costs

	Euro Miles	
	30/06/2025	30/06/2024
Remuneration of active staff and governing bodies	(179,103)	(169,408)
Social Security contributions	(45,779)	(43,630)
Provisions to internal defined benefit plans	(1,798)	(1,753)
Provisions to external defined contribution plans	(8,724)	(8,504)
Severance payments	-	(63)
Training expenses	(1,278)	(893)
Other personnel costs	(9,405)	(8,407)
	(246,087)	(232,658)

The following is a breakdown of the Group's average workforce for the six months ended 30 June 2025 and 2024, broken down by gender:

	Average workforce	
	30/06/2025	30/06/2024
Hombres	2,154	2,156
Mujeres	3,337	3,249
Total	5,491	5,405

The average workforce data is obtained by calculating the average effective workforce in active employment at the end of each month within the semester.

f) Amortisation

	Euro Miles	
	30/06/2025	30/06/2024
Tangible assets		
For own use	(14,179)	(13,077)
Real estate investments	(545)	(785)
	(14,724)	(13,862)
Intangible assets	(10,081)	(7,406)
	(24,805)	(21,268)

21. Fair value of financial assets and liabilities on the balance sheet

The Group's financial assets are recognised in the consolidated balance sheet at fair value, except for financial assets at amortised cost, shares in Associates and capital instruments whose market value cannot be reliably estimated. Likewise, the Group's financial liabilities are recognised in the consolidated balance sheet at fair value, except for financial liabilities at amortised cost.

The fair value of the Group's financial instruments as of June 30, 2025 and December 31, 2024, broken down by financial asset and liability classes and at the following levels, is presented below:

- **LEVEL 1:** Financial instruments whose fair value has been determined by taking their price on active markets, without making any modification to said assets.
- **LEVEL 2:** Financial instruments whose fair value has been estimated on the basis of prices quoted on organised markets for similar instruments or through the use of other valuation techniques in which all significant inputs are based on directly or indirectly observable market data.
- **LEVEL 3:** Instruments whose fair value has been estimated using valuation techniques in which some significant input is not based on observable market data.

In those holdings that are insignificant and in which no new relevant information is available, the cost will be used as an approximation of fair value, provided that there are no other external indications of impairment or revaluation of such holdings of a significant nature.

To obtain the data used in the valuation calculations, the Group has an external market data service, which for each type of risk offers the most liquid data from official bodies, organised markets, brokers, market contributors or independent information providers such as Bloomberg or Reuters. In certain very specific cases, data provided by counterparties or individual entities are used, with the amount of assets measured using these data being insignificant as of June 30, 2025 and December 31, 2024.

The fair value of the Group's financial instruments and their corresponding carrying amount in the consolidated balance sheet as of June 30, 2025 and December 31, 2024 are presented below.

As of June 30, 2025

	Euro Miles				
	Book value	Fair value			
		Nivel 1	Nivel 2	Nivel 3	Total
Activo-					
Financial assets held for trading	49,175	25,615	23,560	-	49,175
Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss	46,799	28,357	12,568	5,874	46,799
Financial assets at fair value through other comprehensive income	3,936,435	3,503,399	185,512	247,524	3,936,435
Financial assets at amortised cost	56,127,121	5,671,874	-	51,913,294	57,585,168
Derivatives - hedge accounting	10,257	-	10,257	-	10,257
Total	60,169,787	9,229,245	231,897	52,166,692	61,627,834
Pasivo-					
Financial liabilities held for trading	42,457	19,283	22,203	971	42,457
Financial liabilities at amortised cost	58,897,863	2,931,160	409,259	52,966,534	56,306,953
Derivatives - hedge accounting	273,610	-	273,610	-	273,610
Total	59,213,930	2,950,443	705,072	52,967,505	56,623,020

As of December 31, 2024

	Euro Miles				
	Book value	Fair value			
		Nivel 1	Nivel 2	Nivel 3	Total
Activo-					
Financial assets held for trading	39,089	17,803	21,286	-	39,089
Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss	40,911	26,048	13,384	1,479	40,911
Financial assets at fair value through other comprehensive income	4,475,618	4,033,225	190,966	251,427	4,475,618
Financial assets at amortised cost	52,704,285	4,532,760	-	49,736,680	54,269,440
Derivatives - hedge accounting	16,343	-	16,343	-	16,343
Total	57,276,246	8,609,836	241,979	49,989,586	58,841,401
Pasivo-					
Financial liabilities held for trading	39,956	18,554	20,431	971	39,956
Financial liabilities at amortised cost	57,188,876	2,932,599	445,378	51,237,658	54,615,635
Derivatives - hedge accounting	249,274	-	249,274	-	249,274
Total	57,478,106	2,951,153	715,083	51,238,629	54,904,865

During the first half of 2025 and during 2024, there have been no transfers between levels 1, 2 and 3 of assets and liabilities that are measured at fair value on a recurring basis.

As indicated at the beginning of this note, not all financial assets and liabilities are accounted for at fair value, so the information relating to the instruments accounted for at fair value and subsequently for those accounted for at amortised cost, for which their fair value is broken down, is broken down below. even if it is not used for its accounting reflection.

a) Fair value of financial instruments measured at fair value

The main valuation methods, assumptions and inputs used in estimating the fair value of financial instruments classified in Level 2, depending on the type of financial instrument in question, and the corresponding balances as of June 30, 2025 and December 31, 2024, are presented below:

	Nivel 2			
	Fair value (Euro Miles)		Valuation techniques and hypotheses	Inputs
	30/06/2025	31/12/2024		
Activo-				
Financial assets held for trading	23,560	21,286	(1)	(2)
Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss	12,568	13,384	(1)	(2)
Financial assets at fair value through other comprehensive income	185,512	190,966	(1)	(2)
Derivatives - hedge accounting	10,257	16,343	(1)	(2)
Total	231,897	241,979		
Pasivo-				
Financial liabilities held for trading	22,203	20,431	(1)	(2)
Derivatives – hedge accounting	273,610	249,274	(1)	(2)
Total	295,813	269,705		

- (1) Instruments supported in future flows: discount of flows according to the yield curve corrected for the counterparty risk associated with the transaction.

Instruments with simple options and volatilities: formulas resulting from non-linear mathematical models based on the methodologies considered as standard for each type of product.

Instruments with exotic options: assessment using Monte Carlo simulations that replicate the random behaviour of these instruments.

- (2) External market data service, which for each type of risk offers the most liquid data from official bodies, organised markets, brokers, market contributors or independent information providers.

As of June 30, 2025, financial instruments classified within Level 3 correspond to equity and debt instruments that have been valued using valuation techniques in which some significant input is not based on observable market data. The non-observable market inputs used in the estimation of the fair value by discounting cash flows, comparable multiples or other static methods of these instruments include financial information, projections or internal reports, combined with other hypotheses or information available in the market that, in general, according to each type of risk, come from organised markets, sector reports, market contributors or information providers, among others.

As of June 30, 2025, the range of the perpetual growth rate used for the central valuation scenario has been 0.5%-1.0% and that of the discount rate, understood as the weighted average cost of capital allocated to the business, has been 6%-12%.

The following is the movement of the balances of "Financial assets at fair value through other comprehensive income" and "Financial assets not held to trade at fair value through profit or loss" classified at Level 3 in the half-year periods ended June 30, 2025 and 2024:

	Euro Miles	
	30/06/2025	30/06/2024
Balance at the beginning of the semester	252,906	245,128
Procurement	67	230
Entries for change of perimeter (see Note 4)	6,046	-
Changes in fair value recognised in profit or loss (not realised)	-	-
Changes in fair value recognised in profit or loss (realised)	-	-
Changes in fair value recognised in equity	(64)	(1,234)
Low	(5,557)	-
Reclassifications from Level 1	-	-
Reclassifications from Level 2	-	-
Other Level 3 reclassifications	-	-
Balance at the end of the semester	253,398	244,124

As of June 30, 2025, equity instruments amounting to €14,154 thousand are included in Level 3 whose best estimate of fair value is considered to be their cost (€14,136 thousand as of December 31, 2024).

Sensitivity analysis

The sensitivity analysis is carried out on the assets included in Level 3, i.e. with important inputs that are not based on observable market variables in order to obtain a reasonable range of possible alternative valuations.

A material deviation in the performance of material inputs not based on observable market data, such as underlying financial information, projections or internal reports, could give rise to valuations that are different from those set out in this section. However, the sensitivity analysis presented below shows the potential impacts on equity and earnings as of June 30, 2025, that the most likely value ranges could have in the event of favourable and unfavourable changes in the most significant observable market inputs.

The underlying business projections used in the valuation of certain holdings in which climate and regulatory risks could have an impact on their fair value incorporate the potential losses in the traditional business that could arise from such impacts, as well as alternative scenarios for offsetting them.

Depending on the type of assets, methodology and availability of inputs, the Group reviews the evolution of the main assumptions and their possible impact on the valuation every six months, and carries out a complete update of these valuations on an annual basis.

As of June 30, 2025, the effect on the Group's earnings and equity, which would result from modifying the main assumptions used in the valuation of Level 3 financial instruments by other reasonably possible assumptions, would be, without considering the tax effect, as follows:

	Euro Miles				
	Fair value as of 30/06/2025	Potential impact on the income statement		Potential impact on other cumulative comprehensive income	
		Most favourable scenario	Less favourable scenario	Most favourable scenario	Less favourable scenario
Activo- Financial assets at fair value through other comprehensive income	247,524	-	-	12,250	(18,582)
Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss	5,874	221	(221)	-	-
	253,398	221	(221)	12,250	(18,582)

b) Fair value of financial instruments measured at amortised cost

The breakdown by type of instruments of the balances and main valuation methods, assumptions and inputs used in the estimation of the fair value of financial instruments measured at amortised cost, classified in Tier 2 and 3 as of June 30, 2025 and December 31, 2024, is presented below:

	Fair Value Hierarchy	Fair Value		Valuation techniques and hypotheses	Inputs
		30/06/2025	31/12/2024		
Activo- Financial assets at amortised cost - Loans and advances	Nivel 3	51,913,294	49,736,680	(2)	(2)
		51,913,294	49,736,680		
Pasivo- Financial liabilities at amortised cost - Debt securities issued	Nivel 2	409,259	445,378	(1)	(1)
Financial liabilities at amortised cost - Debt securities issued	Nivel 3	56,866	63,841	(2)	(2)
Financial liabilities at amortised cost - Deposits and Other financial liabilities	Level 3	52,909,668	51,173,817	(2)	(2)
		53,375,793	51,683,036		

(1) Discount of future flows, considering the contractual maturity dates, calculated from the risk-free curves.

(2) Discounting of estimated or estimable future flows calculated from risk-free curves, considering contractual maturity and interest repricing dates, as well as IFRS 9 expected loss estimates for Loans and Advances, based on internal models and internal behavioural models for the maturity allocation of demand and prepaid deposits.

The other financial assets and liabilities have a fair value similar to that recorded in the respective consolidated balance sheets as of June 30, 2025 and December 31, 2024, or they are equity instruments whose fair value could not be reliably estimated.

22. Other information

22.1 Risk Management

a) Credit risk

Credit risk refers to the possibility that the Kutxabank Group may incur a breach as a result of the breach by third parties of their contractual obligations towards the Group, whether for reasons of insolvency or for other reasons.

This category includes counterparty risk, linked to treasury activities and assumed in most cases with other financial institutions, and country risk, referring to those defaults caused by specific circumstances related to the borrower's country and/or currency, and which are beyond its control and solvency.

The ultimate responsibility for credit risk in the Kutxabank Group corresponds to its highest executive bodies, the Executive Committee and the Board of Directors, which are responsible for approving the largest transactions and the policies and criteria to be followed. These bodies receive proposals from the Risk Committee.

Kutxabank's Credit Risk management model is fully aligned with the objectives established in the "Risk Appetite Framework" approved by Kutxabank's Board of Directors. In this sense, this management model is based on a series of fundamental principles that ensure, among other aspects, transparency and responsibility in the granting of financing, with special attention to consumer protection.

The Kutxabank Group's Retail and Wholesale Credit Risk Policy documents approved by the Board of Directors on 30 January 2025 and 27 February 2025, respectively, set out the basic principles to be respected when granting risk transactions to customers in a responsible manner. In the latest update, the funding limits to the Central Risk Admission Area have been increased. Likewise, as a result of the new segmentation of companies carried out by the Group, new delegated risk attributions have been defined for the new teams of managers assigned to the Commercial Network for business management.

Finally, although the content of the Policies of Kutxabank S.A. and Cajasur Banco S.A.U. was standardised in the update of the Policies approved in 2024, they have been unified into a single Policy at the level of the Kutxabank Group.

Kutxabank's Board of Directors meeting on 19 December 2024 approved the update of both the Kutxabank Group's Recovery Management Policy and the Refinancing and Restructuring Operations Policy. The latter Policy defines refinancing and restructuring operations and includes the indicators of indications of the customer's financial difficulties established for their identification.

For its part, the design and implementation of the applicable policies and procedures in the field of credit risk is the responsibility of the Credit Risk Control and Policies and Sustainability department, which is part of the Credit Risk Control Department of the Kutxabank Group.

In general terms, the management and control systems established to assess, mitigate or reduce credit risk are based on the procedures set out below, as well as on prudent policies for diversification and reduction of concentration in counterparties and acceptance of collateral.

In addition, on 21 December 2023, Kutxabank's Board of Directors approved the Kutxabank Group's Counterparty Risk Management Policy Manual.

Analysis and admission process

In order to optimise business opportunities with each client and guarantee a sufficient degree of security, the responsibility for risk admission is shared between the business manager and the risk analyst belonging to the concession departments of the Risk Area which, through effective communication, allows a comprehensive view of the situation of each client and a coordinated management of risks by their managers.

The Credit Risk Admission Policies include the three basic pillars on which the analysis in the granting is based: knowledge of the customer, payment capacity and quality of the guarantees.

The Policies detail the general process of admitting risk to our clients, through the internal scoring models implemented for individuals and internal rating models for companies. All this, based on a set of principles, rules and limitations, both general and specific, that managers must respect for the granting of credit risk operations. In recent years, new versions of the admission models have been implemented, both for mortgages and loans without mortgage guarantee, the behavioural (proactive) model on which the admission of pre-approved loans is based and the Company Rating model, generating a new Qualification Level (NICAL) for companies. All the new versions of the scoring models, mortgage admission and admission of loans without mortgage and behavioural guarantee; as well as Company Rating, have been validated and reviewed by the independent control areas: Internal Validation and Internal Audit. They have been presented and approved by the corresponding bodies: the Model Committee, the Risk Control Committee and the Board of Directors.

The Kutxabank Group has defined a model of delegated risk attributions that establishes a risk authorisation limit based on the type of risk, type of guarantee, purpose, financing on the appraisal value (Loan to Value or LTV) and with an overall limit per customer/group. In the case of individuals, these limits are also defined based on the opinions issued by the different scoring models implemented (scorings). In the case of companies, with regard to the risk attributions delegated to business managers, these limits are operational according to the Qualification Level (NICAL). These powers are conferred on a personal basis and cannot be delegated.

If the operations exceed the delegated risk attributions of the managers and office directors, they are analysed by the Risk Area, which authorises the operations, if applicable, according to their delegated risk attributions, or makes the corresponding proposals to the higher levels for their authorisation: Corporate Risk Management of the Kutxabank Group; CEO of Kutxabank or Cajasur; in joint signature, CEO of Kutxabank or Cajasur, Corporate General Management Levels of the Kutxabank Group and Corporate Risk Admission Management of the Kutxabank Group; and Executive Committee/Board of Directors, previously supervised by the Risk Committee for the latter decision-making bodies.

The Kutxabank Group uses as a fundamental resource in credit risk management the fact that the credit assets acquired or contracted by the Group have real guarantees and another series of credit enhancements in addition to the debtor's own personal guarantee, in order to proceed with the granting of risks.

Valuation of collateral

The Kutxabank Group's Effective Collateral and Collateral Valuation Policy, approved by the Board of Directors on 25 June 2020, defines the type of collateral that the Group considers effective and the valuation method and periodicity of collateral revaluations.

Effective guarantees are considered to be those real and personal guarantees that are valid as risk mitigators based on, among other aspects, the time needed to execute the guarantees, the capacity to carry out the guarantees and the experience in carrying out them.

The valuation of security rights is based on the nature of the security right received. In general, collateral in the form of immovable property is valued at its appraisal value, carried out by independent entities in accordance with the rules established by the Bank of Spain for this purpose at the time of contracting. These guarantees are subject to periodic valuation processes through complete reappraisals, statistical updates and indexation of their value based on sectoral public indices; collateral in the form of securities listed on active markets is valued at their quoted value, adjusted by a percentage to cover possible variations in that market value that could impair the coverage of risk; On the other hand, guarantees in the form of pledged deposits are valued at the value of such deposits, and if they are denominated by foreign currency, converted at the exchange rate on each valuation date.

With regard to the consideration of personal guarantees as effective in the admission of credit operations, the financial solvency sufficiently contrasted with documentation that proves it and, in particular, those provided by guarantors identified as having no appreciable risk or guarantors considered as significant customers by the Kutxabank Group is taken into account. These personal guarantees, considered to be effective, will be taken into account for the calculation of the necessary coverage of doubtful transactions, both in the individualised estimate of the same and in the collective assessment.

Effective personal guarantees received allow the direct holder to be replaced by the guarantor for the purposes of calculating coverage.

Instrumentation

The processes of instrumentation and legal support of the operations are specialised in such a way that they can respond to the different existing customer segmentations, with a process of treatment for tailor-made risks and advice in large operations, as well as with another process that includes the preparation and supervision of the different models of contracts for the formalisation of standard operations that is decentralised in the Internet.

Credit Risk Monitoring

The policies for credit risk management also contemplate the development of methodologies, procedures and criteria for the monitoring and control of credit risk, including the classification of operations and the estimation of coverage.

Risk monitoring processes allow for both individualised control by customers or groups of customers and major risks and generic control by segments:

- Monitoring of individuals: It is carried out monthly based on a specific statistical model (behavioural or proactive scoring).
- Company monitoring: It is carried out periodically based on an internal rating methodology taking into account the statistical rating model.
- Monitoring of risk portfolios: The Bank has a specialised unit with the aim of permanently ensuring the quality of credit risk. This unit uses internal or external indicators, alerts and other parameters for the early detection of financial difficulties of our clients and effectively guides their management to commercial networks by establishing the action plans that are appropriate in each situation. This monitoring is carried out both at the individual level of borrowers and at the aggregate level of risk portfolios.

- Automatic alert system for all Kutxabank Group customers: The manager carries out operational monitoring that arises from direct contact with the customer and the management of their daily operations and additionally risk managers and analysts have access to the monitoring of customers, portfolios and centres through the automatic alert system implemented in the Group. among which are alerts for drops in scoring and rating levels and permanence in low scoring and rating levels. In addition, there are transition matrices that the Network can consult and review at the customer level to analyse the operations whose Scoring/Rating has worsened.
- Individualised monitoring: The Group has a specialised unit for monitoring significant customers and for the individualised estimation of the provisions necessary to cover the impairment of operations under special and doubtful surveillance of these customers. The individual analysis by the Risk Analyst is carried out to:
 - transactions belonging to a client/group considered significant, i.e. a client whose aggregate exposure is greater than €3,000,000, or which, having an aggregate exposure of more than €100,000, individually belongs to an economic group in which there is a borrower with an aggregate exposure of more than €3,000,000,
 - refinancing operations (refinancing, refinanced and restructured) with an amount greater than €300,000, and
 - transactions belonging to a client/group that could potentially be included in a watch list, i.e. a client (a legal entity that is not classified as low risk) whose aggregate exposure is greater than €1,000,000, or which, individually having an aggregate exposure of more than €100,000, belongs to an economic group in which there is a borrower with an aggregate exposure of more than €1,000,000.
- Collective monitoring: This is a monthly monitoring of the internal models developed by the Provision and Monitoring Models department and based on quantitative methodologies based on the historical experience of observed losses, for the classification and estimation of provisions outside the scope of individualised monitoring. This implies the monthly review of the classification and endowments calculated by the collective process.
- Developer Risk: The Group has a specialised unit to monitor the risk associated with the real estate sector, which controls and evaluates the correct development of the real estate projects financed, trying to anticipate any problems in their execution.
- Significant increase in risk (SRI): There is a system for identifying SRI based on a series of indications that imply a change in the accounting classification of transactions.
- Monitoring by sector: With the spread of COVID-19 and the resulting economic crisis, the Group reinforced management information for the monitoring of credit risk portfolios. Of note are the reports on the behaviour of the portfolio by sectors, volume of portfolio whose debtors receive some unemployment benefit and the dashboard of operations with COVID-19 measures (moratoriums and guaranteed operations) in which reports are available daily that allow monitoring by centre/portfolio/manager, type of moratorium, type of guarantee, sector, type of management, management priority, maturity sections, accounting situation, payment situation and reaching the contract level.
- Financial Hardship Indicators: A tool used by the Network to help identify whether or not a customer is in financial difficulty, by analysing the customer's ability to pay, their solvency levels and indebtedness. This allows for the correct identification of a refinancing and/or restructuring measure or on the contrary a renegotiation and/or renewal. During 2024, a new risk indicator was incorporated to enhance the Network's help in identifying customers with financial difficulties.

With regard to the calculation of the Expected Loss, the Kutxabank Group has developed and implemented internal (statistical) models since 1 January 2018 for the collective estimation of the same and the consequent provision. The parameters that make up these models are based on the scorings and ratings that the Kutxabank Group uses in its risk management.

The Group regularly updates its PD and LGD models of expected losses under IFRS 9 with new internally estimated macroeconomic scenarios; specifically, the current scenarios were approved by the Governing Bodies of the Parent in January 2024 to be used in the field of financial and capital planning. The models therefore include the most recent macroeconomic information and that reflect in their projections the most current economic expectations derived from the present and future situation.

In the Model Map, all the expected loss models are detailed with their level of criticality and materiality (TIER), based on which the periodicity of monitoring and reestimations is established. The Kutxabank Group has a model risk control environment, in which the Model Committee plays a fundamental role.

The Provisioning and Monitoring Models department is responsible for developing both the admission models for individuals and companies (scorings and ratings) as well as the monitoring models (behavioural scoring and company rating level). On the other hand, the parameter models for the calculation of the Expected Loss are developed by the Provision and Monitoring Models department. These models are validated by the independent Internal Validation unit, reviewed by Internal Audit as a third line of defence and approved by the corresponding internal bodies.

On the other hand, both the Internal Audit and Internal Validation departments follow up on the recommendations detailed in the validation reports and audit reports carried out by these control areas. In addition, Internal Validation carries out, among other reviews, recurrent validations of the Rating Systems and their implementation. Likewise, Internal Audit carries out various recurring reviews, among others, on the monitoring of the Ordering Models (scorings and ratings), on the monitoring of parameters, on the classification of credit operations (staging), on the quality of the data of the variables or on the governance of models.

In addition, the Non-Performing Assets Management Committee has the function of ensuring that the non-performing assets are being properly managed in line with the Kutxabank Group's strategy by maintaining a global and cross-cutting vision and regularly monitoring compliance with the objectives defined for the management and reduction of non-performing assets.

Recovery Management

The main responsibility for managing the delay lies with the lines of business. The powers to resolve transactions to change the initial terms and conditions of contracts with financial difficulties reside in the central Recovery Management unit in line with its delegated risk attributions.

The establishment of efficient procedures for the management of outstanding risks also allows advantages to be obtained in the management of overdue risks by enabling a proactive policy based on the early identification of cases with a tendency to become doubtful and their transfer to specialists in the management of recoveries, who determine the different types of recovery procedures that should be applied.

Information systems provide daily information on the individualised and global situation of the risks they manage, supported by different indicators or alerts that facilitate rapid management.

The Recovery Unit has managers specialised in monitoring and supporting decentralised recovery management in offices, which includes pre-payment, support from specialised external companies and lawyers specialised in litigation recovery management. The Entity has a specialised team for company refinancing.

Refinancing

Notwithstanding the foregoing, the Kutxabank Group has been applying measures to mitigate the impact of the crisis on borrowers who have temporary difficulties in meeting the payment of their debts. The fundamental principle is to facilitate the fulfilment of their obligations by debtors who have an unequivocal will to meet them.

The basic objectives of the debt refinancing and restructuring policy are to adapt the payment plan to the debtor's real capacity and to strengthen the guarantees in the transactions in question.

The analysis and treatment of these operations is tailor-made for each type of debtor, with a high degree of centralisation of risk attributions delegated to the areas of Risk Admission and Recovery Management for resolution, depending on the segment to which they belong.

The instruments used are term extensions and the introduction of grace periods in mortgage transactions together with the incorporation of new guarantees to meet the payment of the same or other credits that do not have them.

The Group has also established a specific system for this portfolio for the individualised monitoring of the portfolio and its accounting classification as indicated in the previous section on monitoring.

Policies and procedures in relation to activities in the mortgage market

With regard to the Mortgage Market, and in accordance with the provisions of Royal Decree-Law 24/2021, of 2 November, on covered bonds, which repeals Law 2/1981 on the Regulation of the Mortgage Market, Royal Decree 716/2009 and Circular 7/2010 of the Bank of Spain and as well as Law 1/2013 of 14 May on measures to strengthen the protection of mortgage debtors, In order to ensure debt restructuring and social renting, the Group has established in its different processes the necessary controls in order to guarantee compliance with the requirements established by the regulations in the different phases of admission, implementation, monitoring and control of operations that have mortgage guarantees.

In addition, the Real Estate Credit Law (LCI) that came into force on June 16, 2019 and as a transposition of European Directive 2014/2017 seeks greater customer protection throughout the mortgage process, requiring financial institutions, among other aspects, to provide the customer with clear and understandable pre-contractual information. and that the product adapts to their needs, enhancing transparency and legal certainty. The Group made the necessary changes to adapt in a timely manner to the requirements of this Law.

The Administrators of the Parent Entity are responsible for compliance with the approved policies and procedures relating to the mortgage market. Among other aspects, these procedures place special emphasis on the following points:

- Mandatory analysis of the viability of the authorised or proposed operations and of the guarantees that are collected. The file of all transactions must include the necessary documentation and information to support the transaction and, in particular, for the assessment of the customer's ability to pay (justification of recurring income in the case of individuals and income statements in the case of companies) and the guarantees of the operation (declaration of assets in individuals, financial statements in companies and updated appraisals in mortgage operations).

- The delegated risk attributions take into account the relationship between the amount of the loan and the appraised value of the mortgaged property, as well as any additional guarantees that may exist in the transaction. The policies establish, depending on the types of guarantee, maximum levels to be financed based on the Loan to Value (LTV) of the operations.

The Group authorises appraisals of the leading appraisal companies in the areas of action of its commercial network, the main appraisers used being "Servicios Vascos de Tasaciones, S.A." and "Tasaciones Inmobiliarias, S.A.".

Measures taken in relation to the economic and social consequences of external factors, such as the war in Ukraine and others

Due to the rise in interest rates resulting from the crisis of the war in Ukraine and other events that followed, the Council of Ministers approved Royal Decree-Law 19/2022 of 22 November amending Royal Decree-Law 6/2012, of 9 March ("Code of Good Practice"), on urgent measures to protect mortgage debtors without resources.

During 2024, the Group maintained its adherence to both Codes of Good Practice RD 6/2012 and RD 19/2022, with effect from 23 December 2022 in the second case, in their current wording modified by the Resolution of 27 December 2023 of the Secretary of State for the Economy and Business Support.

Likewise, on 12 November 2024, Royal Decree-Law 7/2024, of 11 November, was published in the Official State Gazette, adopting urgent measures to promote the Immediate Response, Reconstruction and Relaunch Plan against the damage caused by the Isolated High Level Depression (DANA) in different municipalities between 28 October and 4 November 2024 (hereinafter, RDL), which entered into force on the day following its publication.

Among the financial measures, the extension of the Code of Good Practice, the provision of consolidated pension plan rights, or the modification of RDL 6/2024 in relation to the moratorium and the ICO guarantee line stand out, among others.

I. Modification of the Code of Good Practice (DF 7^a)

Royal Decree-Law 19/2022 is amended to extend the duration of the CBP as follows:

- In general, the duration is extended from 24 to 36 months. The deadline for submitting applications extends from 24 to 36 months, i.e. applications may be accepted until 31/12/2025.
- In the case of natural persons residing in any of the towns included in the annex to Royal Decree-Law 6/2024 (DANA Moratorium), the admission period is extended to 42 months, i.e. applications may be accepted until 30/06/2026.

Counterparty Risk

With regard to treasury activities, the Parent has established maximum exposure limits per counterparty that prevent it from engaging in a high level of concentration with any financial institution. In the case of derivative products, the computed limit consumption includes both the value of the current duties (positive replacement value) and a measure of the potential risk that could arise from a favourable evolution of that replacement value in the future.

The Group uses netting and collateral agreements signed with counterparties as a risk mitigation policy for this concept. As of June 30, 2025, deposits received and delivered as collateral amounted to €13,275 thousand and €290,947 thousand, respectively, and are recognised under the headings "Financial liabilities at amortised cost – Deposits – Credit institutions" and "Financial assets at amortised cost – Loans and advances – Credit institutions" of the consolidated balance sheet (€9,820 and €252,699 thousand, respectively, as of December 31, 2024).

Risk Control

The lines of action described respond to the developments that are being carried out aimed at aligning the Group's risk processes with the rules and regulations in force at all times. In this regard, the Group is committed to continuous improvement in the design and implementation of tools and procedures for a more effective treatment of credit risk with customers in all its processes, which ensure standards of quality of service and rigor in the criteria applied, with the ultimate objective of preserving the solvency of the entity and adding value to it.

The Risk Control Committee is responsible for systematically reviewing exposures to the main types of risk, controlling and supervising the risk management system, as well as analysing and evaluating proposals for risk management strategies and policies.

The Internal Audit Directorate verifies effective compliance with the management policies and procedures set forth above, evaluating the adequacy and effectiveness of the management and control activities of each functional and executive unit. To this end, they regularly carry out audits of credit risk-related centres, including examining the recoverability of assets and their proper accounting classification. The information from these audits is sent, in addition to the corresponding executive bodies, to the Audit and Regulatory Compliance Committee of the Parent Entity.

As of June 30, 2025 and December 31, 2024, practically all loans and receivables with customers in force had been contracted with counterparties resident in the State.

The following is a breakdown, for Customer Loans and Advances, of the credit risk exposure that is covered by collateral based on the sector of activity to which they belong and based on the loan-to-value (LTV) ratio calculated on the basis of the discounted value of the Group's guarantees as of June 30, 2025 and December 31, 2024 (carrying amount):

(Euro Miles)	TOTAL	Of which: Real estate guarantee	Of which: Other security rights	Loans with real collateral, Book amount over last available appraisal amount (loan to value)				
				Less than or equal to 40%	Greater than 40% and less than or equal to 60%	Greater than 60% and less than or equal to 80%	Greater than 80% and less than or equal to 100%	Superior al 100%
30/06/2025								
Public Administrations	5,423,744	12,955	230	4,127	8,828	-	-	230
Other financial companies and sole proprietors	500,267	159,533	1,551	50,579	94,613	437	-	15,455
Non-financial corporations and sole proprietors	10,043,625	1,600,873	132,849	866,130	458,017	149,718	30,041	229,816
<i>Construction and real estate development</i>	424,624	419,738	-	292,125	99,071	20,057	415	8,070
<i>Civil works construction</i>	313,707	7,960	96	3,800	2,450	877	-	929
<i>Other purposes</i>	9,305,294	1,173,175	132,753	570,205	356,496	128,784	29,626	220,817
<i>Large companies</i>	7,106,936	128,954	40,845	45,175	60,397	15,031	882	48,314
<i>SMEs and sole proprietors</i>	2,198,358	1,044,221	91,908	525,030	296,099	113,753	28,744	172,503
Other households	33,582,467	30,289,118	46,410	6,596,633	11,028,259	10,617,843	1,476,401	616,392
<i>Housing</i>	30,186,884	29,854,489	31,042	6,367,279	10,916,001	10,561,345	1,463,305	577,601
<i>Consumo</i>	1,556,037	58,635	1,330	29,461	12,186	9,952	3,237	5,129
<i>Other purposes</i>	1,839,546	375,994	14,038	199,893	100,072	46,546	9,859	33,662
TOTAL (*)	49,550,103	32,062,479	181,040	7,517,469	11,589,717	10,767,998	1,506,442	861,893
Refinancing, refinancing and restructuring transactions	446,565	349,102	31,578	122,348	108,200	48,794	33,397	67,941

(*) Total balance excluding "Advances other than loans" amounting to €262,512 thousand (see Note 9.4).

(Euro Miles)	TOTAL	Of which: Real estate guarantee	Of which: Other security rights	Loans with real collateral, Book amount over last available appraisal amount (loan to value)				
				Less than or equal to 40%	Greater than 40% and less than or equal to 60%	Greater than 60% and less than or equal to 80%	Greater than 80% and less than or equal to 100%	Superior al 100%
31/12/2024								
Public Administrations	5,289,627	13,641	276	3,550	9,798	569	-	-
Other financial companies and sole proprietors	285,301	107,857	843	35,705	71,337	446	774	438
Non-financial corporations and sole proprietors	9,405,330	1,671,092	99,851	890,688	521,034	196,618	75,554	87,049
<i>Construction and real estate development</i>	435,486	430,922	-	324,628	76,741	10,754	11,726	7,073
<i>Civil works construction</i>	371,041	8,113	116	4,491	1,752	1,232	2	752
<i>Other purposes</i>	8,598,803	1,232,057	99,735	561,569	442,541	184,632	63,826	79,224
<i>Large companies</i>	6,490,533	189,381	49,020	44,952	90,981	56,441	27,306	18,721
<i>SMEs and sole proprietors</i>	2,108,270	1,042,676	50,715	516,617	351,560	128,191	36,520	60,503
Other households	32,264,307	29,604,955	49,994	6,478,908	10,561,282	10,593,044	1,393,609	628,106
<i>Housing</i>	29,464,099	29,133,453	32,073	6,224,641	10,435,850	10,528,927	1,375,274	600,834
<i>Consumo</i>	1,538,574	64,262	1,928	31,986	15,265	11,188	3,549	4,202
<i>Other purposes</i>	1,261,634	407,240	15,993	222,281	110,167	52,929	14,786	23,070
TOTAL (*)	47,244,565	31,397,545	150,964	7,408,851	11,163,451	10,790,677	1,469,937	715,593
Refinancing, refinancing and restructuring transactions	592,228	390,077	39,476	139,065	105,455	85,753	44,768	54,512

(*) Total balance excluding "Advances other than loans" amounting to €350,261 thousand (see Note 9.4).

The Group's credit risk exposure is also detailed below, which is made up of the headings "Cash, cash balances at central banks and other demand deposits" (excluding cash balance), "Financial assets held for trading", "Financial assets not intended for trading that are mandatorily measured at fair value through profit or loss". "Financial assets designated at fair value through profit or loss", "Financial assets at fair value through other comprehensive income", "Financial assets at amortised cost", "Derivatives – hedge accounting", "Investments in joint ventures and associates", "Financial guarantees granted" and the chapters "Other guarantees provided" and "Irrevocable documentary credits" under the heading "Other commitments granted" depending on the sector of activity to which It belongs to and depending on the geographical area in which it is located as of June 30, 2025 and December 31, 2024 (book value):

(Euro Miles)	TOTAL	España	Rest of the European Union	América	Rest of the world
30/06/2025					
Central banks and credit institutions	6,754,970	6,125,546	497,912	39,693	91,819
Public Administrations	11,943,941	10,989,237	954,704	-	-
<i>Central government</i>	5,943,811	4,989,134	954,677	-	-
<i>Other Public Administrations</i>	6,000,130	6,000,103	27	-	-
Other financial companies and sole proprietors	902,267	721,897	180,367	-	3
Non-financial corporations and sole proprietors	15,485,351	15,167,395	219,477	64,933	33,546
<i>Construction and real estate development</i>	1,037,755	1,037,755	-	-	-
<i>Civil works construction</i>	485,868	481,034	4,834	-	-
<i>Other purposes</i>	13,961,728	13,648,606	214,643	64,933	33,546
<i>Large companies</i>	11,380,980	11,152,932	160,316	39,886	27,846
<i>SMEs and sole proprietors</i>	2,580,748	2,495,674	54,327	25,047	5,700
Other households	33,639,264	33,402,569	101,729	31,880	103,086
<i>Housing</i>	30,187,193	29,953,576	100,005	31,509	102,103
<i>Consumo</i>	1,556,039	1,554,584	886	174	395
<i>Other purposes</i>	1,896,032	1,894,409	838	197	588
TOTAL	68,725,793	66,406,644	1,954,189	136,506	228,454

(Euro Miles)	TOTAL	España	Rest of the European Union	América	Rest of the world
31/12/2024					
Central banks and credit institutions	7,552,340	6,896,383	522,539	40,119	93,299
Public Administrations	11,040,930	10,449,683	591,247	-	-
<i>Central government</i>	5,175,892	4,584,645	591,247	-	-
<i>Other Public Administrations</i>	5,865,038	5,865,038	-	-	-
Other financial companies and sole proprietors	756,842	590,730	166,105	-	7
Non-financial corporations and sole proprietors	14,748,235	14,464,027	190,325	69,246	24,637
<i>Construction and real estate development</i>	998,859	998,859	-	-	-
<i>Civil works construction</i>	531,691	526,923	4,768	-	-
<i>Other purposes</i>	13,217,685	12,938,245	185,557	69,246	24,637
<i>Large companies</i>	10,786,111	10,600,832	126,585	39,000	19,694
<i>SMEs and sole proprietors</i>	2,431,574	2,337,413	58,972	30,246	4,943
Other households	32,330,080	32,081,331	105,762	33,332	109,655
<i>Housing</i>	29,464,507	29,218,753	104,100	32,956	108,698
<i>Consumo</i>	1,538,574	1,537,210	838	188	338
<i>Other purposes</i>	1,326,999	1,325,368	824	188	619
TOTAL	66,428,427	64,482,154	1,575,978	142,697	227,598

The breakdown by autonomous community for the Group's financial instruments in the table above geographically located in the State as of 30 June 2025 and 31 December 2024 (carrying amount) is as follows:

(Euro Miles)	Autonomous Communities						
30/06/2025	TOTAL	Basque Country	Andalusia	Madrid	Catalonia	Community of Valencia	Resto
Central banks and credit institutions	6,125,546	319,966	400	5,229,350	362,913	-	212,917
Public Administrations	10,989,237	2,055,638	1,094,859	1,107,478	206,476	110,882	1,424,770
<i>Central government</i>	4,989,134	-	-	-	-	-	-
<i>Other Public Administrations</i>	6,000,103	2,055,638	1,094,859	1,107,478	206,476	110,882	1,424,770
Other financial companies and sole proprietors	721,897	180,467	8,882	532,076	145	165	162
Non-financial corporations and sole proprietors	15,167,395	5,232,163	973,619	7,187,423	1,115,718	67,764	590,708
<i>Construction and real estate development</i>	1,037,755	478,289	78,413	350,657	56,923	10,547	62,926
<i>Civil works construction</i>	481,034	62,294	15,842	400,120	540	434	1,804
<i>Other purposes</i>	13,648,606	4,691,580	879,364	6,436,646	1,058,255	56,783	525,978
<i>Large companies</i>	11,152,932	3,529,404	242,527	6,084,199	893,770	30,322	372,710
<i>SMEs and sole proprietors</i>	2,495,674	1,162,176	636,837	352,447	164,485	26,461	153,268
Other households	33,402,569	12,084,728	8,030,990	5,772,603	2,283,433	1,564,237	3,666,578
<i>Housing</i>	29,953,576	10,229,382	7,048,763	5,540,978	2,189,591	1,477,548	3,467,314
<i>Consumo</i>	1,554,584	605,137	464,625	174,954	78,285	74,392	157,191
<i>Other purposes</i>	1,894,409	1,250,209	517,602	56,671	15,557	12,297	42,073
TOTAL	66,406,644	19,872,962	10,108,750	19,828,930	3,968,685	1,743,048	5,895,135

(Euro Miles)	Autonomous Communities						
31/12/2024	TOTAL	Basque Country	Andalusia	Madrid	Catalonia	Community of Valencia	Resto
Central banks and credit institutions	6,896,383	330,794	186	6,080,677	152,252	102,566	229,908
Public Administrations	10,449,683	1,992,285	953,983	828,051	56,399	261,182	1,773,138
<i>Central government</i>	4,584,645	-	-	-	-	-	-
<i>Other Public Administrations</i>	5,865,038	1,992,285	953,983	828,051	56,399	261,182	1,773,138
Other financial companies and sole proprietors	590,730	181,154	15,482	390,581	3,161	178	174
Non-financial corporations and sole proprietors	14,464,027	5,118,314	1,001,817	6,706,323	1,103,841	61,021	472,711
<i>Construction and real estate development</i>	998,859	466,801	90,808	327,759	63,840	7,494	42,157
<i>Civil works construction</i>	526,923	65,208	15,903	443,923	17	312	1,560
<i>Other purposes</i>	12,938,245	4,586,305	895,106	5,934,641	1,039,984	53,215	428,994
<i>Large companies</i>	10,600,832	3,521,576	229,749	5,647,451	896,593	28,480	276,983
<i>SMEs and sole proprietors</i>	2,337,413	1,064,729	665,357	287,190	143,391	24,735	152,011
Other households	32,081,331	11,580,600	7,868,664	5,474,823	2,175,132	1,476,675	3,505,437
<i>Housing</i>	29,218,753	10,181,841	7,001,497	5,245,967	2,083,210	1,393,304	3,312,934
<i>Consumo</i>	1,537,210	608,564	459,351	171,415	77,423	70,533	149,924
<i>Other purposes</i>	1,325,368	790,195	407,816	57,441	14,499	12,838	42,579
TOTAL	64,482,154	19,203,147	9,840,132	19,480,455	3,490,785	1,901,622	5,981,368

The following is a breakdown as of June 30, 2025 and December 31, 2024 of the Group's current balances of refinancing and restructuring, classified according to its accounting position, the counterparty and the guarantees presented:

	30/06/2025													
	TOTAL							Of which: STAGE 3						
	No collateral		With real guarantee				Accumulated impairment or accumulated losses in fair value due to credit risk	No collateral		With real guarantee				Accumulated impairment or accumulated losses in fair value due to credit risk
	N° oper,	Gross amount	N° oper,	Gross amount	Maximum security right that can be considered			N° oper,	Gross amount	N° oper,	Gross amount	Maximum security right that can be considered		
Real estate guarantee					Other security rights	Real estate guarantee	Other security rights							
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Administrations	5	2,231	45	6,810	6,810	-	-	-	-	44	4,811	4,811	-	-
Other financial companies and sole proprietors	2	7	10	754	682	-	(38)	1	7	2	33	16	-	(23)
Non-financial corporations and sole proprietors	668	73,388	1,063	293,420	235,617	88	(143,322)	193	34,906	484	92,820	82,196	3	(94,562)
<i>Of which: Construction financing and real estate development</i>	2	49	135	132,736	130,286	-	(55,982)	2	49	70	28,579	26,419	-	(26,495)
Other households	910	8,511	3,544	302,010	280,324	57	(97,206)	398	4,205	1,509	130,961	118,743	-	(91,476)
Total	1,585	84,137	4,662	602,994	523,433	145	(240,566)	592	39,118	2,039	228,625	205,766	3	(186,061)
Financing classified as non-current assets and disposal groups of items that have been classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	31/12/2024													
	TOTAL							Of which: STAGE 3						
	No collateral		With real guarantee				Accumulated impairment or accumulated losses in fair value due to credit risk	No collateral		With real guarantee				Accumulated impairment or accumulated losses in fair value due to credit risk
	Nº oper,	Gross amount	Nº oper,	Gross amount	Maximum security right that can be considered			Nº oper,	Gross amount	Nº oper,	Gross amount	Maximum security right that can be considered		
Real estate guarantee					Other security rights	Real estate guarantee	Other security rights							
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Administrations	6	2,810	45	7,192	7,192	-	-	-	-	-	-	-	-	-
Other financial companies and sole proprietors	1	9	10	790	726	-	(44)	1	9	2	38	37	-	(23)
Non-financial corporations and sole proprietors	820	183,350	1,221	320,085	257,584	38,985	(166,629)	189	33,915	531	102,819	94,764	311	(102,394)
<i>Of which: Construction financing and real estate development</i>	2	49	200	138,680	136,752	-	(59,481)	2	49	122	33,777	32,668	-	(31,181)
Other households	920	13,175	3,844	333,821	311,344	58	(102,331)	449	4,726	1,626	143,803	131,141	-	(95,279)
Total	1,747	199,344	5,120	661,888	576,846	39,043	(269,004)	639	38,650	2,159	246,660	225,942	311	(197,696)
Financing classified as non-current assets and disposal groups of items that have been classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-

b) Liquidity risk

Liquidity risk in its most significant aspect, the structural aspect, consists of the possibility that, due to the mismatch between the maturity of its assets and its liabilities, the Group may be unable to meet its payment commitments at a reasonable cost, or that it may not be able to provide itself with a stable financing structure capable of supporting its business plans for the future.

The ultimate responsibility for liquidity risk lies with the Board of Directors, with the Assets and Liabilities Committee (COAP), composed of members of the Parent Company's Management, being the competent collegiate decision-making body by delegation of the Board of Directors.

The Group has a Liquidity Risk Management Policy Manual, approved by the Board of Directors of the Parent Company, which establishes, among other aspects, the liquidity risk profile of the entity, the internal risk governance structure, the specific management policies, the description of the main procedures, the identification of the main functions of these procedures and the assignment of responsibilities over them, the description of the main tools used and the management reporting structure. Management involves closely monitoring the maturity mismatches present in the Group's balance sheet, analysing their foreseeable future evolution, including the liquidity factor in business decision-making, using the financial markets to complete a stable funding base and enabling liquidity channels suitable for immediate use in the event of unforeseen extreme scenarios.

The ALCO is responsible for assessing the Group's future liquidity needs. To this end, the Management of the Parent Entity defines the 3-year Financing Plan that is specified in the annual Liquidity Plan. The annual Liquidity Plan defines the wholesale financing issuance strategy, based on the forecasts of liquidity needs that come from the evolution of the business, maturities of issuances and planned investments and divestments of assets. The determination of the volume and type of assets of these operations is carried out according to the evolution of the Group's balance sheet and liquidity position and market conditions and expectations. The Board of Directors of the Parent Company authorises each of the issues to be made.

The COAP monitors the liquidity budget on a biweekly basis. Among other controls, the Parent Entity monitors liquidity indicators and limits on a monthly basis, eligible liquid assets available at the European Central Bank and the capacity to issue covered bonds. In addition, it periodically analyses the results obtained in the liquidity stress exercises carried out to assess the adequacy of the liquidity position under different adverse scenarios, in addition to the levels of activation and status of the measures available within the Group's Liquidity Contingency Plan.

For its part, the Treasury and Capital Markets Department assumes responsibility for going to the financial markets to provide the Group, at a reasonable cost, with stable sources of external financing that compensate for the disintermediation process followed by customers in their investment decisions, as well as the rate of growth of their financing demands.

In addition, the Group is working to keep additional institutional and other financing channels open, to which it can resort in the event of extremely unfavourable liquidity scenarios, so that even in such situations all its payment commitments are guaranteed to be met.

The need to closely monitor the evolution of institutions in this area as a result of the financial crisis unleashed from 2007 onwards, which triggered a complex scenario in terms of liquidity management, has resulted in the proliferation of regulatory reports on the liquidity situation of financial institutions and the development of standardised indicators for the entire sector. To a large extent, the new regulatory reports have replaced the management information that had been prepared, and have become part of the battery of management indicators in terms of liquidity risk.

In this regard, the Group's Risk Appetite Framework for liquidity establishes strategic target levels for the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) regulatory indicators, which are complemented by thresholds and action protocols determined in the event of a breach of the same.

In addition, in terms of Liquidity Risk management, there is a set of additional liquidity indicators that serve to monitor the evolution of the different magnitudes that affect the tolerance to the defined risk.

In addition, with the entry into force of the Supervisory Review and Evaluation Process (SREP), the Parent Entity has been carrying out, since 2015 and on an annual basis, an Internal Liquidity Self-Assessment Process (ILAAP) to assess its ability to comply with liquidity requirements, both in a normal situation and in an adverse scenario. in the short, medium and long term.

Funding structure

The maturities of the nominal values of the wholesale issues faced by the Group as of June 30, 2025 and December 31, 2024 are as follows

30/06/2025	Euro Miles			
	2025	2026	2027	> 2027
Bonds and mortgage bonds	1,000,000	-	-	400,000
Deuda senior preferred	-	-	-	500,000
Deuda senior non-preferred	-	-	1,000,000	-
Securitisations sold to third parties	-	-	-	68,993
Total maturities of wholesale issues	1,000,000	-	1,000,000	968,993

31/12/2024	Euro Miles			
	2025	2026	2027	> 2027
Bonds and mortgage bonds	1,153,846	-	-	400,000
Deuda senior preferred	-	-	-	500,000
Deuda senior non-preferred	-	-	1,000,000	-
Securitisations sold to third parties	-	-	-	77,819
Total maturities of wholesale issues	1,153,846	-	1,000,000	977,819

The Group's available liquid assets and issuance capacity as of June 30, 2025 and December 31, 2024 are as follows:

	Millions of Euros	
	30/06/2025	31/12/2024
Cash and Deposits in Central Banks	3,520	5,156
Tier 1 Tradable Assets (HQLA L1)	6,021	5,295
Other marketable assets eligible by the ECB	445	446
Own degrees	2,045	2,170
Non-Mortgage Loans	3,264	3,675
Subtotal Eligible Assets s/ECB	15,295	16,742
Central Bank Deposits	-	-
Eligible unloaded assets s/ECB	15,295	16,742
Other marketable assets not eligible by the ECB	1,097	1,176
Capacity to issue eligible securities	25,418	24,715
Total	41,810	42,633

c) Interest rate and exchange rate risk

In the performance of their intermediation function, financial institutions assume the discrepancy between the different contractual conditions required by providers and applicants for funds. By complying with these requirements, institutions are exposed to incurring possible losses as a result of the effect that an unfavourable evolution of market conditions may have on their positions opened for this reason.

Specifically, Structural Interest Rate Risk is one of the types of risk identified in the Kutxabank Group's corporate risk typology, within the category of financial risks.

Its scope of management is delimited by the corporate definition of this type of risk coined in the Kutxabank Group. According to this definition, established in the Internal Governance Framework for Risk Management: Structural interest rate risk is defined as the possibility that the Group will incur losses of economic value as a result of the effect of adverse movements in interest rates on its present and future ability to obtain financial margins. Positions attached to the trading activity are excluded from the scope of this type of risk.

This type of risk is affected by four main risk factors:

- Risk of repricing, due to the difference in the maturity or revision of the interest rate of assets and liabilities
- Curve risk, due to the potential change in the slope and shape of the interest rate curve
- Underlying risk, as a result of the imperfect correlation between changes in the interest rates of different instruments with similar maturity and repricing characteristics
- Optionalities in favour of third parties present in some operations. Optionality can be automatic (explicit or implicit) such as floors or ceilings on interest rates, or it can be behavioural, generating, for example, real maturities different from those initially planned, depending on the evolution of interest rates

In accordance with the general risk management policies of the Risk Management Internal Governance Framework, the defence of the Group's value and, therefore, the consolidated management scope, must be the approach with which the Group's global risk profile is managed. The ultimate responsibility lies with the Board of Directors of the Parent Entity, with the Assets and Liabilities Committee (COAP) being the collegiate decision-making body competent by delegation of the Board of Directors in matters of financial risks. In addition, the Parent Entity's COAP establishes the forecast of future interest rates, as well as the review of the hypotheses that allow the modelling of customer behaviour and the scenarios against which the possible impact of variations in the expected rates must be measured.

The Group's strategic guidelines in relation to the management of this type of risk are detailed below, which are specified in various management policies, including the following:

- Structural Interest Rate Risk is intrinsic to the banking business, and its management should not be synonymous with its elimination. The level of openness of the Group's balance sheet to this type of risk must be compatible with the maintenance of a medium-low risk profile in this area
- The Group must have an accurate measurement of its exposure to this risk
- The aforementioned measurement will be based on metrics based on the sensitivity of the economic value and the financial margin to adverse hypotheses, for which a wide and appropriate range of scenarios will be used
- The measurements shall be of sufficient detail to identify the critical elements in obtaining the results, such as the contribution of the main modelled items, the hedging strategies using interest rate derivatives and the explicit or implicit optionality incorporated in the transactions
- The methodologies and models used to measure the Group's exposure to Structural Interest Rate Risk must be adequately documented by the area responsible for the aforementioned measurements
- The information must reach the governing and decision-making bodies responsible for making the main management decisions in relation to this type of risk in an appropriate manner, so that:
 - Ensure that the Group's level of exposure to this type of risk is compatible with its risk appetite in this area

- Ensure that the sign of the Group's exposure to this type of risk is consistent with their expectations about the future behaviour of the yield curve
- In the event that any of the above premises are not met, modify the sign and/or magnitude of exposure to this type of risk

As for the monitoring system, the Group strictly monitors this risk by using different methodologies or measurement techniques following market practices and the recommendations of regulators:

- Analysis of the static Reprice Gap
- Duration analysis
- Inventories of operations subject to optionality
- Scenario simulation: analysis of the Sensitivity of the Net Interest Income and the Economic Value of the balance sheet to different interest rate scenarios, for which thresholds and limits are established for their openness to structural interest rate risk.

Finally, in terms of hedging and mitigation, the Group systematically assesses the advisability of hedging and/or mitigating its level of exposure to this risk, and timely executes actions in this regard, mainly by contracting hedging through derivative instruments.

A different structural risk factor capable of generating the aforementioned losses both in the Group's financial margin and in its economic value is Foreign Exchange Risk, defined as the potential loss that may occur as a result of adverse movements in the exchange rates of the different currencies in which it operates.

The Group maintains assets and liabilities in foreign currency on its balance sheet as a result of its commercial activity, in addition to assets or liabilities in foreign currency that arise as a result of the management it carries out to mitigate exchange rate risk. In this regard, the Group practices a policy of systematically hedging its open positions in foreign currency related to client transactions, so its openness to foreign exchange risk is minimal.

Balance sheet positions in foreign currency have a very small relative weight on the balance sheet, not reaching 1% of assets or liabilities, well below the thresholds that are considered significant.

d) Market risk

Market risk is defined as the possibility that the Group may incur losses in value as a result of the effect of adverse movements of the main financial risk factors (interest rates, exchange rates, quotations, volatilities and prices of goods) on its portfolios of listed securities and derivative instruments (investment and/or trading).

The scope of market risk management includes all changes in value linked to movements in market prices, regardless of whether such movements are due to the evolution of financial risk factors or to changes perceived by the markets in the credit quality of issuers, whether private or public.

This risk is present in all the Group's portfolios, although its impact on earnings and equity may vary depending on the accounting treatment applicable in each case. Its management aims to limit exposure to the type of losses described, as well as to optimise the relationship between the level of risk assumed and the expected profits, based on the management policies set by the Bank's Board of Directors regarding the level of exposure, origin of the risk and its management.

Within the framework of these general policies, the management of market risk is the responsibility of the Assets and Liabilities Committee.

Achieving a high degree of control over market risk requires the implementation of procedures in line with the regulatory trends arising from the New Capital Arrangement, as well as with the best practices commonly accepted by the market. These procedures, approved by the Assets and Liabilities Committee, include aspects such as segregation of duties, control of information, policy of objectives, limits on operations, as well as aspects related to security.

The market risk control function in the Group is integrated within the Financial Area, independent of the business areas, and its main activities are: controlling and monitoring positions with market risk and counterparty lines; calculate the results of the different portfolios on a daily basis; valuing positions independently; regularly reporting market risks to Senior Management; and finally, to control the procedures and assessment criteria as well as the risks of the models used and the review of the boundary structure.

In addition to procedural aspects, market risk control is supported by quantitative tools capable of providing homogeneous measures of risk. The model used is based on the concept of value at risk (VaR), for whose calculation it uses historical simulation and parametric methodologies, derived from the matrix of variances and covariances. The reference VaR is calculated with a historical simulation model, although as a comparison the VaR is also calculated with a parametric model. The VaR model used tries to estimate, with a confidence interval of 99% for the trading book and 97.5% for the overall portfolio, the maximum probable loss that can be derived from a portfolio or set of portfolios over a given time horizon. For trading activities the time horizon is one day and for the global portfolio 10 days.

The validation, or backtesting, of the VaR model used involves the comparison between the percentage of overshoots actually produced with the confidence interval used. An overshoot occurs when a portfolio experiences, for a given time horizon, an actual loss greater than the VaR calculated at the beginning of that time horizon. The time horizons used to perform the validation, or backtesting, are 1 and 10 days. The Bank has regularly carried out the necessary analyses and contrast tests, drawing the same conclusions that allow the reliability of the model to be verified.

The methodology described is complemented by stress testing exercises, in which the behaviour of the portfolios described under exceptionally unfavourable scenarios is simulated. The systematic stress scenarios applied are in line with the recommendations of the Derivatives Policy Group made in 1995 in the Framework for Voluntary Oversight working paper. This document introduces a series of recommendations that make it possible to anticipate the behaviour of the valuation of the portfolio in the face of certain extreme behaviours grouped by risk factor. In addition to these recommended scenarios, stress testing exercises are also carried out based on those historical scenarios with exceptionally unfavourable behaviour for the portfolios under analysis.

For market risk management, the Group has tools that allow effective control of the market risk assumed at all times, in line with the best market practices.

The first half of the year has been highly conditioned by geopolitical conflicts and, in particular, by the trade disputes initiated by the Trump administration. Global growth remains robust and, despite the various fiscal expansion initiatives deployed by the main economic blocs, the aforementioned sources of risk could lead to a more intense economic slowdown than initially expected. The event that introduced a clear distortion in the underlying trend was led by the president of the United States when he announced in early April his strategy of "reciprocal tariffs" to combat what in his opinion had been decades of unfair trade relations, causing a significant spike in volatility (63% of the maximum level recorded during the COVID crisis). Since then, the rhetoric and changes in the levels announced for the different countries and sectors have determined, even above the existing sources of geopolitical conflict, the evolution of the different markets. In the first 6 months of the year, the ECB has cut rates up to 3 times, taking the level of the deposit facility from 3% to 2.25% (2% after the July meeting). For its part, the US Fed has kept rates unchanged in the 4.25%-4.50% range. While the European monetary authority is faced with the search for a balance between keeping inflation at bay and alleviating the lower economic dynamism of its main economic powers, the Fed is trying to resist Trump's pressures, waiting for clearer signals about the evolution of prices and the labour market. with a wide margin to face negative economic scenarios. At the end of the first half of the year, there was a clear increase in the slope of the yield curve. The 12-month Euribor falls below 2.10% from levels above 2.40%. Credit is performing favourably, driven by technical factors related to abundant liquidity, leading to a high level of compression between asset classes and issuers. For their part, the main stock markets have recovered the levels prior to the famous "Liberation Day", accumulating a positive performance so far this year, and with a better performance in Europe compared to the US motivated -in part- by the greater weighting of the financial sector compared to the technological sector, while oil shows a downward trend recently interrupted by the war involving Iran.

The Group does not hold net market risk positions in derivatives held for structural trading, as it closes all its positions in derivatives with clients, either with bank counterparties or with derivatives closed in the opposite direction in organised markets. Even so, in a circumstantial manner, small net market risk positions are taken in derivatives held for trading to which special risk analysis is provided.

During the first half of 2025, the average daily VaR calculated using the parametric model, with a time horizon of one day and a confidence degree of 99%, of the financial assets and liabilities held for trading amounted to €47 thousand (€104 thousand in the 2024 financial year).

The Group's exposure to structural market risk from equity instruments is mainly derived from the holdings held in industrial and financial companies with medium/long-term investment horizons, and is measured, for management purposes, on the basis of the fair value of the equity instruments held by the Group. which amounted to €1,408,882 thousand as of June 30, 2025 (€1,503,973 thousand as of December 31, 2024).

For the calculation of the global VaR, the Historical Simulation model is chosen, based on which the average 10-day VaR, with a degree of confidence of 97.5%, of the investment portfolio has amounted to 121,460 thousand euros (109,962 thousand euros in the 2024 financial year). The results of the calculation of this variable based on the parametric method used for contrast purposes do not differ significantly from those obtained by the simulation method.

e) Operational risk

The Group defines operational risk as the possibility of incurring losses of economic value due to failures, errors, insufficiencies or inadequacies in its processes, systems or personnel, as well as a consequence of external events. Strategic risk is expressly excluded from this definition.

For the management of this risk, the Group has its own methodology, which uses computer tools specifically developed for this purpose. It also has staff dedicated exclusively to this task, located in the Operational Risk Unit, as well as a wide network of those responsible for managing risks of this nature spread throughout the organisation. The entire system is promoted and supervised by the Operational Risk Committee, in which a large part of the Entity's areas are represented.

The Operational Risk Management system is fundamentally composed of the following processes:

1. Recording of operational losses.
2. Qualitative self-assessment of operational risk.
3. Design, provisioning and monitoring of operational risk indicators.
4. Analysis and monitoring of proposals for risk mitigation actions.

The entry into force on 01/01/2025 of the amendments introduced in Regulation (EU) 575/2013 by Regulation 2024/1623 (CRR III) in relation to, among other aspects, the own funds requirements for operational risk has led to a variation in the capital requirements applicable to the Kutxabank Group as of 30 June 2025 for this risk. Based on this, the requirements calculated according to the method of the component of the activity indicator as of that date amount to 274,670 thousand euros (258,374 thousand euros as of December 31 calculated according to the basic indicator method)

22.2 Exposure management to the real estate development sector

With regard to the policies and strategies that the Group has decided to establish to manage its exposure to the construction and real estate development sector, as well as to deal with the evolution of problematic assets in this sector, the following measures should be highlighted:

- Maintain and, if possible, increase the traditional rigor in the control of the provisions of credit operations for real estate development, as well as the monitoring of the marketing and sale of the same.
- To constitute and maintain duly trained a team of specialists in the management of customers with this type of risk, in order to obtain effective results in the recovery of credit operations and/or in the improvement of guarantees on them.

- Likewise, in the face of the real estate crisis, a specific area was created in the field of refinancing and restructuring of credit risk operations, as well as in the management of foreclosed real estate assets. To this end, it has a specialised team of late payment managers.

a) Construction financing, real estate development and home acquisition (Business in Spain)

Certain information regarding the Group's exposure to the construction and real estate development sector is presented below:

	Euro Miles		
	Gross book amount	Excess over the maximum recoverable amount of security rights (*)	Impairment
June 30, 2025			
Construction financing and real estate development (including land)	552,329	183,860	(103,071)
<i>Of which: doubtful</i>	44,188	20,680	(34,410)
December 31, 2024			
Construction financing and real estate development (including land)	547,509	30,383	(99,717)
<i>Of which: doubtful</i>	44,537	7,556	(40,248)

(*) The maximum recoverable amount is considered to be the lower of the value of the guarantee and the gross carrying amount.

The information included in the table above is also shown broken down by type of guarantee:

	Euro Miles	
	Gross book amount	
	30/06/2025	31/12/2024
No real estate guarantee	5,090	4,987
With real estate guarantee		
Completed buildings and other constructions		
Housing	155,470	160,047
Resto	13,551	16,306
	169,021	176,353
Buildings and other constructions under construction		
Housing	250,178	252,558
Resto	489	-
	250,667	252,558
Suelo		
Consolidated urban land	116,077	104,361
Rest of the floor	11,474	9,250
	127,551	113,611
	547,239	542,522
Total	552,329	547,509

The value of the guarantees received and granted in relation to the Group's exposure to the construction and real estate development sector is shown below:

	Euro Miles
	30/06/2025
Guarantees received	
Value of security rights	803,002
<i>Of the one that guarantees doubtful risks</i>	33,697
Value of Other Collateral	-
<i>Of the one that guarantees doubtful risks</i>	-
Total value of collateral received	803,002

	Euro Miles
	30/06/2025
Guarantees granted	499,378
Guarantees granted in relation to construction and real estate development	
<i>Amount recorded in the liabilities of the balance sheet</i>	19,124

Below is the information on the gross amount of financing for construction and real estate development derecognised from the asset because it has been classified as non-performing:

	Euro Miles	
	Gross book amount	
	30/06/2025	31/12/2024
Non-performing assets	1,183,008	1,240,395

The maximum credit risk exposure for "Financial assets at amortised cost" is as follows:

Pro memory:	Euro Miles	
	Book value	
	30/06/2025	31/12/2024
Loans to customers excluding General Government – Business in Spain (carrying amount)	44,126,358	41,954,938
Total Assets – Total Deals (Book Amount)	68,128,641	66,223,894
Impairment and provisions for normal classified exposures – Total business	342,812	316,807

In addition, certain information on the Group's loan for the purchase of housing is presented below:

	Euro miles			
	30/06/2025		31/12/2024	
	Gross book amount	Of which: Doubtful	Gross book amount	Of which: Doubtful
Home Purchase Loans				
No real estate mortgage	106,437	994	112,614	885
With a real estate mortgage	29,919,884	297,083	29,169,426	317,860
	30,026,321	298,077	29,282,040	318,745

The following table presents the LTVs considering the latest available appraisals, in accordance with current regulations:

	Euro Miles				
	LTV Ranges				
	Less than or equal to 40%	Greater than 40% and less than or equal to 60%	Greater than 60% and less than or equal to 80%	Greater than 80% and less than or equal to 100%	Superior al 100%
30/06/2025					
Gross book amount	6,211,832	10,839,580	10,641,578	1,540,346	686,548
Of which: doubtful	29,167	54,340	56,164	44,883	112,529
31/12/2024					
Gross book amount	6,060,885	10,346,180	10,570,674	1,447,118	744,569
Of which: doubtful	28,715	51,097	60,331	50,618	127,099

b) Assets foreclosed or received in debt payment

Certain information on the Kutxabank Group's portfolio of foreclosed real estate assets, other than those intended for own use, is presented below:

	Euro Miles			
	30/06/2025		31/12/2024	
	Gross book amount	Accumulated impairment	Gross book amount	Accumulated impairment
Real estate assets from financing for construction and real estate development	749,087	(735,980)	798,458	(783,260)
Completed buildings and other constructions				
Housing	16,992	(14,872)	18,583	(15,955)
Resto	37,575	(32,381)	42,242	(35,661)
	54,567	(47,253)	60,835	(51,616)
Buildings and other constructions under construction				
Housing	57,039	(57,039)	67,208	(67,111)
Resto	2,756	(2,756)	2,015	(2,015)
	59,795	(59,795)	69,223	(69,126)
Land				
Consolidated urban land	142,203	(139,896)	165,613	(163,655)
Other land	492,522	(489,036)	502,787	(498,863)
	634,725	(628,932)	668,400	(662,518)
Real estate assets from mortgage financing to households for the purchase of housing	76,358	(50,663)	81,223	(53,331)
Other real estate assets foreclosed or received in payment of debts	80,586	(62,707)	79,405	(60,702)
Other foreclosed assets	-	-	-	-
Total foreclosed assets - Business in Spain (*)	906,031	(849,350)	959,086	(897,293)
Total Foreclosed Assets - Overseas Business and Other	-	-	-	-
Total	906,031	(849,350)	959,086	(897,293)

(*) Foreclosed assets classified as "Tangible assets - Real Estate Investments" with a net book value of €4,991 thousand (€7,050 thousand as of December 31, 2024) are included.

**Kutxabank, S.A. and Companies
Dependent
(Consolidated Group)**

Consolidated Interim Summary Management Report for the Six Months Ended June 30, 2025

1. ANALYSIS OF THE ECONOMIC ENVIRONMENT

The **global economy** in the first half of 2025 shows a moderate growth trajectory, but with downward revisions in the growth expected for the year, as a result of the increase in economic policy uncertainty. In this context, the International Monetary Fund (IMF) projects global GDP growth of 2.8%. The global PMI indicator remains expansionary in the services sectors, although manufacturing activity remains contained, due to high energy costs and the fragmentation of international trade. Significant risks remain, such as geopolitical tensions in Ukraine and the Middle East, as well as U.S.-led protectionist policies, which could negatively impact global trade.

The reduction in global inflation, projected at 4.6% by the end of 2025 according to the IMF, is supported by a scenario of price stabilisation, although uncertainty and risks are greater due to possible tariff retaliation and the effects on oil prices of conflicts in the Middle East. However, a further moderation of global inflation is expected to 3.6% in 2026, mainly due to the moderation in the pace of growth in wages and services prices.

In **the United States**, economic growth contracted by 0.5% in the first quarter of 2025, as the dynamism of investment and private consumption of domestic demand was negatively offset by the contraction of external demand. The tariff policies announced after the arrival of the new administration have generated uncertainty, affecting exports and raising import costs. Inflation stands at 2.4%, with pressures from tariffs and rising energy prices. The Federal Reserve (Fed) has kept interest rates elevated, delaying potential cuts until the outlook for lower inflation is consolidated. The labour market shows signs of cooling, with a moderation in nominal wages and a declining household savings rate, which could limit private consumption in the medium term.

In **China**, preliminary GDP growth reached 5.4% in the first quarter of 2025, supported by an expansionary fiscal and monetary policy to stimulate growth. However, protectionism and uncertainty will weigh on economic activity in the medium term. Producer prices, on the other hand, reflect low inflationary pressure, which, together with excess productive capacity, poses challenges for external competitiveness. Trade tensions with the United States and the reorientation of global supply chains add uncertainty to the Chinese economic outlook.

The **Eurozone** accelerates its growth, with GDP increasing by 1.5% in the first quarter of 2025, driven by investment and exports. The manufacturing industry continues to be affected by high energy costs and the uncertainty of global trade. The labour market remains robust, with the unemployment rate at 6.3% in May. Inflation moderated to 2.0%, supported by the slowdown in food and services prices. In this context, the European Central Bank (ECB) cut rates by a quarter point in June 2025, to 2.0%. GDP growth is projected to be 0.9% in 2025, with downside risks stemming from trade fragmentation and weakness in key partners such as Germany.

The **Spanish economy** is beginning to show signs of moderation, although it continues to stand out in the euro area, with GDP growth of 2.8% in the first quarter of 2025, driven by the dynamism of domestic demand, both in private consumption and investment. The labour market continues to show solid dynamism, registering a record number of social security affiliations of 21.8 million employed people in June, and unemployment that continues to fall during the first half of 2025. Inflation, as measured by the CPI, already stands at 1.9% in May, confirming lower inflation in the services sector. Private consumption is growing thanks to the increase in real incomes, while investment benefits from the Next Generation EU Funds. According to the Bank of Spain's latest projections, GDP growth is expected to be 2.4% in 2025, moderating to 1.8% in 2026, with inflation reaching 2.4% in 2025.

In financial markets, uncertainty about global trade policy persists following the ECB's rate cuts. European stock markets have shown a positive performance, but yields on ten-year sovereign debt maintain a moderate upward trend, in the face of the challenges of higher public spending on defence. Risk premiums in peripheral countries, including Spain, remain at low levels. Lending grew by around 2.5% in May, while deposits grew at a faster rate of 5.6%. The outlook points to greater dynamism in consumption and investment, but geopolitical risks and trade tensions could generate greater volatility and negatively affect the performance of the economy.

The economy of the **Autonomous Community of the Basque Country** recorded stable GDP growth of 2.1% year-on-year in the first quarter of 2025, slightly below the national average (2.8%). Domestic demand continues to support growth after growing by 2.4%, mainly private and public consumption, which are driven by improved employment. Gross capital investment grew at 2.2% and indicated a recovery in business sentiment in the face of better economic prospects. The external sector has not yet felt the effects of uncertainty on global trade policies and shows high dynamism in the first quarter of 2025, with exports and imports growing at 5.1% and 5.6%, respectively. Despite the above, the foreign sector shows a negative contribution to growth (-0.3pp).

On the supply side, services continue to be the main driver (2.6%) due to their high weight in the Basque economy and the dynamism of consumption. Construction lost momentum to 1.6%, while the recovery of Industry (0.7%) began, after having marked a minimum at the end of 2024. The primary sector continues on its downward path, maintaining a limited weight in the Basque economy and its greater vulnerability to external factors.

The Basque labour market is showing a dynamic performance, with a growth in the number of employed people of 0.9% in the first quarter of 2025, driven mostly by the services and construction sector. Likewise, the unemployment rate stood at 7.0% in the first quarter of 2025, a significant drop compared to last year. All in all, the unemployment rate in the Basque Country remains among the lowest in Spain, and will continue to support the dynamism of consumption.

Inflation in the Basque Country stood at 2.4% year-on-year in May 2025, with a broad-based downward trend in most components, in line with the moderation of inflation at the national level, thus supporting household consumption.

By 2025, Basque GDP growth is expected to be 2.4%, slightly below the national average (2.5%). The region is well positioned to benefit from the Next Generation EU Funds, and the prospects for higher defence spending, especially on industrial and innovation projects, and lower financing costs will support investment. However, the risks are skewed to the downside due to the greater uncertainty regarding US trade policy, and the impact on trade on the Basque Country's main trading partners, which could affect demand for industrial exports.

On the other hand, the **Andalusian economy** maintains solid growth, with GDP growth of 3.1% year-on-year in the first quarter of 2025. This dynamism, slightly higher than the national average (2.8%), is mainly based on the strength of domestic demand. In this context, private consumption grew at 3.8% and investment advanced at 4.0%, the latter driven by the Next Generation EU Funds and the fall in interest rates. For its part, the foreign sector also has a positive contribution, with exports and imports of goods and services growing at rates of 3.9% and 4.4%, respectively.

On the supply side, all sectors showed significant dynamism in the first quarter of 2025. Agriculture led the growth with an acceleration to 6.7%, benefiting from more favourable weather conditions, while construction and industry grew at a rate of 4.0% and 3.4%, respectively. Finally, the services sector maintained its growth rate of around 3.0%, driven mainly by tourism.

The Andalusian labour market shows a favourable evolution, with an increase in Social Security affiliation of 2.5% year-on-year in May 2025. The public sector, professional activities, hospitality and commerce once again led the advance in affiliation so far this year. The unemployment rate remains stable and reaches 16.1% at the beginning of 2025. In this context, the high unemployment rate in Andalusia continues to reflect structural challenges, such as dependence on low-productivity sectors and the scarcity of human capital.

For its part, inflation fell and reached 2.1% year-on-year in May 2025, where the moderation is mainly observed in services prices, which will support the recovery of households' purchasing power.

By 2025, Andalusian GDP is expected to grow by around 2.7%, exceeding the national average. The strength of domestic demand and sectors such as tourism add to the recovery of the agricultural sector and the boost of European funds, which will continue to support regional growth. However, growth could moderate towards 2026 due to the expected slowdown in the tourism sector and public consumption.

Risks remain related to weak European demand and possible impacts of U.S. tariff policy. In structural terms, there is still a need to advance policies that encourage investment and the formation of human capital to diversify the economy.

2. BUSINESS EVOLUTION

Since its inception in 2012, **the Kutxabank Group**, the result of the integration of the three Basque savings banks (BBK – and Cajasur as part of its Group – Kutxa and Vital) has managed to establish itself among the group of medium-sized institutions in the Spanish financial sector. Since then, the bank has managed to consolidate its successful local banking model based on the retail and SME

sector, on the special roots and commitment to its territories of origin and on the strong social content of its activity. Not forgetting the support and accompaniment to businesses and companies.

Propósito

Contribuir a la sostenibilidad y el progreso económico y social de las personas, empresas y comunidades a las que servimos.

Misión

Damos lo mejor de nosotras y nosotros, a personas y empresas, para que tomen las decisiones financieras más acertadas en todo momento.

Valores

Excelencia construida desde un **trabajo riguroso**, una trayectoria **confiable** y una apuesta por la **innovación**.

Cercanía expresada a través de una comunicación **clara, transparente y sencilla**.

Compromiso, a través de nuestro trabajo, con las relaciones a **largo plazo** con nuestros **clientes**, las **comunidades a las que servimos** y la **sostenibilidad**.

Respeto por las **personas** y la **diversidad**, que se traduce en una **cultura de trabajo sana y productiva para los equipos**.

With the aim of completing the Group's integration process and within the framework of the 2025-2027 Strategic Plan, the Boards of Directors of Kutxabank, S.A. and Cajasur Banco, S.A.U. on 29 and 30 April 2025, respectively, approved the Common Merger Project by which the integration of both entities is envisaged through the absorption of Cajasur by Kutxabank. under the terms provided for in Royal Decree-Law 5/2023 and in accordance with the simplified regime contemplated in Article 53 of the Law on Structural Modifications, as Kutxabank holds 100% of the share capital of Cajasur.

The merger, which to date is conditional on authorisation by the Ministry of Economy, Trade and Business, will allow to continue strengthening the brand unity at the national level, consolidating the technological platform, and maximising commercial, operational and people management synergies, while simplifying regulatory and supervisory requirements.

In relation to the evolution of the Kutxabank Group's business in the current financial year, in the first half of 2025, economic activity has developed in an environment characterised by growing uncertainty and geopolitical complexity, being conditioned by the ups and downs of trade tensions and uncertainty in the tariff field. Despite the incipient signs of moderation in global economic activity as well as in the US economy, resulting from high uncertainty and in a context in which the disinflation process continues its course supported by the fall in energy prices, in the Eurozone, the medium-term macroeconomic scenario has remained relatively stable.

In the first six months of the year, divergences in the inflation and growth outlook at the international level have prompted the adoption of differentiated monetary policies. In the case of the Euro area, the European Central Bank has continued with the path of cuts in official interest rates that began in June 2024, accumulating several additional cuts in 2025.

Finally, this same environment of contrasts, a less synchronised global economy and a fall in the dollar against the euro so far this semester, has led to a volatile environment in relation to the financial markets.

In this context, the Kutxabank Group has faced the current situation by focusing on boosting commercial activity and results, achieving a good level of compliance with the objectives set for the first half of the year. The relevance of its key banking products is evident, supported by the good performance of off-balance sheet funds, without forgetting the focus on financial support for families, businesses and companies. The continuation of the drop in interest rates and strong commercial activity has made it possible to consolidate the recovery in mortgage production already evident in the 2024 financial year and to continue growing in the wholesale business in the face of growth in investment. In addition, the Group has promoted other strategic

objectives such as a firm commitment to digital transformation or a commitment to ESG policies and the marketing of green products¹.

All this based on the solid foundation provided by its low risk profile and its strong solvency and liquidity position that has been once again recognised by the authorities and the market. The latest results of the Transparency Exercise carried out by the European Banking Authority in 2024 confirm that Kutxabank remains in the leading positions in solvency, with one of the best indices in the entire system. This report also reveals Kutxabank's clear leadership position in leverage and efficiency ratios, as well as significant progress in the rest of the Group's indicators. The NPL ratio is reduced, being the lowest in the sector at the national level, and consolidates its leadership in terms of asset quality. The strength of its business model is also reflected in the containment of market risk, the quality of its credit exposures and limited exposure to sovereign risk, as well as the positive evolution of non-performing loans and refinanced exposures.

In addition, according to the "SREP Decision" issued by the European Central Bank, Kutxabank must maintain a capital requirement in 2025, identical to that of the last seven years and which places it as the lowest among the Spanish financial institutions evaluated, and the third lowest in Europe. On the other hand, according to the analysis of the Single Resolution Board, Kutxabank has one of the lowest minimum requirements for own funds and eligible liabilities (MREL) in the Spanish and European financial system. The analysis shows that Kutxabank complies with the terms established for the 2025 financial year, both for its high level of solvency and for having made the eligible issues to comply with the MREL requirements. The result for Kutxabank of the analysis of the Single Resolution Board reflects the positive view of the resolution strategies that the Group could adopt, as well as the confidence in its solvency levels and financial capacity.

Similarly, it is noteworthy that the rating agencies maintain the recognition of the Group's good situation, as the entity ends the semester with its ratings at the top of the Spanish banking sector. In January 2024, the international agency Morningstar DBRS raised the Kutxabank Group's rating from A (Low) to A, placing its outlook at stable, confirming this same A rating again in January 2025. For its part, Moody's in March 2024 upgraded the Group's rating outlook from stable to positive. Likewise, the international agency Fitch Ratings has raised Kutxabank's outlook from stable to positive in February 2025. All the agencies highlight in their assessment the solid capital position, well above the regulatory minimums, its solid franchise in the Basque Country, the diversification of revenues from its insurance and asset management businesses, and the quality of its risks.

Likewise, Morningstar Sustainalytics' ESG Risk rating evaluated Kutxabank's performance in environmental, social and corporate governance matters, consolidating the entity within the top 1% of companies and 2% of banks worldwide. The Kutxabank Group's sustainability risks were in the best-rated category, as Morningstar Sustainalytics considers them to be "negligible", and that the overall management of the ESG area is sound. Along the same lines, in 2024, for the second consecutive year, the Group's subsidiary company, Kutxabank Gestión, S.G.I.I.C., S.A., obtained the highest recognition of the Principles for Responsible Investment (PRI), promoted by the United Nations, in the assessment of its strategy and governance of responsible investment, thus occupying a place of reference in the field of socially responsible investment. both nationally and internationally.

¹ Internal definition based on the Entity's Internal Sustainable Financing Framework.

Main figures of the Kutxabank Group

DATOS FINANCIEROS

RESULTADOS (miles de €)	jun-25	jun-24	Δ% interanual
Margen de Intereses	608.239	686.684	(11,4)
Margen Básico	871.351	935.854	(6,9)
Ingresos Core Negocio Bancario	942.179	1.007.661	(6,5)
Margen Bruto	991.388	990.098	0,1
Margen de Explotación	623.160	647.200	(3,7)
Resultado del Ejercicio	332.437	263.669	26,1

BALANCE (miles de €)	jun-25	dic-24	Δ% semestral
Activo Total	68.128.641	66.223.894	2,9
Inversión Crediticia Neta	49.550.103	47.244.565	4,9
Inversión Crediticia Bruta	50.863.222	48.518.960	4,8
Depósitos de la Clientela	54.337.576	52.825.319	2,9
....Depósitos Clientela exFinanciación Mayorista	54.337.576	52.667.905	3,2
....Financiación Mayorista	0	157.414	(100,0)
Recursos gestionados Fuera de Balance	39.224.499	36.785.038	6,6
Total Recursos de Clientes Gestionados	93.562.075	89.452.942	4,6

RA TIOS FINANCIEROS jun-25

MOROSIDAD	%
Tasa Morosidad (*)	1,14
Tasa Cobertura (*)	123,13
Tasa Morosidad del Crédito	1,17
Tasa Cobertura del Crédito	121,10

EFICIENCIA	%
Gastos de explotación s/ATMs	1,10
Índice de eficiencia	37,14

RENTABILIDAD	%
ROA (**)	0,90
ROE (**)	9,84

OTROS DATOS	GRUPO KUTXABANK	Kutxabank	Cajasur
Nº Empleados (***)	5.127	3.635	1.492
Nº Oficinas	620	418	202
Nº Cajeros	1.319	1.044	275

RA TING EMISOR DEUDA SENIOR PREFERENTE	Largo plazo	Corto plazo
Fitch	A-	F2
Moody's	A3	P2
DBRS	A	R-1 (low)

(*) Incluye crédito y riesgos contingentes

(**) Ratios calculados como medias móviles de los últimos cuatro trimestres estanca.

(***) El dato de plantilla se refiere a los empleados de la actividad financiera desarrollada por Kutxabank S.A y Cajasur Banco S.A

Income Statement

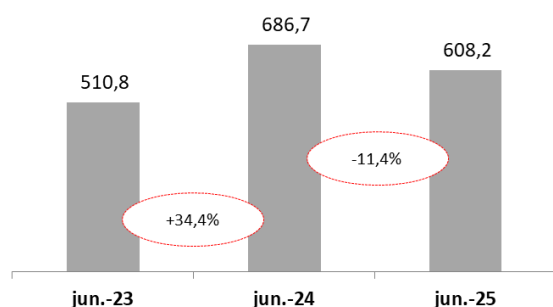
The Kutxabank Group closed the first half of the year with a **profit of €332.4 million**, 26.1% more than the result achieved in June 2024 and above forecasts.

The evolution of the first half of the 2025 financial year takes place in a context marked by the downward evolution of official interest rates in the Eurozone and the continuity in the path of cuts in them initiated in the second half of 2024 that the European Central Bank has followed throughout the 2025 financial year. The 1-year Euribor closed June at 2.081% (monthly average), below the same month in 2024 and with a negative year-on-year effect of -1.569%.

Miles de €	jun.-25	jun.-24	Δ%
Margen de Intereses	608.239	686.684	(11,4)
Ingresos por servicios	263.112	249.170	5,6
Margen Básico	871.351	935.854	(6,9)
Ingresos por dividendos	46.843	66.534	(29,6)
Resultados de entidades valoradas por el método de la participación	14.211	2.463	477,0
Resultados netos de operaciones financieras y diferencias de cambio	8.433	5.802	45,3
Otros resultados de explotación	50.550	(20.555)	(345,9)
Margen Bruto	991.388	990.098	0,1
Gastos de administración	(343.423)	(321.630)	6,8
Amortización	(24.805)	(21.268)	16,6
Margen de Explotación	623.160	647.200	(3,7)
Dotación a provisiones (neto)	(95.589)	(159.628)	(40,1)
Pérdidas por deterioro de activos financieros	(29.352)	(2.385)	1.130,7
Pérdidas por deterioro del resto de activos	(25.803)	(64.352)	n.a.
Otras ganancias y pérdidas	21.325	(77.926)	(127,4)
. Deterioro de activos no corrientes en venta (activo material)	(15.448)	(91.837)	(83,2)
. Resto de otras ganancias y pérdidas	36.773	13.911	164,3
Resultado antes de Impuestos	493.741	342.909	44,0
Impuestos sobre beneficios	(161.094)	(79.137)	103,6
Resultado Neto del Ejercicio	332.647	263.772	26,1
Resultado atribuido a la minoría	(210)	(103)	103,9
Resultado Atribuido al Grupo	332.437	263.669	26,1

* 2024 se presenta, única y exclusivamente, a efectos comparativos

In this environment marked by interest rates, the bank's **net interest income**, although it has experienced a foreseeable reduction compared to the previous year of 11.4%, has been above the interest income achieved in 2023 in an environment of high rates, reaching 608.2 million euros.



Net interest income amounted to €608.2 million.

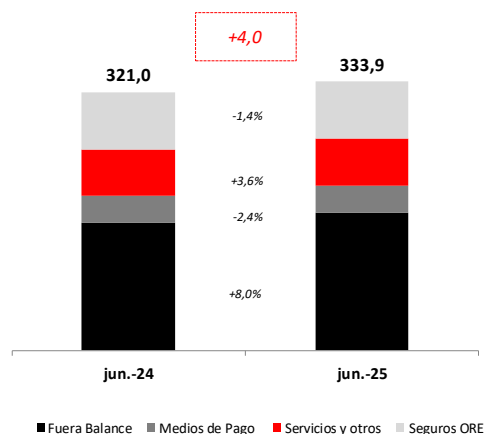
The 1-year Euribor closed the first half at 2.081%.

On the other hand, the weight of Public Debt in interest income remains low. In this context, it should be remembered that, for reasons of management orthodoxy, and in relation to public debt instruments on the balance sheet, the "carry trade" or interest rate arbitrage between the ECB's intervention rate and the yield on public debt has been insignificant at Kutxabank.

Service revenue, together with income related to insurance activity (mostly included under the heading Other operating income) amounted to €333.9 million, 4.0% above the first half of 2024. It is worth noting the intense commercial effort that is reflected in the increase in revenues related to off-balance sheet funds, which grew by a significant 8%, as well as income from other services, which increased by 3.6%. Revenues related to the insurance business (mostly included under the heading "Other operating income") amounted to €70.8 million in the first half of the year, practically at the same level as in 2024.

Service revenues and insurance-related revenues recorded in ORE amounted to €333.9 million.

Of particular note are revenues related to off-balance sheet funds, which grew by 8%.



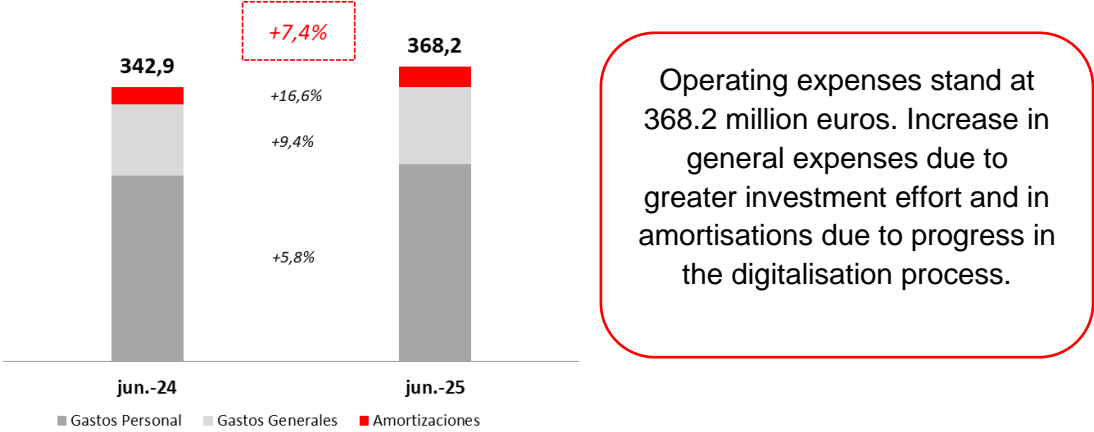
Thus, **the core revenues of the banking business** as a sum of the basic margin (net interest income and service income) and the income from the insurance activity recorded in ORE, reached 942.2 million euros, 6.5% below June 2024 although better than forecasts.

The positive contribution of results from the **portfolio of investees** maintains its traditional strength. The contribution of recurring results derived from the collection of dividends and the contribution of associates stood at €61 million, a contribution similar to that recorded in the first half of 2024 despite the distribution of equity instruments from the portfolio "Financial assets at fair value through other comprehensive income" as a dividend in kind amounting to €400 million to the bank's shareholders; which has led to a decrease in dividend income received by the Kutxabank Group, offset by the contribution to the results of the associates.

Other **operating income includes** the aforementioned positive contribution from the **insurance business**, €70.8 million. The maintenance of the significant turnover of the insurance business is motivated by the intense and successful commercial activity generated in this line of business, one of the main objectives of the Group's Strategic Plan, which involves accompanying customers in all their insurance needs.

On the other hand, this Other operating income item includes, in negative, the tax on deposits to customers. In addition, in 2024 this item included the special tax on banks for an amount of 71.8 million euros, a concept that after its change in nature, basis and method of calculation in the 2025 financial year is now included for a significantly lower amount under the heading Income tax for a cumulative amount up to June of 16.5 million euros. Thus, after the **result for financial transactions and exchange differences** (+€8.4 million) has been allocated, **Gross Income** reached €991.4 million, 0.1% higher than in 2024. This result demonstrates the muscle and strength of the Group's recurring revenues.

Operating **expenses**, 368.2 million euros, rose by 7.4%, in line with expectations. Personnel expenses increased by 5.8% compared to the previous year and general expenses, on the other hand, increased by 9.4% compared to 2024 due to the greater investment effort. For its part, amortisations stand at 24.8 million, 16.6% above 2024 as the Group's digitalisation process continues.



As a result, operating **income** stood at €623.2 million.

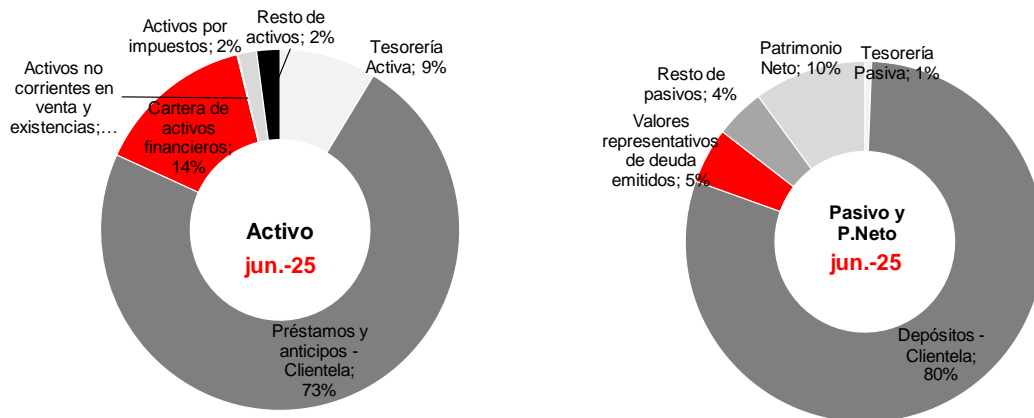
With regard to the levels of **loan-loss provisions** and other assets, the amounts allocated amount to €166.2 million, a significant amount but which represents a reduction of close to 50% compared to the provisions in the first half of 2024. During the 2024 financial year, there were various judgements by the Court of Justice of the European Union and the Supreme Court regarding claims for mortgage expenses or floor clauses, which led the Group to strengthen the provisions constituted for present and future claims. Likewise, a considerable effort was made to strengthen the coverage of all foreclosed assets, inventories and real estate investments with a certain age on the balance sheet. The level of write-downs achieved by the Group in 2024 has meant that, despite the fact that the Kutxabank Group continues to be prepared for the demanding macroeconomic, regulatory, regulatory and judicial environment it faces, the volume of write-downs recorded as of June 2025 has been significantly reduced compared to the same period of the previous year.

After including income from the sale of real estate and shares recorded in "Other gains and losses" (+€36.8 million), the profit before tax rose to €493.7 million.

With all this, once the taxation of results and other tax concepts such as tax on fees and bank interest have been considered, the Group's **consolidated profit** amounts to €332.4 million, 26.1% more than in June 2024. The Cajasur Group contributed €35.8 million to this result.

Balance Sheet

At the end of June 2025, the **total size of the Kutxabank Group's Balance Sheet** amounted to €68,129 million, 2.9% higher than the figures for December of the previous year.



On the **asset side**, 73% of the balance sheet corresponds to Loans and advances to customers, an item that shows a significant increase of €2,218 million, +4.7% compared to 2024. This increase is offset by the decrease in the heading "Cash, cash balances in central banks and other demand deposits", which experienced a negative variation of €825 million, thus reducing the percentage of the Active Treasury on the bank's balance sheet. There was an increase in the positions in the fixed income portfolio, in the different items of "Debt securities", which grew by €683 million in the year, while the positions in the equity portfolio experienced a slight reduction of €80 million.

On the **liability** side, the weight of customer deposits reached 80% of the balance sheet, increasing by 2.9% compared to December 2024. Including off-balance sheet customer funds, our customers' total funds under management amounted to €93,562 million, a significant increase of 4.6% compared to the end of the previous year. On the other hand, the bank's passive cash remained at similar levels compared to the end of the previous year, while the heading "Other financial liabilities" increased by €207 million. The rest of the liability items do not show significant changes in balances compared to December 2024.

Miles de €	jun.-25	dic.-24	Δ%
Efectivo,saldos en efectivo en bancos centrales y otros depósitos a la vista	5.215.163	6.039.906	(13,7)
Activos financieros mantenidos para negociar	49.175	39.089	25,8
Activos financieros no destinados a negociación valorados obligatoriamente a valor razonable con cambios en resultados	46.799	40.911	14,4
Activos financieros designados a valor razonable con cambios en resultados	0	0	n.a.
Activos financieros a valor razonable con cambios en otro resultado global	3.936.435	4.475.618	(12,0)
Activos financieros a coste amortizado	56.127.121	52.704.285	6,5
Valores representativos de deuda	5.600.741	4.483.253	24,9
Préstamos y anticipos	50.526.380	48.221.032	4,8
. Préstamos y anticipos - Entidades de crédito	713.765	626.206	14,0
. Préstamos y anticipos - Clientela	49.812.615	47.594.826	4,7
Derivados- contabilidad de coberturas	10.257	16.343	(37,2)
Inversiones en negocios conjuntos y asociadas	162.161	147.487	9,9
Activos amparados por contratos de seguros y reaseguro	30.361	29.794	1,9
Activos tangibles	746.914	755.663	(1,2)
Activos intangibles	496.665	504.492	(1,6)
Activos por impuestos	1.146.973	1.310.481	(12,5)
Otros activos	108.751	105.015	3,6
<i>de los que existencias</i>	<i>6.135</i>	<i>5.458</i>	<i>12,4</i>
Activos no corrientes y grupos enajenables de elementos que se han clasificado como mantenidos para la venta	51.866	54.810	(5,4)
TOTAL ACTIVO	68.128.641	66.223.894	2,9
Pasivos financieros mantenidos para negociar	42.457	39.956	6,3
Pasivos financieros a coste amortizado	58.897.863	57.188.876	3,0
. Depósitos - Bancos centrales	0	0	n.a.
. Depósitos - Entidades de crédito	419.551	382.255	9,8
. Depósitos - Clientela	54.337.576	52.825.319	2,9
. Valores representativos de deuda emitidos	3.393.246	3.440.349	(1,4)
. Otro pasivos financieros	747.490	540.953	38,2
Derivados- contabilidad de coberturas	273.610	249.274	9,8
Pasivos amparados por contratos de seguro o reaseguro	583.033	578.630	0,8
Provisiones	701.079	664.007	5,6
Pasivos por impuestos	459.713	428.626	7,3
Otros pasivos	299.961	245.945	22,0
TOTAL PASIVO	61.257.716	59.395.314	3,1
Fondos propios	6.224.510	6.196.444	0,5
Otro resultado global acumulado	641.419	631.789	1,5
Intereses minoritarios	4.996	347	1.339,8
TOTAL PATRIMONIO NETO	6.870.925	6.828.580	0,6
TOTAL PATRIMONIO NETO Y PASIVO	68.128.641	66.223.894	2,9

* 2024 se presenta, única y exclusivamente, a efectos comparativos

Kutxabank Group's **Net Customer Lending** ended June 2025 with €49,813 million, an increase of 4.7% compared to December 2024. This growing trend is supported by the items "Secured debtors" (+758 million), "Other term debtors" (+786 million) and "Demand debtors" (+669 million). On the other hand, credit to the "Public Sector" grew by 2.5% (+133 million).

Miles de €	jun.-25	dic.-24	Δ%
SECTOR PRIVADO	45.450.413	43.239.340	5,1
Deudores garantía real	32.903.077	32.145.459	2,4
Otros deudores a Plazo	9.183.623	8.397.703	9,4
Deudores a la vista	1.898.197	1.229.566	54,4
Crédito Comercial	770.305	723.942	6,4
Arrendamientos financieros	112.857	113.593	(0,6)
Activos dudosos	582.354	629.077	(7,4)
SECTOR PUBLICO	5.412.809	5.279.620	2,5
Sector Público - situación normal	5.407.992	5.279.612	2,4
Activos dudosos Sector Público	4.817	8	60.112,5
INVERSION CREDITICIA BRUTA	50.863.222	48.518.960	4,8
Ajustes por valoración	(1.313.119)	(1.274.395)	3,0
INVERSION CREDITICIA NETA	49.550.103	47.244.565	4,9
Otros activos financieros	262.512	350.261	(25,1)
<i>de los cuales anticipos distintos de préstamos dudosos</i>	6.553	6.002	9,2
CRÉDITO A LA CLIENTELA (*)	49.812.615	47.594.826	4,7
<i>Promemoria: Inc. Cred. Bruta exdudosos</i>	<i>50.276.051</i>	<i>47.889.875</i>	<i>5,0</i>

(*) Se considera solamente el crédito a la clientela incluido en la cartera de activos financieros a coste amortizado.

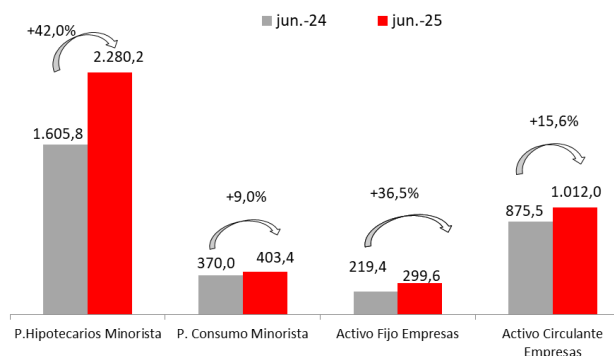
In the first half of the 2025 financial year, the Kutxabank Group has recorded a volume of mortgage loans of more than 2,280 million euros, 42.0% above the same period in 2024, in a context marked by successive reductions in interest rates by the European Central Bank and in a highly competitive market.

There has also been dynamism in the new contracting of consumer loans, the volume contracted so far this year reaches 403 million euros, 9.0% higher than that accumulated in the first half of the previous year.

Similarly, the good performance of activity in the business banking business continues, with regard to new hiring, in fixed assets, it is worth highlighting a growth of more than 36%, while in current assets, growth is more than 15%. Between fixed and current asset contracts, new formalisations exceeded 1,300 million euros in the first half of the year. In this area, there has also been significant progress in the diversification of resources and products, in addition to the maintenance of a high level of quality in the loan portfolio. In addition, a significant boost has been made in the integration of sustainability into the business.

New mortgage loans reached €2,280 million in the first half of the year and grew by 42.0% over the same period of the previous year.

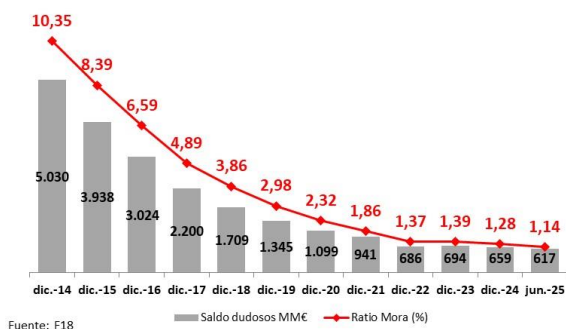
Hiring in Companies exceeds 1,300 million in the first six months of the year.



The Kutxabank Group's **NPL ratio** has evolved downwards during the first half of the year, closing below December. The balance of non-performing assets, including contingent risks, decreased by €42 million and the NPL ratio closed June at 1.14%, close to 14bp less than the ratio at the end of

2024. If the prudential definition of non-performing loans established by Regulation 575/2013 were considered, the Kutxabank Group's NPL ratio would amount to 1.34%.

All this confirms the maintenance of a level of credit quality, well above the average for the financial sector, which closed April 2025 (latest available data) with a non-performing loan ratio of 3.18% for "Loans to Other Private Sectors", 201bp above the bank's comparable loan default rate, which amounts to 1.17%. In this way, the Kutxabank Group reaffirms its solid position to face potential negative economic impacts in the future, in addition to exposure to moratoriums and guaranteed financing well below the sector average and a robust management model.



The NPL ratio, including contingent risks, stands at 1.14%, well below the sector average.

Managed Customer Funds, excluding wholesale issuances, amounted to €93,562 million, an increase of 4.6% compared to December 2024. Customer deposits (excluding covered bonds) grew by 3.2%, supported by the positive performance of demand deposits, which increased by €1,704 million compared to December 2024, representing an increase of +4.2%.

The volatility in the financial markets derived from the uncertainty about global trade policy has not slowed down the excellent performance of both investment funds and pension plans, whose growth is the result of the successful management that the entity has carried out in the area of off-balance sheet funds. with delegated portfolios as a fundamental tool and taking advantage of the rate situation to be able to provide other investment alternatives to the most conservative customers with the issuance of Horizon funds.

That is why off-balance sheet funds have grown by 6.2% in gross terms compared to December of the previous year.

On the one hand, balances in mutual funds have grown by 7.9% and those managed in the delegated portfolio system have increased by 6.6% in the first six months of the year.

The Group maintains its market share in funds at 7.4%.

On the other hand, pension plans have shown an increase of 1.8%, maintaining and increasing market leadership in this area, with a share that is close to 50% in the case of individual EPSVs.

In this way, the bank's firm commitment to investment and pension funds, together with the excellent work in their management, places the Kutxabank Group as the fourth largest manager in Spain.

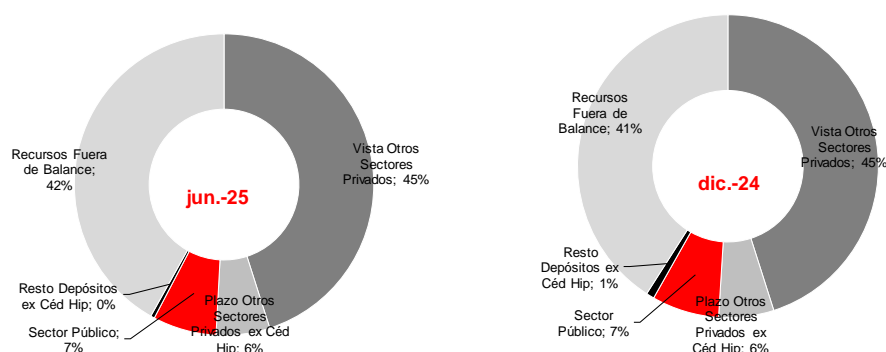
Miles de €	jun.-25	dic.-24	Δ%
OTROS SECTORES PRIVADOS	47.914.898	46.175.711	3,8
Depósitos a la vista	42.221.401	40.517.705	4,2
Depósitos a Plazo (ex cédulas hipotecarias)	5.432.930	5.326.160	2,0
Cesión Temporal Activos	153.033	207.319	(26,2)
Ajustes por valoración	107.534	124.527	(13,6)
SECTOR PUBLICO	6.422.678	6.492.194	(1,1)
OP MDO MONETARIO ENTIDADES CONTRAPARTIDA	0	0	n.a.
DEPÓSITOS DE LA CLIENTELA EX- FINANC MAYORISTA	54.337.576	52.667.905	3,2
Cédulas Hipotecarias	0	157.414	(100,0)
DEPÓSITOS DE LA CLIENTELA	54.337.576	52.825.319	2,9

Miles de €	jun.-25	dic.-24	Δ%
Fondos de Inversión	21.728.246	20.138.731	7,9
EPSVs y Fondos de Pensiones	9.059.050	8.900.603	1,8
Carteras de Clientes gestionadas discrecionalmente	13.033.978	12.232.724	6,6
Comercializados pero no gestionados por el Grupo	121.614	108.929	11,6
RECURSOS GESTIONADOS FUERA DE BALANCE (*)	43.942.888	41.380.987	6,2

Miles de €	jun.-25	dic.-24	Δ%
Depósitos de la Clientela Ex - Financiación Mayorista	54.337.576	52.667.905	3,2
Recursos gestionados Fuera de Balance (*)	39.224.499	36.785.038	6,6
RECURSOS DE CLIENTES GESTIONADOS	93.562.075	89.452.942	4,6

(*) En el cuadro superior se incluyen los Recursos Fuera de Balance brutos de inversiones duplicadas; en el cuadro inferior se presentan netos de tales inversiones.

Graphs Distribution of Managed Customer Resources and Off-Balance Sheet Resources



The Kutxabank Group also maintains a **portfolio of financial assets** of €9,751 million, of which €7,926 million are fixed-income securities, an increase of 9.4% compared to December 2024. Capital instruments, on the other hand, both those "not intended for trading measured at fair value through profit or loss" and "designated at fair value through other comprehensive income" as well as "Investments in joint ventures and associates", represent €1,824 million, a decrease of 4.2% compared to the end of the previous year. This decrease was mainly due to the distribution of equity instruments in the portfolio "Financial assets at fair value through other comprehensive income" as a dividend in kind to the entity's shareholders. This portfolio is the result of the entity's commitment to the industrial and social fabric of the environment. Although, in general, investments are strategic in nature with a clear vocation for permanence, this does not prevent the portfolio from being subject to a process of continuous review, always in line with the cycles of the projects in which it participates and adjusted to capital levels and also managing concentration risk.

Miles de €	jun.-25	dic.-24	Δ%
Activos fros mantenidos para negociar			
<i>Valores representativos de deuda</i>	4.414	0	100,0
Activos fros no destinados a negociación valorados obligatoriamente a VR con cambios en resultados			
<i>Instrumentos de patrimonio</i>	34.223	27.519	24,4
<i>Valores representativos de deuda</i>	12.576	13.392	(6,1)
Activos fros a valor razonable con cambios en otro resultado global			
<i>Instrumentos de patrimonio</i>	1.628.017	1.729.316	-5,9
<i>Valores representativos de deuda</i>	2.308.418	2.746.302	(15,9)
Activos fros a coste amortizado			
<i>Valores representativos de deuda</i>	5.600.741	4.483.253	24,9
Inversiones en negocios conjuntos y asociadas	162.161	147.487	9,9
CARTERA DE ACTIVOS FINANCIEROS	9.750.550	9.147.269	6,6

In relation to the heading **Debt securities issued**, there have been no significant changes in the first half of the year.

Finally, the Kutxabank Group's **Net Worth** at the end of June 2025 amounted to around €6,871 million, 0.6% higher than at the end of the previous year.

This solid position maintains the Kutxabank Group as one of the most capitalised entities in Europe, a strong position that has been achieved without resorting to public aid of any kind, nor to capital raising or hybrid instruments placed on the market, nor, of course, among customers. Thus, in the Transparency Exercise carried out by the European Banking Authority in 2024, the Kutxabank Group was once again at the forefront of the Spanish financial sector in terms of top-quality capital (CET1).

Miles de €	jun.-25	dic.-24	Δ%
Fondos propios	6.224.510	6.196.444	0,5
Capital Social	2.060.000	2.060.000	0,0
Reservas	3.832.073	3.838.335	(0,2)
Resultado atribuido al grupo	332.437	535.806	(38,0)
Dividendo a cuenta	0	(237.697)	(100,0)
Otro resultado global acumulado	641.419	631.789	1,5
Intereses minoritarios	4.996	347	1.339,8
PA TRIMONIO NETO	6.870.925	6.828.580	0,6

3. **COMMERCIAL ACTIVITY**

Mortgage financing:

The downward trend in the Euribor during the first half of the year, together with the increase in demand for home purchases, has encouraged the Kutxabank Group to remain one of the leading entities in the mortgage sector. Despite the fact that competition has intensified with very aggressive price offers, it has not been an impediment to maintaining the Group's strength in the **mortgage market**, which has led it to formalise a total of 11,800 mortgage transactions in the first half of 2025 for an amount of more than 2,280 million euros.

The Group has a wide range of products for housing, which is characterised by the range of mortgages marketed, with different options in terms of fixed, mixed or variable interest rates, repayment terms or payment methods. It also has the most extensive and flexible rebate plan on the market, which is also aligned with the bank's commitment to the defence of the environment and energy sustainability. Along these lines, this semester the marketing of the Efficient PH has been launched, which subsidises the obtaining of an A or B rating in the CEE of the home, as well as the progress of at least two letters in the CEE as a result of reform or rehabilitation works carried out by the client. This means that the Kutxabank Group has been a pioneer in including a bonus that rewards actions to improve the energy rating of the homes in its portfolio within its mortgage package.

Continuing with the digital era and the new business opportunities that have arisen in recent times, the collaboration agreements that the entity has with several Financial Portals, which are Real Estate Credit Intermediaries, stand out once again. These agreements respond to the high digital demand, as well as being an important way of attracting new customers who demand a remote service, always supported by the branch network. At this point, the role of the Digital Office is also essential, managing a large volume of operations in a personalised way, always seeking to improve processes. In view of the good results of this office, in March of this year a counterpart office was opened in Cajasur to respond to requests from Andalusia.

Mortgage prescribers highlight the attractiveness of the bank's offer, thanks to a flexible package that is adaptable to the needs of the customer's life cycle and position the Group among the leading banks in the mortgage market. The bank continues to be committed to these collaborations and in order not to be left out of the market, a review of the economic conditions set out in the collaboration agreements has been carried out, in the same way that process automation continues to be prioritised. All this has allowed the volume formalised with these origins to grow by 97% in the Kutxabank Group compared to the same half of the previous year, accounting for approximately 15% of the total volume signed in the Retail Network.

In mortgage matters, we continue to maintain digital content aimed at capturing business opportunities, such as the Housing Guide, simulators, the New Construction Landing or the Landing Mortgage Process.

The contracting carried out by the commercial network through the Vcard digital tool continues to stand out, representing practically 23% of total contracts, generating a volume of more than 606 million euros thanks to the proactivity of the network. Since 2018, we have accumulated a volume of 4,000 million euros in mortgage loans formalised with Vcard origin.

As for the forms received through our digital mortgage content (simulators, housing guide, etc.), they have involved a formalisation of 308 million euros, which represents 12% of the total.

In total, more than 1,260 million euros have been formalised in mortgage loans with digital origin (Vcard, PH Web and Portales). This represents 48% of the total volume contracted in the Kutxabank Group.

This first half of the year, the Kutxabank Group has highlighted its commitment to supporting programmes that promote access to housing for young people, approving the adhesion to the Guarantee Programme for the purchase of housing of the Provincial Council of Araba. The program consists of supporting those young people who do not exceed 36 years of age who, being solvent and having resources, do not have the necessary prior savings for the acquisition of their first home, so that the financing for such acquisition can be greater than 80% and up to 95% of the value of the property. In addition, Cajasur has renewed its commitment to the Andalusian Housing Guarantee Programme, which has incorporated some modifications in its conditions to broaden its scope.

In the same way, work is being done on joining the Guarantee Programme of the Basque Institute of Finance aimed at young people under 40 years of age for the acquisition of their first home.

With the Group's participation in these Agreements, the entity's social commitment to initiatives aimed at facilitating access to or acquisition of the first home for young people is reaffirmed, being active agents in the definition and drafting of these programs in collaboration with Public Institutions.

Consumer financing:

The activity carried out in the field of **consumer loans** has closed the first half of the year with a figure of more than 402 million euros in new consumer loans in retail networks, which represents a growth of 9% compared to last year. Support for the digitalisation strategy continues, which has allowed the number of people who formalise financing operations through Online Banking, Mobile Banking and Omnichannel Digital Signature to continue to increase to 88% at the end of the first half of the year. Efforts have also continued focused on the number of people who can benefit from the so-called 'pre-approved' loans subject to approval, whose portfolio exceeds 1.70 million customers and a sum of 54,359 million euros.

In addition, in the area of consumption, 21.4 million euros are added to the sustainable financing for the year, corresponding mainly to the acquisition of electric, hybrid or other alternative fuels.

As far as our businesses are concerned, the turnover of our POS terminals continues to grow and most of them have activated, through plazox, the possibility of offering their customers through the POS, the deferral of their purchases to 3, 6, 9 and 12 months. The deferral is carried out without the assistance of the POS terminal, without paperwork, and in a secure and transparent way for the end user, and is available to holders of credit cards issued by banks adhered to Plazox.

In the Basque Country, and after the implementation of TicketBAI, we have continued to incorporate new value-added functionalities in the DPOS app used by the TicketBAI POS terminal. Thanks to this service, more than 1,600 small businesses in the Basque Country have been able to comply with the regulations without the need to undertake any additional investment in management hardware or software.

Financing for companies:

Throughout this first half of the year, the Kutxabank Group has given various signs of the boost it wants to give to **companies**, being very present both in the provision of services and in the financing of investment, liquidity and working capital. By way of example, it should be noted that a marketing campaign has been carried out, specifically to finance working capital, to reinforce our positioning in this heading. This support has been reflected in the Group's different strategic lines.

The Kutxabank Group has also reinforced its support for the business fabric of the territories where it is present by signing different agreements with both Public Administrations and economic agents. In this regard, it is worth highlighting the signing of the agreement with Luzaro EFC, an entity in which Kutxabank has a stake, which guarantees the continuity of the financing lines for companies based in the Basque Country under preferential conditions. In Álava, an agreement has been signed with the Provincial Council to facilitate financing for the improvement of local entities' infrastructures. Likewise, in the first half of the year, a new agreement was signed with Avalmadrid to boost the financing of small and medium-sized enterprises, with a credit line of 25 million euros.

In Andalusia, Cajasur has signed agreements with the regional administration. On the one hand, it has signed a collaboration agreement with the Junta de Andalucía y Garantía S.G.R, to facilitate SMEs in advance of all types of incentives and aid granted pending collection and that have a favourable resolution, thus solving the limitation posed by the lack of liquidity that companies often encounter. On the other hand, it has signed a collaboration agreement with the Ministry of Agriculture and Fisheries of the Junta for the processing of applications and files of the CAP (Common Agricultural Policy).

It is also worth noting the incorporation of the Kutxabank Group into the financing programme of the European Investment Fund (EIF), mobilising more than 200 million euros from the Next Generation Funds, which will allow client companies to access financing products under favourable conditions to undertake investments in the field of sustainability and innovation in the field of SMEs.

As part of the strategic objectives set out in the Benetan Strategic Plan, the Kutxabank Group has created a new line of action, the Business and Self-Employed segment, designing a network of managers specialising in this niche market. With the aim of improving the value proposition for this segment, the design of specific products has been improved, with a catalogue that ranges from business accounts to pension plans for the self-employed, including new payment and collection solutions.

Kutxabank has also renewed various collaboration agreements with local business associations, such as the agreement signed with Bilbao Dendak last June.

In the service provision part, greater emphasis has been placed on the communication of the leasing offer in various channels, such as the low-emission vehicle campaign for customers of the Companies and Businesses network.

With regard to the channelling of the NGEU Funds via Kutxabank and Cajasur Next, in addition to continuing with the weekly meetings, sending of a digital observatory and allocations to offices, the AFI Public Aid Beneficiary Monitor service has been contracted, whereby the managers of Companies and Businesses will receive notifications on the aid and subsidies received by their customers. In order to be able to offer them the necessary financial tools to carry out the investments that are the object of aid.

All these initiatives described above and framed in different strategic lines have had in common that this year greater weight has been given to digital marketing for their communication.

Insurance business:

As for the **Insurance business**, in addition to focusing efforts on attracting new policies through campaigns with significant promotional incentives, and discretionary discounts that highlight the degree of loyalty of our customers, we highlight the launch of a new Service: "Group Insurance Payment", a service that allows our customers to face the payment of their insurance in a more comfortable and simple way.

It is a new system that allows our customers to pay all their insurance with us through a single monthly fee (both new production insurance and portfolio insurance). It is a completely free service for the customer, and also applies discounts to each of the policies incorporated in it.

We also continue to work on the digitalisation of the insurance sector. In an environment of constant digital changes, we continue to take steps to respond to our increasingly digital customers, developing Deferred Signature for most insurance companies, as an aid to customers and managers, as well as working on various functionalities for online channels.

Savings and investment:

In the first half of 2025, the behaviour of the financial markets has been determined by the bias of the news from both the commercial and geopolitical sides. On the one hand, the news about the tariffs announced by Trump has increased uncertainty about the economic consequences that this new scenario could have worldwide. On the other hand, the war in the Middle East has moved to another dimension as the possibility of US intervention has increased. All this has led to increased doubts about global economic growth, in turn, the US Federal Reserve has shown its concern about the effect of tariffs on inflation. In this context, the performance of the main global equity indices has been mixed in the period. Even so, in general they have managed to close the semester in positive. For its part, the European Central Bank has continued to lower the level of intervention and points out that its next actions will depend on the bias of the data that is published. However, European government bond yields have declined in the shortest maturities of the curve, while there has been a rebound in the longer maturities.

In this context, in the first half of the year, net subscriptions to **mutual funds** have been high, focusing on both fixed income funds and mixed investment vehicles, in line with the trend observed in the industry as a whole. For its part, interest rates on public debt have allowed the strategy of marketing funds with a target return to maturity to be maintained in 2025. However, the bank's main proposal continues to be the discretionary portfolio management service, which maximises the benefit-risk binomial.

In short, in the field of investment products, the Non-Independent Advisory Service together with the Discretionary Delegated Portfolio Management Service continue to be the Group's highest value-added proposals.

As far as **Pension Plans and Baskepensiones** are concerned, in 2025 the catalogue of items by contributions has been renewed again, maintaining two differentiated ones due to the difference in terms of contribution limits. The requirement of active quota in a profiled plan to access the catalogue is also maintained (thus rewarding customers who commit to saving with the bank).

The contribution simulator continues to be the main commercial tool to guide our clients in the plan and the most appropriate quota for their personal situation. On the other hand, Online Banking and Mobile Banking continue to boom, and our customers are increasingly turning to these channels to gather information to help them prepare for retirement.

In the current regulatory context relating to occupational pension plans, the Group has launched a second Simplified Employment Plan for the Self-Employed, together with the Andalusian Council of Professional Associations of Economists. With this new plan, we offer the group of self-employed customers the option of increasing the tax-attractive amount allocated to retirement savings (€1,500 for individual plans plus €4,250 for the self-employed) in addition to diversifying savings with different investment strategies.

As a result of the tax reform proposed by the 3 Basque provincial councils, the entity is developing and adapting the systems to comply with the new regulations.

In the current interest rate scenario, customers' appetite for savings products that we can consider risk-free, such as **accounts, deposits and savings plans**, continues to be significant.

In January of this year, we learned the results of the Cuenta Vivienda commercial campaign, which took place in the fall of 2024. The campaign consisted of paying customers who formalised a mortgage loan an amount equivalent to the appraisal costs.

The results exceeded initial expectations, doubling the number of contracts of the Housing Account compared to the same period of the previous year. Of the more than 6,000 contracts formalised, 13% were made by new customers.

In the same way, the number of financing files for housing purposes open to holders with a Housing Account increased, which we understand will have a positive impact on the contracting of mortgage loans.

In addition, the campaign made it possible to make visible, especially in common territory, the commercial attributes of the Housing Account.

These data have motivated us to continue working on a new campaign, which is expected to start next September.

As for time deposits, the contracting continues to focus mainly on the traditional month/year deposit (with different term possibilities). Other outstanding products in the term catalogue are the Deposit with Remuneration in Kind, the Fondepósito (which rewards with a higher remuneration those customers who hold funds or portfolios with the Group) and the Total Deposit.

The contracting of these four types of deposits represents more than 90% of the total volume of deposits contracted by the Group so far this year.

It should be noted that we have made an adjustment in the spreads that affects the 2-year Growing Deposit and the Stable Deposit. This adaptation aims to highlight our traditional long-term savings offer and promote its contracting, providing branches with greater autonomy.

As far as savings plans are concerned, the Easy Plan continues to be our main product, as it offers an attractive and well-known return at the time of taking it out. The Easy Plan, together with the Taktik Account and the Home Account mentioned above, make up our main digital offering for customers.

Soon, this digital offer will be complemented by a new savings plan aimed at young people, called the Korner Plan. This plan will have a similar structure to that of the Easy Plan, but with greater flexibility, and will have the novelty of offering greater profitability if the customer establishes a system of periodic contributions.

Finally, it should be mentioned that the contractual and pre-contractual information of these liability products, as has happened with other product families, has been affected by accessibility regulations. This has involved changes in the wording of this documentation and a revision of the clauses that describe the conditions of each product.

Payment methods:

In the context of **payment methods**, projects are being carried out focused on strategic segments, with a special focus on the young segment as well as the Premium segment. On the other hand, the commitment to digitalisation is maintained, also resulting in a positive evolution in the use of mobile payments and non-face-to-face purchases.

With regard to the Group's global card structure, we maintain the commercial strategy that favours the weight of credit cards to 55% versus 45% debit cards, which places the Group above the market average.

With regard to card operations, the billing data show a positive cumulative year-on-year increase of 6.4% in the Group. In the case of commissions in shops, we are looking at a positive variation of 6%.

It should be noted that during this first semester there have been two important milestones:

- Launch of the Visa Infinite card: at the beginning of the year, this high-end card aimed at the new Premium customer segment was launched, with differential features including high-end attributes that give it high added value.
- Implementation of the new commercial policy for Korner cards: a new commission policy that meets the real needs of the young segment and provides them with the appropriate competitiveness for a strategic segment of the bank:
 - Thus, young people will be able to travel abroad without paying a currency exchange fee, both when making purchases in commerce and when making cash withdrawals at ATMs in another currency.
 - Regarding the fee for cash withdrawals:
 - The fee applied by Kutxabank on cash withdrawals at ATMs abroad is eliminated.
 - A discount on the commission applied by the entity acquiring the ATM is established at the state level, which allows young people to make 5 debit withdrawals free of charge at ATMs of any national entity.

In terms of campaigns, this June and with a view to the summer period, a raffle promotion has been launched to encourage the use of Kutxabank Group cards over cards from other entities and especially Neobanks. A promotion has also been carried out to encourage registration in the EURO 6000 Plus Card Loyalty Programme launched in the previous six months.

On the other hand, we continue to focus on the enhancement and functional improvement of our offer of **digital payment solutions**:

Since March of this year, our customers have been able to choose whether they prefer to use Bizum from the KutxabankPay-CajasurPay payment app as before, or from the mobile banking app where this service has also been integrated. All the functionalities of Bizum: making payments between individuals, making donations to NGOs, paying for purchases in online shops or collecting prizes and betting payments in State Lotteries, are already available in both applications, with a view to a total migration of users to the mobile banking app and a future closure of the KutxabankPay-CajasurPay payment app. which will be worked on in phases over the coming months.

As for the evolution of the Bizum service, we continue to promote its acceptance in e-commerce as a complement to card payment, and work on measures to improve conversion and the user's shopping experience. Likewise, progress continues in the development of new use cases, such as payment in physical commerce or digital identification, and in the interoperability of Bizum and other European solutions based on immediate transfers.

- At the end of the first half of the year, the Kutxabank Group is close to reaching 785,000 individual Bizum users, 91% of whom were active in the last quarter. Almost 4,400 businesses have a Bizum contract with Kutxabank or Cajasur, and almost 900 NGOs have enabled the possibility of receiving donations through Bizum in the Group's accounts.
- Bizum is also operational in 11,000 points of sale of Loterías y Apuestas del Estado to facilitate the payment of bets and the collection of prizes
- In terms of the volume of operations, our private users have carried out more than 16 million transactions between individuals, nearly 1.5 million online purchases and more than 11,000 donations to NGOs in this semester.

The KutxabankPay-CajasurPay app also allows customers with an Android device to pay in physical stores with HCE technology. The mobile payment option is also offered through other wallets: Apple Pay for users of IOS devices; Google Pay and Samsung Pay for Android device users. Google Pay is also available for payments on Fitbit devices.

- Mobile payments continue to grow steadily and now account for 31% of payments made in physical commerce with Kutxabank Group cards.
- The progress of e-commerce has also continued during these months with a cumulative growth of 10% over the turnover of the same period of the previous year in the Kutxabank Group as a whole.

To close this section on digital payment solutions, we would like to highlight the good reception by families of the option opened last year for the legal representative to contract both Bizum and debit card for their minor child, from the age of 12, and the possibility of activating it for mobile payment in Apple Pay. Google Pay or KutxabankPay-CajasurPay, along with online banking, all with reduced functionalities and usage limits, controlled by the tutor.

Customer segments – minor:

The Kutxabank Group has continued to be committed to adding value to the different customer segments:

Advantages continue to be provided to all holders of **children's savings plans**: Gaztedi and Plan A, with activity programmes, promotions, raffles and competitions. All these activities have been hosted in the specific space of the website where they can be filtered by locality and age to guarantee a more comfortable search. The Activity Programme can be accessed from the website, Mobile Banking or from the App.

The opening of Gaztedi/Plans A has been promoted through the delivery of welcome items and the catalogue of items has been renewed, including a total of 20 items to choose from depending on the interests of the child. The new range of items also tries to cover the tastes of young teenagers, by having technological products such as waterproof video cameras or portable bluetooth speakers.

On the other hand, the incentive campaign has been maintained to promote the contracting of Investment Funds on behalf of minors, promoting financial education and long-term and purposeful savings. The contracting of the Funds is accompanied by accident insurance.

This semester, the Bizum service has also been extended for Xpays users (Apple Pay and Google Pay) from the age of 12. This service was activated during 2024 and applications have been growing to reach the current 15,000 contracts. Being able to offer this service to Apple users expands the possibilities of contracting. It has been accompanied by a digital media campaign.

Customer segments – youth:

Young people have had an important boost during the first half of the year with the consolidation of the Client OK project, the new conditions for young people have been established. All customers under the age of 31 are considered OK Customers and are therefore offered fee-free accounts and cards, as well as free online SEPA transfers. These advantages not only directly benefit customers, they also help to strengthen the relationship and improve the perception of the entity among customers in this segment.

Young people also have preferential conditions such as the youth mortgage or the youth cash; with a program of discounts and advantages associated with the financial card with loyalty actions such as direct gifts to all customers on special dates or welcome details to the segment. All under the umbrella of the Group's young brand, Kutxabank Korner and Cajasur Korner, within the framework of a digital plan that aims to consolidate both entities as a bank of reference for young people, promoting the digital channel to interact with them: with an enriched site, with new functionalities in mobile banking or with an intense presence through customer newsletters and social networks.

During this semester, the momentosKorner.es. This campaign seeks to find reasons for communication among young customers, so that there is an opportunity to know their present and future financial needs, having as support the possibility of offering them a gift that they can redeem on the www.momentoskorner.es platform

On the other hand, new digital gifts have been generated to be able to remotely manage the age milestones of 26 and 31 years old. Specifically, in addition to the physical gift existing to date, they can now choose between movie tickets, Rakuten or Spotify subscriptions as a gift to customers who are in these age milestones, and thus be able to facilitate the management protocol in these stages of vital transition.

Customer segments – major:

The **elderly** are also a priority focus for the Kutxabank Group. Throughout the year we maintain a programme aimed at them to build loyalty among our loyal customers, including periodic shipments of Newsletters 100% Kutxabank and 100% Cajasur, with periodic raffles, offers and permanent discounts. At the beginning of the year, the 2025 Trips for People 100% were launched by Viajes Azul Marino, with a value offer that is highly appreciated within the Elderly Segment, as it enjoys great prestige. The campaign to attract Payroll and Pensions that was launched in the middle of last year continues (with better economic incentives and with fewer demands on the amounts required). We also continue with the Welcome Pension campaign.

Likewise, work continues on its digitisation; with communications from the Palabras Mayores blog, the initiation version of our App as well as the kutxabankcontigo.es space that collect the main functionalities of our digital tools focused on this segment. As a novelty, face-to-face courses on online banking and the Kutxabank App were launched in March at the Kzgunea centres in the Basque Country. This is an agreement between the Basque Government and Kutxabank to cooperate mutually in relation to the financial training of citizens and especially the elderly.

Within the framework of the sectoral agreement, the Kutxabank Group continues to have different measures to improve the service to our elderly customers: extension of the face-to-face service hours of the cash service (from 8:30 a.m. to 2:00 p.m.), as well as preferential and free telephone service. The route of the bus (mobile office) that serves municipalities in Araba was also extended.

Within the Silver ecosystem, we attend forums, meetings, such as the NIC and Adinberri around the Silver Economy, always with the aim of knowing and exploring opportunities of interest around the elderly in which we can enrich our offer for the segment. In addition, we have a Pensium program with a new modality: home assistance, for seniors who wish to stay at home. And an agreement has been signed with Correos to facilitate access to cash through Correos Cash.

Customer segments – agricultural:

The **agricultural sector** in Cajasur has continued with significant agricultural activity and turnover. In relation to this sector, in line with the Group's policy, one of the objectives of the Agricultural Service is the commitment to the economic, social and environmental development of the Andalusian Community, a sustainable business model, which integrates ESG criteria (environment, social, governance) and works to comply with the UN Sustainable Development Goals. During the first half of 2025, 256 green agricultural financing operations have been formalised for a total of 6.24 million euros.

Digitalization and social networks:

In terms of **Social Networks**, the Kutxabank Group reaches 277,000 followers in the first half of 2025. This is an increase of 10% compared to the number of followers in December 2024. LinkedIn, Instagram and TikTok are the most popular social networks.

Our activity on Social Networks has three aspects: on the one hand, dissemination of our campaigns, activities and financial types (financial education) in order to add value to our followers and obtain contact and business opportunities, in particular for mortgage offers. During the first six months of 2025, we have made more than 1,800 publications. On the other hand, we carry out constant brand monitoring and attend to queries from customers and non-customers. In this regard, during the first half of 2025, 507 users were responded to in Grupo Kutxabank.

In a context of constant changes and major technological advances, the Kutxabank Group continues with the challenge of **digitalisation**, aware of the need to respond to an increasingly digital customer, who is looking for exclusivity and a satisfactory experience.

At the end of the first half of 2025, 66.68% of the Group's customers were digital users. The percentage has risen almost 2 points compared to the same period of the previous year.

It should be noted that the Kutxabank Group continues to make a significant effort to incorporate new technological solutions to be present in the day-to-day life of our customers, creating today the digital experience for the customer of the future.

We continue to listen to our customers with the aim of optimising and accelerating the processes of implementing new services. Some of the improvements and new features launched during this first half of the year are the following:

- In the field of insurance, we incorporate important new features such as the online motorcycle insurance or the evolution of home insurance claims registration, which makes it easier for our customers to manage 100% online in some types of claims. Improvements in the customer/manager relationship space, as well as in the application itself with the aim of improving usability and navigation and ultimately the customer experience.
- Customers can also view, update or perform an ANI test, which is required for investments, from their app.
- Regarding the remote management service, new operations have been added for remote signing in the mortgage field, such as the possibility of taking out home insurance or signing the settlement sheet of a loan. It is also possible to apply for insurance pooling, or to take out loans for the self-employed.

Measures to help and accompany the customer at all times continue, enhancing the customer's autonomy.

In this context of major technological changes, the mobile phone is the main key and the percentage of transactions and total accesses registered in the Kutxabank Group's online banking reflects that the mobile phone continues to grow as the preferred device for accessing digital banking channels. Of the 188 million accesses received by the Group's online web banking channel and mobile banking App during the first half of the year, 91% were made via mobile phones, one point more than in the previous year.

Online banking and mobile banking are consolidating themselves as strategic channels for contracting products. In this sense, digital sales, i.e. those made through online banking, mobile banking and remote signing, accounted for 59% of the Group's total sales up to June, 12 points more than last year.

In terms of self-service elements, the Kutxabank Group continues with the objective of renewing the ATM fleet, which already covers 90% of the network. On the other hand, 98% of ATMs already have the contactless module with all the operations already available that offers more agility to our customers by simply bringing the card, mobile phone or smartwatch close to the reader.

In addition, in line with our commitment to society, most of our ATMs have Braille stickers, a physical keyboard and screens adapted with guided voice options (with volume control), for people of visual diversity while maintaining a high level of privacy. In the same way, our notebook updaters, present in the vast majority of our offices, incorporate Braille indications, voice guidance mode and adapted screens.

In the field of Business Online Banking, we highlight the expansion of online management possibilities, such as the renewal of the ID of proxies or the service offered to companies so that they can verify account ownership.

Branch network

As of 30 June 2025, the Kutxabank Group has a **network of 620 branches**, of which 418 belong to Kutxabank and 202 to Cajasur. The geographical distribution is as follows:

RED DE OFICINAS			
CCAA	Kutxabank	CajaSur	GRUPO
País Vasco	251		251
<i>Bizkaia</i>	128		128
<i>Gipuzkoa</i>	76		76
<i>Araba</i>	47		47
Andalucía		202	202
<i>Córdoba</i>		90	90
<i>Jaén</i>		28	28
<i>Resto Andalucía</i>		84	84
Madrid	65		65
C.Valenciana	23		23
Catalunya	25		25
Castilla-León	11		11
Cantabria	8		8
Aragón	7		7
Navarra	7		7
Galicia	7		7
La Rioja	5		5
Castilla-La Mancha	5		5
Murcia	2		2
Asturias	2		2
Total	418	202	620

4. RISK MANAGEMENT

The maintenance of an appropriate global risk profile is a key element of the Kutxabank Group's management, as it ultimately constitutes the best guarantee of the continuity over time of its activity and, by extension, of its contribution to society, especially through the dividends distributed to its owners. banking foundations.

Risk strategy

In this regard, the strategic guidelines established by the Bank's governing bodies on risk, formulated in the *Kutxabank Group's Risk Appetite Framework*, establish as a corporate objective the presentation of a medium-low risk profile, based on an adequate risk management infrastructure in terms of internal governance and the availability of material and human resources. a capital and liquidity base consistent with its business model, and a prudent risk admission policy.

The aforementioned document complements the generic formulation of their level of risk appetite, with the establishment of more specific qualitative and quantitative objectives. On the qualitative side, the following basic features are identified that should characterise the Group's risk profile:

- The Group must base its business model on viable long-term business lines, supported by its structural strengths and managed with controlled levels of risk
- The Group's governance structure must have a very high level of alignment with the main international standards in this area, and ensure that its governing bodies can carry out their

functions in the field of risk management with the necessary levels of training and independence

- The Group's risk management infrastructure should cover all types of risk to which it is exposed, and incorporate control frameworks proportionate to its level of complexity and relevance
- The Group must maintain a sufficient capital base to meet the capital requirements associated with its risk portfolio, from the triple regulatory, supervisory and internal perspective, and also have sufficient capital surpluses to ensure such compliance under particularly unfavourable scenarios
- The Group should maintain a financial structure that determines a moderate level of dependence on wholesale funding markets, and that includes available liquid assets and alternative sources of financing sufficient to ensure the fulfilment of its payment commitments over an extended period of time, even under particularly adverse scenarios from a liquidity perspective

In addition, the Kutxabank Group's Risk Appetite Framework identifies various risk indicators capable of reflecting, in summary, the evolution of its global risk profile, and establishes for the same corporate objectives and observation and alert thresholds, the violation of which would automatically trigger the corresponding management protocols. The periodic monitoring of the evolution of the risk indicators included in the Central Battery of Indicators and the Battery of Complementary Indicators ensures that the Bank's governing bodies have access to a summary and up-to-date view of the evolution of the Group's overall risk profile.

The *Risk Appetite Framework* completes its contributions to the Group's risk management strategy through the formulation of General Risk Management Policies and the design of a monitoring system for its global risk profile.

In addition, for the most relevant types of risk, the Group has specific *Management Policy Manuals*, which establish the lines of action to be followed for each of them.

Internal governance of risk management

At the same time, the Group defines the main lines of internal governance of risk management through its *Internal Governance Framework for Risk Management*, which includes the following contents, among others:

- The assignment of roles in the Group's internal risk management governance to its various participants
- The establishment of a corporate typology of risks
- The detailed definition of the role to be played by the Risk Management Function
- The methodological definition of the phases of the risk management cycle
- Establishing levels of responsibility in managing each type of risk
- The specific assignment of responsibilities within the Organization, for each area of responsibility, resulting from the combination of the defined risk types and the established levels of responsibility

- Defining the role assigned to ICAAP and ILAAP in risk management
- The formulation of a market information policy on risks
- The formulation of a policy for the internal dissemination of the risk culture

These internal governance guidelines for risk management in the ordinary area are complemented by governance for exceptional situations, set out in the Group's Recovery Plan. This document addresses risk management under various hypothetical scenarios in which, after a sharp deterioration in its vital signs, but still at levels of compliance with regulatory and supervisory solvency and liquidity requirements, the Group would try to redirect the situation by its own means, within the scope of exceptional autonomous management.

Solvency level

With regard to the capital base that supports the risks to which the Group is exposed, it is worth mentioning that the Kutxabank Group's *phased-in* Total Solvency ratio stood at 17.46% as of December 31, 2024 (17.40% in *fully loaded terms*).

In relation to the calculation of the solvency ratios of European financial institutions, it should be remembered that in 2024 very relevant updates were published to the regulatory texts governing the aforementioned calculation, materialised in EU Directive 2024/1619 (CRD VI) and in EU Regulation 2024/1623 (CRR III), both published in the Official Journal of the EU on 19/06/2024. The publication of both standards meant the adaptation of the European solvency legislative package to the final Basel text, known as Basel IV or the completion of Basel III. The CRR III Regulation has been in force since 01/01/2025, although it provides for the application of certain transitional periods in some specific areas.

Once the new regulatory specifications of CRR III have been applied, the Kutxabank Group's *phased-in* Total Solvency ratio stood at 19.20% as of 31 March 2025, while the *fully-loaded* indicator stood at 18.02% (1.74% and 0.62% above the data recorded at the end of 2024, respectively).

As a result, the Group's solvency remains at a level well above the regulatory and supervisory requirements in force for the Kutxabank Group, which in 2025 remain set at 11.70% (including a Pillar 2 supervisory requirement of 1.20% and a capital conservation buffer of 2.50%).

It is important to note that all of the Group's eligible capital is made up of capital of the highest quality (*Core Tier One*), a magnitude for which the regulatory and supervisory requirements applicable to the Kutxabank Group stand at 7.675%.

With regard to the Leverage Ratio, the Group closed the 2024 financial year at 8.02% and as of 31/03/2025 it reached 8.00%, both records well above the regulatory requirement of 3% and far from the average of the Spanish and European financial sectors.

Exposures to the main risks

With regard to the evolution of the Group's main risk exposures during the first half of 2025, the following should be noted:

Credit risks

In relation to the economic and monetary evolution and outlook referred to in previous sections, in the first months of 2025 the economic situation continues to be marked by weak growth in the European Union as a whole, which, although it has experienced some recovery, continues to present downside risks. In this context, the performance of the Spanish economy stands out positively. In particular, the good performance of the Spanish labour market stands out, which continues to show a dynamic performance, in a context of growth in the active population, resulting in an improvement in household disposable income.

On the monetary front, inflationary tensions are considered to be mostly overcome, as the European inflation rate is close to the ECB's inflation target of 2%. In this context, in June 2025 the ECB carried out the eighth reduction of the current cycle, reaching the level of 2.0% in the deposit rate, 2.15% in the refinancing rate and 2.45% in the marginal lending facility. Once these levels have been reached and in view of the progress made in the disinflation process, the market considers that there is little room for further reductions in official rates, discounting only an additional 0.25% reduction.

On the other hand, it should be noted that geopolitical threats have become an increasingly present risk factor in the economy in general and in the financial sphere in particular. The different episodes of geopolitical crises that have occurred recently have raised the general level of uncertainty, making it necessary to consider alternative scenarios. Similarly, the growing weight of climate and environmental risks also makes it necessary to incorporate them as a factor to be considered in planning exercises. In this regard, the Group has estimated additional provisions in the form of overlays for both factors, reflecting potential impacts on credit losses.

Finally, with regard to the impact that the economic situation and the climate of greater uncertainty could have on the Kutxabank Group, it should be noted that no appreciable deterioration has been found in the average quality of its credit exposures. In fact, the Group's NPL ratio has decreased in the first half of the year compared to the end of the previous year (1.14% at 30/06/2025 vs. 1.28% at 31/12/2024), remaining significantly below the average for the Spanish financial sector. In any case, the Group continues to work on the identification and management of those credit and real estate exposures with higher levels of risk, and which could be affected by a possible deterioration in general macroeconomic conditions.

Financial risks

In terms of liquidity risk, the Kutxabank Group continues to have a funding structure strongly based on the stable deposits of its customers, which allows its recourse to wholesale financing to remain at very low levels. In this context, the Group has been presenting levels of LCR and NSFR significantly higher than the current regulatory minimums.

In addition to the monitoring of specific liquidity indicators, the methodology for managing this type of risk includes a series of periodic exercises that seek to assess the Group's liquidity position in the event of hypothetical adverse situations. This evidence demonstrates the Group's high capacity to deal with hypothetical crisis situations.

On the other hand, the Group has varying levels of exposure to market risk, mainly from its portfolios of equity instruments and debt instruments. The good performance of the equity and fixed income markets during the first half of 2025 has led to an improvement in the valuations of the Group's equity and fixed income portfolios.

With regard to structural interest rate risk, the Group has continued to monitor the sensitivity of its balance sheet to movements in the euro interest rate curve, maintaining its openness to this type of risk at levels in line with its risk appetite, for which it has been maintaining hedges of a different nature. depending on the objectives pursued at any given time.

Operational risks

On the other hand, the Group continues to actively manage the operational risks to which it is exposed. This category includes a wide range of risk factors, ranging from risks related to physical assets to reputational risks, including legal, regulatory compliance, model, technological risks, etc.

In the face of the potential uptick in cybersecurity threats, the Group continues to redouble its efforts to defend itself and its customers against these threats. It should be noted that, although these factors have a high potential capacity to impact the economic value of the entities, the Group has not registered materialisations of risks in this area that are worth mentioning.

Likewise, issues related to legal risk and the high level of litigation affecting the Spanish financial sector's relations with its customers are still very present, factors to which a large part of the losses recorded by the Group for operational reasons are associated. In this regard, the Group has high accounting provisions linked to certain types of claims.

In addition, the Kutxabank Group has continued to delve into the design and implementation of specific control frameworks for other risk categories present in its corporate typology, within parameters of proportionality with respect to their complexity and relevance. In this regard, it is worth highlighting the greater importance of climate and environmental, social and governance risk factors and geopolitical factors, which are being increasingly monitored and managed by the Group.

5. RESEARCH AND DEVELOPMENT

The Kutxabank Group has maintained a policy of making the most of technological resources with good results in improving efficiency and streamlining processes. Applications have been developed that allow cost savings, improve the quality of the service provided to customers and meet new needs for technological and functional renewal. The Group has continued its efforts to train and adapt the workforce to the new needs of the business and the continuous development of its professionals.

To facilitate this process, a training development strategy has been promoted focused on continuous learning, professional development and taking advantage of the advantages of new technologies.

6. OUTLOOK FOR 2025

The Kutxabank Group's equity and solvency situation, its prudent risk coverage policy, its proven low-risk banking business model, its diversification and growth strategy and its demonstrated capacity to generate recurring revenue, place it in the best position to face and overcome the challenges and difficulties that arise in the second half of 2025.

7. SUBSEQUENT EVENTS

The events that occurred between the end of the first half of 2025 and the date of preparation of these half-yearly accounts are explained in Note 8 of the consolidated explanatory notes.

8. NON-FINANCIAL INFORMATION

The Kutxabank Group is firmly committed to Sustainability. The aim is to maximise the positive impact of its activity on the real economy and on society, taking into account environmental, social and governance (ESG) factors, and being an active agent in the transition towards a production system that is not intensive in greenhouse gas emissions.

Sustainability is firmly represented in the strategic guidelines (Purpose, Mission, Vision and Values). This commitment has been inherited from the savings banks, which today have become banking foundations, are the bank's shareholders (owners of all its share capital). Kutxabank generates a growing and sustainable result that the Foundations give back to society through their Social Works.

The Kutxabank Group's Sustainability Policy establishes the general guidelines for framing the strategic lines, principles of action and work plans developed by the Group in Sustainability. In addition, the 2022-2024 and 2025-2027 Strategic Plans are a key driver to fulfil Kutxabank's purpose of "contributing to the sustainability and economic and social progress of the people, companies and communities we serve".

In 2024, Kutxabank took important steps in the field of Sustainability, such as the creation of Kutxabank Eragin, the cross-cutting sustainability area throughout the Bank, the constitution of the Sustainability Committee at the highest level, and the updating of the Sustainability Policy, the Internal Sustainable Finance Framework (MIFS) and the sectoral Decarbonisation Objectives.

The Group's non-financial information is included in the "Group's Statement of Non-Financial Information and Sustainability Information" which is attached as part of the consolidated Management Report for the year ended December 31, 2024 that accompanies the Group's Consolidated Financial Statements as of December 31, 2024.

GLOSSARY ATTACHED TO THE MANAGEMENT REPORT

In addition to the financial information contained herein, prepared in accordance with International Financial Reporting Standards (IFRS), certain Alternative Performance Measures (AMS) are included, as defined in the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority on June 30, 2015 (ESMA/2015/1057, ESMA guidelines).

The ESMA guidelines define MAR as a financial measure of past or future financial performance, financial condition or cash flows, except for a financial measure defined or detailed in the framework of the applicable financial reporting.

The additional information provided by these MARs used by the Kutxabank Group provides the reader with additional information, but does not replace the information prepared under IFRS. The way in which the Kutxabank Group defines and calculates its MAR may differ from the definitions and calculations of other comparable companies.

Below is the detail of the **Alternative Performance Measures** used and how they are calculated:

Non-performing loan ratio (%): ratio between impaired assets from loans and advances to customers and gross loans and advances to customers.

Objective: to measure the quality of the loan portfolio.

		jun.-25	dic.-24
Numerador	Activos deteriorados préstamos y anticipos clientela	593.756	634.960
Denominador	Préstamos y anticipos a la clientela brutos	50.563.653	48.317.669
=	Tasa de morosidad del crédito	1,17	1,31

Fuente: Información consolidada reservada

Credit coverage ratio (%): ratio between provisions for impairment on assets and impaired assets from loans and advances to customers.

Objective: to measure the extent to which provisions cover non-performing loans.

		jun.-25	dic.-24
Numerador	Pérdidas por deterioro de activos préstamos y anticipos clientela	719.020	704.641
Denominador	Activos deteriorados préstamos y anticipos clientela	593.756	634.960
=	Tasa de cobertura del crédito	121,10	110,97

Fuente: Información consolidada reservada

NPL ratio (%): ratio between impaired assets of loans and advances to customers, including those associated with contingent risks, and gross loans and advances to customers plus contingent risks.

Objective: to measure the quality of credit risk, which includes both the loan portfolio and contingent risks.

		jun.-25	dic.-24
Numerador	Activos deteriorados préstamos y anticipos clientela	593.756	634.960
	Más Activos deteriorados riesgos contingentes	23.468	24.158
Denominador	Préstamos y anticipos a la clientela brutos	50.563.653	48.317.669
	Más Riesgos contingentes	3.367.854	3.188.067
=	Tasa de morosidad	1,14	1,28

Fuente: Información consolidada reservada

Coverage ratio (%): ratio of provisions for impairment on assets to impaired assets of loans and advances to customers, including contingent risks in both cases.

Objective: to measure the extent to which provisions cover non-performing assets, including contingent risks.

			jun.-25	dic.-24
Numerador	Más	Pérdidas por deterioro de activos préstamos y anticipos clientela	719.020	704.641
		Pérdidas por deterioro de riesgos contingentes	40.992	45.685
Denominador	Más	Activos deteriorados préstamos y anticipos clientela	593.756	634.960
		Activos deteriorados riesgos contingentes	23.468	24.158
=		Tasa de cobertura	123,13	113,84

Fuente: Información consolidada reservada

Efficiency ratio (%): quotient between operating expenses (personnel costs, other administrative and amortisation expenses) and gross income.

Objective: A measure of productivity that allows us to know the percentage of resources used to generate operating income.

			jun.-25	jun.-24
Numerador	Más	Gastos de personal	246.087	232.658
	Más	Otros gastos de administración	97.336	88.972
	Más	Amortización	24.805	21.268
Denominador		Margen Bruto	991.388	990.098
=		Índice de eficiencia	37,14	34,63

Fuente: Cuenta consolidada pública

Operating expenses s/ATMs (%): quotient between operating expenses (personnel costs, other administrative and amortisation expenses) and average total assets.

Objective: to relativise operating expenses on the balance sheet in order to facilitate comparability between periods.

			jun.-25	jun.-24
Numerador	Más	Gastos de personal (1)	246.087	232.658
	Más	Otros gastos de administración (1)	97.336	88.972
	Más	Amortización (1)	24.805	21.268
Denominador		Activos Totales Medios (2)	66.887.458	64.168.907
=		Gastos de explotación s/ATMs	1,10	1,07

(1) Fuente: Cuenta consolidada pública. Datos anualizados en el cálculo del ratio

(2) Media móvil de las observaciones medias trimestrales del epígrafe "Total Activo" del Balance consolidado público correspondientes a los últimos cuatro trimestres

ROA (%): quotient between the consolidated profit for the year and average total assets.

Objective: to measure the profitability of the total asset.

			jun.-25	jun.-24
Numerador		Resultado del ejercicio atribuible a los propietarios de la dominante (1)	604.574	524.160
Denominador		Activos Totales Medios (2)	66.887.458	64.168.907
=		ROA	0,90	0,82

(1) Fuente: Cuenta consolidada pública. Suma cuatro últimos trimestres

(2) Media móvil de las observaciones medias trimestrales del epígrafe "Total Activo" del Balance consolidado público correspondientes a los últimos cuatro trimestres

ROE (%): quotient between the consolidated profit for the year and average shareholders' equity.

Objective: to measure the return on equity.

		jun.-25	jun.-24
Numerador	Resultado del ejercicio atribuible a los propietarios de la dominante (1)	604.574	524.160
Denominador	Fondos Propios Medios (2)	6.145.618	6.035.596
=	ROE	9,84	8,68

(1) Fuente: Cuenta consolidada pública. Suma cuatro últimos trimestres

(2) Media móvil de las observaciones medias trimestrales del epígrafe "Fondos propios" del Balance consolidado público correspondientes a los últimos cuatro trimestres

Service income: aggregation of net fee income and fee expense.

Objective: to measure the net result obtained from the provision of services and marketing of products that is invoiced via commissions.

		jun.-25	jun.-24
	Ingresos por comisiones	285.949	270.546
Menos	Gastos por comisiones	22.837	21.376
=	Ingresos por Servicios	263.112	249.170

Fuente: Cuenta consolidada pública

Basic Margin: aggregation of net interest income and service revenue.

Objective: A measure of income related to typical financial activity.

		jun.-25	jun.-24
	Margen de Intereses	608.239	686.684
Más	Ingresos por comisiones	285.949	270.546
Menos	Gastos por comisiones	22.837	21.376
=	Margen Básico	871.351	935.854

Fuente: Cuenta consolidada pública

Recurring contribution from the portfolio of investees: aggregation of dividend income and results by the equity method.

Objective: to measure the recurring contribution of income related to the holding of shares.

		jun.-25	jun.-24
	Ingresos por dividendos	46.843	66.534
Más	Resultado de entidades valoradas por el método de la participación	14.211	2.463
=	Contribución recurrente cartera participadas	61.054	68.997

Fuente: Cuenta consolidada pública

Net income from financial operations and exchange differences: sum of the different items in the consolidated income statement related to gains or losses from financial operations, including results due to exchange differences.

Objective: to know the aggregate amount of results related to financial activity associated with market activity.

		jun.-25	jun.-24
	Ganancias o (-) pérdidas al dar de baja en cuentas activos y pasivos financieros no valorados a valor razonable con cambios en resultados, netas	0	-167
Más	Ganancias o (-) pérdidas por activos y pasivos financieros mantenidos para negociar, netas	2.835	1.495
Más	Ganancias o (-) pérdidas por activos financieros no destinados a negociación valorados obligatoriamente a valor razonable con cambios en resultados, netas	4.135	3.249
Más	Ganancias o (-) pérdidas por activos y pasivos financieros designados a valor razonable con cambios en resultados, netas	0	0
Más	Ganancias o (-) pérdidas resultantes de la contabilidad de coberturas, netas	0	0
Más	Diferencias de cambio [ganancia o (-) pérdida], netas	1.463	1.225
=	Resultados Netos Operaciones Financieras y Diferencias de Cambio	8.433	5.802

Fuente: Cuenta consolidada pública

Other operating income: sum of the net of other operating income and expenses and income, and expenses of assets and liabilities covered by insurance or reinsurance contracts.

Objective: to measure income and expenses related to the business but that do not come from financial activity.

		jun.-25	jun.-24
	Otros ingresos de explotación	14.834	12.834
Menos	Otros gastos de explotación	35.112	105.196
Más	Ingresos de activos amparados por contratos de seguro o reaseguro	131.086	127.115
Menos	Gastos de pasivos amparados por contratos de seguro o reaseguro	60.258	55.308
=	Otros Resultados de Explotación	50.550	-20.555

Fuente: Cuenta consolidada pública

Insurance business: sum of the net income and expenses of assets and liabilities covered by insurance or reinsurance contracts and the insurance company's contribution to other financial income.

Objective: to reflect the total impact of the insurance business's contribution under Other operating income.

		jun.-25	jun.-24
	Ingresos de activos amparados por contratos de seguro o reaseguro (1)	131.086	127.115
Menos	Gastos de pasivos amparados por contratos de seguro o reaseguro (1)	60.258	55.308
=	Negocio Asegurador	70.828	71.807

(1) Fuente: Cuenta consolidada pública

Income from safer services: sum of income from services and contribution to the result of the insurance business.

Objective: to measure the net result obtained from the provision of services and marketing of products that is invoiced via commissions and including the contribution of the insurance business included in other operating results.

		jun.-25	jun.-24
Más	Ingresos por Servicios (1)	263.112	249.170
Más	Negocio Asegurador (1)	70.828	71.807
=	Ingresos por servicios más seguros	333.940	320.977

(1) MAR. Ver su definición y cálculo ya explicados anteriormente

Core banking business revenues: sum of net interest income, service income and contribution from the insurance business.

Objective: measure of income related to financial and insurance activity considered recurring.

		jun.-25	jun.-24
	Margen de Intereses (1)	608.239	686.684
Más	Ingresos por Servicios (2)	263.112	249.170
Más	Negocio Asegurador (2)	70.828	71.807
=	Ingresos core negocio bancario	942.179	1.007.661

(1) Fuente: Cuenta consolidada pública

(2) MAR. Ver su definición y cálculo ya explicados anteriormente

Gross income: sum of the basic margin (net interest income and service income), the recurring contribution of investees, net income from financial transactions and exchange differences and other operating income.

Objective: to reflect the result obtained by the Group from its activity before expenses and provisions.

		jun.-25	jun.-24
	Margen Básico (1)	871.351	935.854
Más	Ingresos por dividendos (2)	46.843	66.534
Más	Resultado de entidades valoradas por el método de la participación (2)	14.211	2.463
Más	Resultados Netos Operaciones Financieras y Diferencias de Cambio (1)	8.433	5.802
Más	Otros Resultados de Explotación (1)	50.550	-20.555
=	Margen Bruto	991.388	990.098

(1) MAR. Ver su definición y cálculo ya explicados anteriormente

(2) Fuente: Cuenta consolidada pública

Operating expenses: sum of personnel costs, other administrative expenses and amortisation.

Objective: indicator of the expenses incurred in the year.

		jun.-25	jun.-24
	Gastos de administración	343.423	321.630
Más	Amortización	24.805	21.268
=	Gastos de Explotación	368.228	342.898

Fuente: Cuenta consolidada pública

Operating margin: gross margin minus operating expenses.

Objective: to reflect the result obtained by the Group from its activity before provisions.

		jun.-25	jun.-24
	Margen Bruto (1)	991.388	990.098
Menos	Gastos de Explotación (2)	368.228	342.898
=	Margen de Explotación	623.160	647.200

(1) Fuente: Cuenta consolidada pública

(2) MAR. Ver su definición y cálculo ya explicados anteriormente

Provision allocation (net): provisions or reversal of provisions.

Objective: to reflect the net amounts allocated in the year for provisions for pensions, early retirement, taxes and contingent risks, anticipating future impacts.

		jun.-25	jun.-24
	Provisiones o (-) reversión de provisiones	95.589	159.628
=	Dotación a provisiones	95.589	159.628

Fuente: Cuenta consolidada pública

Impairment losses on financial assets: impairment of financial assets not measured at fair value through profit or loss.

Objective: to reflect the impairment or reversal of the impairment on loans and other financial assets that reflect the write-down carried out in the period.

		jun.-25	jun.-24
	Deterioro del valor o (-) reversión del deterioro del valor y ganancias o pérdidas por modificaciones de flujos de caja de activos financieros no valorados a valor razonable con cambios en resultados y pérdidas o (-) ganancias netas por modificación	29.352	2.385
=	Pérdidas por deterioro de activos financieros	29.352	2.385

Fuente: Cuenta consolidada pública

Impairment losses on other assets: sum of impairment on investments in joint ventures or associates and impairment on non-financial assets.

Objective: to reflect the impairment or reversal of impairment on investments in joint ventures or associates and non-financial assets made during the period.

		jun.-25	jun.-24
	Deterioro del valor o (-) reversión del deterioro del valor de inversiones en negocios conjuntos o asociadas	-108	-164
Más	Deterioro del valor o (-) reversión del deterioro del valor de activos no financieros	25.911	64.516
=	Pérdidas por deterioro del resto de activos	25.803	64.352

Fuente: Cuenta consolidada pública

Other gains and losses: sum of gains or losses on the derecognition of non-financial assets and interests and gains on the disposal of other non-current assets held for sale (including impairments).

Objective: indicator of the impact on the result of the derecognition or disposal of assets not related to ordinary activity.

		jun.-25	jun.-24
	Ganancias o (-) pérdidas al dar de baja en cuentas activos no financieros, netas	3.248	615
Más	Ganancias o (-) pérdidas procedentes de activos no corrientes y grupos enajenables de elementos clasificados como mantenidos para la venta no admisibles como actividades interrumpidas	18.077	-78.541
=	Otras Ganancias y Pérdidas	21.325	-77.926

Fuente: Cuenta consolidada pública

Other other gains and losses: sum of gains or losses when derecognition of non-financial assets and shares and results from the disposal of other non-current assets held for sale.

Objective: indicator of the impact on the result of the derecognition or disposal of assets not related to ordinary activity.

		jun.-25	jun.-24
	Ganancias o (-) pérdidas al dar de baja en cuentas activos no financieros, netas (1)	3.248	615
Más	Ganancias o (-) pérdidas procedentes de activos no corrientes y grupos enajenables de elementos clasificados como mantenidos para la venta no admisibles como actividades interrumpidas (1)	18.077	-78.541
Menos	Deterioros de Activos no corrientes en venta (activo material) (2)	-15.448	-91.837
=	Resto Otras Ganancias y Pérdidas	36.773	13.911

(1) Fuente: Cuenta consolidada pública

(2) Fuente: nota 10 estados financieros intermedios consolidados

Provisions: sum of provisions and impairment losses on financial assets, other assets and non-current assets held for sale.

Objective: to reflect the volume of write-downs and impairments of the Group.

		jun.-25	jun.-24
	Dotación a provisiones (1)	95.589	159.628
Más	Pérdidas por deterioro de activos financieros (1)	29.352	2.385
Más	Pérdidas por deterioro del resto de activos (1)	25.803	64.352
Más	Deterioros de Activos no corrientes en venta (activo material) (2)	15.448	91.837
=	Saneamientos	166.192	318.202

(1) MAR. Ver su definición y cálculo ya explicados anteriormente

(2) Fuente: nota 10 estados financieros intermedios consolidados

Active treasury: aggregation of cash, cash balances at central banks and other demand deposits and of loans and advances to central banks and credit institutions.

Objective: Aggregate indicator of cash positions and positions in central banks and credit institutions.

		jun.-25	dic.-24
	Efectivo, saldos en efectivo en bancos centrales y otros depósitos a la vista	5.215.163	6.039.906
Más	Activos financieros a coste amortizado / Préstamos y anticipos / Bancos Centrales	0	0
Más	Activos financieros a coste amortizado / Préstamos y anticipos / Entidades de Crédito	713.765	626.206
=	Tesorería Activa	5.928.928	6.666.112

Fuente: Balance consolidado público

Customer credit: loans and advances to customers

Objective: to reflect the amount of loans and advances to customers including other financial assets and net of valuation adjustments

		jun.-25	dic.-24
	Activos financieros a coste amortizado / Préstamos y anticipos / Clientela	49.812.615	47.594.826
=	Crédito a la clientela	49.812.615	47.594.826

Fuente: Balance consolidado público

Net lending book: loans and advances to customers excluding advances other than loans

Objective: to reflect the amount of loans to customers net of valuation adjustments without taking into account other financial assets.

		jun.-25	dic.-24
	Activos financieros a coste amortizado / Préstamos y anticipos / Clientela (1)	49.812.615	47.594.826
Menos	Anticipos distintos de préstamos (2)	262.512	350.261
=	Inversión Crediticia Neta	49.550.103	47.244.565

(1) Fuente: Balance consolidado público

(2) Fuente: Datos de gestión propios

Gross lending activity: loans and advances to customers excluding advances other than loans and valuation adjustments

Objective: to reflect the gross amount of loans to customers without taking into account other financial assets.

		jun.-25	dic.-24
	Activos financieros a coste amortizado / Préstamos y anticipos / Clientela (1)	49.812.615	47.594.826
Menos	Anticipos distintos de préstamos (2)	262.512	350.261
Menos	Ajustes por valoración (2)	-1.313.119	-1.274.395
=	Inversión Crediticia Bruta	50.863.222	48.518.960

(1) Fuente: Balance consolidado público

(2) Fuente: Datos de gestión propios

Portfolio of financial assets: aggregation of equity instruments, debt securities and investments in joint ventures and associates.

Objective: Indicator of the total amount of financial assets on the balance sheet

		jun.-25	dic.-24
Más	<i>Activos financieros mantenidos para negociar</i> Valores representativos de deuda	4.414	0
Más	<i>Activos financieros no destinados a negociación valorados obligatoriamente a valor razonable con cambios en resultados</i> Instrumentos de patrimonio	34.223	27.519
Más	Valores representativos de deuda	12.576	13.392
Más	<i>Activos financieros a valor razonable con cambios en otro resultado global</i> Instrumentos de patrimonio	1.628.017	1.729.316
Más	Valores representativos de deuda	2.308.418	2.746.302
Más	<i>Activos financieros a coste amortizado</i> Valores representativos de deuda	5.600.741	4.483.253
Más	Inversiones en negocios conjuntos y asociadas	162.161	147.487
=	Cartera de Activos Financieros	9.750.550	9.147.269

Fuente: Balance consolidado público

Fixed income in the portfolio of financial assets: aggregation of debt securities.

Objective: indicator of the amount of debt securities on the balance sheet.

		jun.-25	dic.-24
Más	<i>Activos financieros mantenidos para negociar</i> Valores representativos de deuda	4.414	0
Más	<i>Activos financieros no destinados a negociación valorados obligatoriamente a valor razonable con cambios en resultados</i> Valores representativos de deuda	12.576	13.392
Más	<i>Activos financieros a valor razonable con cambios en otro resultado global</i> Valores representativos de deuda	2.308.418	2.746.302
Más	<i>Activos financieros a coste amortizado</i> Valores representativos de deuda	5.600.741	4.483.253
=	Renta Fija en Cartera de Activos Financieros	7.926.149	7.242.947

Fuente: Balance consolidado público

Equities in financial asset portfolios: aggregation of equity instruments and investments in joint and associated businesses.

Objective: An indicator of the total amount of equity instruments and investments in joint ventures and associates on the balance sheet.

		jun.-25	dic.-24
	<i>Activos financieros no destinados a negociación valorados obligatoriamente a valor razonable con cambios en resultados</i>		
Más	Instrumentos de patrimonio	34.223	27.519
	<i>Activos financieros a valor razonable con cambios en otro resultado global</i>		
Más	Instrumentos de patrimonio	1.628.017	1.729.316
Más	Inversiones en negocios conjuntos y asociadas	162.161	147.487
=	Renta Variable en Cartera de Activos Financieros	1.824.401	1.904.322

Fuente: Balance consolidado público

Passive treasury: aggregation of deposits of central banks and credit institutions.

Objective: aggregate indicator of the positions of central banks and credit institutions.

		jun.-25	dic.-24
Más	Pasivos financieros a coste amortizado / Depósitos / Bancos Centrales	0	0
Más	Pasivos financieros a coste amortizado / Depósitos / Entidades de Crédito	419.551	382.255
=	Tesorería Pasiva	419.551	382.255

Fuente: Balance consolidado público

Managed customer funds: aggregation of customer deposits, without taking into account mortgage covered bonds accounted for in time deposits, and off-balance sheet funds (mutual funds, EPSVs and pension funds, mixed insurance and others).

Objective: to determine the total balance of customer funds managed by the Group, both on and off balance sheet.

		jun.-25	dic.-24
Más	Pasivos financieros a coste amortizado / Depósitos / Clientela (1)	54.337.576	52.825.319
Menos	Cédulas hipotecarias registradas en Depósitos de la Clientela (2)	0	157.414
Más	Recursos Fuera de Balance (Fondos de inversión , EPSVs y Fondos de pensiones, Seguros mixtos y otros) (2)	39.224.499	36.785.038
=	Recursos de Clientes Gestionados	93.562.075	89.452.942

(1) Fuente: Balance consolidado público

(2) Fuente: Datos de gestión propios