

**Banco BBVA Perú and Subsidiaries**

Interim consolidated financial statements as of June 30, 2024 and  
December 31, 2023

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Interim consolidated financial statements as of June 30, 2024 and December 31, 2023

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## Banco BBVA Perú and Subsidiaries

### Interim consolidated statement of financial position

As of June 30, 2024 and December 31, 2023

	Note	2024	2023
		S/ (000)	S/ (000)
<b>Assets</b>			
Cash and due from banks	5	11,896,426	9,431,609
Interbank funds		-	17,009
Investments at fair value through profit or loss and available-for-sale investments	6	12,555,467	15,148,595
Loan portfolio, net	7	73,324,429	70,647,240
Trading derivatives	8	1,321,762	1,237,496
Hedging derivatives	8	2,330	-
Realizable, received in payment and seized assets		95,529	118,776
Non-current assets held for sale		117,840	94,161
Interests in associates	9	10,294	5,734
Property, furniture and equipment, net	10	1,137,035	1,192,939
Deferred tax		759,682	786,862
Other assets, net	11	6,593,718	5,643,381
<b>Total assets</b>		<u>107,814,512</u>	<u>104,323,802</u>
<b>Contingent risks and commitments</b>	16	<u>37,349,522</u>	<u>36,992,657</u>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Obligations with the public and deposits from financial institutions	12	73,994,643	70,726,777
Interbank funds		551,707	378,451
Debts and financial obligations	13	8,200,052	5,907,327
Trading derivatives	8	1,075,974	1,076,972
Hedging derivatives	8	76,134	93,486
Accounts payable, provisions and other liabilities	14	11,770,277	13,771,121
<b>Total liabilities</b>		<u>95,668,787</u>	<u>91,954,134</u>
<b>Equity</b>			
Share capital	15	8,894,852	8,147,211
Reserves		2,432,617	2,245,122
Unrealized gains		13,947	107,413
Retained earnings		804,309	1,869,922
<b>Total equity</b>		<u>12,145,725</u>	<u>12,369,668</u>
<b>Total equity and liabilities</b>		<u>107,814,512</u>	<u>104,323,802</u>
<b>Contingent risks and commitments</b>	16	<u>37,349,522</u>	<u>36,992,657</u>

The accompanying notes are an integral part of these interim consolidated financial statement.

**Banco BBVA Perú and Subsidiaries**  
**Interim consolidated statement of income**

For the six months ended June 30, 2024 and 2023

	Note	<b>2024</b>	<b>2023</b>
		S/ (000)	S/ (000)
Interest income	17	4,017,893	3,591,045
Interest expenses	18	(1,094,291)	(1,019,474)
<b>Gross financial margin</b>		<b>2,923,602</b>	<b>2,571,571</b>
Provision for direct loans, net of recoveries		(1,329,718)	(749,509)
<b>Net financial margin</b>		<b>1,593,884</b>	<b>1,822,062</b>
Income from financial services, net	19	580,494	525,806
<b>Net financial margin of income and expenses for financial services</b>		<b>2,174,378</b>	<b>2,347,866</b>
Profit or loss from financial transactions	20	399,188	421,165
<b>Operating margin</b>		<b>2,573,566</b>	<b>2,769,031</b>
Administrative expenses	21	(1,298,149)	(1,194,168)
Depreciation and amortization		(144,948)	(126,325)
<b>Net operating margin</b>		<b>1,130,469</b>	<b>1,448,539</b>
Measurement of assets and provisions		(100,188)	(53,456)
<b>Operating profit or loss</b>		<b>1,030,281</b>	<b>1,395,084</b>
Other income and expenses, net	22	11,841	(19,847)
<b>Profit before income tax</b>		<b>1,042,122</b>	<b>1,375,237</b>
Income tax		(238,632)	(367,690)
<b>Net profit</b>		<b>803,490</b>	<b>1,007,547</b>
<b>Basic and diluted earnings per share in soles</b>	23	0.0903	0.1133
<b>Weighted average number of outstanding shares (in thousands of shares)</b>	23	8,894,852	8,894,852

The accompanying notes are an integral part of these interim consolidated financial statement.

## Banco BBVA Perú and Subsidiaries

### Interim Consolidated Statement of Income and Other Comprehensive Income

For the six months ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
	S/ (000)	S/ (000)
<b>Net profit</b>	803,490	1,007,547
<b>Other comprehensive income:</b>		
Unrealized loss (gain) on available-for-sale investments	(82,357)	157,874
Unrealized losses on cash flow hedges	(15,005)	(36,946)
Interest in other comprehensive incomes of associates	(7)	(84)
Income tax on items of other comprehensive income	3,903	10,451
<b>Other comprehensive income for the period, net of income tax</b>	<u>(93,466)</u>	<u>131,295</u>
<b>Total comprehensive income for the period</b>	<u>710,024</u>	<u>1,138,842</u>

The accompanying notes are an integral part of these interim consolidated financial statement.

**Banco BBVA Perú and Subsidiaries**

**Interim consolidated statement of changes in equity**

For the six months ended June 30, 2024 and 2023

	<b>Number of shares in thousands (Note 15(a))</b>	<b>Share capital (Note 15(a)) S/ (000)</b>	<b>Legal reserve (Note 15(b)) S/ (000)</b>	<b>Unrealized gains- or losses (Note 15(c)) S/ (000)</b>	<b>Retained earnings (Note 15(d)) S/ (000)</b>	<b>Total equity S/ (000)</b>
<b>Balance as of January 1, 2023</b>	7,382,184	7,382,184	2,053,490	(91,052)	1,908,753	11,253,375
Net profit	-	-	-	-	1,007,547	1,007,547
<b>Other comprehensive income:</b>						
Unrealized gains on available-for-sale investments	-	-	-	157,426	-	157,426
Unrealized losses on cash flow hedges	-	-	-	(26,047)	-	(26,047)
Unrealized losses on interests in other comprehensive income of associates	-	-	-	(84)	-	(84)
<b>Total comprehensive income for the period</b>		-	-	<b>131,295</b>	<b>1,007,547</b>	<b>1,138,842</b>
Changes in equity (not included in comprehensive income):						
Dividends	-	-	-	-	(956,284)	(956,284)
Capitalization of retained earnings, note 15(a)	765,027	765,027	-	-	(765,027)	-
Transfers to reserves and other movements, note 15(b)	-	-	191,632	-	(191,256)	376
<b>Balances as of June 30, 2023</b>	<b>8,147,211</b>	<b>8,147,211</b>	<b>2,245,122</b>	<b>40,243</b>	<b>1,003,733</b>	<b>11,436,309</b>
Balance as of January 1, 2024	8,147,211	8,147,211	2,245,122	107,413	1,869,922	12,369,668
Net profit	-	-	-	-	803,490	803,490
<b>Other comprehensive income:</b>						
Unrealized losses on available-for-sale investments	-	-	-	(82,880)	-	(82,880)
Unrealized losses on cash flow hedges	-	-	-	(10,579)	-	(10,579)
Unrealized losses on interests in other comprehensive income of associates	-	-	-	(7)	-	(7)
<b>Total comprehensive income for the period</b>		-	-	<b>(93,466)</b>	<b>803,490</b>	<b>710,024</b>
Changes in equity (not included in comprehensive income):						
Dividends	-	-	-	-	(934,551)	(934,551)
Capitalization of retained earnings. Note 15(a)	747,641	747,641	-	-	(747,641)	-
Transfers to reserves and other movements, Note 15(b)	-	-	187,495	-	(186,911)	584
<b>Balance as of Junio 30, 2024</b>	<b>8,894,852</b>	<b>8,894,852</b>	<b>2,432,617</b>	<b>13,947</b>	<b>804,309</b>	<b>12,145,725</b>

The accompanying notes are an integral part of these interim consolidated financial statement.

## Banco BBVA Perú and Subsidiaries

### Interim consolidated statement of cash flows

For the six months ended June 30, 2024 and 2023

	<b>2024</b>	<b>2023</b>
	S/ (000)	S/ (000)
Reconciliation of the net profit to the cash and flows from operating activities		
Net profit	803,490	1,007,547
<b>Adjustments</b>	<b>1,840,446</b>	<b>1,310,921</b>
Depreciation and amortization	144,948	126,324
Impairment of property, furniture and equipment, and intangible assets	25,500	14,537
Impairment of available-for-sale investments and goodwill	-	(1,553)
Provisions	1,404,407	789,982
Other adjustments	265,591	381,631
<b>Net changes in assets and liabilities</b>	<b>166,859</b>	<b>1,493,346</b>
Loan portfolio	(3,334,133)	(793,022)
Available-for-sale investments	2,391,690	249,587
Accounts receivable and others	(762,142)	(1,531,778)
Unsubordinated financial liabilities	3,508,441	3,532,250
Accounts payable and others	(1,636,997)	36,309
<b>Profit or loss for the period after net changes in assets, liabilities and adjustments</b>	<b>2,810,795</b>	<b>3,811,814</b>
Paid income tax	(834,340)	(653,050)
<b>Net cash and cash equivalents from operating activities</b>	<b>1,976,455</b>	<b>3,158,764</b>
<b>Cash flows from investing activities:</b>		
Acquisition of intangible assets and property, furniture, and equipment	(108,486)	(125,119)
Other cash inflows from investing activities	29,483	32,829
<b>Net cash and cash equivalents used in investing activities</b>	<b>(79,003)</b>	<b>(92,290)</b>
<b>Cash flows from financing activities:</b>		
Cash inflows from issuance of subordinated financial liabilities	1,115,400	-
Cash outflows from redemption of subordinated financial liabilities	(625,585)	-
Cash paid for dividends	(934,315)	(955,790)
Other cash inflows from financing activities	2,264,305	1,531,731
Other cash outflows from financing activities	(2,103,385)	(1,327,201)
<b>Net cash and cash equivalents used in financing activities</b>	<b>(283,580)</b>	<b>(751,260)</b>
<b>Net increase in cash and cash equivalents before effects of exchange rate fluctuations</b>	<b>1,613,872</b>	<b>2,315,214</b>
Effects of changes in exchange rates on cash and cash equivalents	129,571	(617,606)
<b>Net increase in cash and cash equivalents</b>	<b>1,743,443</b>	<b>1,697,608</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>18,546,802</b>	<b>17,583,751</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>20,290,245</b>	<b>19,281,359</b>
Guarantee funds	1,138,693	486,502
Investment with maturities of less than 90 days	(9,532,512)	(5,119,140)
<b>CASH AND DUE FROM BANKS ACCORDING TO THE STATEMENT OF FINANCIAL POSITION</b>	<b>11,896,426</b>	<b>14,648,721</b>

The accompanying notes are an integral part of these interim consolidated financial statement.

# Banco BBVA Perú and Subsidiaries

## Notes to the interim consolidated financial statements

As of June 30, 2024 and December 31, 2023

### 1. Operations

#### (a) Identification and economic activity -

Banco BBVA Perú (hereinafter the Bank) is a subsidiary of BBVA Perú Holding S.A.C., which holds 46.61% of its share capital As of June 30, 2024 (46.12% at December 31, 2023). The Bank Bilbao Vizcaya Argentaria S.A. holds 100% of the shares of BBVA Perú Holding S.A.C.

The Bank is a closely held corporation incorporated in 1951 and is authorized to operate as a banking institution by the Peruvian banking, insurance and pension plan regulator, Superintendencia de Banca, Seguros y Administradoras Privadas de Fondos de Pensiones (hereinafter the SBS).

The Bank is mainly engaged in financial intermediation inherent to commercial banks. Such activities are governed by the SBS according to Law 26702 "General Law of the Financial and Insurance Systems and SBS Organic Law" and its amendments (hereinafter the Banking Law). This Law establishes the requirements, rights, obligations, collaterals, restrictions, and other operating conditions to which every legal entity operating in the financial and insurance systems is subject.

The Bank's legal domicile and headquarters is located at Av. República de Panamá No. 3055 - San Isidro, Lima, Peru.

The Bank holds 100% of the share capital with voting rights over its subsidiaries: BBVA Bolsa Sociedad Agente de Bolsa S.A, BBVA Asset Management S.A. SAF, BBVA Sociedad Titulizadora S.A., Inmuebles y Recuperaciones BBVA S.A., BBVA Consumer Finance EDPYME in liquidation, Forum Comercializadora del Perú S.A. in liquidation and Forum Distribuidora del Perú S.A. Even though the Bank does not hold share capital or voting rights over Continental DPR Finance Company B.V. (DPR) due to the characteristics of its corporate purpose and its relationship with the Bank, the accounting standards that govern the Bank require DPR's financial statements to be included, on a consolidated basis, in those of the Bank (all these companies including the Bank are denominated hereinafter the BBVA Peru Group).

#### (b) Climate and political juncture in Peru -

##### (i) Climate juncture

On March 12, 2023, because of the oceanic and atmospheric conditions and rainfall prospects, in addition to the presence of Cyclone Yaku, the Peruvian Government declared a State of Emergency in several provinces of Peru, due to the damage caused by heavy rainfall to the livelihoods of the population, and thus be able to implement exceptional measures and actions, and immediate and necessary response and rehabilitation efforts, as appropriate.

##### (ii) Political juncture

In December 2022, on the wake of number of political events, several acts of violence and vandalism against public and private institutions took place, as well as aggressions against the personal integrity of citizens and authorities in different regions of the country. Given these widespread protests and social



## Notes to the interim consolidated financial statements (continued)

unrest, on December 14 and 15, 2022, the Presidency of the Cabinet of Ministers issued Supreme Decrees N°143-2022-PCM and N°144-2022-PCM, in which a State of National Emergency was instated for 30 days, as well as a mandatory social immobilization for 5 days nationwide, respectively.

Due to these events increase the risk of economic losses and difficulties for the affected debtors to comply with the timely payment of their debts, as a preventive measure, the SBS empowered the companies of the financial system to reschedule their customer's debts, see Note 2(c) for further details.

In Management's opinion, these situations have not affected the Bank's operations and have not had any significant impact on the interim consolidated financial statements as of June 30, 2024 and December 31, 2023

(c) National State of Emergency (Covid-19 pandemics) -

On March 2020, the World Health Organization (WHO) declared a pandemic due to the coronavirus disease (COVID-19), and recommended contention and mitigation measurements worldwide. On March 15, 2020, the Peruvian government declared, through Supreme Decree No 044-2020-PCM, a national state of emergency due to the serious circumstances affecting people's life as a result of the COVID-19 outbreak. In October 2022, the Peruvian officially ended the National Emergency by means of Supreme Decree No 130-2022-PCM.

In coping with the COVID-19 pandemic, the Peruvian Government, the Ministry of Economy and Finance, the Central Reserve Bank of Peru (hereinafter the BCRP) and the banking regulator, SBS, set a number of exceptional measures; see further detail in note 2(c).

(d) Approval of the interim consolidated financial statements -

The interim consolidated financial statements as of June 30, 2024 have been approved by management.

### 2. Basis of Preparation of the Interim Consolidated Financial Statements

(a) Statement of compliance -

The interim consolidated financial statements are prepared and presented in accordance with current regulations and Peruvian GAAP applicable to financial institutions, which comprise the accounting standards and practices authorized by the SBS and applicable to financial institutions in Peru. Those standards are contained in the Accounting Manual for Financial Institutions (hereinafter the Accounting Manual) approved by SBS Resolution 895-98 on September 1, 1998 and effective January 1, 2001, including supplemental standards and amendments.

As indicated by the SBS, in the absence of such applicable SBS regulations, the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), made official in Peru by the Peruvian Accounting Standard Board (CNC, for its Spanish acronym), are applied.

(b) Basis of consolidation -

The consolidated financial statements include the financial statements of entities that are part of the BBVA Peru Group, described in note 1.a, from the date control is obtained over those entities. Control of an entity is obtained when the Bank is exposed to, or has rights to, variable returns from its involvement with the entity

## Notes to the interim consolidated financial statements (continued)

and has the ability to affect those returns through its power over the entity. Particularly, the Bank controls an investee if and only if it has all the following:

- Power over the investee; that is, the investor has existing rights that give it the current ability to direct the relevant activities,
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect the amount of the investor's returns.

In general, it is presumed that majority voting rights or similar rights in the investee grants control over the investee. The Bank considers all facts and circumstances when assessing whether it controls an investee, including:

- The contractual arrangement between the Bank and other voting right or similar right holders of the investee's.
- Rights arising from other contractual arrangements.
- The investor's voting rights, its potential voting rights and a combination of both.

The Bank reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the above-indicated three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Bank. They are deconsolidated from the date that control ceases. Consolidated financial statements include the assets, liabilities, revenue and expenses of the Bank and its subsidiaries.

Profit or loss for the period and each component of other comprehensive income are attributable to the owners of the controlling interest and to the share of non-controlling interests, even if this results in non-controlling interest with a negative balance. Adjustments are made to the financial statements of subsidiaries, when necessary, to align their accounting policies with those of the Bank.

All assets, liabilities, equity, revenue, expenses and cash flows related to transactions between entities that are consolidated by the Bank are eliminated in whole.

Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are stated as equity transactions.

If the Bank ceases to have control over a subsidiary the related assets are derecognized (including goodwill), liabilities, non-controlling interest and other equity components, while any resulting profit or loss is stated in the consolidated statement of income. Any interest held in an investee is recognized at fair value.

Subsidiaries are all entities over which the Bank has the power to govern their operating and financial policies. Consolidation of subsidiaries is ended from the date the Bank ceases to have control over them.

The table below shows the major balances of BBVA Peru Group as of June 30, 2024 and December 31, 2023:

## Notes to the interim consolidated financial statements (continued)

In millions of Peruvians soles	Assets		Liabilities		Equity	
	2024	2023	2024	2023	2024	2023
	<b>Entity</b>					
Banco BBVA Perú	107,849	104,413	95,704	92,044	12,145	12,369
BBVA Bolsa Sociedad Agente de Bolsa S.A.	49	55	25	41	24	14
BBVA Asset Management S.A. SAF	30	31	3	3	27	28
BBVA Sociedad Titulizadora S.A.	5	5	1	1	4	4
Inmuebles y Recuperaciones BBVA S.A.	154	153	1	1	153	152
Continental DPR Finance Company B.V.	-	-	-	-	-	-
BBVA Consumer Finance Edpyme en liquidación	20	20	3	4	17	16
Forum Comercializadora S.A. en liquidación	2	2	-	-	2	2
Forum Distribuidora S.A.	151	145	117	112	34	33

- (c) Major pronouncements issued by the SBS, BCRP and the Government with an impact on the financial system. As stated in note 1(b) and (c), in coping with the climate effects, social unrest and COVID 19, the Peruvian Government, the Ministry of Economy and Finance, the BCRP and the SBS issued the regulations set out below:

Notes to the interim consolidated financial statements (continued)

N°	Programs / Measures	Legal basis	Short description of programs / measures	Impact on the Bank
(i)	Loan rescheduling	Official letters N°10997-2020-SBS, N°11150-2020-SBS, N°11170-2020-SBS, N°12679-2020-SBS, N°13195-2020-SBS, N°13805-2020-SBS y N°14355-2020-SBS and N°15944-2020-SBS. Issued between March and July 2020	These official letters set exceptional measures applicable to the loan portfolio, intended to make debt repayment easier for customers of financial institutions that were affected by the restrictive measures taken by the Peruvian Government due to the Covid-19 pandemic. At the reporting date, these official letters are no longer effective.	As of June 30, 2024 and December 31, 2023, the balance of rescheduled loans under these official letters was approximately S/ 188 million and S/ 270 million, respectively.
		Official letters N°13613-2021-SBS, N°6302-2021-SBS, and N° 08441-2023-SBS. Issued between February 2021 and February 2023.	Per these Official letters, the SBS entitled financial institutions to reschedule loans to their customers over 2021. At the reporting date, these official letters are no longer effective.	
		Official letters N° 54961-2022-SBS, 03140-2023-SBS, 03583-2023-SBS, 08441-2023.SBS, 09702-2023-SBS, 11235-2023-SBS and the Official letter 17305-2023-SBS. Issued between December 2022 and April 2023	New supplemental prudential measures (loan rescheduling), issued in the framework of the Emergency Status instated due to the social unrest occurring in Peru. At the reporting date, those official letters were no longer effective.	As of June 30, 2024 and at December 31, 2023, the total balance of rescheduled loans with individual and mass portfolio evaluations for social unrest was S/262 and S/519 million, respectively.
		Official letter N° 12174-2023-SBS dated March 15, 2023	The SBS includes one single document with all prudential provisions for loan rescheduling issued up to the date, making relevant changes in the accounting records and making them applicable to the general Emergency Conditions resulting from the social unrest in the country and natural disasters with severe consequences affecting the lives of the population in certain areas of Peru or nationwide.	As of June 30, 2024 and at December 31, 2023, the total balance of rescheduled loans with individual and mass portfolio evaluations for climate effects was S/131 million and S/126 million, respectively.
		Official letter N° 63223-2023-SBS. Dated November 6, 2023.	Clarifications are made to the prudential Measures relating to rescheduling. This official letter made clarifications and indicated that “emergency states” that are classified as “imminent danger” shall not be taken into account in future reschedulings.	
(ii)	Additional provisions for rescheduled loans	SBS resolution N°3922- dated December 23, 2021	Subsequently, the SBS set the requirement that for those loans that were rescheduled because of the COVID-19 pandemic, and accounted for as such, the financial institutions shall record additional provisions, as if they had a worse credit rating.	As of June 30, 2024 and December 31, 2023, the Bank recorded provisions for rescheduled loans of debtors rated as Normal, CPP and Substandard for around S/1 million and S/3 million, respectively.
(iii)	Reactiva Perú economic relief program	Legislative Decree N° 1455-2020 dated April 6, 2020	Instated with the following objectives: <ul style="list-style-type: none"> <li>- Respond to the liquidity needs faced by companies in the context of the COVID-19 pandemic.</li> <li>- Ensure continuity of the chain of payments.</li> </ul>	As of June 30, 2024 and December 31, 2023, the Bank holds "Reactiva Perú" loans for around S/1,193 million and S/1,900 million, note 7(c). The amounts secured by the Peruvian Government totaled S/1,046 million and S/1,675 million, respectively.
	Reactiva Perú up until November 30, 2020	Ministry Resolution N° 134-2020-EF dated April 13, 2020	Using this program, the Government grants guarantee to back entities so they can obtain working capital credit facilities and meet their short-term obligations with workers and suppliers of goods and services. Guarantees range from 80% and 98% of the loan amount, which is a maximum of S/ 10 million per customer, which is determined based on the total sales. Additionally, the Bank obtains the resources to grant these loans based on its repo transactions with the Peruvian Central Reserve Bank (hereinafter BCRP), for the secured portion of the loan.	
	Reactiva Perú reschedulings Up to December 31, 2021	Emergency Decree N° 026-2021 dated March 6, 2021  Emergency Decree No 091-2021 September 30, 2021	The Peruvian Government has ordered that loans granted under the Reactiva Perú program can be eligible for rescheduling, provided that they meet the requirement set by the applicable standards (mainly involving a decrease in sales). Loan rescheduling can be provided with Bank’s or BCRP’s funding. If Bank’s funding is used, the interest rate can be raised up to 25 basis points. The due dates set for customers to be able to obtain loan rescheduling expired on September 30, 2021. However, an extension was ordered for loans secured by this program that were eligible for loan rescheduling until December 31, 2021.	As of June 30, 2024 and December 31, 2023, the rescheduled loans including those obtained in the context of the health emergency and those under the Reactiva program totaled S/1,335 million and S/2,112 million, respectively, note 7(c).

Notes to the interim consolidated financial statements (continued)

N°	Programs / Measures	Legal basis	Short description of programs / measures	Impact on the Bank
	New REACTIVA rescheduling Up to December 31, 2022	Emergency Decree No 011- 2022 May 13, 2022	<p>Also, the possibility was raised for REACTIVA loans to be subject to new rescheduling up to 10 billion.</p> <p>Rescheduled loans will continue to be backed by the Peruvian Government. BCRP funding will be kept up to due date of the prior rescheduled loan, at which date, they will be replaced with resources of the financial system.</p> <p>For those loans from S/ 90,001 to S/ 10 million, decrease in sales of 30% or more in 2021, as compared to 2019, should be demonstrated.</p>	
	Extending Reactiva loan rescheduling until June 30, 2023.	Emergency Decree No 026-2022 December 27, 2022	<p>Amendments were made to the Operating rules to the economic relief program.</p> <p>Amendments to the Operating Regulations of the Reactiva Program are set, specifying the extension of the rescheduling of loans granted under the regulatory framework of the Reactiva Program. Also, This Resolution sets forth the possibility of new rescheduling for an additional grace period of 24 months for loans that have been rescheduled under the provisions of Emergency Decree 011-2022</p> <p>In this respect, a new debt rescheduling and another period of grace of up to 24 months were authorized to be granted to entities that had rescheduled their Reactiva loans in accordance with the provisions of Urgency Decree N° 011-2022.</p>	
		Ministry Resolution No 074-2023-EF/15 (February 21, 2023).		
		Urgency Decree No 029-2023 dated July 25, 2023 Ministry Resolution No 287-2023-EF/15		
(iv)	Fondo Crecer Up to 2049	Legislative Decree N° 1399 (September 7, 2018)	<p>This is a program to secure loans obtained for working capital, fixed assets and export credits intended to bolster the productive development and growth of medium-sized and small entities. The maximum amount to be secured per customer is S/ 10 million. Amounts secured are up to 75% for microbusiness and small entities, up to 70% for medium-sized and up to 60% for exporters.</p> <p>The scope of application by beneficiaries of the relief fund called Fondo Crecer is amended to be used by microbusinesses, small and medium-sized entities according to the type of financing obtained under the criteria set by the SBS.</p> <p>Several articles of the rules for application of Legislative Decree N° 1399 were amended. This piece of legislation was enacted to promote and strengthen Micro, Small and Medium-sized entities and create Fondo CRECER, pursuant to Supreme Decree N° 007- 2019-EF as a way to implement the changes introduced by Law N° 31689.</p>	As of June 30, 2024 and December 31, 2023, the Bank holds loans under this program for around S/ 119 million and S/ 118 million, respectively, note 7(c). The amounts secured by the Peruvian Government totaled S/ 73 million and S/ 75 million, respectively.
		Supreme Decree N° 007-2019-EF (January 11, 2019)		
		Law N° 31683 (February 09, 2023)		
		Supreme Decree N°227-2023-EF (October 25, 2023)		
(v)	Repo transactions with loan portfolio rescheduling	Circular N°0014-2020-BCRP dated April 3, 2020	<p>BCRP sets the characteristics and procedures for repo transactions of the loan portfolio secured by the Peruvian Government. At the selling date, the Bank receives the local currency (the sale amount) and, at the same time, it becomes engaged to repurchase such portfolio (repo amount). BCRP will draw down 80 percent of the funds to the Bank's checking account with the BCRP and the remaining portion will be credited to restricted account also held by the Bank with the BCRP.</p>	As of June 30, 2024 and December 31, 2023, the Bank maintains balances of repo transactions related to the rescheduled portfolio for S/ 4,896 million and S/ 4,898 million, respectively, see note 14.
		Circular BCRP 0021-2020 dated June 7, 2020		
		Circular N° 0033-2020-BCRP	The ninth transitional provision supersedes Circular N° 0014-2020-BCRP to introduce changes in the provisions applicable to the Repo Transactions with Loan Portfolio represented by Securities for the purpose of making operability more flexible..	
		Official letter N°11518-2020 dated April 7, 2020 and official letters N°12791-2020 dated May 8, 2020	BCRP has instated the possibility for financial institutions to obtain funding at 0.5% by means of Repo Transactions. Under this mechanism, financial system entities engage to reschedule loans to customers or portfolio bought from other financial system entities to reduce temporarily the interest rate over the period the transaction with the BCRP lasts.	
			SBS has set the accounting model for repo transactions as well as some reporting requirements. Based on those official letters, the loan portfolio is not derecognized but provisions will continue to be made for the portfolio used in repo transaction.	

Notes to the interim consolidated financial statements (continued)

(vi)	Impulso Myperu Program	<p>Law N° 31658: “Ley que Crea el Programa Impulso Empresarial MYPE – IMPULSO MYPERU” and M.R. No 066-2023-EF/15.</p> <p>D.U N° 039-2023 y R.M. N° 419-2023-EF/15 (published on November 29 and December 15, 2023, respectively)</p> <p>D.U. N° 012-2024 (June 29, 2024)</p>	<p>Approval of the Law that creates the Programa Impulso Empresarial MYPE - IMPULSO MYPERU for the purpose of financing loans for debt consolidation, working capital, fixed assets and purchase of debt to MYPE (criteria that was later expanded by the program to include other companies)</p> <p>The scope, maximum amount and term of the program are extended until June 30, 2024. At the reporting date, the program is in force and shows a funding balance of S/15,000 million and includes the possibility of financing companies in all productive sectors of the country.</p> <p>The term for applying for this program ( Programa Impulso Empresarial MYPE – IMPULSO MYPERU) is extended to December 31, 2024.</p>	<p>As of June 30, 2024, the total of loans under this program was S/2,630 million.</p>
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## Notes to the interim consolidated financial statements (continued)

Management considers the Bank has complied with all exceptional rules and measures set forth by the Peruvian Government, the Ministry of Economy and Finance, the Peruvian Central Reserve Bank and the SBS as established to cope with the Covid-19 pandemic, social unrest and climate effects.

### **3. Accounting principles and practices**

In preparing and presenting the accompanying consolidated financial statements, Management of BBVA Peru Group has met the standards set by the SBS currently effective in Peru. Major accounting principles and practices implemented as of June 30, 2024 have not changed significantly in relation with those applied as of December 31, 2023, as summarized in the audit report dated February 22, 2024.

### **4. Foreign currency balances**

The interim consolidated statement of financial position includes balances of foreign currency transactions, mainly in U.S. dollars (US\$), which are recorded in soles (S/) at the exchange rate set by the SBS. As of June 30, 2024 and December 31, 2023 buying and selling exchange rates per US\$ 1 were S/3.831 and US\$1 per S/3.709, respectively.

Foreign currency transactions in Peru referred to the item authorized by the BCRP are channeled through a free banking system. As of June 30, 2024, buying and selling exchange rates used were US\$1 per S/3.827 and US\$1 per S/3.837, respectively (buying rate of US\$ 1= S/3.705 and selling rate of US\$1 per S/3.713 as of December 31, 20223).

Notes to the interim consolidated financial statements (continued)

As of June 30, 2024 and December 31, 2023, foreign currency balances stated in thousands of U.S. dollars and other currencies are as follows:

	2024			2023		
	US Dollars (000)	Other currencies (000)	Total (000)	US Dollars (000)	Other currencies (000)	Total (000)
<b>Asset</b>						
Cash and due from banks	1,937,499	330,262	2,267,761	1,442,283	115,174	1,557,457
Investments at fair value through profit or loss and available-for-sale investments	1,803,228	-	1,803,228	1,707,942	-	1,707,942
Loan portfolio, net	5,153,730	-	5,153,730	5,232,933	-	5,232,933
Other assets, net	250,698	3,929	254,627	484,706	3,602	488,308
	<b>9,145,155</b>	<b>334,191</b>	<b>9,479,346</b>	<b>8,867,864</b>	<b>118,776</b>	<b>8,986,640</b>
<b>Liabilities</b>						
Obligations with the public and deposits from financial institutions	7,544,728	67,122	7,611,850	7,087,149	62,864	7,150,013
Interbank funds	95,046	-	95,046	40,018	-	40,018
Debts and financial obligations	1,545,210	-	1,545,210	1,211,022	-	1,211,022
Provisions and other liabilities	376,232	87,463	463,695	567,307	7,303	574,610
	<b>9,561,216</b>	<b>154,585</b>	<b>9,715,801</b>	<b>8,905,496</b>	<b>70,167</b>	<b>8,975,663</b>
<b>Net position</b>	(416,061)	179,606	(236,455)	(37,632)	48,609	10,977
Derivative instruments, assets	7,156,675	435,817	7,592,492	6,166,648	500,777	6,667,425
Derivative instruments, liabilities	6,713,963	619,767	7,333,730	6,073,313	555,208	6,628,521
<b>Long (short) position</b>	<b>26,651</b>	<b>(4,344)</b>	<b>22,307</b>	<b>55,703</b>	<b>(5,822)</b>	<b>49,881</b>

As of June 30, 2024 and 2023, BBVA Perú recorded within “Profit or loss from financial transactions” in the interim consolidated statement of income, net exchange gains for S/ 294 million and S/ 299 million, respectively, which corresponds to the valuation of exchange position, rate, as well as foreign currency purchase and sales transactions (note 20).

The percentage variation in the exchange rate of the sol in relation with the US dollar was -3.29% and -2.75% as of June 30, 2024 and 2023, respectively.



## Notes to the interim consolidated financial statements (continued)

### 5. Cash and due from banks

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Banks and other foreign financial institutions (c)	5,762,887	4,240,686
Cash (a)	2,648,904	2,956,853
Peruvian Central Reserve Bank (a)	2,190,807	1,220,422
Other guarantee funds (d)	1,023,762	849,483
Guarantee deposits BCRP (b)	114,930	-
Banks and other local financial entities (c)	107,319	106,507
Clearing	46,893	57,006
Other cash	924	652
	<u>11,896,426</u>	<u>9,431,609</u>

- (a) The funds held within Cash and in the Central Reserve Bank of Peru (BCRP) are intended to cover the legal reserve that the Bank must keep for obligations and deposits made by the public, as required by current regulations (BCRP). As of June 30, 2024, the total obligations subject to reserve requirements (TOSE, the Spanish acronym) are subject to an implicit rate of 5.50% in local currency and 35% in foreign currency for both periods (at December 31, 2023, they are subject to an implicit rate of 6% in local currency and 35% in foreign currency)

As of June 30, 2024 and December 31, 2023 this item shows the following accounting balances:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
<b>Legal reserve</b>		
Cash in vault	2,648,905	2,956,853
Deposits with BCRP	209,450	415,186
Subtotal legal reserve	<u>2,858,355</u>	<u>3,372,039</u>
<b>Non-mandatory legal reserve</b>		
Time deposits with BCRP	1,949,045	779,915
Interest on checking account	32,311	25,321
Subtotal non-mandatory legal reserve	<u>1,981,356</u>	<u>805,236</u>
<b>Total</b>	<u>4,839,711</u>	<u>4,177,275</u>

The legal reserve requirement balances that reflect the legal minimum do not earn interest. The reserve balances that reflect the additional reserve requirements in local and foreign currencies earn interest at a nominal interest rate set by the BCRP. During 2024 and 2023, a portion of the additional reserve requirement balances in dollars have a cash flow hedge (Note 8(ii)).

As of June 30, 2024 and at December 31, 2023, the balances held with the BCRP include overnight deposits of S/1,948 million y S/780 million, respectively.

## Notes to the interim consolidated financial statements (continued)

- (b) As of June 30, 2024 and at December 31, 2023, cash and due from banks includes guarantee funds on transactions with derivative financial instruments requested by the Bank's counterparties of US\$149 million and US\$25 million, respectively. Also, as of June 30, 2024, S/389 million and US\$15 million are included to secure the process of online transfers at the request of the BCRP (S/646 million and US\$28 million, as of December 31, 2023).
- (c) As of June 30, 2024 and December 31, 2023 deposits held with local and foreign banks are mainly in Peruvian soles and in U.S dollars but also other currencies for smaller amounts; they are cash in hand and bear interest at market rates.

As of June 30, 2023, they include balances mainly with the following financial institutions: JP Morgan Chase Bank of S/1,514 million, Citibank N.A. New York of S/1,098 million, Bank of New York of S/844 million, Commerzbank of S/707 million, Standard Chartered Bank of S/441 million, Wells Fargo Bank of S/314 million, BBVA Paris of S/226 million, BBVA Madrid of S/223, Bank of America of S/215 million and Brown Brother Harriman of S/109 million (at December 31, 2023, balances were held mainly with: JP Morgan Chase Bank of S/1,396 million, Citibank N.A. New York of S/955 million, Bank of New York of S/773 million, BBVA Paris of S/340 million, Brown Brother Harriman of S/256 million, Standard Chartered Bank S/225 million and Wells Fargo Bank of S/207 million).

As of June 30, 2024 and 2023, interest income on cash and due from banks totaled S/ 277 million and S/ 218 million, respectively, and is shown within interest income in the interim consolidated statement of income (Note 17).

Notes to the interim consolidated financial statements (continued)

6. Investments at Fair Value through Profit or Loss and Available-for-Sale

This caption comprises the following:

	2024				2023			
	Amortized cost	Gross unrealized gains or losses		Estimated fair value	Amortized cost	Gross unrealized gains or losses		Estimated fair value
		Gains	Losses			Gains	Losses	
S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	
<b>Investments at fair value through profit or loss:</b>								
Certificates of deposit with BCRP (a)				2,466,449				2,837,641
Peruvian Public Treasury bonds (b)				573,085				1,549,360
U.S. treasury bills (c)				388				391
<b>Subtotal</b>				<b>3,039,922</b>				<b>4,387,392</b>
<b>Available-for-sale investments (f)</b>								
<b>Debt instruments:</b>								
Peruvian Public Treasury bonds (b)	2,768,391	40,699	-	2,809,090	3,954,361	123,921	-	4,078,272
U.S. treasury bills (c)	6,686,502	-	(351)	6,686,151	6,125,090	-	(6,546)	6,118,544
Certificates of deposit with BCRP (a)	-	-	-	-	539,889	505	-	540,394
	9,454,893	40,699	(351)	9,495,241	10,619,340	124,426	(6,546)	10,737,210
<b>Shares:</b>								
Shares of local and foreign companies (d) y (e)	26,843	-	(6,539)	20,304	25,532	-	(1,538)	23,993
	26,843	-	(6,539)	20,304	25,532	-	(1,538)	23,993
<b>Subtotal</b>	<b>9,481,736</b>	<b>40,699</b>	<b>(6,890)</b>	<b>9,515,545</b>	<b>10,644,872</b>	<b>124,426</b>	<b>(8,084)</b>	<b>10,761,203</b>
<b>Total</b>				<b>12,555,467</b>				<b>15,148,595</b>

(a) As of June 30, 2024 and December 31, 2023, the certificates of deposit issued by the BCRP consist of negotiable instruments obtained in public auctions held by the BCRP or traded in the secondary market with maturities up until March 2025 and December 2024, respectively. As of December 31, 2023, the balance includes certificates of deposit of S/ 305 million that secure repo transactions.

As of June 30, 2024, annual return in local currency on these instruments ranged from 5.19% to 5.78% (from 6.41% to 6.86% in local currency at December 31, 2023).

(b) Peruvian Public Treasury Bonds include sovereign bonds of the Republic of Peru in local currency and global bonds in foreign currency issued by the Ministry of Economy and Finance of Peru (MEF), which represent public internal debt securities of the Republic of Peru.

As of June 30, 2024 these bonds bore interest at an annual interest rates ranging from 5.35% to 7.43% in local currency (ranging from 5.35% to 8.20% at December 31, 2023). As of June 30, 2024 and December 31, 2023 these bonds bore interest at an annual interest rate of 7.35% in foreign currency, for both periods. As of June 30, 2024 and December 31, 2023, local currency bonds have maturities up until February 2055 and foreign currency bonds up until July 2025, in both periods.

As of June 30, 2024 and December 31, 2023, a portion of the balance of global bonds Peru of US\$ 30 million are hedged with a cash flow hedge (note 8(ii)).

(c) As of June 30, 2024 and December 31, 2023, the U.S. Treasury Bills bear interest ranging from 3% to 4.5% in foreign currency (ranging from 3% to 5.29% as of December 31, 2023) and with maturities up until November 2033 in both periods. As of June 30, 2024 and December 31, 2023, a portion of the U.S. treasury bills is being used to secure S/1 million and S/23 million, respectively.

## Notes to the interim consolidated financial statements (continued)

- (d) As of June 30, 2024 and December 31, 2023, a provision for impairment was made of S/4 million on the investments held on Pagos Digitales Peruanos, in both periods.
- (e) Including the shares of Holding Bursátil Chilena S.A., which was formed based on the integration process of the Chilean, Peruvian and Colombian stock exchanges. This integration process involved the exchange of shares held by the Bank and its subsidiary BBVA Bolsa Sociedad Agente de Bolsa S.A., in the Lima Stock Exchange for a total of S/25 million and S/10 million, respectively; for those of Holding Bursátil Chilena S.A. the balance of which as of June 30, 2024 was S/14 million and S/5 million (S/17 million and S/6 million at December 31, 2023).
- (f) As of June 30, 2024 unrealized gains on valuation of available-for-sale investments, net of the related deferred income tax was S/ 32 million (unrealized gains of S/ 114 million at December 31, 2023), note 15(c).

As of June 30, 2024 and 2023, interest accrued on the investment portfolio of the Bank (Note 17) was S/ 273 million and S/ 285 million, respectively.

### 7 Loan Portfolio, Net

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Direct loans:		
Loans (c)	28,369,916	26,845,471
Mortgage loans (d)	15,596,546	14,768,114
Consumer loans	12,320,269	11,868,127
Foreign trade	5,702,866	5,797,177
Finance lease	3,170,427	3,259,775
Factoring	1,699,751	1,707,092
Project financing	1,090,603	1,109,191
Discounts	903,447	1,102,234
Others	3,097,825	3,049,856
	<u>71,951,650</u>	<u>69,507,037</u>
Past due loans and under legal collection loans	3,517,617	3,536,302
Refinanced loans	1,915,091	1,856,072
	<u>77,384,358</u>	<u>74,899,411</u>
Plus (less)		
Accrued interest from performing loans	809,842	746,092
Deferred income	(101,260)	(99,710)
Provisions for direct loan losses	(4,768,511)	(4,898,555)
Total direct loans	<u>73,324,429</u>	<u>70,647,238</u>
Contingent or indirect loans, note 16	<u>18,508,812</u>	<u>18,441,493</u>

## Notes to the interim consolidated financial statements (continued)

- (a) As of June 30, 2024 and December 31, 2023, 51.00% of the direct loan portfolio is concentrated in approximately 4,559 customers amounting to S/ 39,776 million and 4,919 customers amounting to S/ 38,505 million, respectively.
- (b) Direct loan portfolio with guarantees received from customers, which comprise mortgages, deposits, letters of guarantees, collaterals and warrants, amounts to S/ 51,840 million as of June 30, 2024 (S/ 49,327 million at December 31, 2023).
- (c) As of June 30, 2024 and December 31, 2023, part of the loan portfolio belongs to the Reactiva Peru program (note 2(c)(iii)) with a balance for S/ 1,193 million (S/ 1,900 million at December 31, 2023). Detail of such loans are shown as follows:

	<u>2024</u>	<u>2023</u>
	S/(000)	S/(000)
<b>Types of loans</b>		
Medium-business loans	742,169	1,247,444
Small-business loans	245,613	343,745
Large-business loans	198,030	301,258
Micro-business loans	5,412	5,213
Corporate loans	1,558	2,396
<b>Total of Reactiva Peru program loans</b>	<u><b>1,192,782</b></u>	<u><b>1,900,056</b></u>

As of June 30, 2024, the Bank holds repo transactions involving the loan portfolio with the BCRP (note 14(a)) for S/ 1,055 million (S/ 1,579 million at December 31, 2023) that relate to the Reactiva Perú Program.

As of June 30, 2024, the balances of the loans and payables on repo transactions involving the rescheduled loan portfolio with the BCRP (note 14(a)) totaled S/ 5,480 million and S/ 4,896 million, respectively (at December 31, 2023, these balances totaled S/ 5,019 million and S/ 4,898 million, respectively).

As of June 30, 2024, loans under the Crecer program totaled S/ 119 million (S/ 118 million at December 31, 2023), note 2(c) (iv).

As of June 30, 2024 and December 31, 2023, total rescheduled loans was S/2,364 million and S/3,620 million, respectively. This includes rescheduling under the framework of Multiple Official Letter N°5345-2010-SBS, due to the health emergency, REACTIVA Program, social unrest and climate effects, in accordance with the SBS provisions. Those balances are shown below by type of loan:

	<u>2024</u>	<u>2023</u>
	S/(000)	S/(000)
<b>Types of loans</b>		
Medium-business loans	1,061,549	1,716,668
Large companies	386,706	696,134
Small-business loans	338,813	525,830
Consumer loans	325,073	415,303
Mortgage loans	203,249	252,887
Corporate loans	43,733	2,396
Micro-business loans	5,085	5,647
Public sector	-	5,166
<b>Total rescheduled loans</b>	<u><b>2,364,208</b></u>	<u><b>3,620,031</b></u>

## Notes to the interim consolidated financial statements (continued)

(d) As of June 30, 2024, a portion of the balance of the mortgage loan portfolio is securing a debt with Fondo MIVIVIENDA – Programa MIHOGAR for up to S/ 1,003 million (S/ 926 million at December 31, 2023) (note 13 (b)).

(e) As of June 30, 2024 and December 31, 2023, the balances of direct loans by type of customer, per SBS resolution No 11356- 2008, was as follows:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Mortgage loans	16,276,995	15,379,908
Medium-business loans	16,119,817	15,319,759
Corporate loans	14,616,710	13,135,920
Consumer loans	12,853,650	12,385,722
Large-business loans	12,400,199	12,524,795
Small-business loans	3,123,871	3,969,382
Financial system entities	762,099	1,033,572
Public sector entities	575,373	503,254
Security brokerage	538,569	466,486
Micro-businesses	117,075	180,613
<b>Total rescheduled loans</b>	<b>77,384,358</b>	<b>74,899,411</b>

(f) As of June 30, 2024 and December 31, 2023, the balances of the loan portfolio included the following economic sectors:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Mortgage and consumer loans	29,130,644	27,765,630
Trade	12,805,798	12,907,348
Manufacturing	10,423,542	10,306,904
Transportation, warehousing and communications	7,942,282	7,313,152
Real estate, corporate and rental loans	3,595,559	3,745,360
Agriculture and cattle growing	2,702,416	2,803,778
Financial brokerage	2,459,944	2,335,228
Hotels and restaurants	1,502,367	1,469,431
Electricity, gas and water	1,458,529	788,699
Mining	1,370,378	1,466,553
Construction	866,607	950,420
Others	3,126,292	3,046,908
	<b>77,384,358</b>	<b>74,899,411</b>

## Notes to the interim consolidated financial statements (continued)

- (g) During 2024 and 2023, the interest earned on the loan portfolio was mutually agreed based on the prevailing market rates.
- (h) As of June 30, 2024, part of the balance of the loan portfolio is securing a debt with COFIDE of S/787 million, of which, is part of the Impulso MyPerú Program (note 2 (c) (vi))

In March 2021, the Peruvian Congress enacted Law N°31143 that establishes that the BCRP is charged with setting the maximum and minimum interest rates for financial institutions. In April 2021, BCRP set the methodology for the calculation of the maximum interest rate on consumer loans, and loans to microbusinesses and small entities, which is to be updated semiannually in May and November. As of June 30, 2024, the maximum annual interest rate is 109.83% in local currency and 87.56% in foreign currency (as of December 31, 2023 it is 101.86% annually in local currency and 82.94% annually in foreign currency).

Notes to the interim consolidated financial statements (continued)

As of June 30, 2024 and December 31, 2023, under the SBS standards, the loan portfolio of BBVA Peru Group is risk rated as follows:

Risk category	2023						2023					
	Direct S/ (000)	%	Contingent S/ (000)	%	Total S/ (000)	%	Direct S/ (000)	%	Contingent S/ (000)	%	Total S/ (000)	%
Normal	68,852,372	90	17,030,618	92	85,882,990	89	66,439,876	89	16,711,692	91	83,151,568	89
With potential problems	2,640,456	3	950,985	5	3,591,441	4	2,552,171	3	1,150,292	6	3,702,463	4
Substandard	1,329,754	2	232,187	1	1,561,941	2	1,403,383	2	264,754	1	1,668,137	2
Doubtful	1,890,494	2	114,255	1	2,004,749	2	1,756,633	2	136,493	1	1,893,126	2
Loss	2,570,022	3	180,767	1	2,750,789	3	2,647,638	4	178,262	1	2,825,900	3
	<u>77,283,098</u>	<u>100</u>	<u>18,508,812</u>	<u>100</u>	<u>95,791,910</u>	<u>100</u>	<u>74,799,701</u>	<u>100</u>	<u>18,441,493</u>	<u>100</u>	<u>93,241,194</u>	<u>100</u>
Deferred income	101,260				101,260		99,710				99,710	
	<u>77,384,358</u>		<u>18,508,812</u>		<u>95,893,170</u>		<u>74,899,411</u>		<u>18,441,493</u>		<u>93,340,904</u>	

For the purpose of recording provisions, pursuant to Resolution SBS No 3922-2021, rescheduled loans due to Covid-19 that were rated as "Normal" will be given a classification of "CPP"; for loans that were rated as "Normal" and "CPP" given by the Bank, for which one full installment has not been paid, including the principal over the last 6 months, will be given a classification of "Substandard"; and for those rescheduled loans rated as normal, CPP and substandard, for which one full installment has not been paid, including the principal over the last 12 months, they will be classified as "Doubtful". As of June 30, 2024 and December 31, 2023, the balance of these provisions for rescheduled loans is S/ 1 million and S/ 3 million, respectively.



## Notes to the interim consolidated financial statements (continued)

Movement of the provision for direct loan losses is as follows

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
<b>Balance as of January 1</b>	(4,898,555)	(4,662,538)
Provision debited to profit or loss	(2,748,400)	(3,635,074)
Recovery of provisions	1,382,688	1,644,837
Sale of loan portfolio	349,653	878,499
Write-offs	1,140,486	780,134
Waiver	48,298	77,385
Exchange difference, net	(42,681)	18,202
	<u>(4,768,511)</u>	<u>(4,898,555)</u>

As of June 30, 2024 and 2023, the balance of the provision for loan losses shown in the interim consolidated statement of income is as follows:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Provision for loan losses	(2,748,400)	(1,799,754)
Recovery of loan losses provisions	1,382,688	1,036,638
Recovery of provisions for country risk from recovery of loan portfolio	10,915 25,079	4,666 8,941
<b>Provision for loans, net of recoveries</b>	<u>(1,329,718)</u>	<u>(749,509)</u>

The balance of the provisions for direct loan losses involving direct loans is broken down as follows:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Specific	(3,484,340)	(3,487,433)
Specific – COVID-19	(1,449)	(2,698)
Generic	(771,466)	(763,517)
Voluntary	(510,942)	(644,465)
Provision for country risk	(314)	(442)
	<u>(4,768,511)</u>	<u>(4,898,555)</u>

The provision for indirect loan losses is shown within “Payables, provisions, and other liabilities” in the interim consolidated statement of financial position (note 14).

BBVA Peru Group, in compliance with current standards and regulations, has identified those customers that are exposed to the credit risk and currency risk, and no additional provision has been deemed necessary to be made.

Management of BBVA Peru Group considers that the provision for loan losses recorded as of June 30, 2024 and December 31, 2023 has been made in accordance with the SBS standards effective at those dates.

Notes to the interim consolidated financial statements (continued)

**8. Trading and Hedging derivatives**

As of June 30, 2024 and December 31, 2023, BBVA Peru Group through the Bank holds foreign-exchange forward contracts, cross-currency swaps, interest rate swaps and options. As of June 30, 2024 and December 31, 2023, changes in the fair value of these derivatives are shown within accounts receivable (assets) or accounts payable (liabilities), as appropriate:

2024					
Note	Underlying	Maturity date	Nominal S/(000)	Assets S/(000)	Liabilities S/(000)
<b>2024</b>					
<b>Trading derivatives</b>					
		Between 2024 and 2029	30,725,335	189,025	423,494
		Between 2024 and 2042	22,171,646	651,314	266,729
		Between 2024 and 2050	15,650,293	473,559	369,990
		Between 2024 and 2026	2,259,184	15,761	15,761
			-	(7,897)	-
			70,806,457	1,321,762	1,075,974
	<b>Hedging derivatives</b>				
	5, 6 and 13				
<b>At fair value (i)</b>					
		Bonds issue	1,532,400	-	9,926
<b>Cash flows hedges (ii)</b>					
		Legal reserve	5,363,400	1,554	28,910
		Debts	804,510	776	23,438
		Global Peru bonds	114,930	-	13,861
			7,815,240	2,330	76,134
			78,621,697	1,324,093	1,152,109

Notes to the interim consolidated financial statements (continued)

	Note	Underlying	Maturity date	2023		
				Nominal S/(000)	Assets S/(000)	Liabilities S/(000)
<b>Trading derivatives</b>						
Currency forwards			Between 2024 and 2029	27,351,685	424,120	322,995
Currency swap			Between 2024 and 2042	18,674,946	418,360	444,617
Interest rate swaps			Between 2024 and 2050	14,430,450	397,838	294,226
Options of shares, changes and others			Between 2024 and 2026	2,018,215	15,134	15,134
Provision for country risk				-	(17,956)	-
				<u>62,475,296</u>	<u>1,237,496</u>	<u>1,076,972</u>
<b>Hedging derivatives</b>						
	5, 6, 12 and 13					
<b>At fair value (i)</b>						
Interest rate swaps		Bonds issue	2024	1,112,700	-	42,318
<b>Cash flows hedges (ii)</b>						
Interest rate swaps		Legal reserve	Between 2024 and 2026	4,450,800	-	17,678
Currency swap		Debts	2027	222,540	-	22,601
Currency swap		Global Peru bonds	2025	111,270	-	10,294
Currency forward		Time deposit	2024	18,083	-	595
				<u>5,915,393</u>	<u>-</u>	<u>93,486</u>
				<u>68,390,689</u>	<u>1,237,496</u>	<u>1,170,458</u>

## Notes to the interim consolidated financial statements (continued)

(i) Fair value – Hedging derivatives

*Interest rate swap*

As of June 30, 2024, the Bank holds interest rate swaps contract at face value for S/ 1,532 million to hedge bonds issue (S/ 1,113 million at December 31, 2023). By means of an IRS, the Bank receives a fixed interest rate in U.S. dollars and pays a variable interest rate in the same currency. In 2024, changes in the fair value of IRS amounts to a gain for S/ 16 million (S/ 31 million in 2023) and is recorded in profit or loss from financial transactions of the interim consolidated statement of income.

(ii) Cash flow - Hedging derivatives

*Currency swap*

As of June 30, 2024 and December 31, 2023, the Bank holds currency swaps with a face value amounting to S/919 million and S/ 334 million, respectively, for the bonds hedge accounted for as available-for-sale investments US\$ 30 million of a global bond and debts of US\$ 210 million (US\$ 30 million and a global bond and debts of US\$ 60 million at December 31, 2023). By means of the CCS on global bonds, the Bank receives a fixed interest rate in Peruvian soles and pays a fixed interest rate in U.S. dollars; while by means of the CCS on balances due, the Bank obtains a fixed interest rate in U.S. dollars and pays and fixed interest rate in soles.

During 2024, the fair value of the CCS was a loss of S/ 13 million and stated in net equity accounts of its deferred income tax (net loss of deferred income tax of S/ 9 million during 2023).

*Interest rate swap*

As of June 30, 2024 and December 31, 2023, the Bank has an interest rate swap (IRS) contract with a notional amount of S/ 5,3363 million and S/4,451 million, respectively, to hedge a number of additional legal reserve funds in U.S. dollars. The Bank receives a fixed interest rate in U.S. dollars and pays a floating interest rate in the same currency.

During 2024, the fair value of IRS resulted in a loss of S/ 16 million as recognized in net equity accounts, net of deferred income tax (net loss of deferred income tax of S/ 10 million in 2023).

*Forward foreign exchange contracts -*

As of December 31, 2023, the Bank has contracted forward foreign exchange instruments for a nominal amount of S/18 million to hedge time deposits of US\$ 5 million. by this forward contract, the bank receives future cash flows in U.S. dollars and pays future cash flows in soles.

During 2023, the fair value of forward contracts amounted to losses of S/0.02 million, as recorded in equity accounts net of deferred income tax.

## Notes to the interim consolidated financial statements (continued)

### 9. Interests in Associates

This caption comprises the following:

	<u>2024</u>	<u>2023</u>
	S/(000)	S/(000)
Compañía Peruana de Medios de Pago S.A.C. (b)	5,670	519
TFP S.A.C. (a)	4,624	5,215
	<u>10,294</u>	<u>5,734</u>

(a) As of June 30, 2024 and December 31, 2023, the BBVA Peru Group, by means of the Bank, holds a 24.30% interest in the share capital of TFP S.A.C.

(b) As of June 30, 2024 and December 31, 2023, BBVA Peru Group, by means of the Bank, maintains holds an interest of 20.20% and 21.50% in the share capital of Compañía Peruana de Medios de Pago S.A.C. (Niubiz), respectively.

During 2024, the Bank has recognized net losses on interests in associates for S/ 2 million (net losses for S/ 5 million, at June 30, 2023), (note 20).

Notes to the interim consolidated financial statements (continued)

**10. Property, Furniture and Equipment, Net**

Movement in property, furniture and equipment and accumulated depreciation was as follows:

	Land	Buildings and premises	Furniture and equipment	Vehicles	Installations and improvements to rental property	Work-in progress	Goods in transit and replacement parts	Total
	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)
<b>Costs</b>								
<b>Balance as of January 1, 2022</b>	118,224	1,094,061	920,951	9,545	401,218	51,178	255	2,595,432
Additions	-	25,296	114,641	-	15,852	99,702	-	255,491
Disposals and others	(6,277)	(8,964)	(40,674)	(1,174)	(35)	-	-	(57,124)
Transfers	-	29,628	10,904	-	9,949	(50,481)	-	-
<b>As of December 31, 2023</b>	111,947	1,140,021	1,005,822	8,371	426,984	100,399	255	2,793,799
Additions	-	3,473	11,576	-	2,509	3,562	-	21,120
Disposals and others	-	(466)	(12,691)	(188)	-	-	-	(13,345)
Transfers	-	11,812	5,108	-	15,488	(32,408)	-	-
<b>As of June 30, 2024</b>	111,947	1,154,840	1,009,815	8,183	444,981	71,553	255	2,801,574
<b>Depreciation</b>								
<b>Balance as of January 1, 2022</b>	-	641,537	626,691	7,747	241,731	-	-	1,517,706
Additions	-	35,384	79,949	460	14,466	-	-	130,259
Impairment	-	-	-	-	-	-	-	-
Disposals and others	-	(6,192)	(39,720)	(1,174)	(19)	-	-	(47,105)
Transfers	-	1	-	-	(1)	-	-	-
<b>As of December 31, 2023</b>	-	670,730	666,920	7,033	256,177	-	-	1,600,860
Additions	-	19,022	43,965	182	7,854	-	-	71,023
Impairment	-	6,000	-	-	-	-	-	6,000
Disposals and others	-	(467)	(12,689)	(188)	-	-	-	(13,344)
<b>As of June 30, 2024</b>	-	695,285	698,196	7,027	264,031	-	-	1,664,539
<b>Net carrying amount</b>								
<b>As of June 30, 2024</b>	111,947	459,555	311,619	1,156	180,950	71,553	255	1,137,035
<b>As of December 31, 2023</b>	111,947	469,291	338,902	1,338	170,807	100,399	255	1,192,939

According to current regulations, the Bank in Peru cannot pledge as collateral the assets that are part of their property, furniture and equipment, except for those acquired through the issuance of lease bonds to carry out finance leases and enter into that sort of transactions.

Management performs a periodic review of the method of depreciation used to ensure it is consistent with the economic benefit assessed for the fixed assets. Bank Management considers that there is no indicator of impairment of the Bank's fixed assets as of June 30, 2024.

## Notes to the interim consolidated financial statements (continued)

### 11. Other Assets, Net

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
<b>Financial instruments -</b>		
Transactions in progress (a)	4,864,394	4,314,888
Other assets, Note 27	4,864,394	4,319,735
Other accounts receivable	314,697	125,031
Accounts receivable from sale of assets, services and trust	5,167	5,037
Receivables, note 27	319,864	130,068
<b>Non-financial instruments -</b>		
Tax credit n VAT and income tax, net	820,100	602,701
Intangible assets (b)	393,028	399,088
Prepaid expenses (c)	191,159	191,791
Other	5,173	4,847
	1,409,460	1,193,580
	6,593,718	5,643,382

- (a) Transactions in progress are mainly those carried out during the last days of the month and are reclassified in the following months to their final accounts in the consolidated statement of financial position. These transactions do not affect the BBVA Peru Group net profit or loss. As of June 30, 2024, it mainly corresponds to treasury transactions: i) acquisition and sale of currency for S/ 742 million (S/ 2,749 million at December 31, 2023), and ii) sale of securities for S/4,078 million (S/ 1,514 million at December 31, 2023).
- (b) The movement of intangible assets as of June 30, 2024 and December 31, 2023 was as follows:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
<b>Cost</b>		
Balances at January 1	721,012	869,955
Additions	87,365	166,681
Disposal and other	-	(315,624)
<b>Balance</b>	808,377	721,012
<b>Accumulated amortization and impairment</b>		
Balances at January 1	(321,924)	(491,894)
Amortization	(73,925)	(100,598)
Impairment	(19,500)	(45,056)
Disposals and other	-	315,624
<b>Balance</b>	(415,349)	(321,924)
<b>Net cost</b>	393,028	399,088

- (\*) The carrying amounts of applications acquired or software developed that are no longer used or are not expected to generate future economic benefits are stated as a provision for impairment.

## Notes to the interim consolidated financial statements (continued)

- (c) As of June 30, 2024 and December 31, 2023, the balances mainly includes prepaid insurance contracts and deferred loan origination costs related to fees paid to the external sales force.

### 12. Obligations with the public and deposits from financial system institutions

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Obligations with the public		
Time deposits	25,638,490	23,522,635
Demand obligations	23,934,529	22,733,172
Savings deposits	23,206,532	22,741,991
Other liabilities	150,439	210,319
	<u>72,929,990</u>	<u>69,208,117</u>
Deposits from financial institutions		
Time deposits	500,160	330,219
Demand obligations	499,299	1,077,220
Savings deposits	65,194	111,221
	<u>1,064,653</u>	<u>1,518,660</u>
	<u>73,994,643</u>	<u>70,726,777</u>

The interest rate on borrowings is determined by the Bank considering the interest rates prevailing in the market.

As of June 30, 2024, from the total deposits and obligations from individuals and non-profit entities and legal entities, S/ 24,673 million are covered by the Deposit Insurance Fund (S/ 24,383 million at December 31, 2023) and are obtained from the balances at the end of the month in accordance with SBS Resolution 2448-2020. The maximum amount subject to deposit insurance by person amounts to S/ 121,500 at the end of June 30, 2024 (S/ 123,810 at the end of December 2023).

At December 31, 2023, a portion of the time deposit balances of US\$ 5 million are hedged with a cash flow hedge (Note 8(ii)).

### 13. Debts and Financial Obligations

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Debts and Financial Obligations		
Foreign financial institutions (a)	2,704,073	2,315,514
International financial organizations (b)	1,379,160	964,340
MIVIVIENDA Program - MIHOGAR loan - Local financial system (c)	1,025,849	930,192
Corporación Financiera de Desarrollo – COFIDE (d)	789,508	5,092
Accrued interest payable	60,320	41,276
	<u>5,958,910</u>	<u>4,256,414</u>
Securities and obligations (e):		
Subordinated bonds	1,979,634	1,385,420
Corporate bonds	246,550	246,550
Accrued interest payable	14,958	18,943
	<u>2,241,142</u>	<u>1,650,913</u>
	<u>8,200,052</u>	<u>5,907,327</u>



## Notes to the interim consolidated financial statements *(continued)*

Certain loan agreements include standard clauses regarding compliance with financial ratios, use of funds and other administrative matters. As of June 30, 2024 and December 31, 2023, in management's opinion, these clauses are being met, in all material respects, and do not represent any restriction to the BBVA Peru Group operations.

## Notes to the interim consolidated financial statements (continued)

- (a) As of June 30, 2024 and December 31, 2023, the BBVA Peru Group maintains the following debt agreements with foreign financial institutions:

	2024			2023			Maturity date
	US\$	S/	Tasa	US\$	S/	Tasa	
BBVA S.A. (i)	200,000	766,200	3.18%	200,000	741,800	3.18%	February 2031
China Development Bank	180,000	689,580	SOFR + 1.37%	180,000	667,620	SOFR + 1.37%	December 2026
Bank of America	85,000	325,635	SOFR + 0.70%	50,000	185,450	SOFR + 0.70%	August 2024
Wells Fargo Bank	65,000	249,015	SOFR + 0.68%	60,000	222,540	SOFR + 0.68%	August 2024
ICO - Instituto de crédito	54,381	208,334	SOFR + 0.64%	54,381	201,699	SOFR + 0.64%	March 2030
ICO - Instituto de crédito	41,544	159,155	SOFR + 0.67%	-	-		April 2031
Caixa Bank	50,000	191,550	SOFR + 0.65%	50,000	185,450	SOFR + 0.51%	July 2024
ICO - Instituto de crédito	29,915	114,604	SOFR + 0.81%	29,915	110,955	SOFR + 0.81%	July 2030
	<u>705,840</u>	<u>2,704,073</u>		<u>624,296</u>	<u>2,315,514</u>		
Accrued interest payable	<u>7,940</u>	<u>30,420</u>		<u>9,099</u>	<u>33,748</u>		
	<u>713,780</u>	<u>2,734,493</u>		<u>633,395</u>	<u>2,349,262</u>		

- (i) Comprising mainly a foreign exchange subordinated loan of US\$200 million agreed at an annual interest rate of 3.18% for the first 5 years; a different rate will be set for the remaining years with due date in February 2031. Such a loan qualifies as Tier 2 regulatory capital.

## Notes to the interim consolidated financial statements (continued)

- (b) As of June 30, 2023 and December 31, 2023, this balance includes a borrowing of US\$ 150 million, US\$100 million and US\$ 60 million with IFC (International Finance Corporation) with maturity in June 2029, April 2030 and December 2027; and a borrowing of US\$50 million con JICA (Japan International Finance Corporation) with due date in March 2032. The annual interest rate is SOFR + 1.65% on the US\$150 million loan, SOFR + 1.55% on the US\$100 million loan, 3.11% on the US\$60 million loan and SOFR + 1.35% on the US\$50 million loan. In addition, the cash flows of the US\$150 million and US\$60 million loans are hedged using a cross-currency swap - CCS (Note 8(ii)) and this transaction is reflected in accounts payable with a balance of S/1 million and S/2 million of deferred issuance costs, respectively.
- (c) As of June 30, 2024, this balance reflects the resources obtained from the Mivivienda Fund to finance the acquisition of housing under the MiVivienda Program (Crédito MI HOGAR) which mainly reflects S/1,003 million in local currency (S/926 million in local currency as of December 31, 2023). As of June 30, 2024 and December 31, 2023 this loan accrues interest at an effective annual rate of 7.75% in U.S. dollars and 6.25% in soles on the principal plus the Constant Updated Value (VAC) in both periods, and with maturity until June 2044 and December 2043, respectively.

As of June 30, 2024 and December 31, 2023, debts with Fondo MIVIVIENDA is secured by mortgage loans of up to S/1,003 million and S/926 million, respectively (note 7). These loans include specific agreements on how the funds are to be used, the financial conditions that the final borrower must maintain, as well as other administrative matters.

- (d) As of June 30, 2024, this balance reflects loans obtained to finance the loans obtained under the Impulso MyPerú Program for S/787 million, which are secured by the loan portfolio up to that amount (note 7).

Notes to the interim consolidated financial statements (continued)

(e) As of June 30, 2024 and December 31, 2023, securities and bonds are as follows:

	Amount authorized by program	Currency	Original amount placed	2024	2023	Maturity date
<b>Corporate bonds</b>						
2nd issuance series A - Fifth Program	USD 250 million	PEN	150,000	150,000	150,000	December 2026
2nd issuance series C - Seventh Program		PEN	96,550	96,550	96,550	December 2024
<b>Subordinated bonds</b>				<u>246,550</u>	<u>246,550</u>	
3rd issuance series A - First program	USD 50 million or S/ 158.30 million	PEN	55,000	98,786	97,425	June 2032
2nd issuance series A - Second program		PEN	50,000	87,952	86,740	November 2032
3rd issuance series A - Second program	USD 100 million	USD	20,000	76,620	74,180	February 2028
6th issuance series A - Second program		PEN	30,000	49,402	48,722	December 2033
First Program of international Issuance - Single series (i)	USD 137 million	USD	136,710	517,574	1,078,353	September 2029
Second Program of international Issuance - Single series (ii)	USD 300 million	USD	300,000	1,149,300	-	March 2034
				<u>1,979,634</u>	<u>1,385,420</u>	
<b>Accrued interest payable</b>				<u>14,958</u>	<u>18,943</u>	
				<u>2,241,142</u>	<u>1,650,913</u>	

(i) In September 2014, the Bank issued subordinated bonds in the international market for a face value of US\$ 300 million, at an annual fixed rate of 5.25%, and with maturity in September 2029; a partial payment of the principal was made of US\$163 million in March 2024. This issue has been stated under hedge accounting for US\$100 million at fair value with an interest rate swap - IRS, which has resulted in accumulated profits of S/4 million As of June 30, 2024 (S/31 million of retained earnings at December 31, 2023) (See Note 8 (ii)).

(ii) In June 2024, the Bank issued international subordinated bonds for a nominal amount of US\$300 million, at an annual fixed rate of 6.2%, maturing in June 2034; the principal will be paid in full at maturity. This issue has an accounting hedge at fair value through an "interest rate swap - IRS which has resulted in accumulated profits of S/1 million as of June 30, 2024 (See Note 8(ii)).

As of June 30, 2024 and December 31, 2023, corporate bonds do not have specific collaterals and accrue interest at effective annual interest rates ranging in local currency from 4.44% and 7.47% for both periods.

Subordinated bonds have been issued in accordance with the Banking Law and accrue interest at an annual interest rate ranging from constant update value plus a spread for local currency, and from 5.3% and 6.5% in foreign currency, As of June 30, 2024 and December 31, 2023.

As of June 30, 2024 and December 31, 2023, BBVA Peru Group shows a balance of accounts payable of S/ 29 million and S/ 10 million, respectively, which corresponds to deferred issuance expenses.

## Notes to the interim consolidated financial statements (continued)

### 14. Accounts Payable, Provisions and Other Liabilities

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
<b>Accounts payable</b>		
Repurchase agreements with BCRP (a)	5,951,269	6,775,261
Accounts payable to suppliers	902,943	1,018,563
Other accounts payable (b)	240,321	476,753
Premiums on deposit insurance fund, contributions and obligations with tax collecting institutions	182,488	238,520
Interest payable	139,875	114,148
Dividends, interest and remunerations payable	111,463	116,637
	<u>7,528,359</u>	<u>8,739,882</u>
<b>Provisions</b>		
Labor provisions and others	701,572	672,269
Provision for litigations, claims and other contingencies (d)	335,986	317,095
Provision for indirect loans (c)	259,070	267,159
	<u>1,296,628</u>	<u>1,256,523</u>
<b>Other liabilities</b>		
Transactions in progress (e)	2,872,053	3,699,384
Deferred income and others	73,237	75,332
	<u>2,945,290</u>	<u>3,774,716</u>
	<u>11,770,277</u>	<u>13,771,121</u>

- (a) As of June 30, 2024, these balances reflected repurchase agreements of the loan portfolio under the Reactiva Peru program for S/ 1,055 million (S/ 1,579 million at December 31, 2023), repurchase agreements of rescheduled loans for S/ 4,896 million (S/ 4,898 million at December 31, 2023). At December 31, 2023, the Bank held repurchase agreements of certificates of deposits with the BCRP for S/ 298 million.

As of June 30, 2024 and December 31, 2023 repurchase agreements of the loan portfolio under the Reactiva Peru program have maturity in December 2025 and accrue interest at annual interest rates of 0.50%. Also, repo transactions of rescheduled loans have maturity in September 2025 and accrue interest at annual interest rates ranging from 0.50% to 3.50% for both periods.

- (b) As of June 30, 2024, it includes S/ 16 million insurance on behalf of borrowers (S/ 16 million at December 31, 2023) and S/ 120 million for short selling transactions (S/ 366 million at December 31, 2023).
- (c) BBVA Peru Group has several pending court claims, litigation and other actions that are related to the activities it carries out, and in the opinion of Management and its legal advisors, they will not result in additional liabilities to those already recognized.
- (d) Transactions in progress are mainly those carried out during the last days of the month and are reclassified in the following month to their final accounts in the interim consolidated statement of financial position. These transactions do not have an impact on the Bank's net profit. As of June 30, 2024, liability transactions in progress mainly include treasury transactions for S/ 2,335 million (S/ 3,488 million as of December 31, 2023).

## Notes to the interim consolidated financial statements (continued)

### 15. Equity

#### (a) Share capital -

As of June 30, 2024 and December 31, 2023, the Bank's authorized, subscribed, and paid-in capital is represented by 8,894,852 and 8,147,211 thousand of common shares, with a face value of S/ 1.00 each, respectively.

The General Shareholders' Meeting held on March 22, 2024 and March 30, 2023 approved the increase in share capital for S/ 748 million and S/ 765 million, respectively, by means of the capitalization of retained earnings.

As of June 30, 2024 and December 31, 2023, the shareholding on the Bank's share capital is as follows:

	2024		2023	
	Number of shareholders	Interest %	Number of shareholders	Interest %
Up to 1	10,603	6.78	9,995	6.59
From 1.01 to 5	-	-	1	1.17
From 45.01 to 100	2	93.22	2	92.24
	<u>10,605</u>	<u>100</u>	<u>9,998</u>	<u>100</u>

#### (b) Reserves

In accordance with the Banking Law, the Bank is required to have a legal reserve of more than 35% of the paid-in-capital. This legal reserve shall be recognized by an annual transfer of more than 10% of profit after tax. It shall replace the reserve referred to in the Companies Act. In accordance with the Banking Law, the amount of this reserve may also be increased with contributions made by the shareholders for this purpose.

At the General Shareholders' Meeting held on March 22, 2024 and March 30, 2023, the decision was made to approve to record the legal reserve for an amount equivalent to 10% of 2023 profits (S/ 187 million) and 2022 profits (S/ 191 million), respectively.

#### (c) Unrealized gains or losses

As of June 30, 2024 and December 31, 2023, unrealized gains or losses, net of deferred tax, was as detailed below:

	2024	2023
	S/(000)	S/(000)
Available-for-sale investments, note 6	31,579	114,460
Cash Flow hedges, note 8	(29,558)	(18,980)
Investments in subsidiaries and associates	123	130
Actuarial liabilities on long-term employee benefits	11,803	11,803
	<u>13,947</u>	<u>107,413</u>

#### (d) Retained earnings

At the General Shareholders' Meeting, held on March 22, 2024 and March 30, 2023, the decision was made to approve the capitalization of retained earnings for S/ 748 million and S/ 765 million, respectively, and dividend distribution for S/935 million and S/ 956 million respectively.

## Notes to the interim consolidated financial statements (continued)

(e) Regulatory capital and legal limits -

In accordance with the Banking Law, the regulatory capital amount could not be less than 10% of the credit risk-weighted assets and contingent loans, market risk and operational risk, which are calculated by the Bank using the standardized method.

By means of Legislative Decree N° 1531 dated March 19, 2022, the Peruvian banking law was amended to adopt the Basil III capital standards and approach; major changes include: composition of regulatory capital requirement at minimum ratios, powers in the event of noncompliance with solvency requirements, among others. The SBS, by means of general-purpose standards, has set forth the form and due dates for adequacy. On December 27, 2022 by means of SBS resolution N° 03952-2022, as amended by Resolution SBS N° 2192-2023 dated January 24, 2024, the minimum solvency requirements were set in article 199 to the General Law including the following terms for adequacy:

Period	Minimum common equity Tier 1 requirement	Tier 1 regulatory capital requirement	Minimum total regulatory capital ratio
January 2023 to March 2023	3.825%	5.10%	8.5%
April 2023 to August 2024	4.05%	5.40%	9.0%
September 2024 to February 2025	4.275%	5.70%	9.5%
March 2025 and later	4.50%	6.00%	10.0%

As of June 30, 2024, the Bank's regulatory capital, determined under current legal regulations is S/15,351 million (S/14,912 million at December 31, 2023):

	<u>2024</u>	<u>2023</u>
	S/(000)	S/(000)
<b>Tier 1 capital</b>		
<b>Plus</b>		
Common shares	8,894,852	8,147,211
Net profit for the year	803,391	1,869,103
Unrealized gains on available-for-sales investments	42,097	130,940
Legal reserve	2,432,617	2,245,122
<b>Less</b>		
Deductions on regulatory adjustments	(524,162)	(594,612)
	<u><b>11,648,795</b></u>	<u><b>11,797,764</b></u>
<b>Tier 2</b>		
<b>Less</b>		
Subordinated debt	766,200	741,800
Subordinated bonds	1,850,431	1,299,444
Generic provisions on loans	1,085,736	1,073,253
	<u><b>3,702,367</b></u>	<u><b>3,114,497</b></u>
<b>Total Regulatory capital</b>	<u><b>15,351,162</b></u>	<u><b>14,912,261</b></u>

## Notes to the interim consolidated financial statements (continued)

By means of the Regulation for the Regulatory Capital Requirement for Additional Risks, approved by SBS Resolution No. 03953-2022 (published on December 22, 2022), it is established that the additional regulatory capital requirement will be equal to the sum of the regulatory capital requirement calculated for each of the following components: for concentration risk and for interest rate risk in the banking book. As of June 30, 2024, the regulatory capital requirement for additional risks for the Bank amounts to S/594 million (S/486 million at December 31, 2023). By means of the Regulation for the Conservation, Economic Cycle and Market Concentration Risk Buffer Requirements, approved by SBS Resolution No. 03954-2022 (published on December 22, 2022), the methodologies for the calculation of the buffer requirements by economic cycle, the activation and operation of the buffer requirement by economic cycle, the buffer requirement for market concentration risk, the capital conservation buffer requirement, restrictions applicable to non-compliance with the buffer requirements and other measures are established. As of June 30, 2024, the balance of the buffer requirement was S/1,565 million (S/1,555 million at December 31, 2023).

By means of Official Letter N° 7850-2023-SBS dated February 17, 2023 and Letter N° 2097-2022 dated January 19, 2022, the SBS set forth that the Bank must hold Tier 1 Capital at levels above 10% of the risk-weighted assets. Under the aforementioned letters, as of June 30, 2024, tier 1 capital is measured considering share capital, retained earnings, profits for the year, unrealized gain on available-for-sale investments, legal reserve and tier 1 capital deductions. As of June 30, 2024 and December 31, 2023, the Bank's solvency ratio, under the provisions of the aforementioned letters, was 12.09% y 12.33%, respectively

As of June 30, 2024, contingent assets and contingent loans weighted by credit risk, market risk and operational risk totaled S/96,314 million (S/95,668 million at December 31, 2024), Furthermore, the Bank's global capital ratio by credit risk, market risk and operational risk is 15.94% (15.59% at December 31, 2023).

It should be noted that regulatory capital is a figure also used to calculate certain limits and restrictions applicable to the Bank, which Management considers to be fully compliant with.

### 16. Contingent Risks and Commitments

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Contingent or indirect loans:		
Guarantees and letters of guarantee	17,293,188	17,387,246
Letters of credit and banker's acceptance	1,215,624	1,054,247
Contingent or indirect loans, note 7	<u>18,508,812</u>	<u>18,441,493</u>
Unused credit lines and undisbursed loans granted	18,834,580	18,545,229
Various responsibilities	6,130	5,935
	<b><u>37,349,522</u></b>	<b><u>36,992,657</u></b>

In the normal course of its business, BBVA Peru Group participates in transactions whose risk is recorded in contingent accounts. These transactions expose the BBVA Peru Group to credit risk, in addition to the amounts presented in the interim consolidated statement of financial position.



## Notes to the interim consolidated financial statements (continued)

Credit risk arising from contingent transactions reflects the probability that one of the contractual parties does not honor the agreed terms and conditions.

BBVA Peru Group applies similar credit policies when evaluating and granting direct and indirect loans. In management's opinion, contingent transactions do not represent a relevant credit risk since it expects that a portion of these indirect loans will expire without being used. The total amount of indirect loans does not necessarily represent future cash outflows for BBVA Peru Group.

Management estimates that no significant losses will arise, for contingent transactions effective as of June 30, 2024 and December 31, 2023.

### 17. Interest income

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Direct loan portfolio	3,457,889	3,080,425
Cash and due from banks	276,945	218,026
Available-for-sale investments, note 6 <sup>7</sup>	148,903	143,582
Investments at fair value through profit or loss	124,176	141,032
Interbank funds	7,615	6,128
Other finance income	2,365	1,852
	<u>4,017,893</u>	<u>3,591,045</u>

### 18. Interest Expenses

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Obligations with the public	(747,093)	(707,855)
Debts and financial obligations	(227,376)	(132,602)
Losses on hedging transactions	(60,622)	(46,729)
Accounts payable	(32,982)	(72,019)
Deposits with financial institutions	(11,311)	(38,730)
Interbank funds	(10,232)	(7,544)
Other financial expenses	(4,675)	(13,995)
	<u>(1,094,291)</u>	<u>(1,019,474)</u>

## Notes to the interim consolidated financial statements (continued)

### 19. Income from financial service, Net

This caption comprises the following:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
<b>Income</b>		
Income from credit cards fees	199,413	197,504
Income from commissions on collections	139,176	95,179
Income from indirect loans	145,114	145,009
Transfer fees	123,787	132,127
Income from online banking services for business	36,998	38,664
Income from services and maintenance of checking accounts	33,506	31,110
Income from technical and legal studies	16,707	12,853
Income from cash services	7,664	5,300
Income from advisory services	14,368	4,508
Income from trust and trust fees	691	590
Other income for services	195,167	196,119
	<u>912,591</u>	<u>858,963</u>
<b>Expenses</b>		
Expenses for operating with Visa, Mastercard and Plin	(89,752)	(89,247)
Customer loyalty program	(76,296)	(84,802)
Premiums to the Deposit Insurance Fund	(53,771)	(54,392)
Financial product sponsors	(42,909)	(42,536)
Transfers	(24,429)	(27,503)
Purchase of foreign currency - spot transaction	(5,621)	(4,590)
Expenses of maintenance of checking accounts	(2,998)	(1,844)
Guarantees on Government Funds	(6,052)	(4,367)
Other expenses of services	(30,269)	(23,876)
	<u>(332,097)</u>	<u>(333,157)</u>
	<u>580,494</u>	<u>525,806</u>

### 20. Profit or loss on financial transactions

The table below shows a detail:

	<b>2024</b>	<b>2023</b>
	S/(000)	S/(000)
Exchange gains, note 4	294,065	299,405
Profit on hedging transactions	10,134	11,872
Available-for-sale investments	621	(5,773)
Gain on interests, note 9	1,670	(5,375)
Investments at fair value through profit or loss	(16,711)	42,352
Trading derivatives	69,162	62,586
Other	40,247	16,098
	<u>399,188</u>	<u>421,165</u>

## Notes to the interim consolidated financial statements (continued)

### 21. Administrative expenses

This caption comprises the following:

	<u>2024</u>	<u>2023</u>
	S/(000)	S/(000)
Personnel and Board of Directors expenses	(586,726)	(559,946)
Third party service expenses	(683,079)	(607,136)
Tax and contributions	(28,344)	(27,086)
	<u>(1,298,149)</u>	<u>(1,194,168)</u>

### 22. Other income and expenses, net

This caption comprises the following:

	<u>2024</u>	<u>2023</u>
	S/(000)	S/(000)
Other income:		
Recovery of prior-year income tax	15,548	-
Recovery of tax , legal and other provisions	11,921	10,860
Losses on sales of seized and repossessed assets	(5,308)	(14,897)
Administrative and tax sanctions	(3,019)	(4,154)
Claims on cards	(1,928)	(6,054)
Donations given	(1,885)	(1,817)
Other income and expenses	(3,487)	(3,783)
	<u>11,842</u>	<u>(19,845)</u>

### 23. Earnings per share

The calculation of the weighted average number of shares outstanding and earnings per share As of June 30, 2024 and December 31, 2023, was as follows:

	Number of Shares outstanding	Base shares in determining weighted average	Effective days to period-end	Weighted average number of common shares
<b>2024</b>				
Balance as of January 1, 2024	8,147,211	8,147,211	180	8,147,211
Capitalization of 2023 profit	747,641	747,641	180	747,641
<b>Balance as of June 30, 2024</b>	<u>8,894,852</u>	<u>8,894,852</u>		<u>8,894,852</u>
<b>Earnings as of June 30, 2024</b>				803,489
<b>Earnings per basic and diluted share</b>				<u>0.0903</u>
<b>2023</b>				
Balance as of January 1, 2023	7,382,184	7,382,184	180	7,382,184
Capitalization of 2022 profit	765,027	765,027	180	765,027
Capitalization of 2023 profit	-	747,641	180	747,641
<b>Balance as of June 30, 2023</b>	<u>8,147,211</u>	<u>8,894,852</u>		<u>8,894,852</u>
<b>Earnings as of June 30, 2023</b>				1,007,547
<b>Earnings per basic and diluted share</b>				<u>0.1133</u>

Notes to the interim consolidated financial statements (continued)

**24. Related Party Transactions**

As of June 30, 2024 and December 31, 2023, the consolidated financial statements include related party transactions, which, under IAS 24 and SBS regulations, comprise the parent company, subsidiaries, related parties, associates, other related parties, and the Bank's directors and key management. All transactions with related parties are carried out under the available market conditions for unrelated third parties.

(a) The balances of the BBVA Peru Group's interim consolidated statement of financial position arising from related parties as of June 30, 2024 and December 31, 2023 were as follows:

	2024					2023				
	Controlling party	Related parties (*)	Associates	Key personnel and directors	Total	Controlling party	Related parties (*)	Associates	Key personnel and directors	Total
	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)
<b>Assets:</b>										
Cash and due from banks	453,578	5,688	-	-	459,266	373,364	159	-	-	373,523
Loan portfolio, net	-	560,859	12,889	22,762	596,510	-	584,169	29,009	23,412	636,590
Trading derivatives	288,983	55,281	-	-	344,264	504,693	50,876	-	-	555,569
Other assets, net	387,526	181,648	-	-	569,174	49,908	272,454	-	-	322,362
Total assets	1,130,087	803,476	12,889	22,762	1,969,214	927,965	907,658	29,009	23,412	1,888,044
<b>Liabilities:</b>										
Obligations with the public and deposits from financial institutions	131,891	359,827	8,034	36,814	536,566	406,410	809,416	34,595	31,687	1,282,108
Debts and financial obligations	774,714	-	-	-	774,714	761,950	-	-	-	761,950
Trading derivatives	419,607	1,457	-	-	421,064	307,309	3,917	-	-	311,226
Provisions and other liabilities	196,008	181,846	-	-	377,854	186,850	362,556	-	-	549,406
Total liabilities	1,522,220	543,130	8,034	36,814	2,110,198	1,662,519	1,175,889	34,595	31,687	2,904,690
<b>Off-balance sheet accounts:</b>										
Indirect loans	-	213,001	7,950	-	220,951	-	168,392	193	-	168,585
Derivative instruments	19,359,469	786,578	-	-	20,146,047	19,274,866	413,900	-	-	19,688,766

(\*) Related parties include balances and transactions with other related parties in accordance with IAS 24 and SBS regulations.

Notes to the interim consolidated financial statements (continued)

(b) The effects of related party transactions on the BBVA Peru Group's interim consolidated statement of financial position are detailed below for the year ended June 30, 2024 and December 31, 2023:

	2024					2023				
	Controlling party	Related parties (*)	Associates	Key personnel and directors	Total	Controlling party	Related parties (*)	Associates	Key personnel and directors	Total
	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)
Interest income	-	3,096	87	108	3,291	-	776	267	108	1,151
Interest expense	(12,613)	(524)	(25)	(27)	(13,189)	(12,699)	(10,429)	(40)	(34)	(23,202)
<b>Financial margin</b>	(12,613)	2,572	62	81	(9,898)	(12,699)	(9,653)	227	74	(22,051)
Financial service income	3,496	1,204	-	55	4,755	4,778	460	-	43	5,281
Financial service expenses	-	-	-	(4)	(4)	-	-	-	-	-
<b>Net commissions</b>	3,496	1,204	-	51	4,751	4,778	460	-	43	5,281
Profit or loss from financial transactions, net	(8,351)	(5,150)	-	49	(13,452)	(1,919)	(2,637)	-	21	(4,535)
Administrative expenses	(93,450)	(127,850)	-	-	(221,300)	(64,803)	(115,791)	-	-	(180,594)
Other income and expenses, net	6	-	-	-	6	6	-	-	-	6
<b>Other income and expenses</b>	(101,795)	(133,000)	-	49	(234,746)	(66,716)	(118,428)	-	21	(185,123)

(\*) Related parties include balances and transactions with other related parties in accordance with IAS 24 and SBS regulations.

(c) Loans to personnel and remunerations to key personnel.

As of June 30, 2024 and December 31, 2023, the directors, executives and employees of the Bank hold allowed loan transactions pursuant to the Banking Law, which regulates and establishes certain limits to transactions with members of the board of directors, executives and employees of financial institutions in Peru. As of June 30, 2024 and December 31, 2023, direct loans granted to employees, directors, executives and key personnel amount to S/ 915 million and S/ 879 million, respectively.

Likewise, As of June 30, 2024 and 2023, remuneration to key personnel and expense allowance for the board of Director amount to S/ 8 million and S/ 7 million, respectively.

**25. Trust Activities**

The Bank offers structuring and management services of trust transactions and trust fees and is charged with the preparation of the underlying contractual agreements. Assets held in trust are not included in the Bank's financial statements. The Bank is responsible for the appropriate management of these trusts based on the limits established by applicable laws and the respective agreement. As of June 30, 2024, the allocated value of assets in trusts and trust fees totaled S/12,808 million (S/ 11,201 million as of December 31, 2023).

**26. Financial Risk Management**

Financial risk management is fundamental on the Bank's strategy since it guarantees its creditworthiness and sustainable development. The Bank's risk profile has been established in accordance with the strategy and policies of the BBVA Group, and considers a unique, independent and global risk management model.

- Unique: Focused on one single objective. Risk appetite supported in fundamental metrics, limits for portfolios and economic sectors, and indicators for the management and monitoring of portfolios, is determined.
- Independent: It is independent and complementary to the business. The process of adapting the risk area allows to closely monitor the business and thus detect opportunities.
- Global: BBVA Peru Group has a flexible risk model that can be used for all risks, in all countries and for all businesses.

The Risk Area centralizes and concentrates the management of the credit risk and market risk using the following units:

- (i) Retail Risk,
- (ii) Wholesale Risk,
- (iii) Market & Structural Risk,
- (iv) Recoveries, and
- (v) Portfolio Management, Risk Reporting & Sustainability

Cross-sectional services:

- (i) Strategy, Transformation & Performance y
- (ii) GRM Data & Analytics.

This structure provides the adequate environment for synergies to be created in work teams and higher integration to be obtained in all business processes, from strategy, planning, to modelling and management tools.

Supplemental to this management, the Unit of Internal Control of Risks, ( part of the Internal Control and Compliance function) is charged with verifying that the relevant controls are in place and operating effectively over the major business processes and deliverables performed by the overall Risk Area.

During the current year, in a highly complex juncture, in which the new reality demands us to keep making containment efforts in all portfolios, especially Retail, given the Bank's new mix as well as focusing on special segments of population, resulting in refinanced loans, rescheduled and Reactiva loans; the risk management function is fully focused on managing portfolios from all fronts:

- Portfolio management under the guidelines defined by the SBS and the Government, customizing management and monitoring reports to meet the new needs arising from the ongoing juncture.
- From the wholesale and retail Admission, ongoing review and adjustment of the admission policies, rescheduling modalities, carrying out a portfolio diagnosis and implementing action plans in consistency with the identified criticality.

## Notes to the interim consolidated financial statements (continued)

- The approach in Collections continues to be an anticipatory management approach, with a focus on vulnerable groups and sensitive sectors to seek to mitigate the potential impact of impairment that may concentrate in the respective portfolios, based on the implementation of teams specialized in handling collections. Tailor-made strategies have been activated per portfolio with a focus on containment. Also, the creation of new sub-units focuses on preventive monitoring and timely divestment of portfolios with problems, so that we can keep competitive management indicators within the financial system

The following are the duties of the 2 units of cross-section services:

- GRM Data & Analytics: The purpose of this unit is to lead the Data Driven Risk culture, driving the achievement of strategic objectives based on reliable data and advanced analytics. This unit consists of the following sub-units:

GRM Data & Analytics Transformation: This subunit is responsible for evolving Risk analytical capabilities, considering data, talent and technology. The function includes driving appropriate data governance and is responsible for overseeing the definition, construction and monitoring of quality rules in prioritized critical processes

CoE Model Risk Management: It is responsible for timely follow-up and improvement of risk management models, generating the necessary alerts to redirect and/or re-estimate those models, if necessary.

CoE Risk Model Factory: They are responsible for defining and executing the credit risk model development plan for individuals and legal entities.

CoE Risk Model Factory II: This subunit is responsible for the development of models for calibration and their correct integration into management; they are also responsible for executing the development plan for market, structural and liquidity risk models

- Strategy; Transformation & Performance: This team has been set up to provide services for strategic and cross-sectional risk management. This allows them to manage synergies arising between internal units and being a link with external areas to ensure operational excellence and transformation of the area. The sub-units that make up the team are as follows:

Strategy & Portfolio: This subunit is intended to articulate the strategic planning and cross-sectional vision of the area. Driving the major transformation levers and developing strategic communication. Managing the area's project portfolio to ensure proper planning, execution and monitoring of progress and impacts.

Risk Control Assurance: intended to ensure adequate mitigation of operational risks in the assigned area as part of the first line of defense. Coordinating the admission and follow-up of control frameworks for new processes and projects. Interaction with players of the control and external auditor model.

Process Improvement: Managing continuing improvement projects focused on enhancing efficiency, quality and profitability of internal Risk services. Monitoring the process maturity and process transformation in seeking to achieve operational excellence objectives.

Solution Development: Managing technological transformation projects (platforms, engines, data infrastructure, analytical models, automations, among others). Managing work teams in order to execute projects to achieve strategic objectives.

Risk Tools: Intended to manage the governance and functional management of productive Risk tools, providing support to users and monitoring their availability. Coordinating the implementation of minor upgrades to improve and ensure optimal performance of those tools.

### **Credit risk:**

The Bank's risk management system is supported by a corporate governance scheme in which the BBVA Peru Group determines the policies for the management and control of retail and wholesale credit risks, which are adapted to local regulations and local circumstances.

The structure of the risk area for credit risk management is as follows:

- Portfolio Management, Risk Reporting & Sustainability: It is responsible for the ongoing monitoring and follow-up on key risk indicators.

The Reporting, Monitoring & Data subunit team is responsible for the continuous oversight and monitoring of key risk indicators of portfolios based on the entity's strategies and risk appetite. It ensures timely measurement and communication with the relevant authorities, as well as adequate management and compliance with the Risk Appetite Framework

The Measurement & Guarantees subunit concentrates the calculation processes of the main risk metrics, integrating measurement processes of credit risk indicators related to provisions, regulatory capital, economic capital and risk-adjusted profitability. In addition, the collateral management function has recently been set up to measure the impacts on the regulatory processes relating to provisions and capital.

The Risk Sustainability sub-unit was set up to ensure the adequate completion of the calculation processes related to ESG (Environmental Social and Governance) metrics associated with climate management tools and the assessment of environmental and social risks to include them in the risk admission process to allow for the right analysis of customers and an adequate management of ESG risks of the entire portfolio

- Retail Credit: it manages the retail credit risk in accordance with the Bank's strategic objectives and monitors the risk quality of the resulting transactions. Such management activity includes:
  - Defining the guidelines for the admission of retail segment customers: natural person and "Business Banking".
  - Following up on the performance of products, segments and origination channel (mass campaigns or individual evaluation), analyzing their respective evolution and development.
  - Evaluating the borrowing level, disseminating and strengthening the Bank's risk culture.
  - Disseminating and strengthening the risk culture throughout the Organization, with a special focus on continuous training programs, capacity building in the commercial areas and development of Risk specialists.
  - Detecting warning signs of high-risk groups based on statistical information and portfolio monitoring. Establishing corrective measures by making adjustments to internal policies and guidelines.
  - Ensuring, via an interrelation with the different business areas and paying attention to internal and external oversight bodies, compliance with credit risk policies, guaranteeing adequate compliance with the Bank's Risk Appetite Framework.
  - Maintaining a comprehensive credit risk policy that allows preserving the quality of the loan portfolio via the interrelation with the different business areas and paying attention to internal and external oversight bodies.
  - Putting forward and promoting continuing improvements in processes, tools and regulations for enhanced efficient Credit Risk management.
  - Overseeing compliance with policies in the process of credit risk analysis and approval of transactions arising in the commercial areas.



## Notes to the interim consolidated financial statements (continued)

There are 5 sub-units supporting management: Individual Admission; Individual Admission Pymes, Campaign Natural Person (generate campaigns to individuals), Campaign Pymes (campaigns to small business), Strategies & Governance (responsible for policies and standards intended to ensure compliance with corporate and local rules and analysis and diagnostics of portfolio).

- Wholesale Risk: A unit in charge of managing the wholesale credit portfolio aimed at maximizing the generation of economic benefits based on risk positioning and the limits defined in the Asset Allocation framework resulting from the definition of the Group's target risk profile and risk appetite; also, it is charged with complying with current legal regulations and corporate and local policies. Relying on an “Agile” structure, the following subunits are operating in admission.
  - Admission Stage 1: It operates with a primary axis of analysis under sectoral groupings, while retaining specialization by segment.
  - Admission Stage 2 and Follow-up on companies (Seguimiento Empresas): It operates under a preventive management approach, with strategies to maintain and/or reduce portfolio risk and contain impairment by means of structuring suitable financial solutions.
  - Real Estate Risk: This is the team specialized in the real estate sector, it has two subunits:
    - Wholesale Admission Responsible for conducting a financial and economic assessment of real-estate (Residential and Commercial) industry borrowing proposals
    - Wholesale Monitoring Real Estate: Responsible for conducting a follow-up on the real-estate development projects being implemented (monthly valuation of work progress, sales dashboard update, matching cash flows, etc.) up until the construction completion satisfaction is obtained and settlement of Project sponsor's debt is completed

It should be noted that the tools for Rating, and Early Warnings are critical for decision-making. Further, the ARCE automated financial program, and the digital Financial Program, used with the BEC and CIB segments, respectively, are digital platforms used in preparing and conducting analysis of the credit applications.

Further, there are cross-sectional teams to Admissions that are working on risk management improvement initiatives:

- Wholesale Risk Strategy: It is responsible for ensuring the quality of the portfolio by analyzing the behavior of the wholesale portfolio, in order to direct the growth and/or divestment strategy. Following this line, containment plans are being generated to identify vulnerable customer groups, due to industry-specific warnings or the current juncture (road closures, social unrest, FEN, etc.) that could activate preventive management actions that may enable to prevent future contingencies from arising. A Master Plan has also been created as a long-term strategic plan to segment the portfolio and identify the best profiles, and to guide the network's growth actions. It is also in charge of monitoring the Asset Allocation limits defined by Holding and implementing controls for their follow-up. It is also charged with defining sector-specific frameworks and preparing a number of reports.
- Wholesale Risk Governance: It oversees updating and implementing Wholesale Risk Policies, Standards and Procedures; customer service, follow-up and implementing recommendations from internal and external audit, internal control, Holding and SBS, as well as taking part in corporate projects. It is also charged with conducting analyses and preparing the Office and Wholesale Credit delegation letters and, together with Risk Transformation, implemented a new delegation assignment model for Wholesale

## Notes to the interim consolidated financial statements (continued)

Admission and serves consultations on regulations and delegations. In addition, It is in charge of the Technical Secretariat to the Credit Technical Committee (CTO)

- Recoveries: It brings together the functions and processes necessary for the follow-up, containment of the portfolio under preventive follow-up, non-payment, recoveries and the divestment of the portfolio with problems, both in commercial banking and in corporate banking and CIB, achieving higher efficiencies in cross-sectional processes, as well as in the external management channels (collection agencies and legal firms) and internal channels (office network, Oficina Solución and Oficina Anticipa). Some major sub-units are the following
  - Admisión Preventiva & Convenios, (Preventive Admission & Agreements, a team responsible for ensuring the collection of the portfolio assigned to the office network and offering payment solutions to customers with early warnings, through the development of products and contracting channels that make this task easier.
  - Recovery Agencies, a team in charge of recovering the preventive and unpaid portfolio of the retail portfolio, which includes loans to individuals, individuals with businesses and legal entities belonging to the small and medium-sized entity (Pyme) segment.
  - Oficina Solución, a team in charge of managing preventive delinquency and payment defaults, providing customers with payment solutions.
  - Wholesale Credit Early Default, a team charged with managing the wholesale portfolio with payment problems as well as charged with the subunit of Individual Classification, which assesses the Bank's Non-Retail Customer portfolio to determine their classification and the required level of provision, under the rules and regulations set by the SBS and the BBVA Group.
  - Strategy & Governance, a team charged with articulating collections and recovery management by setting initiatives, pilots and projects based on the use of data analytics and management. It ensures compliance with laws and regulations and provides support to the other teams in Recoveries.
  - Retail Credit Late Default, a team charged with court-ordered, secured, off-court recovery of the retail portfolio and their respective write-offs.
  - Wholesale Credit Late Default, a team charged with obtaining the largest recovery of loans under court action in the wholesale portfolio.
  - IRBSA, Disinvestment & Management, a team charged with managing the commercialization of the goods and real-estate properties as well as managing the process of disinvestment of the Bank's distressed portfolio.

Managing the distressed portfolio is based on a centralized strategy that defines differentiated actions for each segment and for each stage of the loan life cycle, mainly comprising rescheduling, refinancing, adjudication and payment agreements with customers, in order to provide solutions to customers in viable cases and minimize provision expenses. Finally, the divestment lever allows us to focus on the recoverable portfolio and control delinquency levels.

During the second quarter of 2024, the implementation of the Integral Collections Plan continued to be operating, having scheduled within this transformation project, improvements in processes and information management, solution products such as "commitment loan" and "refinanced with grace period", customer experience and the collections management platform that will allow for greater traceability of the efforts that are currently in progress, in line with good market practices.

Among the main actions taken, the synergies created among channels, the active involvement of the office network in managing customers showing early delinquency, strengthening of the Implant model, as well as the implementation of the debt-honoring actions as an additional lever in the containment of the overdue portfolio stand out, providing better support to management efforts in an adverse juncture. For the portfolio in litigation, we continue to manage a system to improve follow-up and negotiation with our customers and suppliers, as

## Notes to the interim consolidated financial statements (continued)

well as an adequate divestment strategy involving the sale of both secured and unsecured portfolios and portfolio write-offs.

Finally, we will continue to develop new forms of re-conducting our customers that fit in with the existing forms and maintain strategies focused on proactive/preventive management.

### *Guarantees received:*

The requirement of guarantees may be a necessary instrument, but not sufficient for the granting risks, and its acceptance is complementary to the credit process, which requires and mainly weighs the prior verification of the debtor's ability to pay or whether a debtor can be able to generate the sufficient resources to allow the amortization of the risk incurred under the agreed conditions.

The procedures for management and valuation of the guarantees received for the loans granted to customer are indicated in the Guarantee Regulation that includes the policies for the admission of guarantees, as well as the basic principles for their constitution, maintenance and release. This regulation establishes that the guarantees must be properly instrumented and recorded, ensuring that they are in force and that they have insurance policies, in strict compliance with the regulations established by the regulator.

The valuation of the guarantees is governed by the principle of prudence, which implies the use of appraisal reports in real estate guarantees, market prices in securities, quotes in shares in investment funds, among others. This principle establishes internal milestones that may be more conservative than those contemplated by local regulations, and under which the value of the guarantees is updated.

### **Market risk:**

Market risk arises as a consequence of the activity carried out in the markets with financial instruments, whose value may be affected by variations in market conditions that are reflected in changes in the different assets and financial risk factors. The risk can be mitigated and even eliminated through hedging (assets/liabilities or derivatives), or by undoing the open transaction or position

There are three major risk factors that affect market prices: interest rates, exchange rates and variable income.

- Interest rate risk: It arises from the temporary structure of the market interest rates for the different currencies.
- Exchange risk: it arises from variations in the exchange rates of the different currencies.
- Price risk: it arises from changes in the market prices, either based on specific instruments factors, or for factors affecting all the instruments traded in the market.

In addition, and for certain positions, it is necessary to also consider other risks: loan “spread” risk, basis risk, volatility risk or correlation risk.

Value at risk (VaR) is the basic variable to measure and control the Bank's market risk. This risk measure estimates the maximum loss, with a given level of confidence that can occur in the market positions of a portfolio for certain time horizon. The Bank calculates the VaR using the historical method with a confidence level of 99% and a time horizon of one day; the data period considered is two years.

## Notes to the interim consolidated financial statements (continued)

The structure of market risk limits determines a scheme of VaR and economic capital limits for market risk, as well as alerts and specific ad-hoc sub-limits for types of risk, among others.

Also, validity tests are carried out on the risk measurement models used, which estimate the maximum loss that can occur in the positions considered, with a certain level of probability (“back testing”), as well as measurements of the impact of extreme movements market in the risk positions held (“stress testing”). Currently, the stress analysis is carried out on historical scenarios of the Lehman Brothers crisis (2008).

As of June 30, 2024 and December 31, 2023 the detail of the VaR for risk factors is as follows:

	<u>2024</u>	<u>2023</u>
	S/(000)	S/(000)
<b>VaR for risk factors</b>		
VaR without smoothing	14,226	16,838
VaR interest	12,512	17,080
VaR Exchange	1,874	568
VaR weighted	16,345	11,923
VaR maximum	45,560	20,272
VaR minimum	11,943	3,941

### **Structural interest rate risk:**

Structural interest risk is defined as the potential alteration that occurs in the interest income and/or in the equity value of an entity due to changes in interest rates.

Based on the impact variable, the following types of risks are distinguished in the Group and in the Bank

- Interest margin risk: potential adverse deviation in the interest margin projected over a given horizon.
- Equity economic value risks: potential impact on the economic value of the financial institution’s balance sheet.
- Risk of the carrying amount of instruments accounted for at fair value in the banking book: potential impact on equity given the effect on the carrying amount of the portfolios of fixed income and derivatives classified as “Held to Collect and Sell” (HtC&S).

Structural interest rate risk management is aimed at maintaining the stability of the interest income against interest rate fluctuations, contributing to the generation of recurring results, and at controlling the potential impacts on equity due to the mark-to-market impact on instruments classified as held to collect (available for sale in local accounting) and well as limiting capital needs for structural interest risk

The activity carried out by Asset & Liability Management & Capital supported by the Asset and Liability Committee (hereinafter COAP) conducts active management of the banking book through operations to optimize the level of risk assumed, in relation to the expected results and allow compliance with the maximum levels of tolerable risks.

## Notes to the interim consolidated financial statements (continued)

The activity performed by the COAP is based on the interest risk measurements conducted by the Risks area, which, as an independent unit, periodically quantifies the impact the variation in interest rates has on the interest margin and the economic value of the Bank.

In addition to the sensitivity analyses to different variations in market rates, the Bank develops probabilistic calculations to determine the “economic capital” (maximum loss in economic value) and the “margin at risk” (maximum loss in the interest margin) due to the structural interest risk of the Bank's banking activity, excluding treasury activity, based on interest rate curve simulation models. Also, stress testing is conducted periodically to complete the evaluation of the Bank's interest risk profile.

All these risk measurements are subject to analysis and subsequent monitoring, and the levels of risk assumed and the degree of compliance with the authorized limits are transferred to the Bank's different management and administration departments.

### **Liquidity risk**

The liquidity and financing risk is defined as the inability of a financial institution to honor its payment obligations due to a lack of cash or financing or whenever a financial institution has to resort to financing under especially severe conditions to be able to honor those obligations.

As part of this risk and considering a temporary horizon over which the payment obligation occurs, we can distinguish:

- Liquidity risk: The risk of suffering losses in the short-term resulting from events that affect the ability to use cash resources to meet its more immediate payment obligations, either because of the impossibility to sell assets or an unexpected reduction of trade liabilities, or because the regular financing sources are shut down both in normal or stress situation, and including the potential outflow of additional resources for contingent reasons.
- Intraday liquidity risk: Risks that a financial institution is not able to meet its daily settlement obligations; for example, because of timing mismatches in payment, settlement systems or other relevant.
- Financing risk: This risk reflects the increase in the exposure of balance sheet of a financial institution, medium and short-term resulting from its deviation from its target to keep stable resources inherent to its activity, together with other wholesale stable financing resources to enable a diversification by due dates and sources, as a way to concentration of counterparties that sharpen the exposure or vulnerability of the financial institution in a stress scenario. In a context of higher exposure to this risk, a higher probability exists of incurring in higher short-term financing, higher use of collaterals, and in any case, an intensified short-term liquidity risk.

The Group and BBVA Perú aim at promoting a sound financing structure to contribute with the sustainability of the business model. For that purpose, the risk model promotes maintaining an adequate number of stable resources in a wholesale diversified financing model that restrict the weight of short-term financing, ensure access to several markets, optimize the costs of financing, and creates a buffer of liquid assets for the Bank to be able to survive under stress scenarios.

The management and monitoring of liquidity risk is carried out comprehensively with a dual approach: short-term and long-term. The short-term liquidity approach, with a time horizon of up to one year, is focused on managing

## Notes to the interim consolidated financial statements (continued)

payments and collections from market activities, volatile customer resources and the potential liquidity needs of the Bank as a whole. The second approach, medium-term or financing, is focused on the financial management of the set of assets and liabilities, focusing on the financing structure, and having a time horizon equal to or greater than the annual one.

The integral management of liquidity is carried out by the Asset & Liability Management & Capital Unit, in the Financial Area, which analyzes the implications, in terms of financing and liquidity of the various Bank projects and their compatibility with the structure of target financing and the situation of financial markets. In this sense, the Asset & Liability Management & Capital Unit, in accordance with the approved budgets, executes the proposals agreed by the COAP and manages liquidity risk in accordance with a wide range of limits, sub-limits and approved warnings based on which the risk area carries out, independently, its measurement and control work, providing the manager with support tools and metrics for decision-making.

The periodic measurements of the risk incurred and the monitoring of the consumption of limits are carried out by the Structural, Markets and Fiduciary Risks Unit, which reports the liquidity risks level to the COAP monthly, and more frequently, to the management units. It should be noted that during the beginning of the state of emergency due to the COVID-19 pandemic, the structural risks unit increased the frequency of measurement of the main liquidity indicators to carry out a daily monitoring that allows anticipating any contingency and supporting the management areas.

Moreover, the Basel Committee on Banking Supervision (BCBS) has proposed a new liquidity regulation scheme based on two ratios: Liquidity coverage ratio (LCR) which is effective from 2015 and the “Net stable funding ratio” (NSFR) which has been implemented since 2018. The Bank and the BBVA Peru Group participated in a quantitative impact study (QIS), which has included the new regulatory challenges in its new general framework of action in the liquidity and financing area. At the local level, in December 2023, the new Liquidity Risk Management Regulation was published, introducing, among other changes, amendments to the Liquidity Coverage Ratio methodology and measurement is conducted by currencies and on an aggregate basis; these changes became effective January 01, 2024.

Notes to the interim consolidated financial statements (continued)

In accordance with SBS regulations, the maturities of assets and liabilities as of June 30, 2024 and December 31, 2023, including accrued interest on loans and deposits, are as follows. Other accounts receivable and other financial assets are not included:

	Up to 1 month S/(000)	1-3 months S/(000)	Between 3 and 6 months S/(000)	Between 6 months and 1 year S/(000)	Between 1 year and 5 years S/(000)	More than 5 years S/(000)	Past due and under court collection S/(000)	TOTAL
<b>2024</b>								
<b>Assets</b>								
Cash and due from banks	11,717,366	25,197	18,472	13,402	121,908	81	-	11,896,426
Investments at fair value through profit or loss	3,039,922	-	-	-	-	-	-	3,039,922
Available-for-sale investments	8,737,803	198,737	198,727	5,397	36,326	338,555	-	9,515,545
Loan portfolio	6,180,730	6,335,073	9,858,337	9,688,511	27,905,855	14,708,077	3,517,617	78,194,200
Trading derivatives	157,576	196,677	101,821	64,802	318,112	482,774	-	1,321,762
Hedging derivatives	-	-	-	776	1,554	-	-	2,330
	29,833,397	6,755,684	10,177,357	9,772,888	28,383,755	15,529,487	3,517,617	103,970,185
<b>Liabilities</b>								
Obligations with the public	11,647,136	8,829,231	7,015,920	4,355,350	41,062,353	20,000	-	72,929,990
Demand deposits	2,838,001	2,062,721	-	-	19,033,807	-	-	23,934,529
Savings accounts	2,271,428	1,254,852	-	-	19,680,252	-	-	23,206,532
Time deposits	6,387,268	5,511,658	7,015,920	4,355,350	2,348,294	20,000	-	25,638,490
Others	150,439	-	-	-	-	-	-	150,439
Interbank funds	551,707	-	-	-	-	-	-	551,707
Deposits from financial institutions	731,470	163,228	145,548	23,785	622	-	-	1,064,653
Debts and financial obligations	260,842	609,451	115,749	27,470	4,940,493	2,246,047	-	8,200,052
Trading derivatives	273,543	55,315	73,327	86,857	328,220	258,712	-	1,075,974
Hedging derivatives	-	-	8,106	17,538	46,207	4,283	-	76,134
Accounts payable	1,666,759	861,888	2,198,039	1,931,867	869,806	-	-	7,528,359
Other liabilities	2,945,290	-	-	-	-	-	-	2,945,290
	18,076,747	10,519,113	9,556,689	6,442,867	47,247,701	2,529,042	-	94,372,159

Notes to the interim consolidated financial statements (continued)

	Up to 1 month S/(000)	1-3 months S/(000)	Between 3 and 6 months S/(000)	Between 6 months and 1 year S/(000)	Between 1 year and 5 years S/(000)	More than 5 years S/(000)	Past due and under court collection S/(000)	TOTAL S/(000)
<b>2023</b>								
<b>Assets</b>								
Cash and due from banks	9,094,778	51,351	24,849	17,363	242,865	403	-	9,431,609
Interbank funds	17,009	-	-	-	-	-	-	17,009
Investments at fair value through profit or loss	4,387,392	-	-	-	-	-	-	4,387,392
Available-for-sale investments	9,455,308	7,675	2,856	737,931	220,087	337,346	-	10,761,203
Loan portfolio	6,224,730	6,205,973	6,171,406	11,980,234	27,677,721	13,849,137	3,536,302	75,645,503
Trading derivatives	190,592	77,396	92,081	191,103	217,462	468,862	-	1,237,496
	<u>29,369,809</u>	<u>6,342,395</u>	<u>6,291,192</u>	<u>12,926,631</u>	<u>28,358,135</u>	<u>14,655,748</u>	<u>3,536,302</u>	<u>101,480,212</u>
<b>Liabilities</b>								
Obligations with the public	13,362,892	8,599,552	4,041,765	2,916,947	40,205,961	81,000	-	69,208,117
Demand deposits	2,626,640	1,922,862	-	-	18,183,670	-	-	22,733,172
Saving accounts	2,404,859	1,049,403	-	-	19,287,729	-	-	22,741,991
Time deposits	8,121,074	5,627,287	4,041,765	2,916,947	2,734,562	81,000	-	23,522,635
Others	210,319	-	-	-	-	-	-	210,319
Interbank funds	378,451	-	-	-	-	-	-	378,451
Deposits from financial institutions	1,407,873	65,313	34,131	3,406	7,937	-	-	1,518,660
Debts and financial obligations	229,013	22,483	599,018	105,423	1,414,799	3,536,591	-	5,907,327
Trading derivatives	353,660	50,182	96,830	91,799	228,949	255,552	-	1,076,972
Hedging derivatives	-	-	594	42,318	50,574	-	-	93,486
Accounts payable	2,355,281	180,216	463,900	3,136,024	2,604,461	-	-	8,739,882
Other liabilities	3,774,716	-	-	-	-	-	-	3,774,716
	<u>21,861,886</u>	<u>8,917,746</u>	<u>5,236,238</u>	<u>6,295,917</u>	<u>44,512,681</u>	<u>3,873,143</u>	<u>-</u>	<u>90,697,611</u>



## Notes to the interim consolidated financial statements (continued)

### **Operational risk**

BBVA Peru Group articulates an operational risk management model implemented throughout the organization, based on methodologies and procedures for the identification, assessing and monitoring of operational risk, and supported by tools that allow qualitative and quantitative management.

This model is based on a decentralized management of operational risk carried out by operational risk management teams in the two lines of defense. In the first line we have the Risk Control Assurer whose objective is to promote the adequate management of operational risk in their respective management areas, the previous by extending the methodology of risk identification and establishment of controls and working for this with the owners of the processes who are those responsible for implementing mitigation plans and execution of controls. In the second line of defense, there is a Risk Control Specialist team who define mitigation and control frameworks in their area of specialty (across the entire organization) and contrast with the one implemented by the first line.

Both control teams are in constant coordination of a methodological unit and constantly report to the corresponding Internal Control and Operational Risk Committees. From the internal control and compliance area, the non-financial risk unit is in charge of the implementation of corporate management tools, the training of both control teams (Risk Control Assurer and Risk Control Specialist), coordination for updating the risk map and monitoring of mitigation plans.

In connection with qualitative management, the Support Tool for Operational Risk Management (MIGRO tool) makes it possible to record the operational risks identified by associating them with a taxonomy of processes and their quantification, as well as recording the periodical evaluation of the controls associated with the manageable (critical) risks. Considering the fact that risks and controls are updated on an ongoing basis, the operational risk management model proved to be effective throughout 2024.

In addition, there is a database which is a fundamental quantitative tool for operational risk management (Integrated Operational Risk System - SIRO), that collects every operational risk event that represents a loss for the Bank and its subsidiaries.

The Bank is authorized to use the alternative standard method for calculating the effective equity requirement for operational risk, which allows to optimize the regulatory capital requirement.

The regulatory capital requirement for operational risk based on the alternative standard method as of June 30, 2024 amounts to S/ 759 million (S/ 735 million as of December 31, 2023).

### **27. Fair Value**

The methodology used in determining fair value has not changed in relation to that disclosed in the audited annual consolidated financial statements for 2023.

### **Carrying amount and fair value of financial assets and financial liabilities**

Taking into account the fair value considerations and the Official Letter 43078-2014- SBS, in which the SBS determined that the fair value corresponds to the carrying amount in the case of loans and deposits, as of June 30,

## Notes to the interim consolidated financial statements (continued)

2024 and December 31, 2023, the carrying amount and fair value of financial assets and financial liabilities are as follows:

	Carrying amount		Fair value	
	2024	2023	2024	2023
	S/(000)	S/(000)	S/(000)	S/(000)
<b>Assets</b>				
Cash and due from banks	11,896,426	9,431,609	11,896,426	9,431,609
Interbank funds	-	17,009	-	17,009
Investments at fair value through profit or loss and available-for-sale investments	12,555,467	15,148,595	12,555,467	15,148,595
Loan portfolio	73,324,429	70,647,238	73,324,429	70,647,238
Trading derivatives	1,321,762	1,237,496	1,321,762	1,237,496
Hedging derivatives	2,330	-	2,330	-
Accounts receivable	319,864	130,068	319,864	130,068
Other assets	4,864,394	4,319,735	4,864,394	4,319,735
<b>Total</b>	<b>104,284,672</b>	<b>100,931,750</b>	<b>104,284,672</b>	<b>100,931,750</b>
<b>Liabilities</b>				
Obligations with the public and deposits from financial institutions	73,994,643	70,726,777	73,994,643	70,726,777
Interbank funds	551,707	378,451	551,707	378,451
Debts and financial obligations	8,200,052	5,907,327	8,211,483	5,931,770
Trading derivatives	1,075,974	1,076,972	1,075,974	1,076,972
Hedging derivatives	76,134	93,486	76,134	93,486
Accounts payable	15,288,179	8,739,882	15,288,179	8,739,882
<b>Total</b>	<b>99,186,689</b>	<b>86,922,895</b>	<b>99,198,120</b>	<b>86,947,338</b>

Notes to the interim consolidated financial statements (continued)

Assets and liabilities recorded at fair value based on the hierarchy level are as follows:

Financial instruments recorded at fair value and value hierarchy

	2024				2023			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)
<b>Assets</b>								
Investments at fair value through profit of loss								
Debt instruments	3,039,922	571,623	2,468,299	-	4,387,392	692,675	3,694,717	-
Available-for-sale investments								
Instruments representing capital	19,182	19,182	-	-	22,872	22,872	-	-
Instruments representing debt	9,495,241	8,945,785	549,456	-	10,737,210	7,438,877	3,298,333	-
Trading derivatives	1,321,762	-	1,321,762	-	1,237,496	-	1,237,496	-
Hedging derivatives	2,330	-	2,330	-	-	-	-	-
	13,878,437	9,536,590	4,341,847	-	16,384,970	8,154,424	8,230,546	-
<b>Liabilities</b>								
Debts and financial obligations								
Trading derivatives	1,670,760	-	1,670,760	-	1,124,258	-	1,124,258	-
Hedging derivatives	1,075,974	-	1,075,974	-	1,076,972	-	1,076,972	-
	76,134	-	76,134	-	93,486	-	93,486	-
	2,822,868	-	2,822,868	-	2,294,716	-	2,294,716	-

## Notes to the interim consolidated financial statements (continued)

### **28. Subsequent Events**

The Bank is not aware of any material event occurring between the closing date and the authorization date for their issuance of these interim consolidated financial statements that may affect them significantly.