

Board of Directors
selection,
appointment,
rotation and diversity
policy

of BANCO BILBAO VIZCAYA ARGENTARIA, S.A.





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The Board of Directors of BBVA is comprised of a number of directors that, within the limits established by law and by the Company Bylaws, is determined by a resolution of the General Shareholders' Meeting of the Company.

The General Shareholders' Meeting shall appoint the members of the Board of Directors, notwithstanding the Board's authority to co-opt members in the event of vacancy.

In any event, persons proposed for appointment as members of the Board of Directors must meet the requirements set out in prevailing legislation, in the specific regulations applicable to credit institutions, in the Company Bylaws and in the Board Regulations.

In particular, the directors must meet the necessary suitability requirements to hold the directorship. Thus, they must be considered to be of commercial and professional good repute, possess adequate knowledge and expertise to perform their duties and be in a situation in which they can exercise good governance of the Company.

1. Objectives

The procedures for the selection, appointment and rotation of the Board of Directors shall be aimed at attaining a composition of the Company's corporate bodies that enables an adequate performance of the powers conferred by law, Company Bylaws and the Company internal regulations, in the Company's best interest.

To this effect, the Board of Directors shall ensure that these procedures enable to identify the most suitable candidates at any time, based on the needs of the relevant corporate bodies, and that they favor diversity in experience, knowledge, skills and gender and, in general, do not suffer from implicit biases that may imply any kind of discrimination.

Specifically, the Bank shall ensure that the selection procedures do not entail any discrimination that may hinder the selection of female directors and that, by 2020, the number of female board members will represent, at least, 30% of the total number of members of the Board of Directors.

In turn, it shall ensure that the composition of the Board of Directors has an appropriate balance between the different categories of board members and that non-executive directors represent an ample majority over executive directors, and that the number of independent directors accounts for, at least, 50% of the total board members.

2. Procedure

The proposals for appointment or reelection of directors that the Board of Directors submits to the General Shareholders' Meeting and the appointments that the Board makes directly to cover vacancies, under its powers of co-option, will be approved upon proposal from the Appointments Committee, in the case of independent directors, and following a report of said Committee, for all other directors.

The proposals made before the General Shareholders' Meeting shall be accompanied by a report of the Board of Directors explaining the grounds on which the Board of Directors has assessed the competence, experience and merits of each candidate and, in the case of appointment or reelection proposals for non-independent directors, these shall be accompanied by a report of the Appointments Committee.

To such end, the balance of skills, knowledge and expertise on the Board of Directors shall be evaluated, as well as the conditions that candidates should display to fill the vacancies arising, assessing the time dedication deemed necessary to be able to suitably perform their duties in view of the needs that the Company's governing bodies may have at any given time.

In performing its duties, the Committee may engage external recruitment services for the selection of potential candidates where this is deemed necessary or convenient.

When drawing up proposals for the appointment of directors, the Committee shall take into account, in case they may be considered suitable, any applications that may be made by any member of the Board of Directors for potential candidates to fill the vacancies.

3. Requirements

The candidates to be put forward as BBVA directors shall have the suitable skills, experience and qualifications, meet the suitability requirements needed to hold the position and possess the required availability and dedication to perform their duties.

They shall also be able to comply with the requirements set out in the Board of Directors Regulations in terms of suitable performance of director duties, in particular, those related to diligence and loyalty, avoiding conflicts-of-interest and complying with the required rules of limitations and incompatibility for BBVA directors.

4. Rotation of the Board

In order to ensure the suitable composition of the Board of Directors at all times, its structure, size and composition shall be periodically analyzed, setting out the relevant processes for identification and selection of candidates to be put forward, where applicable, as new members of the Board of Directors, where deemed necessary or appropriate.

This analysis process shall also consider the composition of the different Board committees that assist this corporate body in the performance of its duties and which comprise a key element of BBVA's corporate governance.

The corporate bodies shall also ensure that they have a suitable and diverse composition, combining individuals who have experience and knowledge of the Group, its businesses and the financial sector in general, with others who have training, skills, knowledge and expertise in other areas and sectors that enable the right balance to be attained in the composition of corporate bodies, to improve operation and performance of their duties.

Furthermore, the corporate bodies will assess the advisability of carrying out an orderly rotation of the board of Directors, which enables to achieve the objectives set out in this policy and an adequate composition on the corporate bodies from time to time.

In light of the foregoing, and in accordance with the aforementioned criteria and procedures, the relevant processes for candidate selection shall be undertaken, leading to the appropriate appointment or reelection proposals for members of the Board of Directors being put before the relevant corporate bodies for consideration.