Among the Committees set up by the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter “BBVA”, the “Company” or the “Bank”) in order to better perform its duties, there is a Remuneration Committee, which assists the Board on issues regarding remuneration attributed to it.

Its regulation, in addition to the regulation set out by current legislation, is established in articles 35, 36 and 37 of the Board of Directors Regulations, which set out the rules of functioning and its faculties. The Board Regulations are available on the Company’s website (www.bbva.com).

1. Composition

In accordance with the Board Regulations, the Remuneration Committee will be made up of a minimum of three members appointed by the Board of Directors. All members must be non-executive directors, and the majority, including the Chair, must be independent.

At the end of 2015, the Remuneration Committee was made up of the following directors:

<table>
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<tr>
<th>CHAIRMAN</th>
<th>Mr. Carlos Loring Martinez de Irujo (Independent director)</th>
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<tbody>
<tr>
<td>MEMBERS</td>
<td>Mr. Tomás Alfaro Drake (Independent director)</td>
</tr>
<tr>
<td></td>
<td>Mr. Ramón Bustamante y de la Mora (External director)</td>
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2. Operation

As set out in the Board of Directors Regulations, the Remuneration Committee shall meet as often as necessary to perform its duties.

The Committee may request the attendance at its meetings of persons with tasks in the Group that are related to the Committee’s duties. It may also obtain external advice as necessary to form a judgment about the matters within its remit.

3. Powers

The Remuneration Committee will discharge the following duties, in accordance with article 36 of the Board Regulations:

1. Propose the directors remuneration policy to the Board of Directors for subsequent submission to the Annual General Meeting, regarding both its items as well as the amounts, parameters for determination and collection thereof, likewise submitting the corresponding report, in the terms established by applicable law at all times.

2. Determine the extent and amount of individual remuneration, entitlements and other economic compensation, as well as other contractual conditions of executive directors, so that these can be reflected in their contracts, submitting
the corresponding proposals to the Board of Directors.

3. Propose on an annual basis to the Board of Directors the annual report on the remuneration of the Bank's directors, which will in turn be submitted to the Annual General Meeting in accordance with applicable legislation.

4. Propose to the Board of Directors the remuneration policy for senior managers and employees whose professional activities have a significant impact on the Company's risk profile.

5. Propose the basic conditions for the contracts of senior managers to the Board of Directors, and directly supervise the remuneration of senior managers responsible for risk management and compliance duties within the Company.

6. Oversee compliance with the remuneration policy established by the Company and periodically review the remuneration policy applied to directors, senior management and employees whose professional activities may have a significant impact on the Company's risk profile.

7. Verify the information on directors and senior managers' remuneration contained in the different corporate documents, including the annual report on director remuneration.

8. Any other duties that may have been assigned under these Regulations or attributed thereto by a decision of the Board of Directors or applicable legislation.

4. Committee activity

The Committee carries out its duties with full autonomy, under the authority of its Chairman, who is responsible for convening the meetings and deciding on the matters included on the agenda and on the attendance of any Bank employees or third parties as necessary to better perform its duties. In any event, it relies on the full collaboration of the Bank's executive areas and the support of the Board of Directors, to which it reports its activities on a regular basis.

In 2015, the Remuneration Committee met on seven occasions, with an attendance level of 97%.

The meetings were attended by the senior managers of the areas responsible for the matters brought before it.

The main activities carried out by BBVA's Remuneration Committee are described below:

4.1. Proposal of the Remuneration policy for BBVA directors

The functions attributed to this Committee by the Board Regulations include the power to propose to the Board of Directors, for submission to the Annual General Meeting, the Remuneration policy for directors regarding both its items as well as the amounts, parameters for
determination and collection thereof, likewise submitting the corresponding report, in the terms established by applicable legislation at all times.

Following several analysis meetings held in 2014 and 2015, and an in-depth study conducted in collaboration with leading international independent consultants in this area, such as the firm McLagan (belonging to the AonHewitt group), the Committee deemed it advisable to propose to the Board, for subsequent submission to the Annual General Meeting, certain amendments to the Remuneration policy for directors in order to enable BBVA to maintain its position as a benchmark in the sector in this area.

These changes to the Remuneration policy were aimed basically at:

(i) Increasing transparency concerning the link between variable remuneration and the results achieved by the Bank;

(ii) Giving greater weight to the multi-annual indicators for determining variable remuneration;

(iii) Increasing the types of indicators used;

(iv) Establishing a greater link between variable remuneration and the risk metrics; and

(v) Extending the effective term of deferral for variable remuneration.

The new Remuneration policy for directors, at the proposal of the Committee, was submitted to the Board of Directors for binding voting at the Annual General Meeting held on March 13, 2015 as a separate item on the agenda and approved with a majority of 95.41% of the votes.

This Policy, which applies to the years 2015, 2016 and 2017, is included in the document: “Remuneration Policy for BBVA Directors”, which is available on the Bank’s website (www.bbva.com), together with the specific Report issued by the Remuneration Committee, as set out in section 529.19 of the Corporate Enterprises Act.

Once the Remuneration policy was approved by the Annual General Meeting, the Committee also analyzed the matters contained in the Policy that should be developed by the Board of Directors, adopting for this purpose the necessary proposed resolutions.

4.2 Determination and proposal to the Board of Directors of individual remuneration and other contractual conditions for executive directors

The Committee has considered different matters related to the remuneration of executive directors, having proposed in 2015 to the Board of Directors the settlement of the annual variable remuneration for 2014, in accordance with the
conditions established at the beginning of the year, which required that at least 50% of the annual variable remuneration be paid in BBVA shares, subjecting the other deferment, withholding and malus conditions of the system for settlement and payment of the annual variable remuneration to the group of employees whose professional activities have a significant impact on the Bank’s risk profile or who perform control duties (hereinafter, “Identified Staff”).

Moreover, under the criteria established by the Board for updating the deferred part of annual variable remuneration for the previous years, the Remuneration Committee determined the amounts that should be paid for such purpose to executive directors.

As regards the remuneration questions applicable to 2015, the Committee analyzed the updating of the reference fixed and variable remuneration for executive directors, taking into account the reports by the Human Resources Area and the external consultants engaged for this purpose, proposing to the Board that it not be updated in 2015, other than as necessary to adapt it to the amendments made to the remuneration system for executive directors, deriving from the new Policy, whereby the Incentive in shares for the Management Team disappeared, which entailed the amendment of the reference variable figures for executive directors for the purpose of integrating the Incentive for the Management Team into the ordinary variable remuneration and thus constituting a single annual incentive: the Annual Variable Remuneration.

Likewise, within the framework of the new Policy, in 2015 the Committee proposed to the Board of Directors the structure of indicators and weights for the Annual Variable Remuneration for that year, proposing both the indicators related to annual generation of the remuneration and the long-term indicators that would be applied for calculating the deferred part of such Annual Variable Remuneration (which could be reduced, but never increased). It also submitted the proposal for the scales for achieving the annual indicators for calculating the Annual Variable Remuneration, leaving the proposal for the scales applicable to the long-term indicators pending, which would be determined in accordance with the new Policy once the Annual Variable Remuneration for 2015 had been determined.

Moreover, and as a result of the organizational changes in the Group, the Remuneration Committee has carried out certain actions related to the early retirement of the previous CEO, within the framework of his contractual conditions and of the Remuneration policy for directors, such as the determination of his pension rights and the conditions applicable to collection of his variable remuneration for previous years, submitting the relevant proposals to the Board of Directors.
Likewise, the Committee submitted to the Board the proposals for determining the remuneration applicable to the current Chief Executive Officer, including the corresponding pension systems.

As regards the remuneration system for non-executive directors, the Committee proposed that the same annual amounts as in previous years for membership of the Board and of the different Committees be maintained for 2015. It also proposed to the Board the allotment of the theoretical shares corresponding to the remuneration received by non-executive directors in 2014, in application of the remuneration system with deferred delivery of BBVA shares to non-executive directors.

As regards this system, and on the occasion of the end of its term of duration in 2016, the Committee has submitted to the Board the proposal for extending the system for an additional five years, to be submitted subsequently to the Annual General Meeting to be held in 2016.

4.3 Proposal for the Annual report on remuneration of BBVA directors

As part of its duties, in 2015 the Remuneration Committee analyzed and approved the Annual Report on Director Remuneration for 2014, which is to be drafted in accordance with the template approved by Circular 4/2013 of the CNMV and submitted to the Board of Directors for approval.

This Report contains a description of the remuneration policy for the current year, the policy planned for future years, and an overall summary of how the policy was applied in the year closed, as well as details of the individual remuneration earned by each director during the year in question.

In accordance with article 541 of the Corporate Enterprises Act, once it was approved by the Board of Directors, the Annual Remuneration Report was submitted to a consultative vote at the Annual General Meeting held on March 13, 2015, where it was approved by 96.92% of the share capital in attendance.

4.4 Proposal for the remuneration policy for senior management and risk takers

As part of the analysis of the Remuneration policy for BBVA directors, the Committee also analyzed the review of the Remuneration policy applicable to the employees who carry out activities within the Group that have a significant impact on the Bank’s risk profile, including the directors and senior managers (“Identified Staff”), with the attendance of the Bank’s technical services and the collaboration of independent consultants, in order to continue making progress in its process of improvement in the adaptation to current regulations, the recommendations and best market practices.
As a result of this analysis, the Committee submitted to the Board of Directors a proposal for the amendment of the Remuneration policy applicable to Identified Staff, in line with that detailed for executive directors in section 4.1.

For these purposes, and as set out in article 39 of the Board Regulations, the Risks Committee also analyzed the proposal for amendments to this Remuneration policy, checking that it is compatible with proper and effective risk management and does not offer incentives for assuming risks beyond the level tolerated by the Bank.

Likewise, and in view of the analysis of regulations on the remuneration of Identified Staff, and specifically the European Commission's Delegate Regulation 604/2014, dated June 2014, which incorporates the criteria for identifying Identified Staff by the Committee, based on the advice provided both by the Bank's technical services and by experts in this area (such as the firm Mercer Consulting, S.L.), proposed to the Board of Directors, for submission to the Annual General Meeting, the enlargement of the group of employees eligible for application of the maximum level of variable remuneration of up to 200% of their fixed remuneration, also submitting the proposal for the relevant Report on Recommendations of the Board of Directors attached to this proposal. This resolution was approved at the Annual General Meeting by 97.94% of the share capital in attendance.

4.5 Contractual conditions for senior management

As a result of the organizational changes in the Group in 2015, the Remuneration Committee has determined, for its proposal to the Board of Directors, the basic contractual conditions as regards the remuneration of the Bank's senior management, directly supervising the remuneration of the managers of the Bank's Risks and Compliance areas, ensuring that their fixed and variable remuneration had an adequate weighting, with greater relative weight of the indicators specific to their duties.

4.6 Verification of the information on remuneration of directors and senior managers contained in corporate documents

The Committee has checked the information on the remuneration of executive directors and Senior Management contained in the corresponding note to the Annual Accounts Report and in the Annual Report on Remuneration of directors.

4.7 Compliance with the remuneration policy set by the Company and regular review

In 2015, the Committee also reviewed the application in 2014 of the remuneration policy approved on previous years for Identified Staff, as well as proper application of the system for settlement and payment of annual variable remuneration for the members of Identified Staff, which includes payment of a
percentage in shares and the deferment periods. It was assisted by the Bank’s Internal Audit area, which drafted a report concluding that the Remuneration policy set by the Board of Directors for Identified Staff had been applied correctly.

Lastly, the Committee has also been informed of the internal procedure established by the Talent & Culture Area for identifying Risk Takers, in accordance with Regulation 604/2014 of the European Commission that establishes the criteria to be followed by the banks for these purposes.

The above issues, along with other matters within its remit, were included in the Committee’s activities report for 2015 which, as set out in the Company’s Board of Directors Regulations, was submitted by the Remuneration Committee to the Board for the purpose of assessing its operation.

The Board of Directors assessed the quality of the work carried out by the Committee as part of the functions that have been assigned to it, concluding that it had satisfactorily discharged the functions entrusted to it, with a favorable assessment of the quality and efficiency of its operation.