

***Report submitted by the Appointments Committee of Banco Bilbao Vizcaya Argentaria, S.A. to the Board of Directors for the purposes set forth in article 529 decies, of the Corporate Enterprises Act, in relation to the proposed resolution on the re-election of Susana Rodríguez Vidarte as external director of Banco Bilbao Vizcaya Argentaria, S.A.***

*This English version is a translation of the original in Spanish for information purposes only. In case of discrepancy, the Spanish original will prevail.*

Article 529 decies of the Corporate Enterprises Act, according to drafting given by Act 31/2014, dated December 3, which modifies the Corporate Enterprises Act for the improvement of the corporate governance, provides that proposals for the appointment and re-election of the members of the Board of Directors shall be accompanied by an explanatory report of the Board of Directors assessing the competence, experience and merits of the proposed candidate, and shall be further preceded, in the case of proposals for the appointment or re-election of any non-independent board members, by a report issued by the Appointments Committee.

Similarly, articles 3 and 33.1 of the Board of Directors Regulations of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter “**BBVA**” or “the **Bank**”) set out that the Appointments Committee of BBVA has the responsibility to report to the Board of Directors on the proposals for appointments, re-elections or removals of board members who are not independent directors, assessing for these purposes the balance of knowledge, skills and experience, as well as the conditions that the candidates should display and the dedication necessary to suitably perform their duties in view of the needs that the Bank's governing bodies may have at any time.

In accordance with the above requirements, the Appointments Committee has decided to submit to the Board of Directors this report related to the proposal for the re-election of Susana Rodríguez Vidarte as member of the Board of Directors of BBVA as an external director.

For these purposes, the Appointments Committee has analyzed the current composition of the Board of Directors, as well as the need for its members to have a diversity of knowledge, skills and experience to enable them to carry out their functions adequately, thus including members with extensive training and experience, national and international, in areas such as banking and finance, accounting and risk, as well as legal, academic, business and new technologies.

Furthermore, the Committee has assessed the conditions needed to perform the office of director of BBVA including the conditions attached to the status of board member, education and professional experience, in the terms set forth below, also assessing the dedication necessary for holding the position and taking care that, in any case, the directors have the suitability and independence requirements.

All these matters have been taken into account in submitting to the Board the proposals and reports concerning the re-election of members of the Board of Directors ahead of the forthcoming Annual General Meeting of the Company, and this report is part of such proposals and reports.

***Status:***

Susana Rodríguez Vidarte was appointed as a BBVA Board member through a co-option agreement of the Board of Directors held on May 28, 2002, the date from which she has held her position. Subsequently, on March 1, 2003, the Ordinary General Shareholders' Meeting of BBVA agreed to ratify the appointment agreement adopted by the Board of Directors.

At the Ordinary General Shareholders' Meeting held on 14 March 2014, the last reelection of Susana Rodríguez Vidarte took place as a member of the Board, having since December 2014 the status of external director.

***Professional experience and education:***

Susana Rodríguez Vidarte has a Ph.D in Economics and Business Sciences from the University of Deusto and is Professor (*Profesora Catedrática*) of Strategy at the Faculty of Economics and Business Sciences at the University of Deusto.

She has been Dean of the School of Economics and Business Sciences at the University of Deusto, Director of the University Postgraduate Area and Director of the International Institute of Business Administration (INSIDE).

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She has also been a member of the Board of Trustees of the Deusto Foundation and the Board of Directors of the Basque Institute of Competitiveness. She is currently a member of the Institute of Accounting and Auditing of Accounts, Co-Director of the Economic Studies Bulletin, is member of the Board of Trustees of the Luis Bernaola Foundation and of the BBVA Microfinance Foundation.

Likewise, Ms. Rodríguez Vidarte is member of the Executive Committee, of the Risk Committee and of the Appointments Committee, since 2013, 2014 and 2007, respectively. Moreover, she has been member of the Audit and Compliance Committee and of the Remuneration Committee.

Further information can be found in the attached curriculum vitae of Susana Rodríguez Vidarte.

***Suitability:***

Susana Rodríguez Vidarte has been inscribed in the Register of Senior Officers of the Bank of Spain continuously since June 4, 2002.

Her suitability for the position has been verified on a continuous basis by the Board of Directors of BBVA by applying the requirements set out in current legislation, confirming that Ms. Rodríguez Vidarte meets the requirements of commercial and professional repute and of appropriate knowledge and experience to discharge her duties and good governance of the Bank.

Moreover, on the occasion of the proposal for re-election which is the object of this report, the Appointments Committee has conducted a new analysis of compliance with the required suitability conditions of Susana Rodríguez Vidarte, as a result of which it can be concluded that Ms. Rodríguez Vidarte meets the suitability requirements needed to exercise the office.

***Conclusion:***

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As a consequence of the above and considering the current needs of the governing bodies of BBVA, the structure, size and composition of the Board, and the goals and criteria set out in the policy of selection, appointment, renewal and diversity of the Board of Directors of BBVA, the Appointments Committee deems that Susana Rodríguez Vidarte has the right knowledge and experience to hold the position of member of the Board of Directors and meets the suitability requirements required to hold such position, and has therefore resolved to submit its favorable report to the Board to propose to the Annual General Meeting of the Company her re-election as member of the Board of Directors, with the status of external director, for the statutory three-year term.

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***Report submitted by the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. for the purposes set forth in article 529 decies of the Corporate Enterprises Act, in relation to the proposed resolution on the re-election of Susana Rodríguez Vidarte as external director, submitted to the Annual General Meeting of March 2017***

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Article 529 decies of the Corporate Enterprises Act, according to drafting given by Act 31/2014, dated December 3, which modifies the Corporate Enterprises Act for the improvement of the corporate governance, establishes that:

*1. Members of the board of directors of a listed company shall be appointed by the annual general meeting or, in the case of an early vacancy, by the board itself using the co-opting system.*

*2. Co-opting in listed companies is to be governed by the provisions of this Act, with the following exceptions:*

*a) Directors appointed by the board need not be shareholders of the company.*

*b) Should a vacancy arise following the notice of call of the annual general meeting and prior to its holding, the board of directors may appoint a director until the next annual general meeting is held*

*3. In listed public limited companies, substitutes may not be appointed.*

*4. Proposals on the appointment or re-election of board members are the responsibility of the Appointments and Remuneration Committee, in the case of independent directors, and of the Board of Directors itself, in all other cases.*

*5. Proposals shall be accompanied in any event by an explanatory report of the board assessing the competence, experience and merits of the proposed candidate, which is to be attached to the minutes of the annual general meeting or of the board meeting itself.*

*6. Proposals on the appointment or re-election of any non-independent directors shall further be preceded by a report issued by the Appointments and Remuneration Committee.*

(...)

In order to comply with the provisions laid down in sub-section 5 of the aforementioned article, the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter “the **Bank**” or “**BBVA**”), has elaborated this report, which is attached to the proposal for the re-election of Susana Rodríguez Vidarte as a member of the Board of Directors of the Bank, with the status of external director, to be submitted to the BBVA Ordinary General Shareholders' Meeting.

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In order to carry out this proposal, the Board of Directors has assessed the favorable report issued by the Appointments Committee in accordance with article 529 decies 6 of the Corporate Enterprises Act and articles 3 and 33 of the Bank's Board of Directors Regulations, after having carried out an analysis of the current composition of the Board and its needs, assessing the conditions that directors must meet in order to perform their duties, and the dedication required to adequately perform their duties.

Furthermore, in issuing this report, the Board of Directors has assessed, as set forth in the regulations mentioned above, the competence, experience and merits of the proposed candidate, in the terms provided below:

Susana Rodríguez Vidarte has a Ph.D in Economics and Business Sciences from the University of Deusto and is Professor (*Profesora Catedrática*) of Strategy at the Faculty of Economics and Business Sciences at the University of Deusto.

She has been Dean of the School of Economics and Business Sciences at the University of Deusto, Director of the University Postgraduate Area and Director of the International Institute of Business Administration (INSIDE).

She has also been a member of the Board of Trustees of the Deusto Foundation and the Board of Directors of the Basque Institute of Competitiveness. She is currently a member of the Institute of Accounting and Auditing of Accounts, Co-Director of the Economic Studies Bulletin, is member of the Board of Trustees of the Luis Bernaola Foundation and of the BBVA Microfinance Foundation.

Likewise, Ms. Rodríguez Vidarte is member of the Executive Committee, of the Risk Committee and of the Appointments Committee, since 2013, 2014 and 2007, respectively. Moreover, she has been member of the Audit and Compliance Committee and of the Remuneration Committee.

Further information can be found in the attached curriculum vitae of Susana Rodríguez Vidarte.

As a consequence of the above and considering the favorable report issued in this regard by the Appointments Committee, the Board of Directors of BBVA deems that Susana

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Rodríguez Vidarte has the competence, experience and merits required for the purpose of proposing her re-election as a member of the Board of Directors of the Bank, with the status of external director, to the Annual General Meeting of the Company, for the statutory three-year term. This report is issued as per the requirements provided by section 529 decies of the Corporate Enterprises Act.

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## Ms. Susana Rodríguez Vidarte

### Director

Born in Bilbao (Vizcaya) in 1955

Married

Spanish nationality

Ph.D in Economics and Business Sciences from the University of Deusto

#### **Professional career:**

Her career has mainly been focused on academic work

- 1996-2009 Dean of the School of Economics and Business Sciences at Deusto University
- 2003-2008 Director of the International Institute of Business Administration (INSIDE)
- 2009-2012 Director of the University Postgraduate Area (Deusto Business School)
- 1980 Co-Director of the Economic Studies Bulletin
- 1989 Member (non-practicing) of the Institute of Accounting and Auditing of Accounts
- 1995 Professor (*Profesora Catedrática*) of Strategy at the Faculty of Economics and Business Sciences at the University of Deusto

She is currently a member of the Board of Trustees of the Luis Bernaola Foundation and of the BBVA Microfinance Foundation. She has also been a member of the Board of Trustees of the Deusto Foundation and the Board of Directors of the Basque Institute of Competitiveness, until 2004 and 2009, respectively.

Ms. Rodríguez Vidarte was appointed to a BBVA directorship on 28th May 2002 and is member of the Executive Committee, of the Risk Committee and of the Appointments Committee of BBVA.