

***Report presented 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 appointment of Mr José Miguel Andrés Torrecillas as Independent Director, submitted to the Annual General Meeting of March 2015.***

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

Article 529. decies of the Corporate Enterprises Act, with the drafting provided by Law 31/2014, of 3 December, sets out the following:

*“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) When a vacancy arose following the notice of call of the annual general meeting and prior to the convening of such meeting, the board of directors may designate a board member until the forthcoming annual general meeting was held.*

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

*4. Motions 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 the remaining scenarios.*

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

*6. Motions 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 fulfil the provisions laid down in sub-section 5 of the aforementioned article, the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. has drafted this report, attached to the motion for the appointment of Mr José Miguel Andrés Torrecillas as member of the Board of Directors of the Bank, with the status of Independent Director, to be submitted to the Annual General Meeting of the Company.

For the purposes of making this motion, the Board of Directors has assessed the proposal of the Appointments Committee, in agreement with the provisions laid down in Article 529. decies, sub-section 4 of the Corporate Enterprises Act, and Articles 3 and 33 of the Board of Directors Regulations of the Bank, having completed an analysis of the current membership of the Board and its needs, assessing the conditions to be fulfilled by board members to exercise their offices, and the dedication required to suitably fulfil their duties.

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

Mr José Miguel Andrés Torrecillas has a Degree in Economic and Business Science from the Madrid Complutense University and has completed post-graduate courses consisting of Management Programmes delivered by IESE (2008), Harvard (1996) and IMD (1994).

Mr José Miguel Andrés Torrecillas is also a member of the Official Register of Account Auditors and the Register of Auditor Economists.

Mr Andrés Torrecillas has spent the largest part of his career at a renowned global auditing firm, Ernst&Young, where he has been a partner since 1987. He has held a series of senior offices, including Director of the Banking Group of the firm from 1989 to 2004, and Chairman of Ernst&Young Spain from 2004 to 2014, and he therefore has accrued extensive knowledge and experience in the sector of auditing and financial institutions on a national and international level.

A further highlight is that he has been the partner in charge of auditing significant companies of the IBEX-35 index and has taken part high-profile projects (M&A) in the banking sector.

Further information can be found in the attached curriculum vitae of Mr José Miguel Andrés Torrecillas.

As a consequence of the above and considering the motion issued in this regard by the Appointments Committee, the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. deems that Mr José Miguel Andrés Torrecillas has the competence, experience and merits required for the purpose of motioning his appointment as member of the Board of Directors of the Bank, with the status of Independent Director, to the Annual General Meeting of the Company, for the three-year term provided in the Company Bylaws. This report is issued in agreement with the requirements provided by Article 529. decies of the Corporate Enterprises Act.

## Mr. JOSÉ MIGUEL ANDRÉS TORRECILLAS

Born in Madrid in 1955  
Spanish nationality

Graduate in Economic and Business Sciences from the Complutense University of Madrid  
Postgraduate studies in Management Programmes at IESE, Harvard and IMD

### **Professional Background:**

- 1987 Partner at Ernst & Young
- 1989 – 2004 Managing Partner of the Banking Group at Ernst & Young
- 2001 – 2004 General Managing Partner for Audit and Advisory Services at Ernst & Young Spain
- 2008 – 2013 Managing Director of the Audit and Advisory practices at Ernst & Young Italy and Portugal
- 2004 – 2014 Chairman of Ernst & Young Spain

Member of the Official Registry of Auditors (ROAC); of the Registry of Economic Auditors (REA); of the Governing Board of the Spanish Institute of Financial Analysts; of the Empresa y Sociedad Foundation; of the Spanish Institute of Chartered Accountants; of the Advisory Board of the Institute of Internal Auditors; of the Institute of Chartered Accountants in England & Wales (the ICAEW); of the Board of Deusto Business School (DBS); and Trustee of the SERES Foundation.