

# Board of Directors Report

## Re-appointment of Belén Garijo López as independent director

## Introduction

In accordance with article 3 of the Regulations of the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, “**BBVA**” or the “**Bank**”), and in compliance with the provisions of article 529 decies of the Corporate Enterprises Act, the Appointments Committee is responsible for proposing re-appointments of members of the Bank's Board of Directors with the category of independent directors.

Also, Article 3 of the Regulations of the Board of Directors, in compliance with the Corporate Enterprises Act, also states that the proposal by the Appointments Committee must be accompanied by a report explaining the grounds on which the Board of Directors has assessed the competence, experience and merits of the candidate proposed, which will be attached to the minutes of the General Shareholders' Meeting or of the Board of Directors meeting.

To comply with this, the Board of Directors of the Bank has prepared the present report, which accompanies the proposed re-appointment of Belén Garijo López as a member of the Board of Directors of the Bank with the category of independent director to be submitted to the Ordinary General Shareholders' Meeting of BBVA (hereinafter, the “**Report**”).

## Appointments Committee Report

To prepare the Report, the Board of Directors evaluated the proposal by the Appointments Committee of BBVA in accordance with point 4 of article 529 decies of the Corporate Enterprises Act and articles 3 and 33 of the Regulations of the Board of Directors of the Bank after analyzing the Board's current composition and needs, as well as the need for its members to have a diversity of knowledge, skills and experience to enable them to discharge their functions adequately, with directors having extensive national and international training and experience, in areas such as banking and finance, accounting and risk, as well as legal, academic, business and new technologies.

Also, the Appointments Committee, in the discharge of its duties and as part of the ongoing Board rotation process, assesses the objectives laid down in BBVA's Board of Directors

selection, appointment, rotation and diversity policy, which include that of ensuring a 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; and ensure that, by 2020, the number of female directors represents, at least, 30% of the total number of members of the Board of Directors.

The Committee also believes that independent directors help contribute to a suitable composition of the Board Committees, in particular those which assist the Board of Directors in its oversight and control duties, which must have a significant representation of independent directors, amongst whom the Chairs of these Committees must be appointed.

Furthermore, the Committee has assessed the conditions needed to hold the post of director of BBVA including the conditions attached to the status of Board member, education, professional experience and suitability; also assessing the time dedication required for holding the position and taking care that, in any case, the directors have the requisite suitability and independence requirements.

Accordingly, based on the current needs of BBVA's corporate bodies, the structure, size and composition of the Board, and the Board of Directors selection, appointment, rotation and diversity policy, the Appointments Committee has considered that Belén Garijo López has the appropriate knowledge, skills and experience to hold the position of member of the Board of Directors, and meets the suitability requirements for this position, and thus the Committee agreed to propose to the Board, so that the Board, in turn, may propose to the General Meeting, the re-appointment of Belén Garijo López as independent director of the Bank.

## Competence, experience and merits

To issue this Report, the Board of Directors evaluated, as provided for in the aforementioned regulations, the competence, experience and merit, as well as the knowledge, of the proposed candidate in the following terms:

Belén Garijo López graduated in Medicine from the Universidad de Alcalá de Henares, is specialist in Clinical Pharmacology at Hospital La Paz Hospital and holds a Master's degree in Business and Management from Ashridge Management School (United Kingdom).

Ms. Garijo has held a number of positions of responsibility both nationally and internationally at companies belonging to the pharmaceutical sector. In 2013, she was appointed Chairwoman and CEO of Merck Serono, and in 2015, member of the Executive Board and CEO of Merck Healthcare.

Since 2011, she has also been Chair of the PhRMA International Executive Committee, ISEC (Pharmaceutical Research and Manufactures of America) and since 2014 member of the Board of Directors of L'Oreal.

She has been Chair of the Bank's Remuneration Committee since May 2017 and a member of the BBVA Audit and Compliance Committee since September 2012.

The Board also assessed other experience and positions held currently and previously by Belén Garijo López as set out in the curriculum vitae attached to this Report.

## Conclusion

As a result of the above and considering the proposal submitted for this purpose by the Bank's Appointments Committee, the Board of Directors considers that Belén Garijo López has the necessary competence, experience and merits to propose her re-appointment to the Ordinary General Shareholders' Meeting of the Bank as member of the Board of Directors with the category of independent director for the three-year term specified in the Company Bylaws. The Board of Directors hereby issues this Report in accordance with the requirements of article 529 decies of the Corporate Enterprises Act.

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## Ms. Belén Garijo López

### Director

Born in Almansa (Albacete), in 1960

Married

Spanish national

Graduate in Medicine from Universidad de Alcalá de Henares - Madrid.

Specialist in Clinical Pharmacology, Hospital La Paz - Universidad Autónoma de Madrid.

Master in Business and Management, Ashridge Management School – United Kingdom

### Professional Background:

#### Abbott Laboratorios

1989 – 1994 Medical Director – Spain

1994 – 1996 Director for International Medical Affairs – Illinois, USA

#### Rhône-Poulenc

1996 – 1999 Director, Oncology Business Unit – Spain

#### Aventis Pharma

1999 – 2000 Senior Director, Oncology, Central Nervous System and Insulin Business Unit – Spain

2000 – 2002 President of the Oncology Business Unit at global level – New Jersey, USA

2002 – 2004 General Manager, Spain

#### Sanofi Aventis

2004 – 2006 General Manager, Spain

2006 – 2011 President of Commercial Operations for Europe and Canada – Paris, France

#### Merck

2011-2013 Chief Operating Officer of Merck Serono

2013 President & CEO of Merck Serono

2015 Member of the Executive Board. CEO of Merck Healthcare

#### L'Oreal

2014 Member of the Board of Directors

From 2006 to 2011 she was member of the Board at Sanofi Pasteur-MSD.

From 2009 to 2011, she was Board member of Zentiva N.V.

From 2011, she is Chair of the PhRMA International Executive Committee, ISEC (Pharmaceutical Research and Manufacturers of America).

She was appointed to a BBVA directorship on 16th March 2012 and is Chair of the Remuneration Committee and is member of BBVA's Audit and Compliance Committee.