

Appointments Committee Report to the Board of Directors

Ratification and appointment of
Onur Genç as an executive director

Introduction

Article 529 of the Spanish Corporate Enterprises Act stipulates that proposals for the appointment and re-election of members of the Board of Directors must be accompanied by a supporting report from the Board of Directors assessing the skills, experience and merits of the proposed candidate.

In addition, Articles 3 and 33.1 of the Regulations of the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, "**BBVA**" or the "**Bank**") stipulate that proposals for the appointment or re-election of directors will be approved, in the case of non-independent directors, following a report from the Appointments Committee, which must assess the conditions that the candidates must fulfil and the time commitment required to adequately perform the role, in line with the needs of the Bank's corporate bodies at any given time.

Finally, this report from BBVA's Appointments Committee is the result of the appointment by co-option, as approved by the Board of Directors on 20 December 2018, of Onur Genç as a director and Chief Executive Officer of the Bank, upon a vacancy opening up on the Board of Directors due to the resignation of the person who had been the Bank's Executive Chairman up to that date, all in accordance with Articles 244 and 529 *decies* of the Spanish Corporate Enterprises Act and article 2 of the Regulations of the Board of Directors.

Structure, size and composition of the Board of Directors

The Appointments Committee has analysed the current composition of the Bank's Board of Directors, as well as the need for its members to have diverse knowledge, skills and experience to enable them to perform their roles adequately, with directors having extensive training and experience, both nationally and internationally, in areas such as banking and finance, accounting and risk, the law, academics, business and new technologies.

In the framework of this diversity of knowledge, skills and experience, members of the Board include executive directors, whose presence, along with an adequate balance among the different kinds of directors which implies that non-executive directors represent an ample majority over executive directors, with the purpose to have at least 50% of independent directors on the Board, aids the proper operation of the Board and facilitates the progressive renewal of the Bank's corporate bodies.

Furthermore, the Committee has assessed the conditions required to hold the position of BBVA director—including those attached to the role of director, training and professional experience, in the terms described below—and the time commitment required, ensuring that directors always fulfil the suitability and independence requirements.

In accordance with the abovementioned requirements and taking into account its analysis of the Board's structure, size and composition, the Appointments Committee has agreed to submit to the Board of Directors this report on the proposal to ratify and appoint Onur Genç as a member of BBVA's Board of Directors in the role of executive director (hereinafter, the "**Report**").

Director category

Onur Genç was appointed by co-option as a director of BBVA on 20 December 2018, and has been an executive director at the Bank since that time, since he was also appointed Chief Executive Officer by the Board of Directors.

Knowledge, skills and experience

Onur Genç holds a Bachelor's degree in Electrical Engineering from Boğaziçi University and a Master's degree in Business Administration (MBA) from the Carnegie Mellon University.

During his professional career, Mr. Genç has held positions of the highest responsibility at various prestigious multinational companies, as detailed in his CV (attached as an **Appendix**).

After his first role as Financial Controller at American Airlines between 1997 and 1999, Mr. Genç joined the consulting firm McKinsey & Company, where he worked for 12 years, until 2012, becoming a global partner in the firm at the age of 34. He also headed its Turkish office, leading projects in different countries (for financial institutions headquartered in Canada, the United Kingdom, Italy, Eastern Europe and mainly Turkey), covering innovation and technology and restructuring processes; human resources processes; risk management; internal audit; and control processes.

During his time at the Bank, Onur Genç first held the role of Executive Vice President of Garanti Bank from 2012 until 2015, and afterwards he was Deputy CEO until 2017, achieving success in both roles. At Garanti Bank, he reported directly to the Chief Executive Officer and broadened his experience in the fields of retail banking; private banking and asset management; payment systems; financial and correspondent institutions; coordination of insurance and pensions businesses; customer experience management; marketing and brand management; and intermediation in securities markets.

Subsequently, between 2017 and December 2018, Mr. Genç was BBVA's Country Manager in the USA. This role included being the Chairman and CEO of Compass Bank, and he was therefore responsible for the day-to-day management of the entity's business activities, as well as managing Simple; the BBVA branch in New York; BBVA Transfer Services; and BBVA Securities.

Finally, as indicated above, on 20 December 2018 Onur Genç was appointed by co-option as a director and Chief Executive Officer of the Bank, and as a member of the Executive Committee, in execution of the succession plan of the former Chief Executive Officer, which had been

approved by the Board and in which Mr. Genç was identified as the suitable person to occupy such position.

The Appointments Committee evaluates positively Mr. Genç's proven global experience in the finance and banking sector that began at the consulting firm McKinsey & Company, and that he has continued to develop at the BBVA Group, which he joined in 2012 and where he has successfully headed the Group's banking franchises in two different countries (Turkey and the United States), with responsibilities over a relevant part of the banking business fields.

It is also considered that Mr. Genç has a strong history of achieving results, thanks to his excellent ability to identify objectives, set deadlines and achieve them with great efficiency. He also has management experience in several European, American and Asian countries, enabling him to have a global vision and management capacity.

As it has been evidenced, Mr. Genç has an impressive and well-rounded skills and leadership profile that combines a long-term vision with excellent execution skills, in addition to intellectual, business and personal leadership.

Furthermore, it is also valued that he is aligned with the BBVA Group's transformation strategy, and that is familiar with the Group and practises the Bank's values.

In addition, his skills concerning strategic vision and his ability to translate this into plans and initiatives are also valued; as well as his remarkable capacity for innovation; his high-level focus on results; his ability to draw up, prioritise and plan large portfolios of complex projects; and his analytical skills.

It is also considered that, in the duties he has performed at the BBVA Group, Mr. Genç has also demonstrated the ability to lead teams and organisations, motivate teams and ensure that the Group has the professional profiles needed to carry out the strategy defined by the management body, demonstrating a special skill for achieving a high level of commitment among the employees he leads.

Finally, his proven communication skills and international profile are valued, given their relevance to the role of Chief Executive Officer of a global banking institution such as BBVA.

Taking into account all of the foregoing, the Appointments Committee issues a positive assessment of Mr. Genç's proven knowledge and experience for the position that he currently holds on the Board of Directors.

Suitability

Onur Genç has been registered with the Registry of Senior Officers of the Bank of Spain since 26 December 2018.

His suitability for the position was verified by BBVA's Board of Directors upon the approval of the CEO's succession plan in November 2018, which led to his appointment by co-option as a Board member in December 2018, in accordance with the requirements set forth in the current legislation. It was also confirmed that Mr. Genç met the requirements concerning business and professional reputation, knowledge, skills, experience and sound management needed to perform his functions.

In addition, and in accordance with Article 29 of Royal Decree 84/2015, which implements Spanish Law 10/2014, BBVA submitted the appointment of Onur Genç as a new member of the Board of Directors and the Chief Executive Officer to the Supervisor, the European Central Bank, for the purposes of assessing his suitability.

After analysing Mr. Genç's knowledge, skills, experience, business and professional reputation, and ability to exercise sound management and the suitability of the Board as a whole, in December 2018 the Supervisor notified the Bank of its positive evaluation of Mr. Genç's suitability for the post of director and Chief Executive Officer of the Bank.

Moreover, with regard to the ratification and appointment that is the subject of this Report, the Appointments Committee has reviewed Mr. Genç's fulfilment of the suitability requirements, concluding that Mr. Genç meets the suitability conditions required to hold the position.

Conclusion of the Appointments Committee

As a result of the above, the Appointments Committee is of the view that Onur Genç meets the suitability criteria and has the knowledge, skills and experience required to carry out the role of member of the Board of Directors. The Committee has therefore agreed to submit its favourable report to the Board, in order to propose to the Bank's Ordinary General Shareholders' Meeting that he be ratified and appointed as a member of the Board of Directors, in the category of an executive director, for the statutory period of three years.

Board of Directors Report

**Ratification and appointment of
Onur Genç as an executive 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 Article 529 *decies* of the Spanish Corporate Enterprises Act, proposals made for the appointment of members of the Bank's Board of Directors who are categorised as non-independent directors will be the subject of a report by the Appointments Committee.

The abovementioned article of BBVA's Regulations of the Board of Directors, in compliance with the Corporate Enterprises Act, also states that the proposal must always be accompanied by a supporting report by the Board of Directors which assesses the skills, experience and merits of the proposed candidate, which will be attached to the minutes of the General Shareholders' Meeting or of the Board of Directors meeting.

Finally, this report is the result of the appointment by co-option, as approved by the Board of Directors on 20 December 2018, of Onur Genç as a director and the Chief Executive Officer of the Bank, following the opening of a vacancy on the Board of Directors as a result of the resignation of the person who had been the Bank's Executive Chairman up to that date, in accordance with Articles 244 and 529 *decies* of the Spanish Corporate Enterprises Act.

In order to comply with the above, the Bank's Board of Directors has prepared this report, which accompanies the ratification and appointment proposal for Onur Genç as a member of the Bank's Board of Directors in the category of an executive director, submitted to BBVA's Ordinary General Shareholders' Meeting (hereinafter, the "**Report**").

Appointments Committee Report

In order to create this Report, the Board of Directors has assessed the report of BBVA's Appointments Committee in accordance with Article 529 *decies* 6 of the Spanish Corporate Enterprises Act and Articles 3 and 33 of the Bank's Regulations of the Board, after having analysed the current composition of the Board and its needs, as well as the requirement for its members to have the diversity of knowledge, skills and experience needed to facilitate its proper

operation. To this end, its directors must have extensive training and experience, both nationally and internationally, in areas such as banking and finance, accounting and risks, law, academics, business and new technologies.

In the framework of this diversity of knowledge, skills and experience, the Committee considers that the presence of executive directors on BBVA's Board of Directors aids its proper operation and facilitates the progressive renewal of the Bank's corporate bodies. This considering a suitable balance between the different categories of directors, so that non-executive directors represent an ample majority compared to executive directors, and independent directors make up at least 50% of its members.

Furthermore, the Committee has assessed the conditions required to hold the position of BBVA director—including those attached to the role of director, training and professional experience—and the time commitment required, ensuring that directors always fulfil the suitability and independence requirements.

In this regard, as part of the succession plan for the Bank's Chief Executive Officer, which was approved by the Board of Directors in November 2018, and in view of the envisaged appointment of Onur Genç to occupy such position once the then-Chief Executive Officer were appointed as Chairman, the Appointments Committee assessed the suitability of Onur Genç to be appointed as director and Chief Executive Officer, and concluded that Mr. Genç was the suitable candidate to be proposed as successor of the person then holding the position of Chief Executive Officer of BBVA.

In addition, and in accordance with Article 29 of Royal Decree 84/2015, implementing Act 10/2014, the Committee also confirmed that BBVA submitted the appointment of Onur Genç as new director and Chief Executive Officer to the European Central Bank (Supervisor) for the purposes of assessing his suitability. After analysing Mr. Genç's knowledge, skills and experience, business and professional reputation, and ability to ensure the proper governance and suitability of the Board, the Supervisor notified the Bank of their positive evaluation of Mr. Genç's suitability for the post of Chief Executive Officer of the Bank in December 2018.

In accordance with the above, and considering the current requirements 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 is of the view that Onur

Genç meets the suitability criteria and has the knowledge, skills and experience required to carry out the role of member of the Board of Directors, as stated in the Committee's report, which has been made available to the Board of Directors.

Skills, experience and merits

In order to issue this Report, and as set out in the aforementioned regulations, the Board of Directors has assessed the skills, experience, merits and knowledge of the proposed candidate in the following terms:

Onur Genç holds a Bachelor's degree in Electrical Engineering from Boğaziçi University and a Master's degree in Business Administration (MBA) from the Carnegie Mellon University.

During his professional career, Mr. Genç has held positions of the highest responsibility at various prestigious multinational companies, as detailed on his CV (attached as an **Appendix**).

After his first role as Financial Controller at American Airlines between 1997 and 1999, Mr. Genç joined consulting firm McKinsey & Company, where he worked for 12 years, until 2012, becoming a global partner in the firm at the age of 34. He also headed its Turkish office, leading projects in different countries (for financial institutions headquartered in Canada, the United Kingdom, Italy, Eastern Europe and mainly Turkey), covering innovation and technology and restructuring processes; human resources processes; risk management; internal audit; and control processes.

During his time at the Bank, Onur Genç first held the role of Executive Vice President of Garanti Bank from 2012 until 2015, and afterwards he was Deputy CEO until 2017, achieving success in both roles. At Garanti Bank, he reported directly to the Chief Executive Officer and broadened his experience in the fields of retail banking; private banking and asset management; payment systems; financial and correspondent institutions; coordination of insurance and pensions businesses; customer experience management; marketing and brand management; and intermediation in securities markets.

Subsequently, between 2017 and December 2018, Mr. Genç was BBVA's Country Manager in the USA. This role included being the Chairman and CEO of Compass Bank, and he was

therefore responsible for the day-to-day management of the entity's business activities, as well as managing Simple; the BBVA branch in New York; BBVA Transfer Services; and BBVA Securities.

Finally, as indicated above, on 20 December 2018 Onur Genç was appointed by co-option as a director and Chief Executive Officer of the Bank, and as a member of the Executive Committee, in execution of the succession plan of the former Chief Executive Officer, which had been approved by the Board and in which Mr. Genç was identified as the suitable person to occupy such position.

The Board of Directors evaluates positively Mr. Genç's proven global experience in the finance and banking sector that began at the consulting firm McKinsey & Company, and that he has continued to develop at the BBVA Group, which he joined in 2012 and where he has successfully headed the Group's banking franchises in two different countries (Turkey and the United States), with responsibilities over a relevant part of the banking business fields.

It is also considered that Mr. Genç has a strong history of achieving results, thanks to his excellent ability to identify objectives, set deadlines and achieve them with great efficiency. He also has management experience in several European, American and Asian countries, enabling him to have a global vision and management capacity.

As it has been evidenced, Mr. Genç has an impressive and well-rounded skills and leadership profile that combines a long-term vision with excellent execution skills, in addition to intellectual, business and personal leadership.

Furthermore, it is also valued that he is aligned with the BBVA Group's transformation strategy, and that is familiar with the Group and practises the Bank's values.

In addition, his skills concerning strategic vision and his ability to translate this into plans and initiatives are also valued; as well as his remarkable capacity for innovation; his high-level focus on results; his ability to draw up, prioritise and plan large portfolios of complex projects; and his analytical skills.

It is also considered that, in the duties he has performed at the BBVA Group, Mr. Genç has also demonstrated the ability to lead teams and organisations, motivate teams and ensure that the

Group has the professional profiles needed to carry out the strategy defined by the management body, demonstrating a special skill for achieving a high level of commitment among the employees he leads.

Finally, his proven communication skills and international profile are valued, given their relevance to the role of Chief Executive Officer of a global banking institution such as BBVA.

Conclusion

As a result of the above, and taking into account the report issued for this purpose by the Bank's Appointments Committee, the Board of Directors believes that Onur Genç has the necessary skills, experience and merits to propose to the Bank's Ordinary General Shareholders' Meeting that he be ratified and appointed as a member of the Board of Directors, in the category of an executive director, for the statutory period of three years.

Mr. Onur Genç

CEO

Born in 1974
Turkish

Bachelor in Science, Electrical Engineering from the University of Boğaziçi (Turkey).
MSIA/MBA at the Carnegie Mellon University (USA).

Professional background:

American Airlines

1997-1999 Senior financial controller, Information Technology Services

McKinsey & Company (offices of Turkey, Canada, The Netherlands and United Kingdom)

1999-2004 Consultant / manager

2004-2009 Partner

2009-2012 Senior partner and manager of the Turkish office

BBVA Turkey-Garanti Bank

2012-2015 Executive Vice President

2015-2017 Deputy CEO

BBVA USA

2017-2018 Chairman and CEO of BBVA Compass and BBVA's Country Manager in the USA

He was appointed director, CEO and member of the Executive Committee of BBVA on 20 December 2018.