

REGULATIONS OF THE AUDIT COMMITTEE

BANCO BILBAO VIZCAYA ARGENTARIA, S. A.

Regulations of the Audit Committee of BBVA Board of Directors

Article 1. Nature of the Committee

1. In accordance with the provisions of the law, the Bylaws and the Regulations of the Board of Directors, the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, the **Company** or the **Bank**) has set up an Audit Committee (hereinafter, the **Committee**) to better perform its functions.
2. The Committee is a permanent internal body of the Board of Directors that is consultative in nature, without executive functions but with powers of information, supervision, advice and proposal within its scope of action; and governed by the rules contained in the law, the Bylaws, the Regulations of the Board of Directors and these Committee Regulations (hereinafter, the **Regulations**).
3. By virtue of the foregoing, the Committee members' responsibilities are fundamentally supervisory and advisory in nature, and they shall not intervene in the execution or management, inherent to the Bank's management.

Article 2. Purpose, approval and modification of these Regulations

1. The purpose of these Regulations is to determine the operational principles of the Committee and to establish the basic rules of its organisation and functioning.
2. These Regulations have been approved by the Board of Directors, in accordance with the provisions of the law, the Bylaws and the Regulations of the Board of Directors, and it is also the responsibility of the Board to approve any amendments hereto.
3. These Regulations build on and complement the provisions of the law, the Bylaws and the Regulations of the Board of Directors applicable to the Committee, and will be interpreted in accordance with these. These will prevail in the event of a contradiction with the Committee Regulations.

4. All other matters not provided for in these Regulations, in particular regarding the system for convening meetings, quorum requirements, adopting resolutions, minutes and remaining areas of the Committee's operation, will adhere to the Regulations of the Board of Directors, insofar as they are applicable.

Article 3. Composition

1. The Committee will be comprised of a minimum of four directors, all of whom must be independent directors.
2. Committee members will be appointed by the Board of Directors, seeking to ensure that they possess the necessary dedication, skills and experience to carry out their duties. In any event, at least one member will be appointed taking into account his or her knowledge and experience in accounting, auditing or both. As a whole, the Committee members will possess relevant technical knowledge in the financial sector.
3. Committee members that are re-elected as Company directors by resolution of the General Shareholders' Meeting will continue to serve on the Committee, without the need for a new election, unless otherwise agreed by the Board of Directors.
4. Notwithstanding the foregoing, a director will cease as member of the Committee three years following his or her appointment by the Board of Directors, although the latter may agree to his or her re-election.

Article 4. Chair and Secretary of the Committee

1. The Board of Directors will appoint the Chair of the Committee from amongst its members, who must be replaced every four years and may be re-elected one year after the end of his or her term of office.
2. In the absence of the Chair, meetings will be chaired by the longest-serving independent director on the Committee, and, where multiple directors have equal length of service, by the eldest.
3. The Secretary of the Board of Directors or, upon his or her designation, the Deputy Secretary of the Board of Directors, will act as secretary of the Committee.

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Article 5. Functions of the Committee

Notwithstanding any others assigned to it by the law, the Bylaws, the Regulations of the Board of Directors or these Regulations, or by decision of the Board of Directors, the Audit Committee will have the following functions:

1. Inform the General Shareholders' Meeting on the questions raised in relation to the matters that are within the remit of the Committee and, in particular, on the result of the audit, explaining how the audit has contributed to the integrity of the financial information and the function performed by the Committee in this process.
2. Oversee the process of preparing and reporting financial information and submit recommendations or proposals to the Board of Directors aimed at safeguarding the integrity thereof.

Likewise, analyse, prior to their submission to the Board of Directors and in enough detail to guarantee their accuracy, reliability, sufficiency and clarity, the financial statements of the Bank and of its consolidated Group contained in the annual, six-monthly and quarterly reports, as well as in all other required financial and related non-financial information. For this purpose, the Committee shall be provided with all necessary information and with the level of aggregation as deemed convenient, for which it shall be supported by the Senior Management, especially by the area responsible for accounting functions, as well as by the Company and Group auditor.

Additionally, the Committee shall review the necessary consolidation perimeter, the correct application of accounting criteria, and all the relevant changes relating to the accounting principles used and to the presentation of the financial statements.

For the better performance of this function, the Committee may delegate to its Chair the monthly analysis of the financial statements.

3. Oversee the effectiveness of the Company's internal control and risk management systems, in terms of the process of preparing and reporting financial information, including fiscal risks, and discuss with the auditor any significant weaknesses in the internal control system detected during the audit, without undermining its independence. For such purposes, and where appropriate, the Committee may submit recommendations or proposals to the Board of Directors, along with the deadline for their follow-up.

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4. With regard to the Internal Audit function:
 - a) Propose to the Board of Directors the selection, appointment, re-election and removal of the head of the Internal Audit function, based on candidates from within the executive level pre-selected by the Talent & Culture area.
 - b) Monitor the independence, effectiveness and operation of the Internal Audit function.
 - c) Analyse and establish objectives for the head of the Internal Audit function and assess his or her performance, submitting its proposal on both matters to the Remunerations Committee in order to ensure alignment with the remuneration model applicable to the Senior Management at any given time, submitting the corresponding proposals to the Board of Directors.
 - d) Ensure that the Internal Audit function has the necessary material and human resources for the effective performance of its functions, in terms of personnel, as well as material elements, systems, procedures and operation manuals.
 - e) Analyse and, where appropriate, approve the annual work plan for the Internal Audit function, as well as any other occasional or specific plans to be implemented as a result of regulatory changes or as required for the organisation of the Group's business.
5. Receive monthly information from the head of the Internal Audit function regarding the activities carried out by the Internal Audit function, as well as regarding any incidents and obstacles that may arise, and verify that the Senior Management takes into account the conclusions and recommendations of his or her reports. Similarly, with the frequency required by the circumstances, follow up on these plans, being able to delegate to the Chair of the Committee preparatory tasks that facilitate its work. Should there be substantial deviations from the deadlines established for the performance of the actions set out in the plans, or in the scope of the revisions, the Committee will be made aware of the causes for this, and any appropriate changes to be made to the Internal Audit plans will be submitted for its approval.

Notwithstanding the foregoing, the head of the Internal Audit function will also report to the full Board of Directors on the activities carried out by the Internal Audit function, as often as appropriate.

6. Be apprised of the audited units' degree of compliance with corrective measures previously recommended by Internal Audit, and report to the Board on those cases that may involve a significant risk for the Group.

The Committee will be informed of any irregularities, anomalies or non-compliance detected by the Internal Audit area in the course of its activities, provided that these are relevant. Relevant matters are understood as those that may cause significant and substantive impact or harm to the Group's equity, earnings or reputation, and discernment of such matters will be at the discretion of the Internal Audit area which, in the presence of doubt, must report these. Any such matters must be reported to the Chair of the Committee as soon as they are identified.

7. Submit to the Board of Directors proposals for the selection, appointment, re-election and replacement of the external auditor, taking responsibility for the selection process in accordance with applicable regulations, as well as the hiring conditions of the external auditor, and to periodically obtain information from the external auditor on the external audit plan and its execution, in addition to preserving its independence in the performance of its functions. The Committee shall oversee that the Bank communicates, as relevant information, the replacement of the external auditor, including a statement of any disagreements with the outgoing auditor, if any, and, where applicable, the reasons for such. In the event of the auditor's resignation, the Committee will examine the circumstances that led to this decision.
8. Ensure the independence of the auditor in two senses:
 - a) Avoiding that the auditor's warnings, opinions or recommendations may be adversely influenced. To this end, ensuring that compensation for the auditor's work does not compromise either its quality or independence, in compliance with the auditing legislation in force at any given moment.
 - b) Establishing incompatibility between the provision of audit and consulting services, unless they are tasks required by supervisors or the provision of which by the auditor is permitted by applicable legislation, and there are no alternatives on the market that are equal in

terms of content, quality or efficiency to those provided by the auditor, in which case, conformity of the Committee will be required, and this decision may be delegated in advance to its Chair. The auditor will be prohibited from providing unauthorised services outside the scope of the audit, in compliance with the auditing legislation in force at any given moment.

9. Establish appropriate relations with the auditor in order to receive information on any matters that may jeopardise its independence and any other matters in connection with the auditing process, as well as those other communications provided for by law and in auditing standards.

In any event, the Committee must receive from the external auditors, on an annual basis, a statement of their independence with regard to the Company or entities directly or indirectly associated with it, as well as detailed and individualised information on additional services of any kind provided and the corresponding fees received by the external auditor or by persons or entities associated with the external auditor, as provided for in auditing legislation.

In order to avoid situations that may jeopardise the independence of the external auditor, as well as any others related to the auditing process, the external auditor will be called to attend each of the Committee's ordinary meetings, in which it will participate without any heads from the Company's executive area being present.

10. Where appropriate, authorise the provision of additional services other than prohibited services, by the auditor or associated persons or entities, the performance of which is required by applicable regulations in each case, under the terms provided for in auditing legislation.
11. Issue, on an annual basis and before the audit report is issued, a report expressing an opinion on whether the auditor's independence has been compromised. This report must, in all cases, contain a reasoned assessment of the provision of each and every additional service referred to in the preceding paragraph, considered individually and collectively, other than the legal audit, and relating to the framework of independence or the regulations on audit activity.
12. Verify, with the appropriate frequency, that the external audit program is being carried out in accordance with the contract conditions and is thereby meeting the requirements of the competent official authorities and the

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corporate bodies. The Committee will also periodically—at least once per year—request from the auditor an evaluation of the quality of the internal control procedures regarding the preparation and reporting of the Group's financial information. In order to perform this function, the auditors will provide the Committee with all information available for this purpose, which may include, where appropriate, their working papers.

13. Ensure that the auditor holds an annual meeting with the full Board of Directors to inform it of the work carried out and the progress of the Company's risks and accounting situations.
14. Be apprised of any infringements, situations requiring adjustments, or anomalies that may be detected during the course of the external audit, provided that these are relevant. Relevant matters are understood as those that, in isolation or as a whole, may cause significant and substantive impact or harm to the Group's equity, earnings or reputation, and discernment of such matters will be at the discretion of the auditor which, in the presence of doubt, must report these. Any such matters must be reported to the Chair of the Committee as soon as they are identified.
15. Be apprised of reports, documents or communications from external supervisory bodies related to the scope of the Committee's functions in the terms set out above.

The Committee will ensure that the instructions, requirements and recommendations received from the supervisory bodies are implemented in due time and form, in order to correct any irregularities, shortfalls or inadequacies that may be detected in the inspections performed, within the scope of their functions.

16. Report on all matters within its remit as provided for in the law, the Bylaws, the Regulations of the Board of Directors or in these Regulations prior to any decisions that the General Shareholders' Meeting, the Board of Directors or the Executive Committee may be required to adopt regarding such matters, and in particular on: financial information that the Company is required to publish; economic conditions and accounting impact of relevant corporate transactions and structural modifications (*modificaciones estructurales*); the creation or acquisition of shares in special purpose vehicles or in entities domiciled in territories considered to be tax havens; and related-party transactions.

Article 6. Meetings

1. The Committee will meet whenever it is convened by its Chair, who is empowered to call the Committee meetings and to set their agendas.
2. The Committee will endeavour to establish an annual calendar of meetings, considering the amount of time to be devoted to its different tasks.
3. The calling for ordinary sessions will include the agenda and must be made in writing, giving sufficient notice and endeavouring that the Committee members receive the relevant information and documentation with sufficient time for the proper performance of their duties, unless, exceptionally, upon judgement of its Chair, this should not be appropriate for reasons of confidentiality.
4. Extraordinary meetings of the Committee may be convened by telephone or by any other means of distance communication, and the requirements set out in the preceding paragraph will not apply where, upon judgement of the Chair of the Committee, the circumstances so warrant.
5. Executives responsible for the areas that manage matters within the Committee's remit may be called to meetings, in particular, Accounting and Internal Audit areas, and, at the request thereof, those persons within the Group who have knowledge of or responsibility for the matters covered by the agenda, when their presence at the meeting is deemed convenient.
6. The Committee may also call any other Group employee or manager, and even arrange for them to attend without the presence of any other manager.
7. Notwithstanding the foregoing, it will seek to ensure that the presence of persons outside the Committee during these meetings, such as Bank managers and employees, be limited to those cases where it is necessary and to the items on the agenda for which they are called. In any event, the Committee will endeavour to hold private meetings with the head of Internal Audit and with the external auditor, without the attendance of other persons and at appropriate intervals.
8. In order to promote a diversity of views that enriches the Committee's analyses and proposals, its Chair will ensure that all members participate freely in deliberations and will promote constructive dialogue amongst them, encouraging the free expression of their views.

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9. The corresponding minutes of the meetings held by the Committee will be drawn up and, once approved, will be signed by the Secretary with the approval of its Chair, or by whomever acted in such capacities during the corresponding meeting.

Article 7. Quorum and adoption of resolutions

1. The Committee will be validly constituted when more than half of its members, present or represented, attend the meeting.
2. Committee members will personally attend Committee meetings, and when they are unable to do so, will endeavour to grant a proxy to another Committee member, including the appropriate instructions and communicating this to the Chair of the Committee.
3. The Committee will be validly constituted without previously being convened if all of its members are present and unanimously accept the holding of the meeting.
4. Resolutions will be adopted by an absolute majority of votes present or represented.

Article 8. Report to the Board of Directors

1. The Chair of the Committee will inform the Board of Directors, at its ordinary meetings, on the activities carried out and the resolutions adopted by the Committee.
2. The minutes, once approved by the Committee, will be made available to all members of the Board of Directors.

Article 9. Assessment

1. The Committee will submit to the Board of Directors an annual report of its activity so that the latter may evaluate its operation.

Article 10. Advisory powers

1. The Committee may, through its Secretary, engage external advisory services for relevant issues when it considers that these cannot be provided by experts or technical staff within the Group on grounds of specialisation or independence.

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2. Furthermore, the Committee may solicit personal cooperation and reports from any employee or member of the Senior Management if deemed necessary in order to comply with its functions in relevant matters. The usual channel for a request of this nature will be through the hierarchical line. However, in exceptional cases, the request may be notified directly to the person whose cooperation is required.

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