



BBVA Compass

Responsible Banking Report **2016**



Creating Opportunities



OUR PURPOSE

To bring the age of opportunity to everyone.



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Executive Summary

Letter from the CEO

Dear Stakeholders,

When BBVA set out to define its purpose – the mission statement that will propel its every move – it landed on one that is both lofty and meaningful and gets at the very heart of the kind of bank we want to be: We want to bring the age of opportunity to everyone. We want to create opportunities in every corner of every community we serve. Our purpose statement debuted in 2016, and it has been embraced enthusiastically and quickly embedded in our DNA at BBVA Compass. We know precisely why we exist, and everything we do is oriented toward that outcome. We are people serving people.

Our Corporate Responsibility & Reputation team has for many years been doing the kind of work that honors our new purpose. It is a cut above, and is regarded inside and outside the bank as a

team full of innovators with heart to spare. The centerpiece of our team's efforts is its work carrying out our pledge to put \$11 billion in lending, investments and services toward supporting low- and moderate-income individuals and neighborhoods. We made the pledge in late 2014, and marked the second full year of our commitment by exceeding our goals in nearly every category in 2016. We helped put more than 3,000 low- and moderate-income families into new homes, assisting more than 1,400 with their down-payments so the dream of homeownership could become a reality. We also injected \$1.2 billion in capital in small businesses, and made more than \$1 billion in a variety of community-development loans to support everything from the construction of affordable housing to job training and social services such as physical and mental health care.

We view every offering that boasts the BBVA Compass blue through the prism of our new purpose. Does it create opportunities for our clients? Will it make it easier for them to run their businesses and their homes? That's why we dedicated ourselves to making our mobile app the most comprehensive it can be, and our efforts paid off: For the third consecutive year, our app was honored with the Javelin Mobile Banking Leader award for Functionality.

Our work in the prepaid-card market is another example of how we're approaching banking in a fresh, technology-driven way. Our ClearSpend Prepaid Card has a low monthly fee, no reload fee and no transaction fee. That makes it a good deal. It also comes with a free budget tracker so users can manage their finances better and eliminate overspending, and that's what makes it a smart choice for our clients. When we saw an opportunity in the prepaid market, it wasn't just for us — it was to better serve our customers and build something that would give them more control.

Some of our most innovative work is done in the service of small businesses. The nation's 22nd-largest bank by deposit market share, BBVA Compass is punching way above its weight in its drive to become the lender of choice for small businesses. For the fiscal year that ended Sept. 30, 2016, BBVA Compass approved 1,801 loans under the Small Business Administration's flagship 7(a) loan program, becoming the program's fifth-most-active lender by total number of loans and 10th by dollar volume. We also identified branches that have very high concentrations of small businesses within a 5-mile radius, and gave those branch managers advanced training so they can better meet the lending needs of micro-businesses with less than \$1 million in annual sales. And we developed our own proprietary training program for small businesses that teach them about obtaining credit and developing business plans.

Our new website also carries forward our brand mission, distinguishing itself through its approach to language and accessibility. The teams involved in the redesign put every page of content through what they call a TCR filter to make sure the language was transparent, clear and responsible. At a global level, BBVA has been incorporating TCR principles throughout its entire value chain, both out of respect for its clients' needs so they can make informed, smart decisions, and because a successful business in today's environment needs to put a premium on communicating clearly and effectively. The teams were also determined to make the site more accessible to users, and voluntarily followed the Web Content Accessibility Guidelines (WCAG) 2.0, which were

established by the World Wide Web Consortium, the international standards organization for internet design. This means the site is accessible to the visually impaired and on a number of platforms.

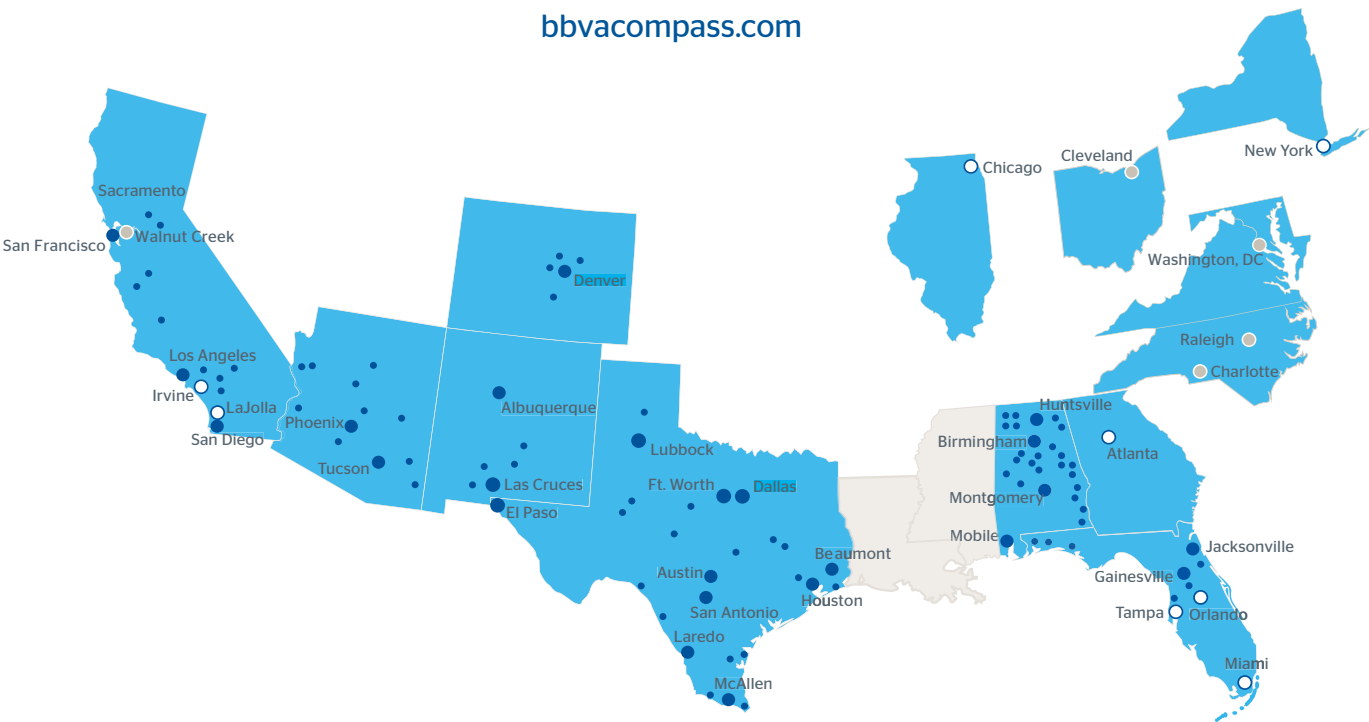
Finally, perhaps the one story that best captures all of our ambitions and all of our values is BBVA Compass' breakout role in CFO magazine's annual Commercial Banking Survey. We were the only bank to land in the top three across all criteria on which 325 senior financial executives across corporate America judged their banks. They were asked to score their current commercial banks in five areas. BBVA Compass earned well above average on each count, and got especially high marks in strategic partnership and internal reporting, which reflects the bank's investment in both its human capital and its technology. The best part? That news came in 2016 just as our Commercial team notched nearly \$30 billion in loans and improved its profitability yet again.

That achievement was a key note in a crescendo of actions — from our community-development efforts to our products that empower our clients to how we communicate — that prove BBVA Compass is a bank that does good by the people it serves while steadily building itself into a stronger enterprise. Those two ideas aren't mutually exclusive, and never will be at BBVA Compass.



Onur Genç
BBVA Compass CEO, BBVA U.S. Country Manager

Company Profile



Branches by State

Alabama	89	Florida	45
Arizona	75	New Mexico	19
California	62	Texas	344
Colorado	38		

- Branches
- Commercial Loan Office
- Commercial Loan/Private Client Office

BBVA Compass Bancshares, Inc. is a Sunbelt-based bank holding company whose principal subsidiary, BBVA Compass, operates 672 branches in Alabama, Arizona, California, Colorado, Florida, New Mexico and Texas, and commercial loan and private client offices throughout the United States. BBVA Compass ranks among the top 25 U.S. commercial banks based on deposit market share and ranks among the largest banks in Alabama (2nd), Texas (4th) and Arizona (5th). In addition, BBVA Compass has been recognized as one of the nation's leading Small Business Administration (SBA) lenders.

Through two primary operating segments – Consumer and Commercial Banking and Corporate and Investment Banking – BBVA Compass offers customers unique and industry-leading products and services, with a focus on providing customers with financial solutions to fit their lives. These products and

services include traditional credit and deposit products, SBA loans, treasury management, leasing, accounts-receivable purchasing, asset-based lending, international services, insurance, interest-rate protection and investment products, specialized investment-portfolio management, traditional trust and estate services, investment advisory services, and financial counseling.

With headquarters in Houston, TX, BBVA Compass Bancshares Inc. is a wholly owned subsidiary of BBVA Group (NYSE: BBVA) (MAD: BBVA). BBVA is a customer-centric global financial services group founded in 1857. The Group is the largest financial institution in Spain and Mexico, and has leading franchises in South America and the Sunbelt Region of the United States. It also is the leading shareholder in Garanti, Turkey's largest bank based on market capitalization. Its diversified business is geared toward high-

growth markets and relies on technology as a key sustainable competitive advantage. Corporate responsibility is at the core of the business model. BBVA fosters financial education and inclusion, and supports scientific research and culture. It operates with the highest integrity, a long-term vision and applies best practices. More information about the BBVA Group can be found at bbva.com.

This report contains data related to BBVA Compass Bancshares Inc., a public registrant with the Securities and Exchange Commission. It is the holding company for its subsidiary, Compass Bank, which operates under the trade name BBVA Compass referenced throughout this report. The data in this report are aligned with the public filings for 2016 available on the Investor Relations section of the BBVA Compass website at bbva.investorroom.com.

Awards

- Best U.S. Regional Middle Market Treasury & Cash Management Provider in the Southwest – *Global Finance*
- Functionality Leader – *Javelin Strategy & Research*
- Crystal Award – *American Marketing Association*
- Corporate Equality Award – *Human Rights Campaign*
- Best Digital Bank – *Euromoney*
- “Woman to Watch” (Rosilyn Houston) – *American Banker*
- 2016 Women Who Shape the State (Rosilyn Houston) – *AL.com*
- Company of the Year – *Spain-US Chamber of Commerce*
- Top 5 Financial Management and Money Movement Capabilities – *Javelin Online Banking Scorecard*
- Only bank in top three of all categories listed in the annual Commercial Banking Survey – *CFO Magazine*

BBVA Compass Data (USD in thousands)

Revenues	\$3,123,655
Operating costs	\$1,107,572
Employee wages and benefits	\$1,119,676
Payments to providers of capital	\$333,852
Payments to government	\$325,170
Total workforce	10,096
Number of branches	672
Number of suppliers	1,949
Community investments	\$9,666
Employee donations	\$1,023
Employee volunteer hours	79,195

*The data in the adjoining table are intended to be an at-a-glance snapshot of BBVA Compass Bancshares’ activity during calendar year 2016. Also available at <http://bbva.investorroom.com/annual-financial-statements>.

Number of Employees and Branches by State

	Employees	Branches
Alabama	3,569	89
Arizona	760	75
California	477	62
Colorado	251	38
Florida	385	45
New Mexico	110	19
Texas	4,193	344
Other*	351	—
Total	10,096	672

* Includes employees located in states where BBVA Compass does not have a retail branch network.

Key Impacts, Risks and Opportunities

Managing risk is an inherent part of our business and our role in the financial services industry. The BBVA Compass Board of Directors is responsible for the ongoing monitoring and evaluation of risks and opportunities, including social and environmental factors. A detailed review of key risk factors is included in the Form 10-K, found on <http://bbva.investorroom.com/sec-filings>.

The BBVA management team evaluates social and environmental factors using the company’s established comprehensive set of policies and procedures. This framework helps BBVA thoroughly and consistently evaluate risks and ensure responsible investment and lending. The policies include the U.S. Operations Credit Risk Framework and the Environmental Site Assessment, among others, in addition to external principles such as the Equator Principles and Principles for Responsible Investment.



Corporate Governance

BBVA Compass Bancshares, Inc. is governed by a Board of Directors that consists of both executive and non-executive directors. In 2016, Manolo Sánchez served as both Chairman of the Board and Chief Executive Officer of BBVA Compass Bancshares, Inc. In December of 2016, BBVA Compass named Onur Genç as the new CEO, with Manolo Sánchez serving as the bank's non-executive chairman.

Six of BBVA Compass Bancshares, Inc.'s 11 directors are outside, independent directors. At BBVA Compass Bancshares, an outside director is defined as a director who is not, and within the preceding fiscal year has not been, an officer or employee of BBVA Compass Bancshares or any affiliate of BBVA Compass Bancshares. A director is not considered to be independent if he or she does not meet several criteria including, among others, that he/she has been, within the past three years, an employee of BBVA Compass Bancshares or any of its affiliates or an immediate family member is, or has been within the past three years, an executive officer of BBVA Compass Bancshares or any of its affiliates. Detailed information about BBVA

Compass Bancshares Inc.'s Board of Directors and the bank's corporate governance structure can be found by visiting:

<http://bbva.investorroom.com/company-officers>.

Board of Directors

Manuel "Manolo" Sánchez Rodríguez (Chairman)
 William C. Helms (Vice Chairman)
 Eduardo Aguirre, Jr.*
 Shelaghmichael Brown*
 Fernando Gutiérrez Junquera
 Charles E. McMahan*
 J. Terry Strange*
 Guillermo F. Treviño*
 Lee Quincy Vardaman**
 Mario Max Yzaguirre*
 Onur Genç

* Outside, independent Directors

** Outside, not independent Directors

Materiality and Stakeholder Engagement

BBVA Compass carefully reviews priority areas for both our company and our stakeholders each year to determine what material topics should be the focus of our management efforts as well as the content of this report. BBVA Compass evaluated the priority issues through ongoing internal evaluations and stakeholder conversations. This process helps identify the relevant, material issues for transparent disclosure in this report as well as to drive corporate responsibility strategy moving forward.

In 2016, BBVA Compass surveyed customers and employees, solicited input from advisory boards and leveraged our relationship with the Reputation Institute to better understand current positioning and needs with various stakeholder groups. BBVA Compass worked in tandem with BBVA Group to evaluate stakeholder interests through a systematic materiality process that included stakeholder surveys and analysis paired with BBVA Compass business priorities.

Process for defining material issues

In 2016, BBVA Compass participated in BBVA Group's global materiality process for identifying and prioritizing material issues. The materiality matrix in this report reflects the overall position of the BBVA Group along with the specific market realities that BBVA Compass faces in the United States. The company engages in ongoing dialogue across our stakeholders, employing tools to evaluate risk and material topics.

Our material issues are prioritized to reflect BBVA Compass' significant impacts and the elements that influence stakeholder assessments and decisions.

Stakeholder input

BBVA Compass is committed to developing positive and engaging relationships with our key stakeholders. Intent listening enables us to focus on the most important strategies and to be responsive as stakeholder needs and concerns evolve. BBVA Compass stakeholders are people, institutions and organizations whose interests intersect with the Bank's, including customers, employees, suppliers, community organizations, investors and regulators. We work diligently to earn the trust of these stakeholders through consistent feedback and transparency, demonstrated, in part, through the pages of this report.

2016 Stakeholder Engagement

Customers

BBVA Compass engaged the services of the Reputation Institute to conduct market surveys that included our customers. The responses and resulting analyses allow our organization to manage its reputation and identify threats and opportunities based on perceptions of corporate responsibility, product offerings, fair treatment of employees and much more.

Similar to prior years, customers ranked the most important issues in 2016 as products, governance and performance.

The Reputation Institute also surveyed customers' views on BBVA Compass' corporate responsibility and reputation. According to the RepTrak study, BBVA Compass demonstrated improved reputation scores for community initiatives and protection of the environment.

Employees

BBVA Compass seeks feedback from employees in a variety of ways throughout the year. We conduct a detailed survey of employees' perceptions every other year along with various polls and surveys. In 2016, that included the annual Internal Reputation Survey conducted by the Reputation Institute. More than 550 randomly selected employees participated in the survey from across the organization in 2016. The sample was representative in numbers for network employees and corporate service employees.

Employees ranked ethical business practices; social, educational and environmental support; and leadership with integrity as the most important issues.

Community

In 2016, the Corporate Responsibility and Reputation (CRR) team made a concerted and systematic effort to gather feedback from nonprofit organizations that operate in communities throughout our footprint. The Community Relations team collected 416 community-needs assessments with community-development leaders and key stakeholders across seven states.

The foundation of our strategy is built on our responsibility to our customers. We focus on offering products and services that are responsive to local needs, particularly in low- to medium-income (LMI) communities. Our key responsibilities also include communicating transparently and clearly to ensure that customers can make more informed financial decisions, along with promoting financial literacy. Building lasting, long-term relationships and avoiding opportunistic short-term customer relationships are also essential.

The BBVA Compass' needs-assessment survey results align with external reputation surveys, such as the Edelman Trust Barometer and GlobeScan. The research is consistent in finding that a bank's reputation is based first and foremost on ethics and customer focus.

Regulators

As a responsible financial institution, BBVA Compass is committed to effective implementation and compliance with regulations. On March 24, 2016, BBVA Compass received the Community Reinvestment Act (CRA) Performance Evaluation conducted by the Federal Reserve Bank of Atlanta dated Dec. 7, 2015. The BBVA Compass CRA rating improved to Satisfactory from the previous rating performed in 2014.

We believe the improved rating was the result of our concerted effort to focus more strategically on initiatives that qualify for CRA credit. In 2016, we continued to deliver on our pledge of \$11 billion in lending, investments and services toward supporting LMI individuals and neighborhoods over five years.

Investors

As a wholly owned subsidiary of BBVA Group, BBVA Compass Bancshares is responsible for supporting the overall business strategy of the global organization. BBVA Compass is aligned with the Group's sustainability priorities and goals. BBVA Compass also supports BBVA Group shareholders through the U.S.-based Investor Relations department, which communicates on Securities and Exchange Commission (SEC) filings such as the 10-K, along with governance information.

Company Priorities

BBVA Compass is focused on bringing the age of opportunity to everyone. The bank serves as a facilitator, offering customers the best banking solutions, helping them make good financial decisions and making a true difference in their lives.

BBVA Compass is aligned with BBVA Group's Responsible Business Plan, which includes three strategic priorities:

- Transparent, clear and responsible communication
- Education
- Products with a high social impact

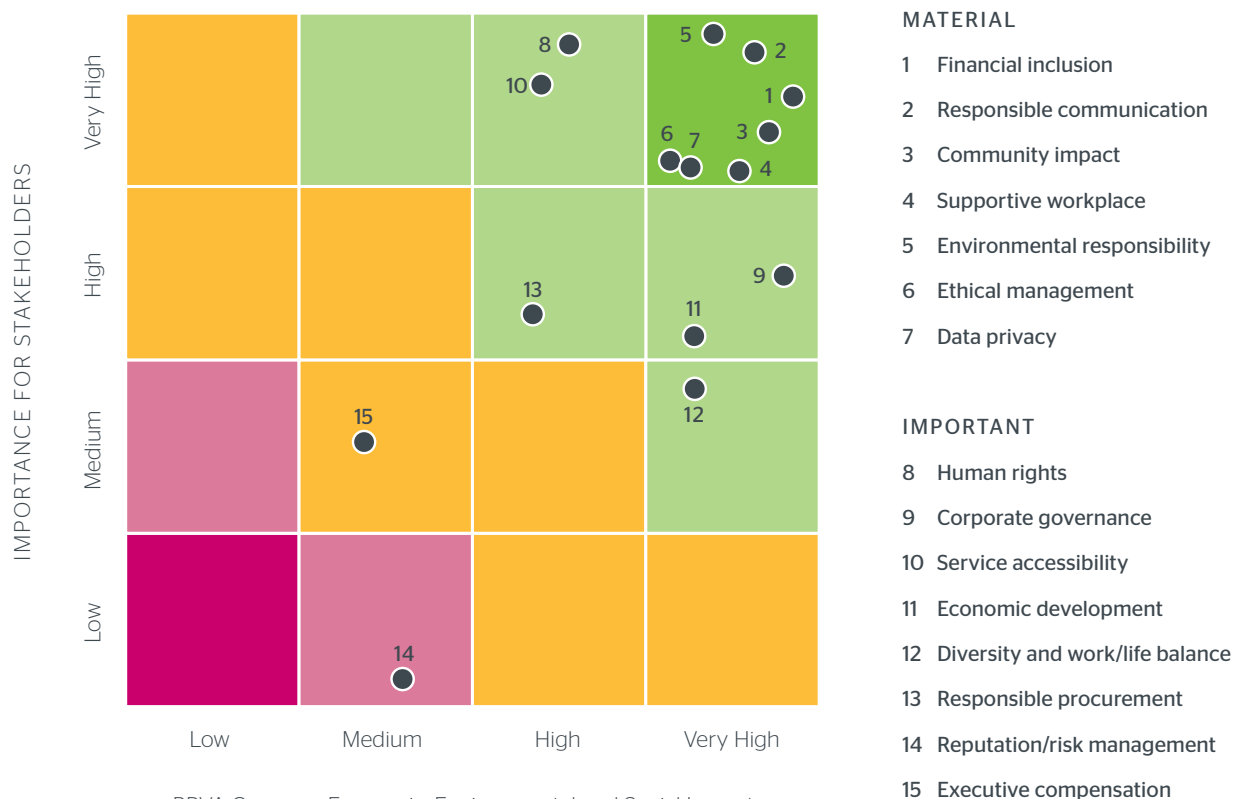
Findings and Outcomes

Following a thorough analysis of the topics raised by our stakeholders and our business leaders, we developed the materiality matrix (opposite page) to identify those topics that are most important for BBVA Compass' success. These material topics inform our sustainability strategy as well as the topics of focus within this report.

BBVA Compass identified the following strategic priorities as material items:

- Financial inclusion
- Responsible communication
- Community impact
- Supportive workplace
- Environmental responsibility
- Ethical management
- Data privacy

MATERIALITY MATRIX



Material Issue	Corresponding GRI G4 Topics	Aspect Boundary within BBVA Compass Bancshares	Aspect Boundary outside BBVA Compass Bancshares
Financial Inclusion	Society – Local Communities Economic: Economic Performance, Indirect Economic Impacts	BBVA Compass Bancshares	Communities where we operate
Responsible Communication	Product Responsibility: Product and Service Labeling, Marketing Communications	BBVA Compass Bancshares	Communities where we operate
Community Impact	Society – Local Communities Product Responsibility – Product Portfolio, Active Ownership	BBVA Compass Bancshares	Communities where we operate
Supportive Workplace	Labor Practices and Decent Work: Employment, Labor/Management Relations, Training and Education, Diversity and Equal Opportunity Human Rights: Non-discrimination, Freedom of Association, Collective Bargaining	BBVA Compass Bancshares	Not material
Environmental Responsibility	Environmental – Materials, Energy, Water, Emissions, Effluents and Waste, Compliance	BBVA Compass Bancshares	Communities where we operate
Ethical Management	Society – Anti-Corruption, Anti-Competitive Behavior Product responsibility – Compliance	BBVA Compass Bancshares	Communities where we operate
Data Privacy	Product Responsibility – Customer Privacy	BBVA Compass Bancshares	Communities where we operate



Corporate Responsibility & Reputation

BBVA Compass' commitment to corporate responsibility is woven into our cultural fabric – in employees at all levels, in our corporate goals and philosophy, and in the products and services we offer. We are committed to supporting the work of nonprofit and other organizations – especially those involving community development and education.

Managing & Governing Corporate Responsibility

The BBVA Compass Management Committee is responsible for oversight of the corporate responsibility policy with input from the Corporate Responsibility and Reputation (CRR) Committee. The CRR Committee is charged with establishing CRR policy at BBVA Compass, and with driving the integration of CRR criteria, activities and policies throughout the company's business and support areas. It is composed of BBVA Compass Management Committee members. In 2016, the Board was chaired by U.S. Country Manager and BBVA Compass Chairman and CEO Manolo

Sánchez. As chairman of the CRR Committee and as a member of the BBVA Compass Board of Directors, Sánchez updated the BBVA Compass Board of Directors on CRR policy and programs as needed.

Enterprise Risk Management

BBVA Compass has a comprehensive and detailed approach to managing risks. We undertake a thorough analysis and specific decision-making processes to assess the full range of risks associated with our actions and investments. This evaluation includes not only financial aspects but also social, environmental and reputational factors.

Reputational Risk Management Process

BBVA Compass recognizes the value and importance of our reputation in the marketplace. We follow the reputational risk

management process established by BBVA Group. This systematic analysis takes place continually, with a comprehensive review conducted at least once annually.

The process takes stock of our emotional reputation as a company, measuring trust, good feeling, admiration and respect, and reputation itself across our stakeholders.

The process includes:

1. Identification of risks, risk factors and allocation of assurance providers
2. Impact assessment
3. Assessment of strengths and action-plans proposal
4. Map of reputational risks

Equator Principles

BBVA Compass has an important role in helping to provide financial instruments that support industries such as energy and transport as well as social services infrastructures. These industries help boost economic development, create jobs and have a range of impacts on the environment and society. This is a material topic for BBVA Compass as it relates to our material issue "Community Impact," and we are committed to carefully evaluating projects to avoid or reduce negative impacts while promoting economic, social and environmental value.

In line with this commitment, BBVA Group signed on to the Equator Principles (EP) in 2004. Based on the International Finance Corporation's (IFC) Policy and Performance Standards on Social and Environmental Sustainability and the World Bank's Environmental, Health and Safety guidelines, the Equator Principles are a set of standards for managing the environmental and social risks in project finance. These principles have set the benchmark for responsible finance. Once more in 2016, BBVA Group has contributed to their progress and dissemination as a member of the EP Association Steering Committee and the working groups in which it takes part.

Lending decisions subject to the Equator Principles include all loans in the project-finance portfolio. Placing people at the core of the business implies dealing with stakeholder expectations and the social demand to fight against climate change and respect human rights. In 2016, BBVA Compass did not finance any projects in the Project Finance category. However, BBVA's Global Corporate Investment group reviewed and approved the Dakota Access Pipeline project under the Equator Principles guidelines. BBVA Group financed approximately 5 percent of the debt component as one of the 17 banks whose loans financed the pipeline. BBVA, with other lenders involved in the project, proactively commissioned Foley Hoag as an independent human rights consultant to review matters related to the permitting process. That report provides recommendations for future projects in terms of engagement with Native American tribes that will benefit all parties involved.

The Corporate & Investment Banking (CIB) Reputational Risk team has responsibility for analyzing the financed projects, representing the Bank before stakeholders. The team is accountable to senior management for designing and implementing the management system and proposing the adoption of best practices. In 2016, representatives of BBVA Group's Reputational Risk team took part in training sessions given by the IFC, the Organization for Economic Cooperation and Development (OECD) and the International Association for Impact Assessment (IAIA) on the best environmental and social risk practices.

United Nations Sustainable Development Goals

BBVA Compass is committed to supporting the United Nations Sustainable Development Goals (SDGs). In 2016, we were honored to host the United Nations Sustainable Development Goals Fund for a workshop focused on the Sustainable Development Goals along with the BBVA Microfinance Foundation. The workshop included business leaders across Houston and focused on spreading the word and building understanding of the United Nations' 17 SDGs. These goals address critical human rights issues such as education, health, poverty alleviation, clean water and the climate.

Data Privacy

BBVA Compass is committed to compliance with all applicable federal and state privacy laws and regulations. This topic is related to our material issue of "Data Privacy." Examples of such laws and regulations include, but are not limited to, Regulation P, the Affiliate Marketing Rule and the Right to Financial Privacy Act. Regulation P implements portions of Title V of the Gramm-Leach-Bliley Act. It governs the treatment of nonpublic personal information about consumers by financial institutions and requires that an institution, under certain circumstances, notify consumers about its privacy policies and practices.

The affiliate marketing provision of the Fair and Accurate Credit Transaction Act went into effect on Oct. 1, 2008. Subject to some important exceptions, an entity may not use "eligibility information" received from its affiliate to market to a consumer unless the consumer was notified that such marketing may occur, was given an opportunity to "opt out" of such marketing and has not opted out.

The Right to Financial Privacy Act is largely procedural and requires government agencies to provide persons notice and an opportunity to object before a financial institution can disclose personal information requested by a federal government agency.

BBVA Compass consolidated the affiliate-marketing opt-out notice with its Regulation P notice (collectively referred to as the "Privacy Disclosure"). The Privacy Disclosure is provided to consumers at account opening, is available online and in branches, and is mailed to customers annually.

To help prevent unauthorized access to customer information, BBVA Compass uses physical, electronic and procedural safeguards. We periodically test and update those safeguards to help ensure the protection and integrity of our customer information. BBVA Compass also trains and regularly educates our employees about the importance of maintaining confidentiality and the proper handling of customer information. All of our employees are governed by a Code of Conduct that authorizes access to customer information for business purposes only and includes strict standards for maintaining confidentiality.

In addition, the Bank maintains a Customer Information Disclosure Event Plan in case there is ever an unauthorized or unintentional disclosure of customer information. If BBVA Compass becomes aware of an unauthorized disclosure of customer information, the Event Team meets to evaluate the situation and direct subsequent notifications and activities. In 2016, BBVA Compass did not experience any security breaches, computer-system breaches, or losses relating to technology failure, cyberattacks or other information that was substantiated by external regulators or governmental authorities.

Transparency, Advertising and Labeling

BBVA Compass is committed to “Transparent, Clear and Responsible,” or “TCR.” We recognize that communication with our clients is a key component of our overall client experience. Clear communications are critical because it helps our clients make informed decisions about their finances. As such, “Responsible Communication” is a material issue for BBVA Compass. We aim to be transparent with our clients in ALL our communications in whatever form that takes. By improving our communications, we believe we can improve the customer experience by offering increased clarity and simplified information about all aspects of the banking experience.

TCR at BBVA Compass

BBVA Compass is focused on being a straightforward and responsible bank, which starts with communicating clearly to prospects and clients. As part of this effort, we redesigned our digital content on bbvacompass.com in 2016, to make important information easier to find and understand. For example, “click here to view disclosures” has been clarified to “View additional pricing, requirements & terms,” and every page on our site is printable.

Team members from across BBVA Compass helped to redesign our contracts, terms & conditions and disclosures based on PEW research to ensure that clients fully understand what they are signing. The design incorporates colors and contrast that are helpful for people with visual impairment. The format also features bullet points rather than paragraphs to increase reading comprehension and ensure that all consumers understand our products.

BBVA Compass also is exploring options for further integration of TCR in the digital environment. As our fastest-growing segment and where our clients spend the majority of their time, this is critical. We want our clients to trust and recommend us, and we believe that communicating with them in a transparent, responsible way at all times shows our commitment to their interests. Above all, TCR helps our clients make the best product choices for their families and their futures.

Implementing TCR

In 2016, we implemented a new email-based communications program for new clients. BBVA Compass sends all new clients automated emails that guide them through each step of the process for the first 60 days. These emails provide helpful “how to use your product” messages, which are very simple and easy to read.

As part of the new 60-day onboarding program for all checking products, we automated the outreach process by generating timely messages from the branch so that the client is welcomed and well informed throughout the first 60 days. And in 2017, we plan to launch a product-confirmation message for all products to reaffirm our commitment to ethics and transparency.

Just as with branch-originated products, we revised our online account-origination process to incorporate TCR. Our online application now includes the same straightforward product information and prompts as the branch application process. Online applicants are also part of the new TCR 60-day onboarding program.

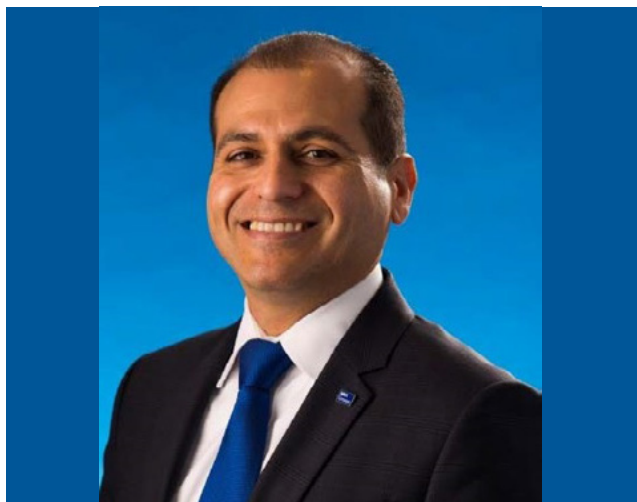
We overhauled our disclosures last year and eliminated the most technical and likely content to cause confusion. Our new summaries for each product explain in plain language how our fees work, our processing policies and our dispute-resolution process.

Anti-Corruption

BBVA Compass’ business processes are designed to prevent corruption. Our Code of Conduct outlines our expectations. BBVA Compass employees are continually trained to identify and prevent corrupt activities. Specific training programs to support this include Foreign Corrupt Practices Act Training, “Know the Code” Training, and the Bank Secrecy Act and Anti Money Laundering Training. Employees receive the training relevant and necessary to their job responsibilities.

Training	Number of Employees
Foreign Corrupt Practices Act	603
Know the Code	9,731
Bank Secrecy Act and Anti-Money Laundering	10,135

Letter from Executive Vice President, Director of Corporate Responsibility & Reputation



Dear Stakeholders,

At BBVA Compass, we're excited about our future because we are so proud of our past. We're the U.S. subsidiary of Madrid-based BBVA, whose story started in 1857 with the creation of Banco de Bilbao in Spain. The bank has endured 160 years on the strength of its three pillars of people, principles and innovation. It has never once accepted state aid of any kind or been a burden on society, and that includes during the most recent financial crisis. When most banks were busy looking back into what went wrong in the years after 2008, BBVA Compass was able to lean forward instead. We overhauled the bank's core technology system, becoming one of the first in the U.S. to implement real-time processing. That allowed us to burrow into the zeitgeist of the new economy by giving customers much more transparency and control.

The principles that are part of the bank's origin story helped inspire our \$11 billion commitment to better serve low- to moderate-income individuals and communities. BBVA Compass went into 2016 with considerable momentum behind its community efforts, having scaled up its infrastructure quickly and efficiently after making the commitment in late 2014. We were able to exceed our goals across the board in 2016, putting even more families in new homes and small businesses on firmer capital footing.

But one of our biggest projects of 2016 was an innovative one of a different breed – our pioneering effort to create a financial education platform for adults that can be scaled and easily deployed throughout our footprint. We worked with our partner, technology innovator EverFi, to create the online platform, combining our years of experience with EverFi's advanced software-as-a-service model. We're very proud of what we accomplished together, and what we can teach people about being informed homeowners and small-business entrepreneurs. Boosting financial literacy is no easy task; it takes a sustained effort that requires those of us in the financial industry to step up and share our knowledge. We're meeting that challenge with a mixture of creativity and determination.

One of our pillars is our people, and they're the source of much of our excitement about our future. We've built a team that consistently goes above and beyond, and nowhere is that more evident than at our annual Volunteer Summit, where we gather our top 150 employee volunteers to map out the next 12 months. These are 150 people who finish their regular workday, and then they keep going. They keep going in the service of their communities, volunteering hours and hours of their time and sharing their expertise selflessly. We talked to several of the people at our last Volunteer Summit to determine what motivates them. What they say is a deeply personal, moving testament to the people behind BBVA Compass. Listen at bbva.info/volunteersummit.

They do this because they want to create the kind of opportunities that change lives. That's who we are. That's our why.

A handwritten signature in black ink that reads "J. Reymundo Ocañas". The signature is fluid and cursive.

J. Reymundo Ocañas
Corporate Responsibility & Reputation — EVP, Director



Financial Solutions

BBVA Compass aims to set a new standard in customer experience. We aim to exceed expectations across our lines of business, from personal, small business and commercial to global wealth banking services.

Consumer Banking

Retail Banking Transformation

In 2016, BBVA Compass made a concerted, strategic effort to evaluate and update our systems and processes from top to bottom to provide our customers with a seamless, best-in-class customer experience.

As part of our transformation, BBVA Compass created a new multifunctional group to coordinate and collaborate on retail branch initiatives, which include regulatory and compliance issues. We also overhauled our customer onboarding process and streamlined our complaints handling and monitoring.

BBVA Compass is focused on meeting customer needs by offering more product options and enhanced digital delivery methods as well as by standardizing the sales-management process to ensure consistency of results and client experience.

Our programs make banking a one-stop shop.

We serve our customers by offering:

Convenience — BBVA Compass offers our customers true convenience through digital banking. Our award-winning mobile app helps customers manage money on the go, including depositing a check with a smartphone, checking balances, transferring money, paying bills and even paying people.

Checking and Savings — BBVA Compass offers a range of account services that allow customers to track and maintain better control of spending, making it possible to save for the important things in life.

Credit Solutions and Mortgages — Recognizing the importance of home ownership to many of our customers, BBVA Compass helps guide our customers through the process and provide pre-approvals that make sense for families. Our products are designed to help first-time homebuyers, even those who have struggled with credit.

Second Chance Banking — BBVA Compass wants to help customers who have had financial troubles to repair their credit and get back on track. Our second chance banking services include checking and savings accounts along with credit opportunities to help people start over.

Financial Education — BBVA Compass wants our customers to make informed decisions to effectively manage their money. We provide tools and information, including the Financial Fitness Center, which is online at bbvacompass.com/moneyfit. The site offers advice on mortgages, smart budgeting, saving for major expenses, building better credit and much more.

Commercial Banking

BBVA Compass's approach to commercial banking is unique. It builds on our knowledge of local markets to support clients' success while leveraging the Bank's international capabilities and financial strength.

This powerful combination gives us the ability to provide the expertise and resources to fuel company growth. BBVA Compass can help provide additional working capital, equipment or property. Our solutions help customers achieve a higher level of success.

From adding a new division to expanding into new markets, BBVA Compass can help businesses take advantage of every opportunity to enhance their competitive edge.

We can offer a wide range of solutions including IPOs, bond issues, syndicated loans, mergers and acquisitions, and the financing capacity to handle the largest of projects, both domestic and international.

BBVA Compass has the expertise to meet the unique needs of specialized markets. Our depth of experience in various industry segments enables us to navigate complex issues and deliver straightforward solutions. In this way, our client-centered approach to business supports our customers' success.

Small Business Banking

Small businesses are the engine of growth and opportunity for our economy. BBVA Compass helps small and micro-businesses thrive by offering a comprehensive suite of services that meet

their unique needs. Our goal is to provide small businesses with the service, expertise and products that enable them to seize opportunities and realize a bright future.

Serving more than 170,000 small and micro-businesses through its 672 branches, dedicated business specialists and emerging digital channels, BBVA Compass is committed to meeting the financial needs of small businesses in the communities we serve. Our commitment to this important segment is reflected in the \$2.3 billion in small-business loans that are entrusted by our customers. BBVA Compass is a nationally recognized SBA Preferred Lender and ranked fifth nationally in number of SBA loans originated in the most recent SBA fiscal year.

Education Opportunities

As part of our focus on being a trusted partner of small businesses, we offer educational opportunities and an online resource center to help them grow. In 2016, we hosted 12 in-person seminars in addition to providing small-business EverFi courses. Topics included financial fundamentals of running a small business and access to capital, among others. We also partnered with organizations to offer two online webinars designed to give small-business owners anytime access to valuable insight on topics important to small business.

The Mobility Bundle

Launched in 2014, ClearConnect Checking was named by Money magazine as the Best Checking Account for New Businesses. ClearConnect became the centerpiece of BBVA Compass Mobility Bundle, which combines BBVA Compass Online and Mobile Banking, Mobile Deposit,[®] alerts and merchant payments all in a comprehensive package of financial solutions that can be performed through a smartphone or tablet. The Mobility Bundle was designed for digitally savvy small businesses poised to grow and always on the go. It allows clients to bank when and where it is convenient for them.



Wealth & Private Banking

Global Wealth Management Overview

BBVA Compass Global Wealth offers clients and their families holistic customized advisory services.

Through a broad array of tailored advice, traditional banking, risk management, investment solutions, trust and fiduciary services, our seasoned team of experts offers experience and leadership to address clients' needs and help them reach their goals, whether building wealth, simplifying finances or planning for the future.

In 2016, BBVA Compass Global Wealth was recognized for Excellence in Wealth Management and Personal Investment Services by Greenwich Associates in Overall Satisfaction and Customer Service.

Global Wealth Segments

Private Banking

Serving thousands of clients, dedicated private bankers will coordinate a team of seasoned professionals to address clients' needs in the areas of financial planning, investment management, trust services, credit, insurance and traditional bank services.

Private Banking offices are located in 20 cities (Irvine, CA; Fresno, CA; Scottsdale, AZ; Prescott, AZ; Denver, CO; Dallas, TX; Ft. Worth, TX; Austin, TX; San Antonio, TX; Houston, TX; McAllen, TX; Birmingham, AL; Mobile, AL; Montgomery, AL; Huntsville, AL; Pensacola, FL; Orlando, FL; Jacksonville, FL; Miami, FL; Chicago, IL).

International Private Banking offices, offering services to non-resident aliens and select foreign nationals, are located in seven cities (San Diego, CA; El Paso, TX; Houston, TX; San Antonio, TX; Laredo, TX; McAllen, TX; Miami, FL).

Asset Management

Our team of portfolio managers works closely with clients to develop a custom, discretionary asset-management strategy; assessing client's risk tolerance, tax concerns, existing holdings, personal preferences and any other restrictions or conditions that affect their holdings.

Trust

Our trust department can partner with clients and their attorneys to leverage their assets for the health, education, maintenance and support of clients' families.

Private Client Services provides a full range of personal trust and wealth services designed to help client's manage their assets, protect their wealth, and provide support for family members in the event of death, disability or incapacity. Services include custom trust, charitable trust, endowment, foundation and lifetime-giving programs.

Corporate Trust Services provide a full range of trustee, custodial, escrow and investment-management solutions to businesses, foundations and other institutions looking to protect and grow their resources.



Community Reinvestment

BBVA Compass focuses on supporting the communities where we operate by making strategic investments that support economic growth and upward mobility. We continue to execute on our five-year, \$11 billion commitment to our communities.

CRA Evolution & Direction

On March 24, 2016, BBVA Compass received the Community Reinvestment Act (CRA) Performance Evaluation dated Dec. 7, 2015, which contained the results of the examination conducted by the Federal Reserve Bank of Atlanta. This evaluation included an analysis of HMDA-reportable home purchase and refinance loans and CRA reportable small-business loans originated or purchased in 2014. Small farm, home improvement and multifamily loans were not considered due to low activity levels. The analysis did not include other types of consumer loans, credit cards or commercial loans. The review period for retail banking services was 2014, with the exception of the institution's record of opening and closing branch offices, which extended from the previous examination Jan. 1, 2013, through Dec. 31, 2014. The review period for community-development loans, investments, and services was Apr. 1, 2013 to Mar. 31, 2015.

These results were improved over those received Dec. 7, 2014, in the CRA Performance Evaluation dated Oct. 21, 2013, in which BBVA Compass received an Institution CRA Rating of Needs to Improve.

Institution's CRA Rating: Satisfactory

Performance Levels	BBVA Compass Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	
Low Satisfactory			X
Needs to Improve			
Substantial Noncompliance			

* Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

BBVA Compass' CRA Program Administration team administers the Bank's CRA program. These professionals are in place to provide guidance and reporting to bank management and lines of business to ensure that the Bank's CRA strategy is executed with activities and performance remains CRA progress focused.

The meaningful shift in the Bank's CRA program produced significant results in 2016.

During 2016, BBVA Compass continued building on work that was initiated and implemented in 2014 and 2015 when the bank began its focus on strengthening the institutional infrastructure to meet the requirements of the CRA along with the needs of LMI communities across the market. The Bank's more robust CRA program provided clarity of focus as evidenced by the Satisfactory CRA Rating.

Corporate Responsibility and Reputation leads BBVA Compass' strategy and delivery system for the CRA program. Because it is housed in the Office of the CEO, CRR's oversight of the CRA program elevates it to the highest level in the institution. In its recently developed CRA program strategy, BBVA Compass engages all levels of bank leadership, creating a culture of ownership of CRA performance through highly informed and engaged employees. The Bank's CRA program strategy includes a deepened understanding of the needs of LMI communities through recurring community Needs Assessment surveys. During the surveys, CRR representatives engage with community stakeholders to identify the needs of individuals and families in the markets the Bank serves. The survey findings help pinpoint focus areas for community-development activities, including lending and investing, grant making and volunteerism.

During 2016, CRA tracking, qualification and reporting tools were significantly enhanced. Development was completed on the CRA Portal and it was put into production as a tool for the tracking and qualification of loan, investment, grant and volunteer-service activities as community development under CRA. The CRA Portal contains activities gathered from various bank systems, providing a centralized location for access by the CRA Program Administration and Community Relations teams to work using the same data set. This new tool provides the opportunity to maximize the identification of CRA-qualified community-development activities while minimizing human error.

A Self Assessment System (SAS), which provides a CRA rating on a monthly basis for each assessment area, state and for the institution, was also put into production in 2016. SAS incorporates data traditionally captured for a CRA examination and creates a rating using an objective methodology. Reporting modules were also developed to produce analytical reporting, creating visuals from multiple perspectives that may be easily interpreted. The information produced from all of these tools is shared regularly with bank and market leadership, governance committees and the Community Relations team.

As a part of the Bank's CRA strategy, the Bank announced in November 2014 an \$11 billion commitment to products and services for LMI communities over five years beginning in January 2015. To execute this commitment, teams across the Bank were added to address mortgage lending, small-business lending, community-development lending, community-development investing contributions, retail services, volunteerism and governance.

The Bank's team of 11 Community Relations executives and officers is responsible for CRA within the regions they are assigned. Their responsibilities include deepening existing relationships, developing new relationships with nonprofit organizations, community-development financial institutions and community groups that have insight into the needs of LMI individuals and neighborhoods. Being responsive to communities' and markets' needs is of high importance.

CRA Lending

Access to credit is essential for healthy communities. In fact, when BBVA Compass surveyed its local partners in 2016 regarding community needs, 28 percent of the banking-related responses identified lending-related activities, including affordable housing, access to capital and micro funding. BBVA Compass' CRA-related lending was very responsive to these needs during the year.

BBVA Compass has a historical focus on and exceptionally strong CRA performance for small-business lending. And micro-businesses, those with less than \$1 million in annual sales, comprise 92 percent of the Bank's retail small-business customers. To help meet the micro-funding needs in its communities, BBVA Compass has identified branches having very high concentrations of small businesses within a 5-mile radius of the office, and provided an advanced training curriculum for these branch managers to equip them to meet the lending needs of micro-businesses.

The Bank has also created a National Small Business Sales team who works closely with the local Community Reinvestment Officers, Business Banking Officers and Branch Retail Executives to deliver educational seminars and training to small-business owners across our footprint. The small-business education curriculum is a proprietary product, developed by the Bank and consisting of five modules: How Businesses Use Credit; How Businesses Obtain Credit; Developing a Business Plan; Business Financial Statements and Business Banking Services.

BBVA Compass also offers pre-approved loans to small businesses in its markets. Through this unique and innovative program, the Bank originated \$23.6 million in loans for micro-enterprises. Small businesses that receive the offer have their choice of a business line of credit, term loan or both up to \$100,000, with final line/loan amount based on annual revenue size and confirmed credit criteria.

Results from all of the Bank's efforts speak for themselves. Two-thirds of the bank's CRA small-business loans made in 2016 were issued to businesses with revenues \$1 million or less, and a full 96 percent have original amounts less than \$100,000.

BBVA Compass Community Commitment

	5-Year Commitment	2015 Results	2016 Results
CRA-Qualified Small Business Loans	\$6.2 billion	\$1.1 billion	\$1.2 billion
Community Development Loans	\$1.8 billion	\$570 million	\$802 million
Mortgage Loans to LMI People and Areas	\$2.1 billion	\$682 million	\$573 million
Community Development Investments	\$0.9 billion	\$202 million	\$346 million
Total	\$11 billion	\$2.6 billion	\$2.9 billion

BBVA Compass continues its long-standing participation in the U.S. Small Business Administration's (SBA) capital access programs to be responsive to the need for small-business credit. The Bank continues its commitment of assisting small businesses through the SBA's various loan initiatives, including 7(a), SBA Express and the 504 real-estate programs. As an SBA National Preferred Lender, BBVA Compass is proud to do its part to help small businesses overcome economic challenges and position themselves for future growth. BBVA Compass has been recognized as one of the leading small-business lenders by the SBA, and was the fifth-most-active 7(a) Lender based on unit volume and the 10th-most-active 7(a) Lender based on dollar volume in 2016.

BBVA Compass has placed significant emphasis on growing its portfolio of community-development loans. Since affordable housing is a need in every community, whether large or small, in 2016 the Bank significantly expanded its efforts to finance affordable rental housing. We accomplish this through participation in the Low-Income Housing Tax Credit Program, closing \$263 million in investments with accompanying loans totalling over \$316 million to provide financing for more than 3,500 affordable rental units. Affordable rental properties range in size from 30 units to nearly 300, many include special needs set-sides. In addition, BBVA Compass provided significant support to its local communities in the form of other community-development loans that supported additional affordable housing transactions, promoted economic development, helped revitalize and stabilize low- and moderate-income communities, and provided needed community services such as physical and mental health care, social services and job training. Total community-development lending for the year, including the affordable housing loans previously discussed, exceeds \$821 million.

In order to focus on affordable mortgage lending, BBVA Compass has a dedicated team of Community Development Mortgage Banking Officers. This team focuses on providing loans to diverse and LMI communities. During 2016, the team offered more than 200 workshops and seminars to customers and industry partners to promote the Bank's Home Ownership Made Easy (HOME) program, a targeted, 100 percent loan-to-value mortgage product that is available to LMI borrowers and property in LMI geographies. The team engages in these outreach activities in churches, community centers, bank branches and during industry conferences. We understand that down-payment requirements and closing costs continue to be significant barriers to homeownership, especially for LMI borrowers. The HOME program contributes up to \$4,500 in closing costs with no down payment. This product, in conjunction with significant outreach efforts, enabled BBVA Compass to help more than 1,400 families achieve the American dream of homeownership.

Community Development Lending Team

BBVA Compass' Community Development Capital Group, which was created in early 2015, uses a federal program to help finance affordable, multifamily real-estate projects, addressing a persistent community need. According to the National Association of Home Builders, while it's best to spend no more than 30 percent of your monthly income on rent, nearly 50 percent of households pay more than that each month, creating a significant burden for them.

In order to provide focus and participate in more complex lending transactions, which require specialized underwriting skills and experience, the Bank created a new Community Development Capital Group (CDC Group). This team applies innovation and leadership to the Bank's community-development loans and investments that strengthen LMI communities. The department operates as a segment of the Commercial Real Estate Department and is charged with establishing a strong pipeline of real-estate projects that provide affordable housing and stabilization for LMI families and communities.

Through the Community Development Capital Group, the bank makes investments and loans to projects financed by the Low-Income Housing Tax Credit (LIHTC), which provides tax incentives to encourage individuals and corporations to invest in the construction, rehabilitation and preservation of affordable rental housing for low-income households.

The CDC Group is a five-member team that includes the Director and four Community Development Relationship Managers who will be located in each of the Bank's major regions. These Relationship Managers maintain active relationships with nonprofit and for-profit developers who acquire tax credits in order to generate an active pipeline of debt and equity opportunities.

CRA Investments

Through the BBVA Compass Community Giving Program, we create social value by strategically investing in projects that directly impact LMI families and individuals, small businesses and nonprofit organizations. In 2016, we provided more than \$5.8 million in charitable contributions to more than 250 nonprofit partners to support small-business advocacy, financial education, affordable housing, and revitalization and stabilization of designated LMI communities; in conjunction with the delivery of community services connecting individuals and families with financial education tools, resources and benefits to achieve their financial goals.

Major investment dollars in 2016 were primarily focused on supporting affordable housing and smaller, emerging community-development financial institutions through long-term investments. Grants and contributions to local partners are also an important part of investing in our communities and help support all aspects of CRA-related community-development activities. Including grants, our 2016 investments exceeded \$348 million.

Community Development Investments Teams

BBVA Compass created its first community-development investment team charged with creating an investment strategy and building a diversified and robust investment portfolio in October 2014. This group, called Community Development Finance (CD Finance), was developed with the idea that seasoned community-development finance professionals needed to lead the strategy to expand and diversify the Bank's community-development investments. To this end, an executive-level CRA Investment Committee was created to set strategic goals and approve the investments of the new CD Finance team.

Since its creation, the CD Finance team has delivered on this mission to expand and diversify the Bank's community-development investments portfolio through the use of equity, equity-equivalent, Private Equity Real Estate Fund and Multi-Investor Low-Income Housing Tax Credit Fund investments. In 2016, the CD Finance team deployed over \$57 million through these impact-driven investment vehicles.

The CD Finance team works closely with Community Development Financial Institutions (CDFIs). These organizations aim to provide working capital in low- to moderate-income communities where access to such capital is limited based on conventional underwriting standards. The equity-equivalent investment provided by the Bank is unsecured and is offered at a below-market interest rate in efforts to support the viability of and strengthen the CDFI. Through these investments and partnerships, the Bank is able to target underserved communities and promote economic growth in financially challenged market areas.

The CD Finance team works closely with the CDC Group in the real-estate department to provide capital through innovative investment vehicles that increase the flow of capital into projects that benefit LMI communities. CD Finance may use the following investments to achieve depth and diversity on behalf of the Bank:

- Low Income Housing Tax Credit (LIHTC) Investments
- Community Development Financial Institutions (CDFIs) through Equity Equivalent Loans (EQ2s)
- Small Business Investment Companies (SBIC) or SBA programs
- New Market Tax Credit (NMTC) Investments
- Other community-development qualified investment tools

While the CDC Group takes the lead on real-estate investments such as proprietary LIHTC and NMTC transactions, the CD Finance team currently focuses on multi-investor fund LIHTC opportunities and CDFI investments. The CD Finance team also builds awareness within the Bank and focuses on building the capacity of nonprofit investment partners by providing technical assistance grants in cooperation with the Bank's Foundation, as well as support through hands-on technical assistance.

The strategic plan calls on the CDC Group and CD Finance team to produce CD loans and investments in assessment areas, prioritizing the markets with the greatest need. Some markets are particularly challenging due to a lack of available tax credits, lack of CDFI partners or other conditions such as the absence of government support. To address these challenges, the team is building relationships with government agencies, nonprofit organizations and other intermediaries to help build capacity in those markets.

The Bank's proprietary fund model allows for the cross sale of deposits, derivatives and other products that will capture revenue opportunities. This model offers a "one-stop shop" that can provide debt and equity, and service other banking needs.

The Bank is working with Opportunity Finance Network (OFN), the leading national network of CDFIs. OFN's mission is to lead CDFIs and their partners to ensure that low-income, low-wealth people and communities have access to affordable, responsible financial products and services.



BBVA Compass's Director of Corporate Responsibility and Reputation, Reymundo Ocañas, during OFN's annual conference in Atlanta.

Community Development Services

BBVA Compass is dedicated to helping members of our communities to increase financial literacy and move to financial capability and security. This initiative is carried out by delivering effective, relevant financial education paired with products designed to help manage assets and ensure a more secure financial future. In addition, BBVA Compass leverages its award-winning digital banking prowess to enhance the affordability and accessibility of core banking products for the underbanked, underserved and LMI communities.

From a products and services perspective, BBVA Compass continued to enhance the affordability of core banking products for the underbanked and underserved community through our Opportunity Banking suite.

Access to Financial Services

Retail Banking Network

BBVA Compass' retail banking services are accessible to essentially all segments of the Bank's CRA assessment areas and meet the needs of residents and businesses. As of Dec. 31, 2016, 28.53 percent of BBVA Compass retail branches were located in low- to moderate-income areas, and 32.21 percent of BBVA Compass' ATMs were located in low- to moderate-income areas. BBVA Compass defines these areas in alignment with the Federal Community Reinvestment Act.



La Michoacana ATM partnership

The BBVA Compass and La Michoacana (the largest independent Hispanic grocery-store chain) partnership helps improve accessibility of services in low- and moderate-income neighborhoods across Texas. In 2014, the bank rolled out full-service, deposit-accepting ATMs in La Michoacana supermarkets in lower-income areas throughout the state. The new machines allow customers to deposit cash and checks, withdraw funds, check account balances and transfer funds between checking and savings accounts. In 2016, two additional full-service ATMs have been added, bringing the current network to 26.

The MOBILE Act

The Federal Deposit Insurance Corporation (FDIC) has reported that mobile banking is best positioned to "meet the day-to-day financial services needs of underbanked consumers as well as consumers at risk of account closure," and that mobile banking "has the potential to help the underserved gain access to the banking system and grow their financial capability." BBVA Compass has reached the same conclusion through its own research and proxy studies. The BBVA Compass Government Affairs team has made it a priority to promote legislation, specifically the bill known as the Mobile Act, to further BBVA Compass's mission to bring the Bank's digital products to everyone. The bipartisan H.R. 6287, "Making Online Banking Initiation Legal and Easy Act of 2016," or the "MOBILE Act," was introduced in the House on Sept. 29 at the urging of BBVA Compass. The bill will create a uniform national standard allowing financial institutions to photograph or photocopy a state-issued ID card or driver's license as part of our customer-identification program at account origination. This will preempt laws in seven states that currently bar banks from using an image of a customer's license and facilitate nationwide application of online account-origination technology that includes such photographs. We will be working with our trade associations and members of Congress to build support for this legislation.

Financial Education

In 2016, we shifted our strategy to focus on adult financial education, encouraging our volunteers to deliver quality volunteer service and make an impact that aligns with our banking expertise. Partnering with community-development organizations, volunteers provided their financial and professional expertise to serve adults in the communities where we have a presence. As a result, we reached more targeted but fewer beneficiaries.

Financial Education Programs (Number of beneficiaries)

	2016	2015	2014
EverFi	46,669	31,682	32,631
Money Smart	5,718	19,481	5,101
Teach Children to Save	—	24,323	11,699
Get Smart About Credit	—	3,597	1,363
Junior Achievement	7,211	45,926	14,345
NBA Cares	418	1,147	—
Total	60,016	126,156	65,139

In 2016, BBVA Compass partnered with EverFi to launch the new Center for Financial Education. The Center consists of a suite of comprehensive financial education courses designed to help low- and moderate-income individuals and small businesses through innovative, multi-platform techniques. Available in both English and Spanish, the suite of courses features robust curriculum on adult personal financial education, home-buyer education and small-business financial education. BBVA Compass employs these techniques and curricula to effectively instill knowledge and to influence lasting, holistic behavior change.

EverFi Small Business

The BBVA Compass Center for Financial Education offers its in-person adult financial education curriculum in partnership with EverFi. The small-business curriculum includes five modules as identified below and is designed to equip small businesses with the financial management tools to successfully grow and maintain a healthy business.

1. How Small Businesses Use Credit
2. How Small Businesses Obtain Credit
3. Developing a Business Plan
4. Business Financial Statements
5. Small Business Banking Services

BBVA Compass employee volunteers provide these workshops, along with the EverFi technology, to reach small businesses. In 2016, BBVA Compass hosted 24 workshops and benefited 181 businesses from this program.

EverFi Personal Finance and Homebuyer Education

The BBVA Compass Center for Financial Literacy offers its online and in-person adult financial education curriculum in partnership with EverFi. The program is designed to help people acquire knowledge about purchasing a home and managing personal finances. BBVA Compass employee volunteers deliver workshops, driven by the EverFi technology, to reach consumers. In 2016, 497 people benefited from this program.

EverFi@Work

EverFi@Work is an online platform designed to empower adults with the skills to successfully manage their finances and plan for a prosperous future. It is a 90-minute, computer-based program that includes eight learning modules covering topics from savings and investments to identity protection. In 2016, 82 adults benefited from the program.



Corporate Citizenship

We focus on providing opportunities for people to create bright futures. Our efforts target the places where we live and do business through community reinvestment, charitable giving, employee volunteerism, sustainable practices, and diversity and inclusion.

BBVA Compass provides support in a variety of ways to the communities where we have a presence. The BBVA Foundation provides charitable grants to qualified nonprofit organizations, and BBVA employees provide support with donations through the BBVA Compass Charity and with their time and talent through volunteer opportunities.

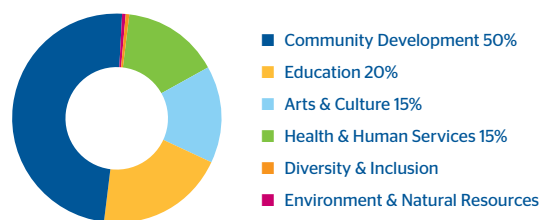
In 2016, the BBVA Compass Foundation awarded \$7.3 million to 667 nonprofits across the country with diverse missions. Community development, which includes financial literacy, and education remained the focus of giving with community-development organizations receiving 50 percent and education-focused organizations receiving 20 percent of the annual budget.

Community Giving

BBVA Compass Foundation

The BBVA Compass Foundation's efforts focuses on transforming communities where the company operates. This is done through charitable contributions focused on building strategic community partnerships and modernizing internal processes for overall high impact on low- to moderate-income communities.

BBVA Compass Foundation Contribution Targets (by focus area)



Environment and Natural Resources, Diversity and Inclusion remain discretionary

Emphasis on enhanced internal processes resulted in the transition to Automated Clearing House (ACH) wire transfers as the primary method of payment for grant recipients. Wire transfers decrease waiting time for grantees to receive their award and allow greater efficiency in distributing funds. The transition aligns with the overall strategy to be a leading digital bank.

For more information on the Foundation, visit www.bbvacompass.com/foundation.

Focus Areas



BBVA Compass Florida Community Relations Officer John Lasswell teaching personal finance during our Day of Service in Jacksonville, Florida.

Community Development

National Community Reinvestment Coalition (NCRC) is one of the Bank's strongest Community Development Relationships. NCRC serves advocates across the country by providing training and technical assistance, research and policy analyses to more than 600 community-based member organizations. NCRC helps these organizations expand access to basic banking services, including credit and savings, to create and sustain affordable housing and job development for low- and moderate-income communities.

The BBVA Compass Foundation support helped NCRC address job training, housing and credit counseling for home buyers as part of the GROWTH initiative that offers pre-apprenticeships to local residents who work side by side with GROWTH's General Contractors (primarily community-development corporations) to rehabilitate houses. Foundation support also benefited the Immigration and Small Business Lending Programs that provided micro-loans to undocumented persons seeking permanent legal status in the United States and prepared business to apply for loans from the NCRC Community Development Fund.

In 2016, community-development funds also supported the creation of Center for Financial Education curriculum that provides no-, low- and high-tech options for adult education support to home-buying, small-business and personal finance.

Education

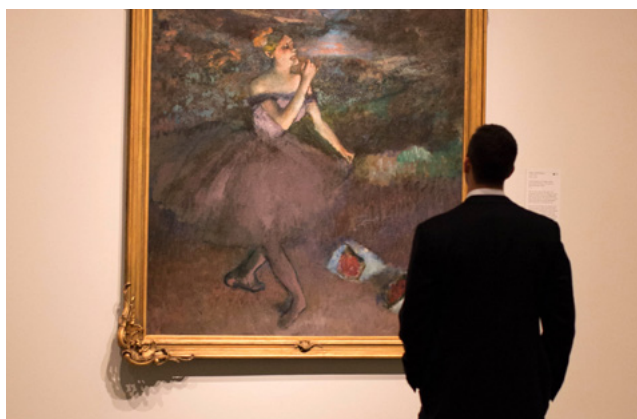
BBVA Compass demonstrated its commitment to education, specifically addressing pressing needs in pre-K-12 education through merit-based access to higher education for underrepresented groups and public school-sponsored curriculum-based programs during 2016 by supporting The Hispanic Heritage Youth Awards and KIPP Houston Public Schools, among others.

The Hispanic Heritage Youth Awards Program is an initiative of the Hispanic Heritage Foundation that identifies and promotes young leaders who are transitioning from high school to college. BBVA Compass sponsored the Business & Entrepreneurship award category at the \$95,000 level to ensure Hispanic youth have access to education and training that will lead to innovation within the business and banking industries. Award recipients were from Arizona, California, Florida, Georgia, Illinois, New York, Texas and Washington, DC.

In 2015, BBVA Compass committed \$1.8 million over five years to KIPP Public Schools Houston, a local charter school system devoted to developing underserved students in academic skills, intellectual habits and character qualities. This commitment stands as the largest education-focused award in the BBVA Compass Foundation's history and positioned BBVA Compass as the lead corporate sponsor for the KIPPING Point Growth Initiative. During 2016, BBVA Compass continued its partnership with KIPP Houston and the students served across the area.

Arts & Culture

BBVA Compass sponsored the Degas Exhibit, the first major retrospective in nearly 30 years devoted to the artist's prolific career at the Museum of Fine Arts, Houston. "Degas: A New Vision" took place Oct. 16, 2016–Jan. 8, 2017, and Houston, Texas was the only US stop.



BBVA Compass client visiting the 2016 Degas exhibit at the Museum of Fine Art, Houston.

BBVA Compass card holders received discounted admissions to the exhibit. Additionally, BBVA Compass invited local arts-focused community partners to attend the exhibit as an extension of their programming. Newspring, a faith-based nonprofit dedicated to making a positive social and economic impact on the Spring Branch area of Houston, brought 20 high school students involved in their Visual Arts program to the exhibit. Students learn how to create and sell their own artwork in the Newspring program, and the trip to the Degas exhibit was a once-in-a-lifetime opportunity for them to connect what they learn with real-life examples.

Additionally, the Bank served as lead sponsor for the “Spain and Modern Art, 1915-1960” exhibit at the Southern Methodist University’s Meadows Museum in Dallas, Texas. The exhibit took place Sept. 2016–Jan. 2017, and was the first exhibition in America to present a comprehensive survey of modern art in Spain from the Belle Époque to the Kennedy Years. Over 95 works from 55 artists made up the collection, including Antoni Tàpies, Julio González, Óscar Domínguez, Joaquín Torres-García and Eduardo Chillida.

Health & Human Services

BBVA Compass also had the honor of partnering with IDEA Public Schools in Austin, Texas, and the Kevin Durant Charity Foundation to support students from high-need areas in physical fitness and education. At IDEA Rundberg, a K-7 school in Austin, more than 93 percent of the 700 students are low-income. In March 2013, the Austin American-Statesman described the median income of residents in Rundberg as just over \$21,000 per year (compared to \$78,000 citywide), and 75 percent of residents rent their apartments or houses, as compared to the citywide average of 50 percent, causing many to lack access to healthy outdoor spaces.

The Bank helped build a basketball court at IDEA Rundberg to provide more than 1,300 students, families and neighbors with a safe, healthy space when the school is fully scaled. Funds also supported the Healthy Kids Here initiative that combines healthy eating and nutrition-education efforts with physical education.

Diversity & Inclusion

When the Orlando nightclub shooting occurred, BBVA Compass donated \$20,000 to the Zebra Foundation for Youth, an organization devoted to creating space for LGBTQ youth to grow up in a safe, healthy and supportive environment in Central Florida.

Similarly, BBVA Compass showed support for LGBTQ communities by donating \$100,000 to the Elton John Aids Foundation, which resulted in four \$25,000 grants given to nonprofits in Alabama, Florida and Texas serving economically disadvantaged communities with poor access to disease testing and health care. These funds also advance health-education initiatives in support of the Bank’s commitment to health and human services.



“By teaming up, we’re compounding our fight against a deadly disease that can still take hold of vulnerable communities that have poor access to HIV testing and health care. We’re committed to building a brighter future for absolutely everyone in our communities — one dollar at a time, one outstretched hand at a time,” said Reymundo Ocañas, BBVA Compass Director of Corporate Responsibility and Reputation.

Disaster Relief

The BBVA Compass Foundation contributed \$67,500 to American Red Cross to aid in disaster relief. Contributions supported 10 shelters for severe flooding in the Texas Gulf Coast region during April that caused 100,000 power outages in the affected areas and relief efforts for Hurricane Matthew that killed six Floridians.

Programs of the BBVA Compass Foundation

Project Blue Elf

The Bank celebrated the fourth year of its signature holiday initiative, Project Blue Elf, in which BBVA Compass volunteers donned blue elf hats and visited public schools in low- to moderate-income communities across the country. Blue Elves read students holiday-themed stories, provided snacks and surprised each student with a toy.

In select markets, BBVA Compass elves were joined by NBA legends, including Bill Cartwright in San Francisco; Sam Perkins in Dallas; A.C. Green in Los Angeles; TJ Ford in San Antonio; and Mike Bibby in Phoenix. These legendary elves helped distribute toys and make the students feel special.

The program reached 29 cities and nearly 6,000 students over two weeks in December 2016. Many of the students would not have received a gift during the holidays outside these events. Project Blue Elf continues to be the ultimate way to share the Bank’s prosperity with children and families through the holidays.



BBVA Compass Denver Market CEO Cedric Buchanan and Executive Assistant Cheri Houser read "Snowmen at Night" to students at John Amesse Elementary School during Project Blue Elf, Denver, CO.

Financial Education

The financial education program at BBVA Compass is delivered through its Center for Financial Education with the purpose of helping companies and people stay in control of their financial lives and businesses.

Employee Involvement

BBVA Compass Charity

The Employee Giving Program includes BBVA Compass Charity – an entity that enables employees to share a portion of their earnings with qualified 501(c)(3) nonprofit organizations.

In July 2016, we upgraded our Volunteer Connection site to make employee giving easier than ever. Beginning in 2016, employees were able to use the volunteer portal to change, cancel or adjust payroll-deducted charity contributions. It now takes just 60 seconds to log in and set up automatic payroll deductions. Employees pick their donation amounts for as many charities as they want. Previously disbursed quarterly, the donations are now automatically paid on employees' behalf on a monthly basis. The upgrade provided a number of benefits, including the ability for charities to sign up for ACH payments, as well as live customer support for our employee donors.

To go along with our new and improved site, we held the #CountMeIn charity campaign. Employees were encouraged to give back through payroll deductions, and challenge their co-workers to participate as well. Our campaign inspired 166 new employees to sign up for BBVA Compass Charity. Over 2,100 employees contributed more than \$1 million through this program.

BBVA Compass Volunteers

The BBVA Compass Volunteers program is an employee service organization dedicated to financial education and community-development (CD) activities. This program offers employees, and their friends and families, opportunities to donate their time and talents to support the communities in which BBVA Compass has a presence, enhancing community cohesion and financial health. Employees sign up for volunteer events, record hours and track results through the YourCause portal. In the first full year using our new volunteer portal (launched October 2015), more than 800 employees self-reported 4,140 hours of volunteer service to nonprofit organizations and public school districts across our footprint. Additionally, the CRR team continued to work with local market leadership throughout the year to advise the 29 active (five new) BBVA Compass Volunteer chapters.

In 2016, BBVA Compass held two Days of Service aimed at engaging employees in targeted volunteer activities that positively impact the community. In the Summer, BBVA Compass focused on home-buyer and consumer-banking workshops. In the Fall, volunteers provided small-business banking workshops. These days demonstrate BBVA Compass' commitment to serving our communities, especially in low- to moderate-income areas.

2016 Day of Service

	Summer	Fall
Volunteers	3,569	89
Volunteer Hours	760	75
Events	477	62
Participating Markets	251	38

* Includes employees located in states where BBVA Compass does not have a retail branch network.

Last year, we also launched the Cause Card program, which provides an additional way for employees to support the causes about which they are passionate. Funded by the BBVA Compass Foundation, Cause Cards are electronic gift cards that can be donated to a charity of the employee's choice within Volunteer Connection. Employees who logged at least 16 hours of volunteer time in any quarter were issued a Cause Card. A total of 1,008 cards, totaling \$27,405 in donations, were issued and redeemed in 2016.



Talent & Culture

BBVA Compass is a people-centered organization that recognizes the value and contributions of each employee. We invest in training and leadership development to support growth and opportunity throughout our organization.

In 2016, Talent & Culture focused on the Bank's most important asset: its people. Throughout the year, we were committed to becoming a more purpose-driven organization, putting people before strategy and doing everything possible to create an environment where all team members thrive.

We updated our NETprofile site, which is where employees post information about their skills, educational background and relocation preferences. That information helps us identify internal candidates who are well suited for available job vacancies.

We rolled out Management Essentials, a comprehensive training program for new people managers that provides an in-depth look at Talent & Culture's policies and procedures, including Time and Attendance, Performance Management, and Hiring and Onboarding Systems.

We launched the ONE Team Mentoring program, an online initiative that pairs eligible team members with experienced colleagues in a 90-day program to enhance their professional development and career goals.

We also held the Moments of Truth Sweepstakes, inviting employees to share on Google+ stories of the times in their careers that made them feel positive about their work experience. Every participant was entered in a drawing, and one lucky winner received two tickets to Super Bowl LI in Houston.

In the online learning realm, we moved 41 Harvard ManageMentor learning modules into the Campus BBVA platform, further streamlining and centralizing our training options.

We know that we'll always find new ways to improve, but we're proud of the advances we made in 2016, and we look forward to an even stronger 2017.

Employment and Recruitment

With an eye toward simplicity and accessibility in recruiting and employment services, Talent & Culture provides ways to bring online the processes and resources that affect people managers, candidates and new hires. In 2016, we implemented enhancements to our new-hire onboarding process to make the first days and months of employment with us more efficient and seamless.

Virtual Employment Campus and Employee Referral Site

BBVA Compass capitalizes on BBVA's interactive careers site at <https://careers.bbva.com>. Here, job seekers can view job opportunities throughout the global footprint and formally submit interest in a position.

The Employee Referral Site offers another useful resource, allowing current BBVA Compass team members to take a proactive role in referring external candidates for open positions.

Targeted Recruiting

In addition to the usual internal and external recruiting portals, BBVA Compass uses three targeted recruiting portals – Diversity, Military and University – that encourage partnerships with community agencies and resources for identifying specific talent. These portals not only allow for targeted recruiting campaigns but also let Talent & Culture track the campaign results and the career progression of employees hired through those targeted recruiting efforts. The portals have been included on the websites of several community agencies, schools and universities.

Internal Careers Site

BBVA Compass is committed to filling vacancies with internal candidates whenever possible. The Internal Careers Site allows employees to browse and apply for current vacancies throughout the Bank. Employees can also set up parameters matching their career interests and be notified when applicable vacancies become available. The Internal Careers Site helps employees take proactive steps in their own career development, and it streamlines the job application process and shortens the time it takes to fill vacancies with qualified internal talent.

In 2016, 58 percent of open positions were filled with internal talent.

Welcome to BBVA Compass Avatar Presentation

Talent & Culture offers a streamlined, easily accessible channel for welcoming new employees to the company. The online Welcome to BBVA Compass video avatar presentation offers an overview of our corporate culture, detailed information about our health and welfare benefits package, information about compliance requirements, a glimpse into some of our employee perks and much more.

The Welcome to BBVA Compass presentation resides on the Bank's internal You&BBVA online portal. It is accessible to all employees, not just new hires, so that anyone can view it at any time for information about the BBVA Compass employment experience.

NETprofile My Portfolio Tab

In an effort to develop a pipeline of internal talent, employees are encouraged throughout the year to add information about their work skills, educational backgrounds and relocation preferences in the My Portfolio tab of NETprofile. That information becomes an internal database that helps Talent & Culture identify internal candidates who are well suited for available job vacancies.

In December 2016, NETprofile was upgraded with a new look and platforms for employee and manager information.

Nondiscrimination and Equal Opportunities

BBVA Compass embraces Equal Employment Opportunity. BBVA Compass has a firm and unwavering policy to provide equal employment opportunity without regard to age, citizenship, color, disability, ethnic origin, gender, gender identity and expression, marital status, nationality, national origin, race, religion, sexual orientation, genetic predisposition, protected veteran status, or any other status or other classification protected by federal, state or local law. This policy includes all job groups, classifications and organizational units.

BBVA Compass, from time to time and in the ordinary course of its business, may receive claims, including litigation, alleging violations of employment laws. As of Dec. 31, 2016, BBVA Compass was not involved in any regulatory actions related to alleged employment discrimination and working conditions that were material to our financial position. Furthermore, BBVA Compass has a firm commitment to equal employment opportunity and nondiscrimination, as evidenced by widely disseminated policies prohibiting discrimination in all aspects of the employment relationship. Employees are afforded numerous avenues to raise complaints, including through management, Human Resources, the Office of General Counsel and Corporate Talent & Culture or by anonymous reporting through telephone hotlines.

While we do not prohibit freedom of association, as of Dec. 31, 2016, there were no BBVA Compass employees covered by collective bargaining agreements. We have not identified any operations where the right to exercise freedom of association and collective bargaining may be at significant risk. BBVA Compass complies with the U.S. federal law, the Worker Adjustment and Retraining Notification Act (WARN), which requires a minimum of 60 days' notice of any action that will cause at least 50 employees or 33 percent of the workforce to lose their jobs.

Employee Development and Training

BBVA Compass holds firm to the belief that the ongoing development of team members and the effective deployment of their talents are the keys to creating value. Talent Management & Training was instrumental in offering a variety of programs and initiatives in 2016 that focused on helping employees develop the key skills, abilities and knowledge required to succeed.

Campus BBVA

Campus BBVA is a virtual learning platform that offers a sophisticated search engine, learning paths, communities and forums. Learning paths outline learning events based on employee roles or training initiatives, and communities and forums give employees the chance to interact with course instructors and each other on the platform.

Other features include new reporting capabilities and a personal calendar of training events that can be filtered by categories such as registered, approved, waitlisted and others.

Role Certification & Development

In 2015, BBVA Compass introduced a certification program for Financial Sales Advisors (FSA) and Sales and Service Advisors (SSA). In 2016, nearly 87 percent of those eligible, or 859 team members, successfully completed online role certification during three open certification periods.

Role certification allows FSAs and SSAs to demonstrate proficiency in their current role and provides an opportunity to identify areas for development.

The certification includes an online assessment to gauge knowledge and a manager observation to allow team members to demonstrate their ability to apply knowledge and skills to client interactions. Role certification is mandatory for FSAs and SSAs who have been in their role for six months and is a consideration for advancement opportunities.

Career Foundation Programs

Career Foundation Programs is one of the many ways we keep our eyes on the future, by choosing the best and the brightest young people and giving them the tools and the development to go as far as their motivation will take them. Career Foundation Programs include intern opportunities for current college students and our LEAP rotational training program for recent college graduates.

LEAP (learning, evaluation, application, and placement) Program

The LEAP program took place for the seventh consecutive year in 2016. Through extensive exposure to Consumer and Commercial Banking, Business Development, Engineering, Risk Management and other support areas, recent college graduates get a thorough overview of the entire Bank. This broad perspective, along with extensive job preparation and skills training, assists successful participants in becoming potential future leaders of BBVA Compass.

The core of the program is the rotation through the lines of business—part of the application phase—which allows the associates to begin contributing right away and get a sense of what it would be like to work in a particular department.

Since the program's inception, program graduates have continued to contribute to BBVA Compass' success, and many of them have already been promoted from their original program placements. Another class of LEAP Associates is scheduled to arrive this summer.



LEAP Associates attending Orientation at the retail headquarters in Birmingham, AL.

Internship Program

Twenty-two college students from across the country opted into BBVA Compass' rigorous internship program in the summer of 2016, looking for an opportunity to hone their skills and get much-needed work experience in a real workplace. The 10-week program placed interns full time in Birmingham, Houston, Dallas, Denver, Huntsville and Jacksonville.

Employee Training

In 2016, BBVA Compass employees completed 504,216 training hours. BBVA Compass completed 71 percent of all training activities via e-learning/virtual delivery channels, with the remaining 29 percent completed in traditional classrooms.

2016 Employee Training

	Number of Hours	% of Total Completions	Number of Completions
Training hours completed	504,216	100%	532,900
Live training	147,564	29.3%	31,817
Online training	356,652	70.7%	501,083
Employees trained in 2016	12,242		
Total investment in training (in dollars) ¹			\$3,510,247
Training investment per employee			\$286.74

¹Total investment in training (in dollars) refers to the true expense of training materials, content development, etc. It does not include calculations for any expenses related to employee time, travel, etc.

Toastmasters Clubs

Employees were invited to participate in the bank's two active Toastmasters clubs throughout 2016. Toastmasters, an international organization that trains people to communicate effectively and develop leadership skills, provides employees opportunities to practice and improve their public-speaking skills. Additional leadership opportunities result from participation in Toastmasters, such as serving as a local or regional club officer or joining the club's Speaker's Bureau and speaking outside the club setting.

Leadership Development

Talent Management & Training's rigorous approach to developing leaders includes a wide range of initiatives designed to help managers build their leadership abilities. Through these enhanced development programs, Talent Management & Training provided 206,751 hours of training during 2016.

Continuous Learning Requirement (CLR)

The Continuous Learning Requirement is a leadership-development strategy intended to ensure that all people managers remain focused on keeping their skills sharp. This program requires all people managers to complete a minimum of 12 hours of developmental training each year. In 2016, 2,070 people managers completed a total of 39,474 hours of learning.

Harvard ManageMentor

In 2016, 41 Harvard ManageMentor (HMM) online learning modules were moved into the Campus BBVA learning platform to further streamline training options. These modules, developed by Harvard Business Publishing, cover a broad range of topics, including time management, persuading others, presentation skills, project management and more.

All BBVA Compass employees have access to HMM. In 2016, they completed a total of 9,658 courses, equaling 26,252 hours of training. Among people managers and employees, "Hiring" was the most popular HMM course, with 1,023 individual completions in 2016.

Management Essentials

Management Essentials ensures that new people managers are trained on Talent & Culture policies and procedures, with topics including time and attendance, performance management, and hiring and on-boarding systems. Also included is an overview of the learning-management system and how to verify both individual training and team member training to review assigned job, development and compliance training.

Newly promoted people managers are required to complete Management Essentials live webinars within 60 days of accepting their position and complete the associated HMM courses within 90 days of accepting their position.

Targeted Leadership Training

Talent Management & Training offered targeted development solutions for multiple segments of the leadership population in 2016, including a series of training programs for senior executives. Throughout the year, members of this targeted leadership group attended programs at Campus BBVA in Madrid, including the Corporate Management Program, Building a Customer Centric Organization, Corporate Leadership Program, Entrepreneurial Strategies for Growth Program and Leadership Based in Values.

BBVA Compass School of Management

In the summer of 2016, 34 senior BBVA Compass leaders participated in the BBVA Compass School of Management on the campus of the University of Texas (UT) at Austin. Sponsored by Talent Management & Training, in partnership with the McCombs School of Business at UT, this comprehensive educational program explored advocacy and influence, leading high-performance teams, big data and change management.

The program's seventh "graduating class" collaborated on projects and prepared formal presentations that were delivered to the BBVA Compass Management Committee. The School of Management continued in 2017.

Mentoring

BBVA Compass' two mentoring programs provide eligible employees an opportunity to gain valuable insights and guidance from experienced, successful leaders within the organization.

Management Essential Mentoring Program

The Management Essentials Mentoring program has allowed new and existing people managers to partner with mentors who provide guidance as they work toward their overall professional development.

The program offers participants an opportunity to expand their network of business partners and collaborate with, as well as learn from, leaders across all lines of business. An online platform helps facilitate the professional relationship between mentors and mentees. In 2016, more than 130 managers signed up to participate as mentors in the Management Essentials Mentor program.

ONE Team Mentoring Program

The ONE Team Mentoring program provides all eligible team members an opportunity to access and connect with other experienced BBVA team members who can contribute to their professional development and career goals. This program uses an online platform to enable and facilitate professional relationships with mentors for 90 days.

In 2016, more than 125 team members signed up to serve as mentors within the ONE Team Mentoring program.

Employee Benefits

Personal Benefits

Because every team member contributes to the success of the organization, BBVA Compass is committed to providing a variety of benefit programs designed to meet employees' needs. These programs offer financial security through life insurance and retirement plans as well as support our employees' physical and financial health and overall well-being.

Employee Benefit Plans

BBVA Compass provides a comprehensive benefits package designed to meet the needs of employees and their families. Benefit plans and programs cover full- and part-time employees. They include health care, vacation and paid-time-off programs, savings and retirement plans, the Wellthy for Life wellness program, discounts on banking services through employee banking perks, special discounts on products and services, tuition assistance, and scholarship programs for employees' dependent children.

ALEX® the Benefits Counselor

ALEX®, our virtual benefits counselor, plays a crucial role during benefits open enrollment, asking team members a series of questions about themselves, their families and the type of insurance needs they might encounter in the near future. ALEX then compares and contrasts the available options, recommending the one that may be the best fit for the team member. ALEX was so popular when he debuted in 2015 that he earned a long-term spot at the Bank. ALEX is now available 24/7 to team members who want help understanding the Bank's health and welfare benefits.

Wellthy Points and Health Reimbursement Account (HRA)

In 2016, BBVA Compass offered employees an important option for saving money on out-of-pocket medical costs while taking charge of their health and wellness. By completing designated wellness activities in the Wellthy for Life wellness program, employees were able to earn up to 1,000 Wellthy Points in 2016. These wellness activities include:

- Biometric testing
- Health assessment
- Healthy ranges for biometrics and labs
- Improvement in biometrics and labs
- Chronic care management
- Virgin Pulse (formerly Virgin HealthMiles)
- Wellness webinars
- Preventive wellness exam
- BBVA Compass-sponsored activities
- Wellness challenges
- Wellness workshops

For employees enrolled in the Choice 80/20 Health plan, each Wellthy Point earned equates to a company-paid \$1 contribution to a Health Reimbursement Account (HRA). HRA dollars may be used to pay for eligible medical, dental, prescription and vision expenses, including copays, co-insurance and deductibles. Because unused HRA balances roll over from year to year, participants were able to add to any balance they carried over from 2015 and build on it. Team members enrolled in the Choice 80/20 High Deductible Health Plan (HDHP) could earn the same amount in their Health Savings Account (HSA), which also carries over from year to year. As of Dec. 31, 2016, a total of \$2,975,960 HRA and \$835,225 HSA dollars had been funded.

Employees who are not enrolled in a health plan may also complete wellness activities and earn Wellthy Points, and they will retroactively receive HRA or HSA contributions for these completed activities should they enroll at a later date within the plan year after a qualifying life event or employment-status change.



BBVA Compass Employee Health Center

In 2016, BBVA Compass offered access to the employee health center. Located less than a mile from the BBVA Compass Plaza in Houston, the center provides a variety of health and wellness services to employees, their spouses, and children covered under the company's health plan.

Retirement Benefits

Both full- and part-time BBVA Compass employees have the option of participating in the Compass SmartInvestor 401(k) Plan, which allows employees to defer a portion of their salary on a pre-tax basis and to receive employer matching contributions. All employees are immediately eligible to make salary deferrals under the Plan upon hire and are eligible to receive employer matching contributions after one year of service. These employer company contributions range from 2 percent to 4 percent of the employee's compensation based on years of service.

BBVA Compass has a defined benefit plan, known as the Compass Retirement Plan, which pays a monthly benefit at retirement. The plan is completely funded by BBVA Compass and has been closed to new participants since January 2003. In 2003, participants elected either to continue their participation in the Compass Retirement Plan or transfer their participation to the Compass SmartInvestor Retirement Plan, which was a defined contribution plan that subsequently merged into the Compass SmartInvestor 401(k) Plan.

Benefit accruals under the Compass Retirement Plan will cease for active participants as of Dec. 31, 2017. Beginning Jan. 1, 2018, these participants will be eligible to receive employer company contributions under the Compass SmartInvestor 401(k) Plan.

Total Compensation Statements

"Total Awareness + Total Understanding = Total Appreciation" is the tagline that describes Total Compensation Statements, a resource designed to help employees understand the full investment BBVA Compass makes on their behalf, beyond take-home pay. Total Compensation Statements, which are available on BBVAbenefits.us, break down employees' annual total compensation into several categories, including cash compensation, retirement benefits, company-paid health and welfare benefits, and more.

Paid Time Off

BBVA Compass believes that regular times of rest and relaxation away from the job are crucial for health, well-being, and job performance. Employees are encouraged to take advantage of annual paid vacation time.

Vacation Carryover Policy

Employees can carry over five vacation days to the following year, which allows for flexibility when planning time off or looking ahead to major life events.

Additionally, exempt team members enjoy a simplified vacation carryover process that doesn't require the submission of a formal request; the accrued time off remaining in the system at year-end automatically rolls over.

Approximately 8,137 employees carried over eligible vacation balances from 2015 to 2016.

Paid Time Off for Community Service Policy

BBVA Compass is committed to giving back to the communities where we have a presence, and our employees play a key role in that. Under our paid time off for community service policy, employees were encouraged to use up to 16 hours of paid time off in 2016 to participate in volunteer activities, community development or service activities that qualified for the Community Reinvestment Act (CRA).

In 2016, employees logged more than 15,863 hours of service under the policy, with many counting as CRA-qualified service activities.

Leave and Attendance Policies

BBVA Compass' leave and attendance policies are designed to help employees achieve a healthy balance between work and their personal lives.

Sick Pay Provision for Family Leave: Under the sick pay provision for family leave, employees may use up to half of their current accrual of sick time every year to care for an ill or injured family member to assist a family member attending medical appointments or to attend to a personal or family-related medical emergency.

Pregnancy Leave: Employees who give birth via a natural or Caesarian delivery may receive two weeks of pregnancy leave paid at 100 percent, followed by one week of parental leave paid at 100 percent per birth event. In addition, while under a doctor's care, a birth mother has access to 100 percent of her accrued sick pay balance up to a maximum of six weeks for a natural birth and a maximum of eight weeks for a Caesarian birth, unless otherwise extended by the physician and/or as required by state or local law. Following these periods of up to six or eight weeks, as applicable, new birth mothers may also use up to 50 percent of their remaining accrued sick time balance under the enhanced sick pay provision for family leave, followed by any accrued vacation time, and go unpaid for the remainder of their approved leave.

Parental Leave: Under the parental leave policy, all employees receive up to one week of fully paid parental leave per birth or adoption event for the purpose of bonding with a newborn or with a newly adopted child under the age of 18. Following this one week, employees may opt to use up to half of their accrued sick-time balance available as of the effective start date of the leave.

Continuous Time Away: The continuous time away work-life balance and leave policy requires employees to remain away from job duties for at least five consecutive business days annually. Remaining continuously away from the job means that employees are not allowed to transact or otherwise carry out, either physically or through electronic means, their regularly assigned duties during the required time away. Certain employees who work in identified high-risk areas or who are involved with high-risk responsibilities may be required to remain continuously away from their job duties for ten consecutive business days.

Strict adherence to this policy helps ensure that our organization remains in compliance with federal regulatory risk-management policies. It also provides employees a tangible benefit since regular times of rest and relaxation away from the job are crucial for their health, well-being and job performance.

Sick Pay, Short-Term Disability Benefits and Long-Term Disability Insurance

BBVA Compass provides the opportunity to accrue sick pay to be used to help avoid an interruption in base pay if work is missed because of a medical necessity, personal emergency or other necessary absence. Short-term disability benefits are provided to eligible employees and long-term disability benefits may be available for employees who cannot return to work because of health problems.

Health & Safety at Work

BBVA Compass is committed to providing tools to help employees live healthy, productive lives, as well as finding ways to help them manage their physical, emotional and financial health.

Wellthy for Life Health Fairs

Employees had the opportunity to get a snapshot of their health with an eye toward improving their overall wellness at Wellthy for Life Health Fairs. These onsite events took place throughout February and March. Seventy-five health fairs were scheduled in 2016 — nearly double the number from 2015. Employees completed a screening that measured total cholesterol, triglycerides and glucose levels, as well as biometric information including height, weight, body mass index and blood pressure.

By completing these activities, employees earned 50 Wellthy Points. For employees on a BBVA Compass health plan, these Wellthy Points equated to \$50 in contributions to a Health Reimbursement Account (HRA) that may be used to pay for eligible medical, dental, prescription and vision expenses, including copays, co-insurance and deductibles.

In all, more than 5,700 employees across the footprint attended the health fairs in 2016.

Virgin Pulse

Employees tracked their physical activity in 2016 with Virgin Pulse. This program is making a big impact on employees' level of fitness — and their financial well-being — by promoting daily physical activity, healthy lifestyle choices, and personal and group challenges.

In 2016, there were 8,484 employees, or 83 percent of all BBVA Compass employees, enrolled in the Virgin Pulse program, up from 76 percent in 2015. This is well above the national average participation rate (50 percent) for companies who participate in Virgin Pulse. In 2016, BBVA Compass employees took 11.9 billion steps, averaging 7,425 steps per day.

Sixty-five percent, or 5,584 employees, earned HealthCash earnings in 2016. Among employees earning incentives, the average earned was \$621. HealthCash payouts to participating BBVA Compass employees totaled \$3.3 million. Enrollment in the Virgin Pulse program is free to employees.

Live Well Learning Series

The Bank is committed to providing programs and resources to help team members live their healthiest, best life. Comprehensive wellness goes beyond just exercise and a healthy diet. It's about focusing on the whole person — body, mind and spirit.

More than 8,500 team members registered to get useful tips and information through the Live Well Learning Series in 2016. Each webinar was one hour long and was available to all employees across the footprint. Eleven sessions were led by experts in a variety of fields, who were contracted as part of the Wellthy for Life wellness program. Topics covered in 2016 included:

- Stress Management
- Weight Management
- Technology Time Out
- Mental Fitness
- Designing a Financial Roadmap

Wellthy for Life

The Wellthy for Life program offers numerous resources to improve the health and overall well-being of employees and their families. A guidebook with complete information about Wellthy for Life programs is available at www.wellthyforlife.com (login required).

Passion for People

BBVA Compass demonstrates a personal investment in employees by providing tangible benefits through Passion for People initiatives.

Play It Forward

In its third year, Play It Forward is an employee favorite, helping team members and their families get active, have fun and give back to the community.

The 2016 events featured family-oriented sports, fitness and agility challenges for all ages. But the main event at Play It Forward was assembling bicycles: BBVA Compass partnered with local charities to provide new bikes and helmets for foster children in the area. Team members collectively assembled 100 bicycles at the events. Nearly 300 employees and their guests attended Play It Forward in Phoenix and Tempe, AZ.

Aspire Plus Recognition Program

The Aspire Plus Recognition Program was a huge success, with more than 90 percent of team members participating over the course of the program's second year. The program allows employees at all levels to recognize others by sending Aspire ecards. Users can send an ecard to any employee in any department, choosing from several different messages of appreciation, and they can also add a personalized message.

The most popular Aspire card was the One Team card, recognizing teamwork, which accounted for 45 percent of the nearly 90,000 cards sent in 2016.

Team members across the organization earned 2,000 (500 each quarter) BBVA Compass Visa Reward Cards worth \$250 each.



World-renowned Cellar de Can Roca chefs tasting BBVA Compass employee "Taste of BBVA" submissions.

Taste of BBVA

In its second year, the Taste of BBVA cooking contest gave team members in Tempe, AZ, a chance to prepare desserts for the Roca brothers, a pair of world-renowned chefs.

"Taste of BBVA: A Sweet Cooking Contest with the Roca Brothers" was held in conjunction with the chefs' third BBVA-backed world tour. More than 20 team members seized the opportunity to cook for the owners of the highly acclaimed restaurant El Celler de Can Roca. Top desserts were chosen in the categories of Best Tasting, Best Presentation and Most Creative.

Additionally, a second Taste of BBVA Cookbook was developed during the 2016 holiday season, featuring photos and recipes for appetizers, soups & salads, entrees, and desserts provided by more than 70 team members across the footprint.

Celebrating U

In April 2016, Celebrating U recognized and thanked employees for their many contributions to the Bank. This is a special time to show team members how much they are valued. During the week-long celebration, every teammate received tokens of appreciation.

Across the entire organization, managers and departments looked for creative ways to make employees feel even more special. Employees were treated to ice cream socials, participated in fun games and conducted meetings in the park. Business partners treated neighboring departments to breakfast and lunch.

Celebrating U gives us the chance to show that we value each team member.

Moments of Truth Sweepstakes

In the Moments of Truth sweepstakes held in 2016, nearly 150 employees shared their personal stories of times in their careers that made them feel positive about their work experience. The "moments" were posted on an internal Google+ community. All participants were entered in a drawing, with one lucky winner receiving two tickets to Super Bowl LI.

This promotion provided an outlet for team members to share the good they've encountered during their careers and to see how they're making a difference for and to each other.



BBVA Compass Volunteer at Houston Super Bowl Host Committee Touchdown Tour event.

See Share Smile

More than 1,500 children attended See Share Smile in 2016. This annual event, now 6 years old, gives employees' children between the ages of 8 and 14 the chance to experience a workday at BBVA Compass. Each participant received a See Share Smile messenger bag containing an activity book, t-shirt, fun learning supplies and a \$10 deposit for those who opened a Young Savers account. They also received interactive games to access using QR codes in their activity book.

Employees across the footprint volunteered to lead children through the day's activities, which talked about BBVA and BBVA Compass, the banking industry in general, money and the importance of saving. The event returned in 2017.

Employee Banking Perks Program

Employees have access to special benefits and discounted rates on a wide range of banking products and services, including checking and savings accounts, mortgage financing, consumer loans, the BBVA Compass ClearPoints credit card, wealth management and brokerage services, and more.

Special discounts on products, services and entertainment opportunities are also available through selected vendors with whom BBVA Compass contracts.

Scholarship Programs

In an effort to support academic achievement, two scholarship programs are available to children of BBVA Compass employees: the BBVA Compass Passion for Education Scholarship and the Harry B. Brock, Jr. Scholarship Program at Samford University. In 2016, 42 scholarships of \$3,000 each were awarded to children of BBVA Compass employees through the BBVA Compass Passion for Education Scholarship.

Civic Engagement

BBVA Compass engaged with employees to encourage civic engagement and voter participation in 2016, an important election year. The Government Affairs team launched BBVA Compass Voice (www.bbvacompassvoice.com). This website serves as an education and government engagement tool for employees. It features information about the government, elections and the Bank's top legislative initiatives.

An internal communications campaign supported the launch of the site to help ensure all US employees could find out how to register to vote or update their address, what deadlines there were for that registration and where they could vote. Much of this information is still available on the website. The Bank encourages every employee who is entitled to vote in the US to exercise that right in every election.

BBVA Compass supported Employee Voter Registration Week, which was powered by Business Industry Political Action Committee (BIPAC), a nonpartisan, membership-driven organization dedicated to helping private-sector employers and employees to engage in the political process.



BBVA Compass employees during a project team meeting at the Brock Center in Birmingham, AL.

Workforce Statistics

Number of Employees

2016	2015	2014
10,096	10,812	10,481

Average Length of Service of Workforce (Years)

2016	2015	2014
7.2	6.7	7.1

Employees by Professional Category (Percentage)

	2016	2015	2014
Senior-level Management	5.0	4.8	6.9
Middle Management	9.5	8.9	9.4
Entry-level Management	9.0	2.7	1.4
Professional	23.0	20.6	17.8
Technical	5.3	4.7	4.3
Sales	24.9	27.5	27.7
Clerical	23.3	30.8	32.6



Diversity & Inclusion

BBVA Compass fosters a culture of inclusion with our employees, our suppliers and in our communities. We focus on creating an environment in which everyone feels welcomed, heard, valued and respected.

At BBVA Compass, workplace diversity and inclusion is a priority. We appreciate and embrace the inherent uniqueness of everyone. We value our similarities and differences, including diversity of thought, and recognize that people have unique backgrounds, characteristics, experiences, ideas, beliefs, motivations and choices, all of which add value to our organization.

We foster a culture of inclusion and we continuously explore ways to leverage diversity and inclusion to create an environment in which everyone feels welcomed, heard, valued, and respected.

We demonstrate our commitment to diversity and inclusion in everything we do. To that end, we strive to attract, hire and retain a group of talented people to help achieve our purpose by creating opportunities and blending the best that each of us has to offer.

Workplace Diversity & Inclusion

The organization continues to follow the five-phase progression strategy, developed by the Council, to guide WD&I efforts to deliver value at every stage, to build a sustainable effort and guide growth and maturity year over year. In 2017, the company was set to enter the Operational Phase of the Progression Strategy.

In 2016, BBVA Compass also hosted the Women's Executive Leadership Series. Texas Senator Judith Zaffirini delivered the keynote address, sharing her success stories of leadership and presenting "Power Tools for Effective Communications in the Workplace." She offered assertiveness strategies for women to facilitate effective communications in the workplace. The presentation was held 'live' in Houston and simulcast to Birmingham, Dallas and Phoenix.



BBVA Compass employees meet in the collaboration area at BBVA Compass Plaza in Houston, TX.

Diversity & Inclusion Outreach

BBVA Compass works closely with organizations across our footprint that represent the voices of diverse populations. At the national level, we are actively involved in supporting the National Association for the Advancement of Colored People (NAACP), the Hispanic Heritage Foundation (HHF) and the National Coalition for Asian Pacific American Community Development (NCAAPCD), among others. BBVA Compass has worked with each of these organizations since 2010. In 2016, we sponsored the HHF's Business & Entrepreneurship award at the 2016 Hispanic Heritage Youth Awards, the NAACP annual convention and NCAAPCD's community-development initiatives.

In 2016, we also supported these organizations focused on diversity and inclusion:

The Human Rights Campaign

BBVA works closely with the Human Rights Campaign (HRC) both at the national level and across our footprint. HRC is the nation's largest civil rights organization working toward LGBTQ equality. We envision an America where all people are ensured their basic equal rights, and can be open, honest and safe at home, at work and in the community. In 2016, BBVA was honored to accept the Corporate Equality Award from the Human Rights Campaign.

BBVA Compass's local support for HRC in 2016 also has included:

- Sponsorship of the annual Black Tie Dinner and the Time to Thrive youth conference in Dallas, TX
- Participation in the Future of Workplace Inclusion conference for corporate leaders in Birmingham, AL

National Coalition for Asian Pacific American Community Development

BBVA Compass has supported the National Coalition for Asian Pacific American Community Development (CAPACD) since 2010, investing a total of \$500,000 to support its mission to improve the quality of life for low-income Asian Americans and Pacific Islanders (AAPIs) by promoting economic vitality, civic and political participation, and racial equity.

Our grants are aligned to BBVA Compass' focus on financial literacy and community economic development including the Housing Counseling Network that provides training, technical assistance and programmatic support to improve long-term sustainability of the network, increase the number of low-income AAPIs who receive housing counseling, and improve partnerships and collaborations with BBVA and other mortgage providers.

Supplier Diversity

BBVA Compass promotes and supports diversity in our team members and supplier relationships. This commitment to diversity is demonstrated through the broadening base of companies that the organization and its suppliers use. We utilize innovative approaches to promote business development among diverse suppliers as a core competency that will position BBVA Compass as a leading-edge company in key markets. This is achieved by adopting enhanced procurement best practices — establishing partnerships across the Bank to expand category coverage. BBVA Compass' procurement model closely follows the structure developed by the BBVA Group, as well as industry best practices.

We established the BBVA Compass Supplier Diversity Program and have a dedicated team focused on promoting the advancement of diverse spending throughout the United States and abroad. Our team's mission is to deliver and sustain value across the organization by building and managing an external supplier network that meets the operational needs of the organization at minimal cost.

Our long-term goal is to make substantial gains in developing strategic alliances with minority- and women-owned businesses in a wide range of categories — supporting BBVA Compass' business infrastructure. In 2016, BBVA Compass again sponsored and exhibited at Houston Minority Development Council Expo in Houston, TX. Participating in this type of event allows us to meet new and qualified companies that might not appear on our radar during normal business practices. In addition, it enables BBVA Compass to expand its brand to a new group of businesses. These discoveries assist us in broadening our database of potential suppliers to consider for our sourcing events. For any company wishing to register with BBVA Compass, the following link is available: <https://suppliers.bbva.com/en/how-to-be-bbva-supplier/>.

California Hispanic Chambers of Commerce

BBVA Compass has supported the California Hispanic Chambers of Commerce (CHCC) since 2010, with total giving at \$52,500 to advance the Chambers' outreach to micro, small and medium-sized businesses in the Latino community in California.

Our funding supports workshop development, grant writing, business and entrepreneur training, youth and leadership development.

U.S. Veterans Initiative (U.S.VETS)

BBVA Compass has supported the U.S. Veterans Initiative financially and with volunteers since 2015. Based in Los Angeles, CA, U.S.VETS is the nation's largest nonprofit provider of housing and supportive services to veterans. Each year, over 4,000 veterans receive housing assistance, 1,000+ are placed into living-wage

jobs, and thousands of veterans and their families who are at-risk of homelessness receive supportive services.

Hispanic Interest Coalition of Alabama

BBVA Compass has supported the Hispanic Interest Coalition of Alabama (HICA) since 2010, investing over \$95,000 to support the organization's overall mission of serving as a connector, integrator and educator that facilitates the social, civic and economic integration of Hispanic families in Alabama.

Birmingham Civil Rights Institute

BBVA Compass has invested \$85,000 since 2010 in the Birmingham Civil Rights Institute. This support helps the organization achieve its mission to enlighten each generation about civil and human rights by exploring our common past and working together in the present to build a better future.

Workforce: Breakdown by Gender & Average Age in Years (Percentage)

	Gender		Average age		
	Males	Females	<30	30-50	>50
2016	39.3	60.7	18.0	56.0	26.0
2015	39.3	60.7	21.1	54.2	24.7
2014	37.7	62.3	21.2	56.9	21.9

New Hire Rate ¹

	Total	Males	Females
2016	18.4	19.0	18.0
2015	24.7	26.5	23.6
2014	23.8	25.6	22.8

Functional Distribution by Gender and Professional Category (AAP Categories)

	2016*		2015		2014	
	Males	Females	Males	Females	Males	Females
Senior-level Management	71.6	28.4	67.9	32.1	67.8	32.2
Middle Management	45.5	54.5	42.1	57.9	42.1	57.9
Entry-level Management	21.6	78.4	44.4	55.6	43.2	56.8
Professional	43.0	57.0	41.3	58.7	38.7	61.3
Technical	64.6	35.4	64.2	35.8	65.0	35.0
Sales	49.7	50.3	50.7	49.3	49.6	50.4
Clerical	16.0	84.0	16.2	83.8	15.6	84.4

* The data included in the report have been adjusted from prior years to reflect subcategories currently used by the human resources system, enabling better comparison of performance going forward.

Workforce: Breakdown by Employment Type & Gender (Percentage*)

	2016		
	Males	Females	Total
Full-time	39.9	60.1	100.0
Part-time	18.1	81.9	100.0
Temporary	0.0	100.0	100.0

* This table includes only full-time, part-time and temporary BBVA Compass employees. It does not include contract workers.

Voluntary Turnover ^{1,2}

	Total turnover	Males	Females
2016	19.9	18.9	20.4
2015	19.9	19.5	20.1
2014	20.5	20.2	20.6

1) Employee turnover rate and new hire rate calculations = (total Voluntary terminations or New hire over 12-month period / average headcount over 12-month period)x100.
2) BBVA Compass does not currently track employee turnover by age group or region.

Environmental Management

BBVA Compass recognizes our responsibility to the environment. We make every effort to use resources wisely and limit our impact on the planet.

The BBVA Group has achieved significant improvements in environmental performance through its multi-year Global Eco-Efficiency Plans (GEP). The first two GEPs were in place from 2008-12 and 2013-15. The new 2016-20 plan aims to continue improvements of eco-efficiency activities while aligning with sector and sustainability index trends; improve monitoring of compliance with the established targets, involve all employees in the improvement of eco-efficiency; and extend efforts to indirect environmental impacts.

BBVA Group carefully analyzed internal and external factors to develop the new GEP including a thorough benchmark of four companies that have leadership positions in eco-efficiency. BBVA aims to be a worldwide eco-efficiency leader. In support of the responsible banking strategy, BBVA Compass focuses on the optimal performance of buildings, based on five vectors:

- A building portfolio and environmental management based on the most advanced standards.
- Promoting energy efficiency, the use of clean energy and the reduction of indirect emissions.
- Optimizing water use through efficient technologies and control and management mechanisms.
- Encouraging the responsible use of paper and promoting proper waste management.
- Involving employees and suppliers in the company's efforts.

Energy & Scope 1 & 2 GHG Emissions

	2016	2015	2014
Diesel (liters)	43,419	37,057	34,413
Natural Gas (dekatherms)	18,763	23,535	NR*
Electricity (kWh)	127,741,503	134,694,510	142,323,099
Electricity savings from energy-efficiency projects (kWh)	790,000	—	—
Scope 1 GHG emissions (metric tons CO _{2e})	1,114	1,350	1,787
Scope 2 GHG emissions (metric tons CO _{2e})**	63,479	69,440	98,139

* Not reported due to lack of data.

** The following gases are included in the GHG inventory: CO₂, CH₄, and N₂O. We followed the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard published by the World Business Council for Sustainable Development and the World Resources Institute for reporting the GHG inventory. We utilized the latest available emission factors for each fuel type and region and Global Warming Potential factors from the Second Assessment Report (SAR) published by Intergovernmental Panel on Climate Change to calculate Scope 1 and 2 GHG inventory.

In 2016, BBVA Compass continued support this plan through various initiatives throughout the year.

Procurement is crucial in supporting the commitment to the environment and sustainability. Recurring service contracts already included green cleaning specifications, requirements Integrated Pest Management (IPM) techniques and reporting on usage statistics. In 2016, a new paint and carpet renovation contract was awarded that included carpet recycling as part of the base scope.

BBVA Compass also continued to focus on improving energy savings in 2016. We identified and activated 189 energy-saving ideas into the Portfolio Energy and Environmental Reporting System (PEERS) Energy Change Form. These projects included energy-conservation projects, infrastructure improvements and HVAC replacement projects. Of these 189 projects, 158 were completed in 2016. The calculated annual savings related to these completed projects accounted for financial savings of \$107,343 and energy savings of 2,695,077 kBTUs, or approximately 790,000 kWh.

A pilot exterior lighting retrofit project was completed at 110 branches across the footprint. The work included replacement of all exterior lighting with LED technology to not only reduce energy usage but also increase light quality. Twenty-four roofs were replaced throughout the portfolio and the scopes contained additional insulation, ENERGY STAR-rated white roofs and other sustainable attributes, as applicable, per location. One hundred fifteen Heating, Ventilation and Air Conditioning (HVAC) units were replaced during the year with units that have lower global warming potential (GWP) refrigerants and higher Seasonal Energy Efficiency (SEER) ratios than the older, existing units.

Earth Hour provided an opportunity for BBVA Compass to show its leadership in the area of environmental awareness. This annual event, in support of the World Wildlife Federation, encouraged people to turn off all lights for one hour from 8:30 to 9:30 PM local time on March 19. Buildings that participated in the event were located in Birmingham, AL and Houston, Dallas and El Paso, TX.

Eleven members of the Facilities Management Team earned their Leadership in Energy and Environmental Design (LEED) Green Associate Accreditation in 2016. This credential required an individual commitment to complete a sanctioned United States Green Building Council (USGBC) class, study sustainability principles and pass a 200-point exam. After earning this credential the Team Members implemented the following actions in 2016:

- Enhanced single-stream recycling programs at several sites
- Ensured full operation of photovoltaic arrays at LEED Certified branches
- Implemented driving software to optimize facility inspection routes

- Worked with the local utility provider to install Light-Emitting Diode (LED) parking-lot lighting
- Tuned irrigation systems to limit overspray on sidewalks or driveways
- Adjusted the data dashboards to include energy usage and cost information
- Replaced over 50 400-watt metal halide bulbs with 66-watt LED
- Reduced irrigation watering times by 5 percent in California with no impact on plant performance
- Established a secondary electronic-waste recycling outlet with the Bank's office-products supplier
- Continued xeriscaping projects in several markets
- Explored options for adding charging stations to several administrative buildings in Birmingham, AL
- Identified several opportunities to enhance Indoor Air Quality (IAQ) and proceeded with duct cleaning and other initiatives

Green Product Standards

Since 2008, BBVA Compass has been working with our janitorial vendors to develop programs to ensure all janitorial cleaning supplies and cleaning policies meet Leadership in Energy and Environmental Design (LEED) requirements for a "High Performance green cleaning program." This includes our banking center drive-thru lanes, which are cleaned by waterless concrete and asphalt cleaners using natural agents. In addition, our pest-control and exterior landscape partners are contracted with integrated pest-control management techniques and other sustainable concepts in their scopes of work.

Technology vs. Travel

BBVA Compass continues to invest in technology with a goal of reducing business travel. The Bank significantly increased the number of video conferences during 2016, and also saw an increase in air travel (commercial air travel). This increase was the result of business growth along with retaining great business relationships with existing clients. BBVA Compass remains committed to this goal, and we are diligently working to report a decrease for 2017.

Technology and travel

	2016	2015	2014
Videoconferences (n°)	60,892	13,656	8,788
Audioconferences (n°)	102,683	101,224	125,724
Air travel (km)	39,908,010	27,672,328	40,291,173
Air travel (CO ₂ in tons)*	3,812	4,263	8,776

* The following gases are included in the GHG inventory: CO₂, CH₄, N₂O, and HFCs. We followed the Greenhouse Gas Protocol the Corporate Value Chain (Scope 3) Accounting and Reporting Standard published by the World Business Council for Sustainable Development and the World Resources Institute for reporting the GHG inventory. We utilized the latest available emission factors for each fuel type and region and Global Warming Potential factors from the Second Assessment Report (SAR) published by Intergovernmental Panel on Climate Change to calculate GHG inventory.

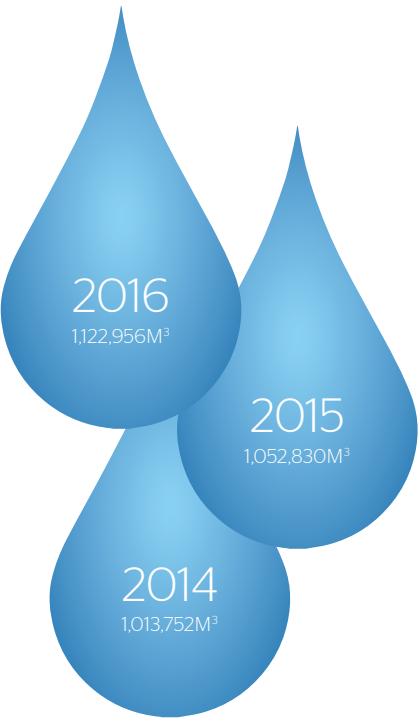
Air-travel data were gathered from a third-party travel agency. In 2015, BBVA Compass changed the way we report these emissions. Conversion to GHG emissions followed the GHG Protocol Corporate Standard distance-based conversion methodology, and 2015 EPA emission factors as provided by the 2015 Guidelines to EPA's GHG Conversion Factors for Company Reporting.

Consumption & Recycling

Water

In 2016, total water consumption for BBVA Compass' properties was 1,122,956 m³. This amount covers municipal water data only. About 28 percent of this amount is estimated for leased sites or those with shared utilities, based on extrapolated usage by square foot from similar buildings reporting actual meter readings.

WATER USAGE



Solid Waste

In 2016, BBVA Compass' national recycling program resulted in the tracking of 1,426,965 kg of total waste, 1,085,074 kg of which was trash and 341,890 kg was recycled. In 2016, BBVA Compass consumed 1,198,033 kg of paper with 21 percent recycled input material, and we recycled 2,096,771 kg of paper. Recycled input material percentage is calculated by dividing paper purchased that contains some recycled material, as well as other sustainably sourced materials (which varies for different paper products) by total paper purchased for the year.

The weight of the paper that the bank sent for recycling outweighs the amount of paper that the bank purchased during 2015 because of the bank's records-management procedures. Also in 2016, BBVA Compass' technology vendor reported that an estimated aggregate total of 27,431 kg of computer equipment was either recycled on the Bank's behalf. Additionally, 484 printer cartridges were recycled.

RECYCLED AND WASTE

	Recycled	Waste	Total
2016	341,890 kg	1,085,074 kg	1,426,965 kg
2015	368,398 kg	1,086,670 kg	1,455,069 kg
2014	674,543 kg	2,408,193 kg	3,082,736 kg

2016 waste amounts capture approximately 42 percent of buildings within BBVA Compass footprint where the service provider manages waste pick-up. Most of the locations estimate the weight of waste pick-ups using the following assumptions based on the waste service provider's experience with commercial bank branches employing fewer than 100 people:

- Trash dumpster – 50lbs/yard
- Cardboard dumpster – 50lbs/yard
- Single stream dumpster – 55lbs/yard
- Trash cart or toter – 0.54 lbs/gallon
- Single stream/comingle cart or toter – 0.47 lbs/gallon
- Cardboard-only cart or toter – 0.38 lbs/gallon



Responsible Business Principles and Policies

Code of Conduct

The BBVA Compass Code of Conduct defines the fundamentals of ethical conduct and the operating guidelines for preserving one of the principal sources of value creation for the organization: BBVA Compass corporate and personal integrity. The BBVA Group Code of Conduct is applicable to all entities and employees. Both the BBVA Compass and the BBVA Group Codes of Conduct publicly reflect the sum of pledges made by BBVA Compass to our direct stakeholder groups and to the communities where we operate. As a condition of employment, all active BBVA Compass employees are annually required to acknowledge that they have read and understand the Codes of Conduct.

In addition to the BBVA Compass and BBVA Group Codes of Conduct, we have the following important policies, guidelines and governing bodies in place for managing commitments in various operating areas with regard to ethical conduct and controls:

- Corporate Integrity Management Committee
- Capital Markets Code of Conduct for BBVA in the U.S.
- BBVA Group Policy on Conduct in the Securities Markets

National Trade Memberships

- American Bankers Association (ABA)
- Bank Insurance & Securities Association (BISA)
- Consumer Bankers Association (CBA)
- Equipment Leasing and Finance Association (ELFA)
- Financial Services Roundtable (FSR)
- BITS
- Housing Policy Council (HPC)
- Institute of International Bankers (IIB)
- Insured Retirement Institute (IRI)
- Loan Syndications & Trading Association (LSTA) – Associate Member
- Mortgage Bankers Association (MBA)
- National Association of Government Guaranteed Lenders (NAGGL)
- Network Branded Prepaid Card Association (NBPCA)
- Securities Industry and Financial Markets Association (SIFMA)

International Memberships

- Americas Society / Council of the Americas (AS/COA)
- Bankers Association for Finance and Trade (BAFT)
- Institute of International Finance (IIF)
- International Swaps and Derivatives Association (ISDA)
- Spain-U.S. Chamber of Commerce
- Trans-Atlantic Business Council (TABC)

State Memberships

- Alabama Bankers Association
- Arizona Bankers Association
- Florida Bankers Association
- Florida International Bankers Association (FIBA)

Significant Fines and Non-Monetary Sanctions

BBVA Compass accumulated no significant fines or nonmonetary sanctions for noncompliance with environmental laws and regulations in 2016. BBVA Compass has not recorded any fines or penalties for breaches of legislation related to environmental issues or the supply of products and services that might be significant in terms of the company's equity, financial situation or consolidated results and that are not provisioned in our financial statements.

Additionally, BBVA Compass has not recorded any fines or penalties for breaches of legislation related to the supply of products and services that might be significant in terms of the company's equity, financial situation or consolidated results and that are not provisioned in our financial statements.

Procurement Model and Policy

BBVA Compass' procurement model follows the structure developed by the BBVA Group and is aligned to industry best practices. BBVA Compass manages the supply chain to deliver and sustain value across the organization by building and managing an external supplier network that meets the operational needs of the organization in a responsible manner and at minimal cost. This is achieved by adopting procurement best practices, by establishing partnerships across BBVA Compass to expand category coverage and by continuing to secure savings.

Report Criteria

BBVA Compass has developed and disseminated annual corporate responsibility reports annually since 2008. This report, which covers the 2016 calendar year, includes information for the BBVA Compass Bancshares, Inc. portion of the U.S. business unit (including any leased facilities, subsidiaries, etc.). The BBVA Compass report is supplemented by the BBVA Group's 2016 Financial Report and by the information available via BBVA Compass' main website, bbvacompass.com, and its investor relations website, <http://bbva.investorroom.com>.

Additional Context

As of the publish date of this report, BBVA Compass is not aware of the need for restating any material from previously published reports. This report reflects BBVA Compass Bancshares, following the company becoming an SEC registrant in January 2014. Prior reports focused on BBVA Compass Bank. In 2016, there were no relevant legal actions with a final ruling against BBVA Compass related to anti-competitive behavior. There have been no significant changes during the reporting period regarding the organization's size, structure, ownership, or supply chain.

GRI G4 Content Index

This report is organized and presented in accordance with the GRI G4 guidelines, using the "Core" option including financial services sector disclosures. Deloitte & Touche LLP provides a review report on this report. Statement of assurance is located on page 49.

CR contact info:

If you would like to submit a question, opinion, inquiry or suggestion regarding the information contained in this report, please contact one of the following:

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BBVA Compass GRI Indicators

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BBVA Compass GRI Indicators

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Aspect: Diversity and Equal Opportunity		
G4-DMA: Disclosure of management approach.	38	—
G4-LA12: Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	40	—
Sub-Category: Human Rights		
Aspect: Non-Discrimination		
G4-DMA Disclosure on management approach.	30	—
G4-HR3 Total number of incidents of discrimination and corrective actions taken.	30	—
Sub-Category: Society		
Aspect: Local Communities		
G4-DMA Disclosure on management approach.	19	—
FS13 Access points in low-populated or economically disadvantage areas by type.	23	—
FS14 Initiatives to improve access to financial services for disadvantaged people.	23-24	—
Aspect: Anti-Corruption		
G4-DMA Disclosure on management approach.	14	—
G4-SO4 Communication and training on anti-corruption policies and procedures.	14	—
Aspect: Anti-competitive behavior		
G4-DMA Disclosure on management approach.	45	—
G4-SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	45	—
Sub-Category: Product Responsibility		
Aspect: Product and Service Labeling		
G4-DMA Disclosure on management approach.	14	—
G4-PR5 Results of surveys measuring customer satisfaction.	9	—
Aspect: Marketing Communications		
G4-DMA Disclosure on management approach.	14	—
G4-PR6 Sale of banned or disputed products.	13-14	—
Aspect: Customer Privacy		
G4-DMA Disclosure on management approach.	13-14	—
G4-PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	13	—
Aspect: Compliance		
G4-DMA Disclosure on management approach.	44	—
G4-PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	44	—
Sector Specific Aspect: Product Portfolio		
G4-DMA Disclosure on management approach.	16-18	—
G4-FS7: Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	19-23	—
Sector Specific Aspect: Active Ownership		
G4-DMA Disclosure on management approach.	12-13	—
G4-FS11 Percentage of assets subject to positive and negative environmental or social screening.	13	—

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

**Board of Directors
BBVA Compass Bancshares, Inc.
Houston, Texas**

We have reviewed the Corporate Responsibility Report of BBVA Compass Bancshares, Inc. (the "Company") for the year ended December 31, 2016. The Company's management is responsible for preparing and presenting the Corporate Responsibility Report in accordance with the Global Reporting Initiative G4 Sustainability Reporting Framework under its Core option. Our responsibility is to express a conclusion on the Corporate Responsibility Report based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Corporate Responsibility Report in order for it to be presented in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Corporate Responsibility Report is presented in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

The preparation of the Corporate Responsibility Report requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. Measurement of certain amounts and metrics, some of which may be referred to as estimates, is subject to substantial inherent measurement uncertainty. Obtaining sufficient, appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts and metrics. The selection by management of different but acceptable measurement methods, input data, or model assumptions, or a different point value within the range of reasonable values produced by the model, may have resulted in materially different amounts or metrics being reported.

Based on our review, we are not aware of any material modifications that should be made to the accompanying Corporate Responsibility Report of the Company for the year ended December 31, 2016, in order for it to be presented in accordance with the Global Reporting Initiative G4 Sustainability Reporting Framework under its Core option. Information included for the years ended December 31, 2015, 2014, 2013, 2012, and 2011 has been derived from Corporate Sustainability Reports that we have previously reviewed. The information for the years ended December 31, 2010 and prior were not reviewed by us and, accordingly, we do not express any form of assurance on them.



December 8, 2017

BBVA Compass