

Report of the Appointments and Corporate Governance Committee

**Re-election of Carlos Vicente Salazar
Lomelín as external director**

January 2023

1. Regulatory framework and procedure

■ Regulatory framework

Article 529 *decies*, paragraph 4 of the Spanish Corporate Enterprises Act states that it is the responsibility of the Appointments Committee to propose the re-election of members of the Board of Directors in the case of independent directors, and the responsibility of the Board itself in all other cases.

Paragraph 5 of the same article also stipulates that, in any case, all proposals must be accompanied by a supporting report from the Board that assesses the skills, experience and merits of the candidate being proposed.

In line with the aforementioned Act, Article 5 of the Regulations of the Appointments and Corporate Governance Committee (or the “**Committee**”) of Banco Bilbao Vizcaya Argentaria, S.A. (“**BBVA**” or the “**Bank**”) states that it is the responsibility of this Committee to:

- Submit proposals for the re-election of independent directors to the Board of Directors and report on proposals for the re-election of the other categories of directors.
- To this end, the Committee shall evaluate the balance of knowledge, skills and experience of the Board of Directors, as well as the conditions that candidates must meet, evaluating the dedication of time considered necessary so that they can adequately perform their duties, according to the prevailing needs of the Bank’s corporate bodies.
- Analyse the suitability of the members of the Board of Directors.

In accordance with Article 3 and Article 17.1(c)(i) of its Regulations, the Board is responsible for proposing the re-election of directors at the General Shareholders’ Meeting (on the proposal of the Appointments and Corporate Governance Committee in the case of independent directors, and following its report in all other cases).

■ Procedure

Within the scope of its remit, the Committee has analysed the proposal for the re-election of Carlos Vicente Salazar Lomelín as a member of the Bank’s Board of Directors, with the status of external director, so that the corresponding report may be issued, given that the three-year Bylaw-mandated term for which he was appointed at the Annual General Shareholders’ Meeting on 13 March 2020 will come to an end at the BBVA Annual General Shareholders’ Meeting to be held in 2023.

In relation to this, the Committee has analysed his re-election, based on its analysis of the structure, size and composition of the Board of Directors, carried out in accordance with the Regulations of the Committee, applicable regulations, and the Policy on the selection, suitability and diversity of the BBVA Board of Directors, as approved by this body (the “**Selection Policy**”).

In accordance with the foregoing, the findings of the analysis carried out by the Committee are described in this report (the “**Report**”).

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2. Analysis of the structure, size and composition of the Board of Directors

Within the framework of the Board of Directors' annual assessment exercise carried out for 2022, the Appointments and Corporate Governance Committee has, in accordance with its Regulations, analysed the structure, size and composition of the corporate bodies, so as to ensure that they are suitable for the performance of their functions and that the Board, as a whole, possesses the appropriate knowledge, skills and experience to be able to understand the business, activities and main risks of BBVA and its Group.

This Committee carries out this analysis within the broader framework of the progressive and orderly refreshment of the corporate bodies performed by the Board, whereby individuals with different profiles and experience are introduced, thus increasing diversity and ensuring adequate rotation of the Board members.

In conducting this analysis, the Committee took the following matters into consideration:

- the characteristics of the Bank and its Group, as reflected in BBVA Group's Purpose and strategy, its corporate culture and values, as well as the environment in which the Bank conducts its business;
- BBVA's corporate governance system, based on (i) an appropriate composition of the Board of Directors and its committees; (ii) a clear distribution of functions among the corporate bodies, and between these and Senior Management; and (iii) robust decision-making processes and supervision and control of the activity carried out at the executive level, relying on a reporting model that provides the corporate bodies with complete, integral, adequate and consistent information for the performance of their functions;
- measures conducive to the sound functioning of the corporate bodies and checks and balances within the Board, by means of: (i) a clear allocation of functions at the executive level and at the corporate bodies level; (ii) the independence of control functions, which report directly to the Board through its committees; and (iii) other measures to ensure that the corporate bodies are able to perform their functions and question the approaches taken by the executive areas, all within a climate of freedom of opinion and where participation and debate are encouraged; and
- the evolution of the structure, size and composition of the Board and its committees, following the refreshment process of the corporate bodies, based on tools such as the skills and diversity matrix of the Board, so as to be able to meet the current and future needs of the corporate bodies, as well as the expiry of the Bylaw-mandated terms of office of directors, as appropriate in each financial year;
- all of the above, taking into account at all times prevailing regulatory requirements and the provisions and objectives set out in the Selection Policy, while also taking account the different opinions and views obtained from direct contact and dialogue with shareholders, investors, proxy advisors, supervisory authorities and other stakeholders of the Bank.

As part of this analysis, the Committee verified that, following the refreshment process undertaken by the Bank's corporate bodies in recent years, the Board comprises 15 directors, of whom:

- 13 directors qualify as "non-executive", representing a large majority (87%) of the Board, of whom 10 have "independent" status, representing 67% of the Board members;

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- the Board has six female directors, thus meeting the target of 40% representation of women set by the Committee and set out in the Selection Policy;
- in the last five years, eight new directors have joined the Board, six of them qualifying as “independent”; and
- directors have an average tenure on the Board of approximately seven years.

Furthermore, the Committee assessed the solid and efficient structure of the Board, which includes the support of the committees based on an appropriate distribution of functions, thus enabling the Board to perform all the duties assigned to it.

The Committee also analysed the size of the Board, which, complying with the Bylaws and the Code of good governance for listed companies, is suitable in view of the structure and composition of the committees, requiring directors sitting in them a high level of dedication. In this sense, the Committee confirmed that the independent directors contribute to a suitable composition of both the Board of Directors and its committees and, in particular, those that support the Board in its supervision and control functions. These particular committees must comprise a significant proportion of independent directors, from among whom the chairs of these committees must also be appointed.

On the other hand, in the analysis performed, the Committee has also taken into account the areas and matters that are of particular relevance to the functions entrusted to the corporate bodies, especially the Group’s current and future activities, business and strategy.

In carrying out its work, the Committee relied, among other information, on a “skills and diversity matrix” of the Board of Directors, which is used to identify those skills, knowledge, experience and circumstances that the Board already has, and those that should be strengthened in the future. The matrix is an instrument for analysing the composition of the Board as a whole and is also be used in the directors’ refreshment process.

This matrix includes information on the directors in relation to (i) the areas, sectors and subjects that are of particular relevance to the Group’s strategy and activities (such as banking and financial services; accounting and auditing; risk management; innovation and information technology; strategy and macroeconomic environment; human resources and compensation; institutional, legal and regulatory matters; and corporate governance and sustainability); (ii) their professional experience and track record in various areas (corporate, public administration, academia or non-profit organisations), both domestically and internationally; and (iii) any other matters that increase the Board’s diversity in different areas, such as gender, age, tenure on the Board and status of directors.

Moreover, the skills on the Board were strengthened in 2022, as in previous years, through the director training programme to keep the Board up to date with the most relevant issues relating to its functions and to ensure that the directors are fully cognizant of certain key matters.

In relation to the foregoing, the Committee was able to verify that the Board has a diverse composition, including profiles with experience and knowledge in different areas that are of interest to the Bank and its Group, such as banking, auditing, risk management, sustainability, corporate governance, legal affairs and academic matters, multinational companies, public bodies, digital business and technology, all of this, both nationally and internationally.

This diversity of the Board’s skills, knowledge and experience has been further strengthened following the refreshment process of the corporate bodies carried out in recent years, and as a

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result, profiles have been appointed who have enabled the Board to strengthen its skills, knowledge and experience in areas of particular relevance to the Bank's strategy, business and activities.

In this regard, the Board currently comprises directors with diverse experience on the Board itself, combining recently appointed members with others who have experience in the corporate bodies, and who have significant knowledge of the strategy, business, activities and culture of the Group, as well as of the operational dynamics and working culture of the corporate bodies.

As such, these directors with experience on the Board facilitate the progressive refreshment process of the corporate bodies, which involves appointing new members with lesser knowledge of the Bank, without affecting the Board's proper functioning, facilitating the flexible and efficient appointment of new directors to the working dynamics of the corporate bodies, and ensuring the proper performance of their duties at all times.

Lastly, in its analysis, the Committee has taken into account the operation and performance of the corporate bodies in recent years, noting that the directors have shown great dedication to the Bank, an ability to adapt and be flexible in response to prevailing circumstances, and deep knowledge of the environment and the Group, which has ultimately allowed the corporate bodies to carry out the functions entrusted to them.

As a result of the analysis carried out and described in the previous sections, the Committee found that:

- The Board is **suitably structured**, thus enabling it to perform all the duties assigned to it, facilitating the adequate functioning of the Board and the efficient and integrated management of the Bank and the Group, and allowing the corporate bodies to perform their decision-making and supervisory and control functions, within a framework that guarantees an appropriate balance of powers (checks & balances).
- The Board of Directors is **suitably sized**, thus also facilitating the performance of its functions and those of its various committees.
- The Board, as a whole, features an **appropriate and diverse composition**, all with extensive knowledge of the environment, strategy, activities, businesses and risks of the Bank and its Group, resulting in a balanced composition that responds to current needs and helps to ensure the effective performance of its functions. As a result:
 - The Board's composition complies with the objectives contemplated in applicable legislation, in its own Regulations and in the Selection Policy. Significantly, there is an appropriate balance between the different categories of directors, with a broad majority of non-executive directors (13 out of a total of 15) and independent directors (10 out of 15, which exceeds the target envisioned in the Selection Policy of having at least 50% independent directors), with a level of gender diversity that meets the targets set by the Board and is in line with best practices (women account for 40% of total directors). Moreover, the Board has a diversity of skills, knowledge and experience, both national and international.
 - The directors meet the suitability requirements necessary for the performance of their duties, have the availability and dedication required for the performance of their duties, and receive continuous training relevant to the exercise of their functions - notably, the director training programme for 2022 included matters of interest that have enhanced the knowledge of the directors in certain matters such as sustainability, money laundering and data protection, among others.

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Notwithstanding the above, the Committee keeps fostering the progressive refreshment process of the Board, in order to continue strengthening its composition with individuals that complete the knowledge and experience of its members at any time and allow corporate bodies to have the most suitable composition for the best performance of their functions.

3. Analysis of the suitability of the candidate to be re-elected

Mr Salazar's suitability for the role of member of the BBVA Board of Directors has been evaluated by the Appointments and Corporate Governance Committee in accordance with applicable legislation, primarily Article 24 et seq. of Spanish Act 10/2014 of June 26, on the management, supervision and capital adequacy of credit institutions (hereinafter the "**LOSS**") and Article 29 et seq. of Spanish Royal Decree 84/2015 of February 13, implementing the LOSS (hereinafter "**Royal Decree 84/2015**"); as well as the provisions of Article 2.3 of the Regulations of the Board, in accordance with the following:

3.1. Knowledge and experience

The Committee has analysed the knowledge, skills and experience of Mr Salazar, in light of the information available to it, both in relation to his experience outside the Bank, as described in his curriculum vitae attached to this report as an [Annex](#), as well as the director's activity in the corporate bodies in the years during which he has served as a member of the Board.

Firstly, the Committee highly values his training and excellent professional experience gained prior to his appointment to the Bank's Board of Directors, as well as in relation to his current positions outside the Bank.

Mr Salazar holds a degree in Economics and has completed postgraduate studies in Business Administration at the Instituto Tecnológico y de Estudios Superiores de Monterrey (Monterrey Institute of Technology and Higher Education). He also undertook postgraduate studies in Economic Development in Italy, as well as an Administrative Management programme at Instituto para la Alta Dirección de Empresas (IPADE Business School) in Mexico and other studies in various countries.

Mr Salazar plays an active role at various educational institutions and social and business organisations. Notably, he has been a professor of economics for more than 40 years at the Monterrey Institute of Technology and Higher Education, and he is currently Chair of the Board of Business Schools and a member of the Academic Board at the same institution.

With regard to his professional experience, his high calibre background is to be highlighted, having spent a large part of his career (between 1973 and 2019) at one of the most prominent business groups in Mexico, Grupo Fomento Económico Mexicano S.A.B. de C.V. ("**Femsa**"), where he was first General Manager of Cervecería Cuauhtémoc-Moctezuma and then Manager of Coca Cola Femsa and General Manager of Femsa.

He has been the Chair of the Mexican Business Coordinating Council (*Consejo Coordinador Empresarial de México*), the largest body in Mexico for the representation and dialogue of entrepreneurs, which, according to the information available to the public, works to promote the free market, democracy, social responsibility and equal opportunities in Mexico.

He is also an independent director at the companies Sukarne, S.A. de C.V. and Alsea, S.A.B. de C.V. since 2017 and 2019, respectively, and also at CYDSA Corporativo, S.A. de C.V.

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He is currently a director of Grupo Financiero BBVA México, S.A. de C.V. and of BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México.

Since joining BBVA's Board of Directors, Mr Salazar has shown that he possesses a broad knowledge of the Bank's strategy, businesses, activities, risks, sector and culture, from the various perspectives that are analysed by the corporate bodies. He also currently sits on BBVA's Remuneration Committee.

It is also worth noting his leadership and management of relevant organisations at a global level, as well as his extensive knowledge of the Mexican business and financial environment; a country that is of crucial relevance to the Group as part of its strategy, business and activities.

Moreover, during his years as a member of the Bank's corporate bodies, Mr Salazar has been able to bring his extensive knowledge and experience to bear in key areas such as banking and finance, accounting and auditing, strategy and macroeconomic environment, human resources and compensation, and corporate governance and sustainability, among others.

Mr Salazar has also displayed dedication and availability to the corporate bodies, and has shown objectivity and independence of judgement in matters submitted to their consideration over the years, thus contributing to the proper functioning and performance of the corporate bodies.

Furthermore, Mr Salazar has extensive knowledge and understanding of the Bank's culture and values, thus facilitating their dissemination both to the Group's executives who interact with the corporate bodies, as well as to new members of the Board of Directors. Along this, he has helped to ensure that the progressive refreshment process of the Board runs smoothly, making his knowledge and experience regarding the functioning and work culture of the corporate bodies available to new directors.

In the Committee's view, all of the foregoing is of particular importance for the proper performance of the duties entrusted to the corporate bodies in their decision-making capacity and role in supervising and controlling the Bank's strategy, business, activities and risks.

Accordingly, the Committee deems Mr Salazar to possess adequate knowledge and experience to be a member of the Bank's Board of Directors.

3.2. Ability to exercise good governance

With regard to his capacity to exercise good governance of the Bank, the Committee notes that, in relation to Mr Salazar:

- It is not aware of any circumstance or situation that might lead to a potential conflict of interest, or that might constitute an impediment or difficulty in performing the role of BBVA director, in accordance with applicable legislation and the Regulations of the Board.
- As previously mentioned, in his performance at the Bank he has shown a high level of dedication in the execution of his duties and full readiness to serve in his post.

3.3. Commercial and professional repute and other issues considered by the Committee

Mr Salazar's commercial and professional integrity as a director of BBVA was verified by the Bank and the supervisor at the time of his appointment in 2020, and since then it has been continuously verified by the Board of Directors since then, as well as on the occasion of the proposal for his re-

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election set out in this report. In addition, Mr Salazar is listed on the Bank of Spain's Registry of Senior Officers.

Likewise, according to the information available to the Committee, it would not appear that Mr Salazar is subject to any situation of incompatibility, prohibition or limitation that might prevent him from sitting on the Bank's Board of Directors.

Lastly, and given that he has sat on the governing bodies of the BBVA Group subsidiaries, Grupo Financiero BBVA Mexico, S.A. de C.V., and BBVA Mexico, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Mexico, for more than 15 years, the Committee believes that, if re-elected, he should continue to serve in his current capacity as an external director in the interests of prudence.

4. Conclusions

Following the analysis carried out and in view of the needs of the corporate bodies, the Appointments and Corporate Governance Committee finds that Mr Salazar:

- meets the requirements of recognised commercial and professional repute, knowledge and experience and ability to exercise good governance, as established in the LOSS, Royal Decree 84/2015 and Regulations of the Board, to be a member of the Bank's Board of Directors and to perform his duties;
- possesses suitable knowledge, skills and experience, thus improving the levels of diversity on the Board of Directors, contributing to strengthening the suitability of the Board as a whole and ensuring its alignment with the current needs of the corporate bodies;
- is willing and able to exercise good governance at the Bank, and is not known to be involved in any situation of incompatibility, prohibition or limitation that might prevent him from serving as a director of the Bank; and
- meets the requirements to be considered an external director, thus strengthening the presence of non-executive directors on the Board.

Accordingly, the Appointments and Corporate Governance Committee has resolved to submit its favourable report to the Board of Directors, for its subsequent proposal to the Bank's Annual General Shareholders' Meeting, on the re-election of Carlos Vicente Salazar Lomelín as an external director of the Board of Directors, for the Bylaw-mandated term of three years.

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Report of the Board of Directors

Re-election proposal of Carlos Vicente Salazar Lomelín as external director

February 2023

1. Introduction

In accordance with Articles 3 and 17.1.c) (i) of the Regulations of the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (“**BBVA**” or the “**Bank**”), and in compliance with Article 529 decies of the Spanish Corporate Enterprises Act, the Board of Directors is responsible for proposing the re-election of directors at the General Shareholders’ Meeting, following report of the Appointments and Corporate Governance Committee in the case of non-independent directors.

BBVA's Regulations of the Board of Directors, in accordance with the Spanish Corporate Enterprises Act, also states that proposals of the Appointments and Corporate Governance Committee must be accompanied by a supporting report from the Board of Directors assessing the skills, experience and merits of the proposed candidate, which will be attached to the minutes of the General Shareholders' Meeting or the Board of Directors' meeting.

In order to comply with the foregoing, the Bank's Board of Directors has prepared this report, which accompanies the proposal to re-elect Carlos Vicente Salazar Lomelín as a member of the Bank's Board of Directors, with the status of external director, submitted to BBVA's Annual General Shareholders' Meeting (the “**Report**”).

2. Re-election proposal

In order to produce this Report, the Board of Directors has considered the favourable report issued by BBVA’s Appointments and Corporate Governance Committee, in accordance with Article 529 decies 6 of the Spanish Corporate Enterprises Act and Article 3 of the Bank's Regulations of the Board, following an analysis of the structure, size and composition of the Board, so as to ensure that they are suitable for the performance of their functions and that the Board, as a whole, possesses the appropriate knowledge, skills and experience to be able to understand the business, activities and main risks of BBVA and its Group.

This analysis is carried out within the framework of the progressive and orderly refreshment of the corporate bodies performed by the Board, whereby individuals with different profiles and experience are introduced, thus increasing diversity and ensuring adequate rotation of the Board members.

In conducting this analysis, the following matters were taken into consideration:

- the characteristics of the Bank and its Group, as reflected in BBVA Group’s Purpose and strategy, its corporate culture and values, as well as the environment in which the Bank conducts its business;
- BBVA’s corporate governance system, based on (i) an appropriate composition of the Board of Directors and its committees; (ii) a clear distribution of functions among the corporate bodies, and between these and Senior Management; and (iii) robust decision-making processes and supervision and control of the activity carried out at the executive level, relying on a reporting model that provides the corporate bodies with complete, integral, adequate and consistent information for the performance of their functions;
- measures conducive to the sound functioning of the corporate bodies and checks and balances within the Board, by means of: (i) a clear allocation of functions at the executive level and at the corporate bodies level; (ii) the independence of control functions, which report directly to the Board through its committees; and (iii) other measures to ensure that the corporate bodies are able to perform their functions and question the approaches taken

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by the executive areas, all within a climate of freedom of opinion and where participation and debate are encouraged; and

- the evolution of the structure, size and composition of the Board and its committees, following the refreshment process of the corporate bodies, based on tools such as the “skills and diversity matrix” of the Board, so as to be able to meet the current and future needs of the corporate bodies, as well as the expiry of the Bylaw-mandated terms of office of directors, as appropriate in each financial year;
- all of the above, taking into account at all times prevailing regulatory requirements and the provisions and objectives set out in the Policy on the selection, suitability and diversity of the BBVA Board of Directors, as approved by this body (the “**Selection Policy**”), while also taking account the different opinions and views obtained from direct contact and dialogue with shareholders, investors, proxy advisors, supervisory authorities and other stakeholders of the Bank.

As part of this analysis, it was verified that, following the refreshment process undertaken by the Bank’s corporate bodies in recent years, the Board of Directors comprises 15 directors, of whom:

- 13 directors qualify as “non-executive”, representing a large majority (87%) of the Board, of whom 10 have “independent” status, representing 67% of the Board members;
- the Board has six female directors, thus meeting the target of 40% representation of women set by the Board and set out in the Selection Policy;
- in the last five years, eight new directors have joined the Board, six of them qualifying as “independent”; and
- directors have an average tenure on the Board of approximately seven years.

It was also confirmed that non-executive directors contribute to a suitable composition of both the Board of Directors and its committees and, in particular, those that support the Board in its supervision and control functions, which must be comprised only of non-executive directors.

As part of its analysis, it was also taken into account that the term of five of the current directors of the Bank will expire on the occasion of the 2023 Annual General Shareholders' Meeting.

On the other hand, the analysis performed for this proposed re-election took into account the areas and matters that are of particular relevance to the functions entrusted to the corporate bodies, especially the Group’s current and future activities, business and strategy.

To this effect, the corporate bodies relied, among other information, on the “skills and diversity matrix” of the Board of Directors, which is used to identify those skills, knowledge, experience and circumstances that the Board already has, and those that should be strengthened in the future. The matrix is thus an instrument for analysing the composition of the Board as a whole and is also considered in the directors’ refreshment process.

This matrix includes information on the directors in relation to (i) the areas, sectors and subjects that are of particular relevance to the Group’s strategy and activities (such as banking and financial services; accounting and auditing; risk management; innovation and information technology; strategy and macroeconomic environment; human resources and compensation; institutional, legal and regulatory matters; and corporate governance and sustainability); (ii) their professional experience and track record in various areas (corporate, public administration, academia or non-

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profit organisations), both domestically and internationally; and (iii) any other matters that increase the Board's diversity in different areas, such as gender, age, tenure on the Board and status of directors.

In relation to the foregoing, it was verified that the Board has a diverse composition, including profiles with experience and knowledge in different areas that are of interest to the Bank and its Group, such as banking, auditing, risk management, sustainability, corporate governance, legal affairs and academic matters, multinational companies, public bodies, digital business and technology, all of this, both nationally and internationally.

This diversity of the Board's skills, knowledge and experience has been further strengthened following the refreshment process of the corporate bodies carried out in recent years, as a result of which, profiles have been appointed who have enabled the Board to strengthen its skills, knowledge and experience in areas of particular relevance to the Bank's strategy, business and activities.

In this regard, the Board currently comprises directors with diverse experience on the Board itself, combining recently appointed members with others who have experience in the corporate bodies, and who have significant knowledge of the strategy, business, activities and culture of the Group, as well as of the operational dynamics and working culture of the corporate bodies.

As such, these directors with experience on the Board facilitate the progressive refreshment process of the corporate bodies, which involves appointing new members with lesser knowledge of the Bank, without affecting the Board's proper functioning, facilitating the flexible and efficient appointment of new directors to the working dynamics of the corporate bodies, and ensuring the proper performance of their duties at all times.

Lastly, this analysis took into account the operation and performance of the corporate bodies in recent years, noting that the directors have shown great dedication to the Bank, an ability to adapt and be flexible in response to prevailing circumstances, and deep knowledge of the environment and the Group, which has ultimately allowed the corporate bodies to carry out the functions entrusted to them.

As a result of the analysis carried out and described in the previous paragraphs, it was found that the Board, as a whole, features an appropriate and diverse composition, complying with the objectives contemplated in applicable legislation, in its own Regulations and in the Selection Policy. Significantly, there is an appropriate balance between the different categories of directors, with a broad majority of non-executive directors (13 out of a total of 15) and independent directors (10 out of 15, which exceeds the target envisioned in the Selection Policy of having at least 50% independent directors), with a level of gender diversity that meets the targets set by the Board and is in line with best practices (women account for 40% of total directors). Moreover, the Board has a diversity of skills, knowledge and experience, both national and international.

Notwithstanding the above, the Board, with the support of the Appointments and Corporate Governance Committee, keeps fostering the progressive refreshment process of the corporate bodies, in order to continue strengthening its composition with individuals that complete the knowledge and experience of its members at any time and allow corporate bodies to have the most suitable composition for the best performance of their functions.

In view of the foregoing, the Appointments and Corporate Governance Committee has resolved to issue its favourable report to the Board of Directors, for its subsequent proposal to the Bank's

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Annual General Shareholders' Meeting, on the re-election of Mr Salazar as an external director of the Board of Directors, for the Bylaw-mandated term of three years.

3. Skills, experience and merits

In order to produce this Report, and as set out in applicable regulations, the Board of Directors has assessed the skills, experience, merits, and knowledge of Mr Salazar, to which end it has analysed both his curriculum vitae, which is attached as an [Annex](#) to this Report, and the director's activity in the corporate bodies in the years during which he has served as a member of the Board.

The Board highly values his training and excellent professional experience gained prior to his appointment to the Bank's Board of Directors, as well as in relation to his current positions outside the Bank.

Mr Salazar holds a degree in Economics and has completed postgraduate studies in Business Administration at the Instituto Tecnológico y de Estudios Superiores de Monterrey (Monterrey Institute of Technology and Higher Education). He also undertook postgraduate studies in Economic Development in Italy, as well as an Administrative Management programme at Instituto para la Alta Dirección de Empresas (IPADE Business School) in Mexico and other studies in various countries.

Mr Salazar plays an active role at various educational institutions and social and business organisations. Notably, he has been a professor of economics for more than 40 years at the Monterrey Institute of Technology and Higher Education, and he is currently Chair of the Board of Business Schools and a member of the Academic Board at the same institution.

With regard to his professional experience, his high calibre background is to be highlighted, having spent a large part of his career (between 1973 and 2019) at one of the most prominent business groups in Mexico, Grupo Fomento Económico Mexicano S.A.B. de C.V. ("**Femsa**"), where he was first General Manager of Cervecería Cuauhtémoc-Moctezuma, Manager of Coca Cola Femsa and General Manager of Femsa.

He has been the Chair of the Mexican Business Coordinating Council (*Consejo Coordinador Empresarial de México*), the largest body in Mexico for the representation and dialogue of entrepreneurs, which, according to the information available to the public, works to promote the free market, democracy, social responsibility and equal opportunities in Mexico.

He is also an independent director at the companies Sukarne, S.A. de C.V. and Alsea, S.A.B. de C.V. since 2017 and 2019, respectively, and also at CYDSA Corporativo, S.A. de C.V.

He is currently a director of Grupo Financiero BBVA México, S.A. de C.V. and of BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México.

Since joining BBVA's Board of Directors, Mr Salazar has shown that he possesses a broad knowledge of the Bank's strategy, businesses, activities, risks, sector and culture, from the various perspectives that are analysed by the corporate bodies. He also currently sits on BBVA's Remuneration Committee.

It is also worth noting his leadership and management of relevant organisations at a global level, as well as his extensive knowledge of the Mexican business and financial environment; a country that is of crucial relevance to the Group as part of its strategy, business and activities.

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Moreover, during his years as a member of the Bank's corporate bodies, Mr Salazar has contributed with his extensive knowledge and experience, displaying great dedication and availability in the performance of his duties, and carrying out his role with objectivity and independence of judgement, thus contributing to the proper functioning and performance of the corporate bodies.

Furthermore, Mr Salazar is aligned with the Bank's culture and values, thus facilitating their dissemination both to the Group's executives who interact with the corporate bodies, as well as to new members of the Board of Directors. Along this, he has helped to ensure that the progressive refreshment process of the Board runs smoothly, making his knowledge and experience regarding the functioning and work culture of the corporate bodies available to new directors.

All of the foregoing is of particular importance for the proper performance of the duties entrusted to the corporate bodies in their decision-making capacity and role in supervising and controlling the Bank's strategy, business, activities and risks, in the framework of the complex current economic environment.

In addition to the foregoing, the Board of Directors, on the basis of the analysis performed by the Appointments and Corporate Governance Committee, has assessed Mr Salazar's suitability requirements applicable to the performance of member of BBVA's Board, as a result of which it concluded that Mr Salazar meets the requirements of recognised commercial and professional repute, has adequate knowledge and experience to perform his duties and has ability to exercise good governance of the entity, as well as has the conditions to be considered an external director.

4. Conclusion

Accordingly, the Board of Directors deems Mr Salazar to possess the required suitability to sit on the Bank's Board of Directors and, in particular, adequate skills, experience and merits, as well as suitable knowledge, to perform the role.

As a result of the foregoing, taking into account the favourable report of the Bank's Appointments and Corporate Governance Committee, the Board of Directors as resolved to propose to the Bank's Annual General Shareholders' Meeting, the re-election of Carlos Vicente Salazar Lomelín as an external director of the Board of Directors, for the Bylaw-mandated term of three years.

To this end, the Board of Directors issues this Report, in light of the requirements established by Article 529 decies of the Spanish Corporate Enterprises Act.

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

Annex: curriculum vitae

Carlos Vicente Salazar Lomelín

External director

Born in 1951

Mexican nationality

Bachelor of Economics and postgraduate studies in Business Administration at the Monterrey Institute of Technology and Higher Education

Professional experience:

1973-2019 **Grupo Fomento Económico Mexicano S.A.B. de C.V. (Femsa)**

General Manager of Cervecería Cuauhtémoc-Moctezuma, Manager of Coca Cola Femsa and General Manager of Femsa

Other positions held:

Since 2017 Independent director at Sukarne, S.A. de C.V.

Since 2019 Independent director of Alsea, S.A.B. de C.V.

Since 2022 Independent director of CYDSA Corporativo, S.A. de C.V.

Mr. Salazar actively participates in various educational institutions and social and business organisations and forums. Of particular note is his experience as professor of economics for more than 40 years at the Monterrey Institute of Technology and Higher Education, where he is, at present, Chair of the Business Schools. He has also been Chair of Mexico's Business Coordinating Council (*Consejo Coordinador Empresarial de México*).

He is currently a director at Grupo Financiero BBVA México, S.A. de C.V., and BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México.

He was appointed director of BBVA on 13 March 2020.