

In order to better perform its duties, the Board of Directors of Banco Bilbao Vizcaya Argentaria S.A. (BBVA) has set up several Committees to help it in matters falling within its remit.

Among these Committees, the Board of Directors has set up an Appointments Committee which assists it on the issues attributed to it under the Board Regulations.

Its regulation, in addition to the regulation set out by current legislation, is established in articles 32, 33 and 34 of the Board of Directors Regulations, which establish the rules on its composition, duties, organization and operation (available on the Company's website www.bbva.com).

1. Composition

In accordance with the Board Regulations, the Appointments Committee will be made up of a minimum of three members appointed by the Board of Directors. All members must be non-executive directors, and the majority, including the Chair, must be independent.

At the end of 2015, the Appointments Committee was made up of the following directors:

CHAIRMAN
Mr. Tomás Alfaro Drake (Independent director)
MEMBERS
Mr. José Antonio Fernández Rivero (Independent director)

2. Operation

As set out in the Board of Directors Regulations, the Appointments Committee shall meet as often as necessary to perform its duties.

The Committee may request the attendance at its meetings of persons with tasks in the Group that are related to the Committee's duties. It may also obtain external advice as necessary to form a judgment about the matters within its remit.

3. Powers

The main task of the Appointments Committee is to assist the Board of Directors in matters relating to the selection and appointment of Board members, in addition to the functions detailed in article 33 of the Board of Directors Regulations.

4. Committee activity

In 2015, the Appointments Committee met on seven occasions, with the attendance of all of its members.

The main activities carried out by BBVA's Appointments Committee in 2015 are described below:

4.1 Appointment and re-election of directors

The Appointments Committee has carried out the processes for selection of directors it has deemed necessary for making its proposals to the Board of Directors, with the support of independent consultancy firms of international prestige in the selection of directors.

In all cases, the Committee has considered the personal and professional qualities necessary to meet the needs of the Bank's governing bodies at all times, including the need to consider the diversity element, in terms of both education and knowledge and experience, nationality and gender, and the necessary knowledge in the selection of candidates, ensuring that there is no implicit bias in the selection processes for the selection of female directors with the right professional profile.

The Committee analyzed the characteristics of the short-listed candidates and the needs of the governing bodies, assessing the balance of knowledge, skills and experience for the proper discharge of their duties, concluding the selection process with the Appointments Committee's proposal to the Board of Directors so the latter may submit the proposals for the appointment of new directors to the Annual General Meeting to be held on March 11, 2016.

Moreover, the Committee has assessed the skills, knowledge and experience required in the Board of

Directors, considering also the needs of the Bank's governing bodies at that time, to propose the re-election of the directors whose office expired on the occasion of the holding of the Annual General Meeting in 2016.

The Committee thus resolved to submit to the Board the proposals for the re-election of directors for submission to the Annual General Meeting in 2016.

4.2 Assessment of the Board of Directors and the Group Executive Chairman

With the aim of assessing the operation of the Board of Directors, the Appointments Committee has analyzed over the year the structure, size and composition of the Board. It has also considered, among other information, a report on the activity of the Board of Directors and of its Executive Committee during the year. To carry out this process it was assisted by an independent expert of recognized prestige.

Based on the analysis conducted, the Committee concluded that the Board's operation in 2015 was positive, having fulfilled all the duties attributed by law, by the Company Bylaws and by its own Regulations, and that its composition, organization and preparation and conduct of its meetings were adequate for properly discharging its duties.

Moreover, the Appointments Committee has defined the process for assessing the performance of the Group Executive Chairman's duties, which are attributed by the Company

Bylaws and the Board Regulations, as well as those that have been delegated by the Board of Directors itself.

The assessment of the Group Executive Chairman's performance was conducted on the basis of an activity Report that was included in the activity report for the Board and the Executive Committee. In this process, the Committee was also assisted by an independent expert of international prestige.

Following the analysis of the activity Report, the Committee considered that the Group Executive Chairman had competently discharged his duties and that his performance had been very positive and, consequently, resolved to submit to the Board of Directors its favorable report on the assessment of the performance of his duties by the Group Executive Chairman.

4.3 Policy on selection and diversity of the members of the Board

In accordance with the Regulations of the Bank's Board of Directors, the Appointments Committee is responsible for proposing to the Board the policies for the selection and diversity of the members of the Board.

The Committee proposed to the Board of Directors the Policy for the selection, appointment, renewal and diversity of the members of the Board, which includes the goal of ensuring the representation of the under-represented gender, which was

subsequently approved by the Board of Directors.

4.4 Review of the suitability of directors

Credit institutions, within the framework of the assessment of the performance of the members of their governing body, must conduct an ongoing assessment of the suitability of the members of their Board of Directors.

For the purpose of conducting this ongoing assessment, the Appointments Committee has analyzed the suitability of the members of the BBVA Board of Directors for performing their duties and has assessed the existence of circumstances that might affect the commercial and professional repute of BBVA directors.

As a result of the assessment conducted, the Appointments Committee submitted a favorable report to the Board of Directors on the analysis conducted on the suitability of the Bank's directors for performing their duties, considering it positive.

4.5 Review of the status as independent directors

As set out in the Board's Regulations, the Appointments Committee is responsible for reviewing on an annual basis the status of each director so it can be reflected in the Annual Corporate Governance Report.

The Committee has reviewed the independent status of all the directors

who, according to the definition established in article 1 of the Board Regulations, had such status, analyzing the possible changes in their personal circumstances and concluding that those directors could maintain their status as independent, informing the Board of Directors so the conclusions could be included in the Bank's Corporate Governance Report.

Consequently, in the Corporate Governance Report for 2015 approved by the Board of Directors, of the fifteen members of the Board, eight directors appear as independent directors.

4.6 Changes in the composition of senior management

The Committee has analyzed the proposals for changing the senior management structure, as well as the proposals for the appointment and removal of the members of the Bank's senior management that were submitted by the Chairman during the year, issuing its favorable report in relation to the proposed changes, which were subsequently approved by the Board of Directors.

All the above issues, along with other matters within its remit, were included in the Committee's activities report for 2015 which, as set out in the Company's Board of Directors Regulations, was submitted by the Appointments Committee to the Board for the purpose of assessing its operation.

The Board of Directors assessed the quality of the work carried out by the Committee as part of the functions that have been assigned to it, concluding that it had satisfactorily discharged the functions entrusted to it, with a favorable assessment of the quality and efficiency of its operation.