



BBVA Creating
Opportunities

Corporate Social Responsibility Policy

2018



01 Background

This document contains an update of the Corporate Social Responsibility Policy that was approved by the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter, "BBVA" or the "Bank") in February 2008 and subsequently updated in December 2015, in order to align it with best practices and recommendations on the matter (the "Corporate Social Responsibility Policy" or the "CSR Policy").

This Policy, which replaces the previous ones, has been approved by the Board of Directors, and it is published on the corporate website.

02 Definition, objectives and scope of application

BBVA understands corporate social responsibility (hereinafter, "CSR") as the Bank's responsibility arising from the impact of its activity on people's lives and society. To comply with this responsibility, BBVA integrates social, environmental and ethical concerns, as well as those on human rights and stakeholders, into its daily business and relations with them.

Through its CSR Policy, the BBVA Group should contribute to the following objectives:

- To carry out its main activity in a responsible manner, placing people at the core of its purpose.
- To maximise the creation of sustainable and shared value for its shareholders and for the other stakeholders, and the whole of society in which it operates.
- To prevent and mitigate the possible negative impacts derived from its activity.
- To manage BBVA's reputation.

This CSR Policy intends to create a framework that helps defining and promoting behaviours allowing for value creation for all stakeholders (clients, employees, shareholders, suppliers and society) within the framework of a culture of social responsibility that turns out in the development of a "Responsible Banking" in all BBVA Group.

03 Principles

BBVA has the purpose of bringing the age of opportunity to everyone. To do so, one of the Group's objectives is to develop a different way of banking through a business model called "Responsible Banking", based on the search for profitability adjusted to ethical principles, in compliance with the laws, the best business practices and the long-term value creation for all stakeholders. This represents an overview of the Group's actions.

This CSR Policy is aligned with BBVA's Code of Conduct, which establishes behavioural guidelines in accordance with BBVA's values.

The principles that rule the CSR Policy are:

- Integrity, as a manifestation of ethics in BBVA's actions and relations with all stakeholders.
- Prudent risk management.
- Transparency as an aim to offer access to clear and true information.

04 Responsible commitments and practises

In order to comply with these principles, BBVA has implemented the following specific commitments:

a) Clients

- To place clients at the core of its activity, in order to establish long-lasting relationships based on mutual trust and value contribution.
- To promote transparent, clear and responsible communication and financial education to facilitate well informed financial decisions and enhance people's financial health.
- To encourage the development of products and services with a high social or environmental impact, adapted to the context in which its clients live.
- To foster financial inclusion and the universalisation of responsible access to financial services.

b) Employees

- To respect diversity and promote the equality of opportunities, in addition to the non-discrimination due to gender, age, disability or any other circumstance.
- To promote work-life balanced practices.
- To implement practises to guarantee the staff's safety and ensure all employees' health.
- To encourage a culture of social commitment and shared values between the employees, facilitating the conditions so that volunteering activities can be carried out.

c) Shareholders and investors

- To promote transparency, truthfulness, immediacy and homogeneity in disclosing information.
- To facilitate awareness of those issues that may be necessary to enable an appropriate exercise of shareholders' rights.
- To publish the information continuously, periodically, punctually and made available on time.
- To Guarantee equality of treatment of all shareholders and investors that are in the same position.
- To use of a variety of communication instruments and channels that enable shareholders to access the Bank in the easiest and most convenient way

d) Society and environment

- To support the development of the societies where the Bank is present through financial activity, as well as to social programmes focused on education, financial literacy, entrepreneurship and knowledge.
- To define and implement a strategy of climate change and sustainable development for achieving the United Nations Sustainable Development Goals, and aligned with the Paris Climate Agreement.
- To participate in initiatives and collaborate with regulators and other organisations to promote and disseminate responsible practices.
- To define and apply a Commitment to the Environment in accordance with the progressive implementation of the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), which includes, among others, risk management in this area, the progressive integration of environmental variables in developing products, collaboration with other actors and promoting eco-efficiency along with managing direct impacts.

e) Suppliers

- To define and apply a Responsible Procurement Policy that includes, among others, providing complete and transparent information in the supply processes, respecting human and labour rights in the supply chain, and stimulating demand in socially responsible products and services.

f) Fiscal responsibility

- To carry out its activity by adequately complying with its tax obligations and avoid any practise that involves illicit tax evasion or losses for the public treasury. To do so, the group has a Fiscal Strategy in accordance with the principles of integrity, transparency and prudence.

g) Prevention of illegal behaviours

- To encourage compliance with the legal obligations and avoid behaviours that are contrary to the internal standards and policies, or that may damage BBVA's patrimony, image or reputation.

h) Respect for Human Rights

- To define and apply BBVA's Commitment to Human Rights, which includes respect for human rights in accordance with the International Bill of Human Rights, United Nations Global Compact, and the principles of action and recommendations for carrying out business activity published by the United Nations, the Organisation for Economic Co-operation and Development and the International Labour Organisation.
- To participate in the sector initiatives to apply the United Nations Guiding Principles to financial activity, like the informal group of banks, referred to as the "Thun Group".

i) Other subscribed international commitments

- BBVA is committed with the standard international principles regarding CSR, such as the United Nations Global Compact, the Equator Principles, the Principles for Responsible Investment, the Financial Initiative of the United Nations Programme Environmental Programme for Financial Institutions, in addition to other related initiatives that the Responsible Business department takes into consideration.

05 Channels of communication, participation and dialogue

BBVA has multiple channels and tools of communication, participation and dialogue with all stakeholders. These tools guarantee that the stakeholders have the adequate channels to be attended.

These channels are detailed and updated in the annual responsible banking information published on BBVA's website. In addition, the Bank has instruments and channels for communication and contact with shareholders and investors that are available to the public on the corporate website and that are managed by a specific Investor Relations department.

BBVA encourages transparency when disseminating information to stakeholders, adopting at all times responsible communication practices.

06 Governance model

The approval of the Corporate Social Responsibility Policy of BBVA corresponds to the Board of Directors of the Bank, in accordance with its Regulations.

The specific actions and initiatives for the development and implementation of the Corporate Social Responsibility Policy will be established at the executive level, which will be reported by the Global Responsible Business area to the Board of Directors and the Board Executive Committee.

Once the responsible business plans to be undertaken are specified at a corporate level, the Global Responsible Business area will be responsible for coordinating the execution of said plans with the areas involved, both at the global level and in the different geographies in which the BBVA Group operates, in a consistent manner with the established guidelines. These plans will also be coordinated with the units responsible for the operational risk management, in order to ensure that they do not contravene and are aligned with the action plans that these units are adopting to carry out their function.

The Global Responsible Business area will also collaborate within the scope of its competences, with the areas of the Bank responsible for the management of non-financial risks, accordingly to the distribution of functions in the Group.

The actions developed within the framework of the Corporate Social Responsibility Policy are considered voluntary for the Bank and do not arise from any regulatory obligation or normative duty.