

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

## Independent Assurance Report on the BBVA in 2015 Report

To the Board of Directors of Banco Bilbao Vizcaya Argentaria, S.A.

### Scope of our work

We have performed the review, with a limited assurance, of the non-financial information "BBVA in 2015" Report (hereinafter referred to as 'the Report') of Banco Bilbao Vizcaya Argentaria Group (hereinafter BBVA), the scope of which is defined in the 'Supplementary information' chapter, 'Report preparation guidelines-Criteria and standards' section. Our work consisted of the review of:

- The adherence of the Report to the GRI Sustainability Reporting Guidelines version 4 (hereinafter referred to as G4 Guidelines) and the contents, including the Financial Services Supplement, proposed in the aforementioned guidelines.
- The information included in the Report related to the Application of the principles of inclusivity, materiality and responsiveness set out in the AccountAbility's AA1000 Accountability Principles Standard 2008 (AA1000APS).

### Procedures performed

We carried out a limited assurance engagement in accordance with International Standards on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidelines for engagements related to the review of corporate responsibility reports issued by the Spanish Institute of Certified Public Accountants to achieve limited assurance. Also, we have applied AccountAbility's AA1000 Assurance Standard 2008 (AA1000AS), to provide moderate assurance on the application of the principles established in standard AA1000APS and on the sustainability performance indicators (type 2 moderate assurance).

Our work consisted in making enquiries to Management and certain units of BBVA involved in the preparation of the Report and in carrying out the following analytical procedures and sample-based review tests:

- Meetings with BBVA personnel to ascertain the principles, systems and management approaches applied in Spain, Argentina, Chile, Colombia, Mexico, Peru, Venezuela and the United States.
- Review of the steps taken in relation to the identification and consideration of the stakeholders during the year and of the stakeholders participation processes through the analysis of the available internal information and third-party reports.
- Analysis of the coverage, materiality and completeness of the information included in the Report on the basis of the understanding of BBVA of its stakeholders requirements in relation to the relevant issues identified by the organisation and described in the 'Primary stakeholders- Materiality and dialog with stakeholders' chapter.
- Review of the information related to the management approaches applied to Corporate Responsibility.
- Analysis of the adherence of the general contents of the Report to those recommended in the GRI G4 Guidelines and verification that the contents included agree with those recommended by the GRI Guidelines.
- Review of the 2015 Corporate Social Responsibility & Reputation local Committee meeting minutes and Responsible Business Committee meetings minutes.
- Verification, by means of review test on selected samples, the quantitative and qualitative information related to the GRI Contents included in the Report and the adequate compilation based on the data provided by the sources of information of BBVA. Review tests on selected samples have been carried out both in Spain and in other countries (Argentina, Chile, Colombia, Mexico, Peru, Venezuela and the United States).

### Responsibilities of BBVA's Management and of Deloitte

- The preparation and contents of the Report is the responsibility of the Responsible Business Management of BBVA, who are also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.
- Our responsibility is to issue an independent report based on the procedures applied in our review.
- This report has been prepared in the interest of BBVA in accordance with the terms and conditions of our Engagement Letter.
- We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.
- Deloitte maintains, in accordance with the International Standard on Quality Control 1 (ISQC1), a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.
- Since a limited assurance is substantially less in scope than a reasonable assurance agreement, we do not provide reasonable assurance on the Report.
- Our team consisted of professionals with assurance on Corporate Responsibility Reports qualifications and, specifically, on economic, social and environmental performance and the stakeholders participation processes.

## Conclusions

The 'GRI Indicators', within the 'Report preparation guidelines' chapter, provides details of the contents reviewed and the scope limitations of our review, and identifies any contents that do not cover all the areas recommended by the GRI. Based on the procedures performed and evidence obtained, except for the issues identified in the 'GRI Indicators', nothing has come to our attention that causes us to believe that:

- The Report has not been prepared in accordance with the guidelines of the GRI G4 in all material aspects.
- BBVA has not applied the principles of inclusivity, materiality and responsiveness as described in the section 'Report preparation guidelines-Criteria and standards' in accordance with standard AA1000 APS 2008:
  - Inclusivity: participation process for stakeholders that facilitates their involvement in the development of a responsible approach.
  - Materiality: the process of determining materiality requires an understanding of the important or relevant issues for BBVA and its stakeholders.
  - Responsiveness: specific actions and commitments related to the material issues identified previously.

## Observations and recommendations

Also, we have presented to Responsible Business Management at BBVA our recommendations in relation to the matters for improvement regarding Corporate Responsibility and the application of the principles of inclusivity, materiality and responsiveness. The most significant recommendations, which do not modify the conclusions expressed in this review report, are summarised as follows:

### Inclusivity and materiality

BBVA has continued to adapt its annual non-financial reporting to the GRI G4 Guidelines, and also continues to advance in the integration of its financial and non-financial corporate information. Also, the corporate materiality analysis performed in 2015 was based on the materiality exercise carried out in the Group's main countries in order to include the particular features of each of the businesses in which the Group carries on significant business activities; on the reputational risks identified at BBVA; and on other internal and external sources. In this regard, as recommended by the GRI Guidelines, BBVA could continue improving its process of identifying material aspects through a broader analysis of the impacts on its value chain, also taking into consideration other organisations in which it has an ownership interest or with which it interacts, such as the non-banking companies and the non-Group companies in which it has significant influence.

### Responsiveness

One of BBVA's most relevant matters in 2015 was the update of the Code of Conduct in order to bring it into line with the new regulatory requirements, with social expectations and with the current business structure. In 2016 BBVA must complete the communication, training and adherence plans defined in 2015.

Additionally, in 2015 the Group's new Corporate Social Responsibility Policy was approved by the Board of Directors; this policy will be a key instrument in ensuring the application and high-level supervision of the Group's plans and actions in this area.


2015 also saw completion of the BBVA Group's 2013-2015 Responsible Business Plan and the 2013-2015 General Eco-Efficiency Plan, with a high level of achievement of the objectives set therein. The new plans, which will be applicable from 2016, must facilitate the achievement of the commitments assumed in the CSR policy and the monitoring of the policy's execution. They must focus on the areas of highest impact, increase the scope to include all Group companies and develop a balanced scorecard to monitor the investments made, the activities performed and the results achieved.

In organisational and reporting terms, the entry of Garanti into the BBVA Group's scope of consolidation represented one of the main challenges of 2015. Although BBVA had been in the process of gaining an understanding of Garanti's policies and procedures for some time, Garanti only became part of the BBVA Group in 2015. In this connection, the 2015 BBVA report already included Garanti's information in many of its indicators, and in 2016 this information must be integrated into the process of identifying material aspects and into the corporate reporting of non-financial information, in terms of the timely availability of information, internal control and verification.

The digital transformation of the banking business was another focus of BBVA's attention in 2015. The creation of new global areas such as Engineering, New Digital Business or Global Marketing and Digital Sales represents a milestone in the Group's management of new technologies and their application to the processes and services for customers that increasingly make use of digital channels to interact with the Bank. The identification and implementation of CSR lines of action aligned with this digital transformation must also be a priority for the Entity.

Lastly, BBVA must continue improving the consolidation of its non-financial information in order to have available on a timely basis the information relating to the specific disclosures not provided in full in 2015, as reflected in the table of GRI indicators in the 'GRI Indicators' section.

Deloitte Advisory, S.L.

  
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Madrid, February 25<sup>th</sup>, 2016



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