



BBVA Creating
Opportunities

Commitment to human rights

January 2018



01 PURPOSE

BBVA is aware that human rights, as universal standards, provide an important moral base for fulfilling our goal of “bring the age of opportunity to everyone”. Respecting people’s dignity and their inherent rights constitutes an essential requirement of action that BBVA Group connects to its commitment to promote and preserve the well-being of the different social elements in which it carries out its business.

This commitment takes as a reference point the United Nations Guiding Principles on Business and Human Rights. Its purpose is to guide the entire organization in its strategic vision, operations and relationships with stakeholders .

The commitment is framed within the Group’s CSR policy and is aligned with BBVA’s Code of Conduct, assuming the commitment to apply the following content:

- The Universal Declaration of Human Rights
- The International Bill of Human Rights
- The United Nations Global Compact
- The United Nations Declaration on the Rights of indigenous Peoples
- The Women ´s Empowerment principles
- The OECD Guidelines for Multinational Enterprises
- The fundamental agreements of the International Labour Organisation (ILO)
- The Equator Principles of International Financial Corporation
- The United Nations Principles for Responsible Investment
- The United Nations Environment Programme Finance Initiative
- The International Covenant on Economic, Social and Cultural Rights
- The International Covenant on Civil and Political Rights
- The International Convention on Children's Rights
- The Convention on the Rights of Persons with Disabilities
- The Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
- The International Convention on Elimination of All Forms of Racial Discrimination
- The Convention on Elimination of All Forms of Discrimination against Women
- The International Convention on the Protection of the Rights of all Migrant Workers and Members of their Families

02 OUR PRINCIPLES

- BBVA incorporates its essential values into its operations as an integral part of carrying out its goal. These values, also included in the Code of Conduct, are: respecting people's dignity and their inherent rights, respect for equality and diversity, compliance with the legal framework and professional responsibility.
- BBVA has a different way of banking, based on profitability adapted to the principles of integrity, prudence and transparency. For that reason, BBVA has adopted policies of action related to governments, entities, people, suppliers and customers, that guide and define its actions.
- BBVA is committed to complying with all of the applicable laws and respecting the internationally recognised human rights. This commitment applies to all of the relationships that BBVA establishes with its customers, suppliers, employees and communities with which it carries out its business and activities.

03 COMMITMENTS

03.1 TO OUR EMPLOYEES

BBVA has adequate internal policies and procedures designed to ensure the respect of human rights in our relationship with our employees, aligned with the foundation of ethics and action contained in the Code of Conduct and Human Resources policies. These commitments are fundamentally based on:

- Respecting and promoting diversity and effective equal opportunities
- Guaranteeing that no child and forced labor will take place.
- Guaranteeing a harmonious working environment with proper treatment of others, in which there is no tolerance for discriminatory attitudes due to gender, ethnic origin, age, disability, disease, sexual orientation, nationality, marital status, socioeconomic status or political opinion
- Ensuring an environment free of risks against health and safety in all of our facilities
- Guaranteeing the freedom to form a union, association, the right to hold a strike and the right to collective bargaining
- Complying with the labour law framework valid in each one of the jurisdictions where the Group operates
- Protect and ensure the responsible use of data and the right to privacy
- Search for mechanisms to help employees work-life balance
- Promote fair and equal salaries between similar jobs in similar contexts

03.2 TO OUR CLIENTS

BBVA works to offer products and services that contribute to generate a positive impact in people's lives and fulfil the following commitments:

- To achieve more responsible financial inclusion based on adequate financial training
- Guarantee non-discrimination among our clients due to gender, ethnic origin, age, disability, disease, sexual orientation, nationality, marital status, socioeconomic status or political opinion
- To ensure the organization has an adequate knowledge of its customers, thus mitigating the risk of generating negative impacts on human rights caused by its products and/or services
- To ensure the sale of products and/or services are consistent with the action framework of transparency, clarity and responsibility (TCR)
- To develop specific policies that incorporate the criteria and controls for financing and advising in the sectors with the greatest risk of negative impact on human rights. These policies will also guide the investment criteria of our asset manager
- BBVA will carry out a special follow up of a client upon becoming aware of past serious human rights violations in order to guarantee the prevention, mitigation, promotion of reparations for damages caused before starting the relationship with BBVA. BBVA should abstain from operating with clients that do not show progress in this area
- Protecting and guaranteeing the responsible use of our customers' data and their right to privacy, in addition to guaranteeing that the algorithms used are documented, auditable, rigorous, and using them protect human rights
- BBVA shall comply with the prohibitions or limitations of carrying out certain commercial operations with governments, entities and individuals affected by sanctions or restrictive measures agreed upon by the United Nations, European Union and any other national or international body that is legally applicable

03.3 TO OUR SUPPLIERS

BBVA aspires to respect and promote human rights in its relations with suppliers through the Responsible Purchases Policy and the Supplier Ethics Code; both establishing the fundamental principles that all BBVA's suppliers should respect when carrying out their business activity.

- BBVA will only work with suppliers that share principles that comply with the bank's Supplier Ethics Code, and who guarantee respect for human rights
- It will require its suppliers to guarantee that their employees are hired whilst respecting the valid labour and migratory legislation, international agreements and other labour law provisions and regulations, regardless of the jurisdiction of origin or destination, in addition to them treating employees with respect and dignity, guaranteeing a workplace

that promotes diversity and inclusion, and where there is no tolerance for discriminatory attitudes

- It will assist the supplier upon becoming aware of serious violations of human rights, in order to ensure the prevention, mitigation and promotion of reparations for damages caused. BBVA should abstain from operating with those suppliers who do not demonstrate advances in this field
- BBVA shall be able to demand certain suppliers of greater risk, as established in the clause regulating the legal relationship, and may require additional controls that, depending on the circumstances, may include the following:
 - The right to carry out audits related to compliance with the commitments to Human Rights
 - The right to visit the supplier's facilities in the country in question

03.4 TO SOCIETY

BBVA is committed to the sustainable development of the societies in which it is present. This commitment unfolds in several areas of action, including the respect, defence and promotion of human rights. BBVA is committed to:

- Actively collaborating with governmental bodies, international organizations and other institutions to promote respecting human rights, and achieving the Sustainable Development Goals
- Promoting plans and actions that lead to improving economic, social and cultural rights, equal opportunities, diversity, non-discrimination and inclusion.
- Abstaining from participating in financing foreign trade transactions whose purpose is directly related to anti-personnel mines and cluster bombs due to their unique impact on the right to life and the integrity of people, especially in a civil population
- Being transparent in paying taxes, while applying the principles of integrity and prudence, and breaking down its tax contribution in all areas it operates
- The fight against corruption in its different forms, periodically revising its anti-corruption framework and strengthening it when necessary
- Only operating in countries that do not prevent the organization from carrying out its activity while simultaneously applying the principles and standards of action mentioned in this document

04 OUR APPROACH: DUE DILIGENCE IN HUMAN RIGHTS

The present document defines the fundamentals of behaviour regarding human rights applicable to all entities that form part of the BBVA Group and its employees and executives. BBVA hopes that its stakeholders operate in the same way, and fulfil the present Commitment by integrating it within their strategy, processes and operating model, such that all areas, both the business and support, are responsible for compliance, each within their scope, in order to achieve the following objectives:

- Identification of impacts. To establish mechanisms to identify and prioritize the real and potential impacts on human rights
- Due diligence. To ensure due diligence in respecting human rights, regardless of the context where it operates to avoid causing, contributing or being directly linked to adverse impacts on human rights
- Dialogue. To establish processes of dialogue with stakeholders aimed at identifying, assessing, preventing, mitigating and compensating grievances; in such a way that ensures that learning and improvement continue in this regard
- Reparation. To compensate or cooperate in the effective compensation for any adverse impact for which BBVA is directly responsible. To ensure legitimate processes of inquiry and complaint in all headquarters and countries in which BBVA is present, including a mechanism of inquiry, complaint and dation in payment so that all stakeholders can ask and learn about the relevant topics, propose measures or resolve complaints as quickly as possible
- Strengthening capacities and training. To strengthen the internal capacities for managing human rights, appointing the adequate resources, tools and managers
- Evaluation and monitoring. To continuously assess the bank's management systems to correct, if necessary, the possible procedures and ensure due diligence in that regard.

05 DIALOGUE AND MECHANISMS FOR CLAIMS AND COMPENSATION

BBVA will continue strengthening and generating mechanisms of participation and dialogue with its stakeholders that allow learning about and better understanding the challenges the Group is facing, innovations on the market, and the latest developments in the sector that may impact human rights.

The Bank understands that grievance mechanisms are a fundamental part to guarantee due diligence in human rights. That's why it has several mechanisms that allow the stakeholders to raise inquiries, complaints and claims, such as:

- Employee Care Service
- Customer Service
- Customer Supporter: and
- Customer Service for Shareholders and Investors
- Complaint Channel (for employees and suppliers)

The mechanisms shall be subjected to a continuous improvement process, based on the efficiency criteria defined by the guiding principles of the United Nations on Companies and Human Rights, and therefore, strive to be:

- | | |
|---------------|---------------------------------------|
| ■ Legitimate | ■ Transparent |
| ■ Accessible | ■ Compatible with rights |
| ■ Predictable | ■ Continuous source of learning |
| ■ Equitable | ■ Based on participation and dialogue |

06 GOVERNANCE AND MONITORING

The governance model is structured following the BBVA control model, composed of three lines of defence, and the model of due diligence proposed. The responsibility of fulfilling this commitment day in and day out belongs to all people employed by the Group.

The responsibility for the design, implementation and improvement of our Commitment to Human Rights corresponds to Responsible Business.

The CEO, with the support of the Global Leadership Team, will take action about its definition and update within the Corporate Social Responsibility policy approved by the Board of Directors.