



Creating Opportunities

Responsible Banking Report USA 2019



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Dear Stakeholders,

As BBVA USA wrapped up a busy and productive year in 2019, none of us could have anticipated how well the work we did throughout the year would prepare us to successfully navigate the complicated and unprecedented environment that now surrounds us in 2020.

The many and varied crises that have impacted all of us have shone a spotlight on the continued value and the relevance of our new five-year strategic plan. As we have heard many times from our Executive Chairman Carlos Torres Vila, the future of finance is financing the future. This means that we must align our business efforts with the social and environmental challenges in order to achieve continued success.

Letter from the President & CEO

The five-year plan for continued growth is underscored by the same six pillars that are guiding BBVA globally, including developing solutions that help clients improve their financial health through advanced technological innovation and a focus on a future grounded in sustainability. Specifically, the pillars are:

- Improving the client’s financial health
- Helping our clients transition toward a sustainable future
- Reaching more clients
- Operational excellence
- The best and most engaged team
- Data and technology

Going forward, we will continue to focus our efforts on these key elements of success, along with topics that are of specific importance to our shareholders. In 2019, we saw an increase in importance for both the bank and its stakeholders in three key categories: corporate governance, environmental and climate change impact, and diversity and conciliation. We further identified additional topics as material: Easy,

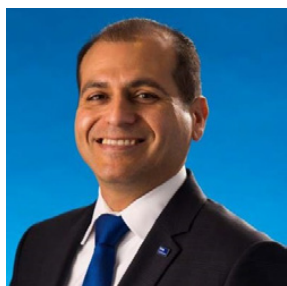
fast and do-it-yourself (accessibility and simplicity); solvency and sustainable results; cybersecurity and responsible use of data; ethical behavior and consumer protection; and corporate governance.

In addition, as the bank works toward its purpose of bringing the age of opportunity to everyone, we continue our focus on a more sustainable future through lending, products and services, building value for stakeholders and contributing in a meaningful way to a more sustainable world. The bank’s previous \$11 billion community development program, fulfilled in 2019, along with our renewed commitment of nearly \$15.4 billion in 2020, provide lending, investments and services to support low- to moderate-income individuals and neighborhoods in the U.S.

The results we see from this ongoing commitment are both good business and responsible banking. Through a combination of community investment, financial education and small business support, we are able to deliver on the bank’s mission.

Our commitment to these key initiatives will continue to be one of the threads that bind us to our past achievements as we move forward. Combined with our ongoing digital transformation, BBVA is well-positioned for continued success, despite the social, health and financial challenges we all face. The partnership between our extensive branch network and our award-winning digital channels has proved prescient in a time of social distancing, allowing us to provide an omnichannel experience that serves our customers according to their needs.

Francisco Javier Rodríguez Soler
President & CEO



Letter from Executive Vice President, Director of Communications and Responsible Business

Dear Stakeholders,

Looking back on the accomplishments of 2019 from the perspective of 2020, it is heartening to see the solid foundation we have been able to establish for ourselves and the communities we serve. The myriad challenges of the current year — social and economic — bring into sharp focus the value of our ongoing efforts to foster community development, support entrepreneurship and find ways to deliver on our commitment to diversity and inclusion both inside and outside the organization.

Throughout 2019, BBVA USA has continued to demonstrate its strong commitment to responsible banking across the footprint with renewed and improved programs, and that is reflected in the fulfillment of our five-year, \$11 billion commitment for lending, investments and services supporting low- and moderate-income individuals and neighborhoods. We made this commitment in 2014, and before the end of 2019, we exceeded the expectations we set for ourselves all those years ago.

We expanded that commitment with a new commitment to carry us through 2025, pledging an additional \$15.4 billion over the next six years. Within that time frame, the bank plans to originate \$3 billion in mortgage loans to low- to moderate-income (LMI) homebuyers and in LMI neighborhoods, nearly \$7.3 billion in small business lending, \$4 billion in community development lending, and to make more than \$1.1 billion in community development investments. The plan was developed with input from stakeholders on the bank's 20-member advisory board, established in September 2015.

In 2019, BBVA USA implemented programs and enhanced processes in a number of key areas, including:

Lending and Investments

- The bank worked in close partnership with 31 CDFIs (Community Development Financial Institutions) across our footprint reaching \$106 million in investments to increase CDFI lending capacity.
- The bank's community development lending program supported 26 affordable housing activities totaling \$190.2 million.
- In 2019, the bank originated 21,729 small business loans totaling \$1.2 billion.

Community Giving

- During 2019, the Community Giving Program invested \$8.9 million in bank charitable sponsorships and grants from the BBVA Foundation for 722 community-based organizations.
- The Center for Financial Education program continued to expand, working with 51 nonprofit partners across the bank's seven state footprint and investing nearly \$850,000 to support those partners and the financial education workshops they hosted.
- BBVA nearly doubled the number of people reached through these programs from just over 10,000 in 2018 to 18,758 adults in 2019.
- BBVA Momentum hosted 19 social enterprises that participated in the five-month program, delivering more than 1,200 hours of one-on-one technical assistance, mentorship and strategic advice through BBVA employee volunteers.

Employee Involvement

- BBVA employees contributed 120,959 volunteer hours in community service activities in 2019.
- BBVA employees further donated a total of \$886,655 to 1,568 charities nationwide.

Additionally, our work in building one team has earned BBVA a perfect score in the HRC 2019 Corporate

Equality Index, along with national recognition as a DiversityInc 2019 Top 50 Companies for Diversity. Going forward through 2020, we will continue to identify and act on opportunities to engage employees and the communities we serve in efforts to improve diversity and inclusion in the workplace.

In the coming years, Responsible Business will continue to demonstrate our dedication to the global organization's core values — the customer comes first, we think big, and we are one team — by aggressively diving into the new \$15.4 billion pledge and enhancing and building the capstone projects that further affirm our commitment to the communities where we operate. All these efforts combine for one single purpose: bringing the age of opportunity to everyone.

J. Reymundo Ocañas
Communications and Responsible Business – EVP, Director, BBVA USA

Key Responsible Business Indicators



\$3,742,977*

Revenues

\$1,214,146*

Operating Costs

\$1,181,934*

Employee Wages and Benefits

\$676,178*

Payments to Providers of Capital

\$254,022*

Payments to Government

2,213,997

Number of Customers

BBVA

10,447

Employees

641

Branches

1,505

Number of Suppliers



\$8,948,146

Charitable Contributions

\$886,665

Employee Donations

120,959

Employee Volunteer Service Hours



8,273

Number of Mortgages

28,633

Number of SME Loan Customers

\$2.696 billion

Value of SME Loan Portfolio

\$1,215,914*

Small Business Lending

\$865,599*

Community Development Lending

\$458,004*

LMI Home Mortgage Lending

* In thousands

Our Purpose:

To bring the age of opportunity to everyone.



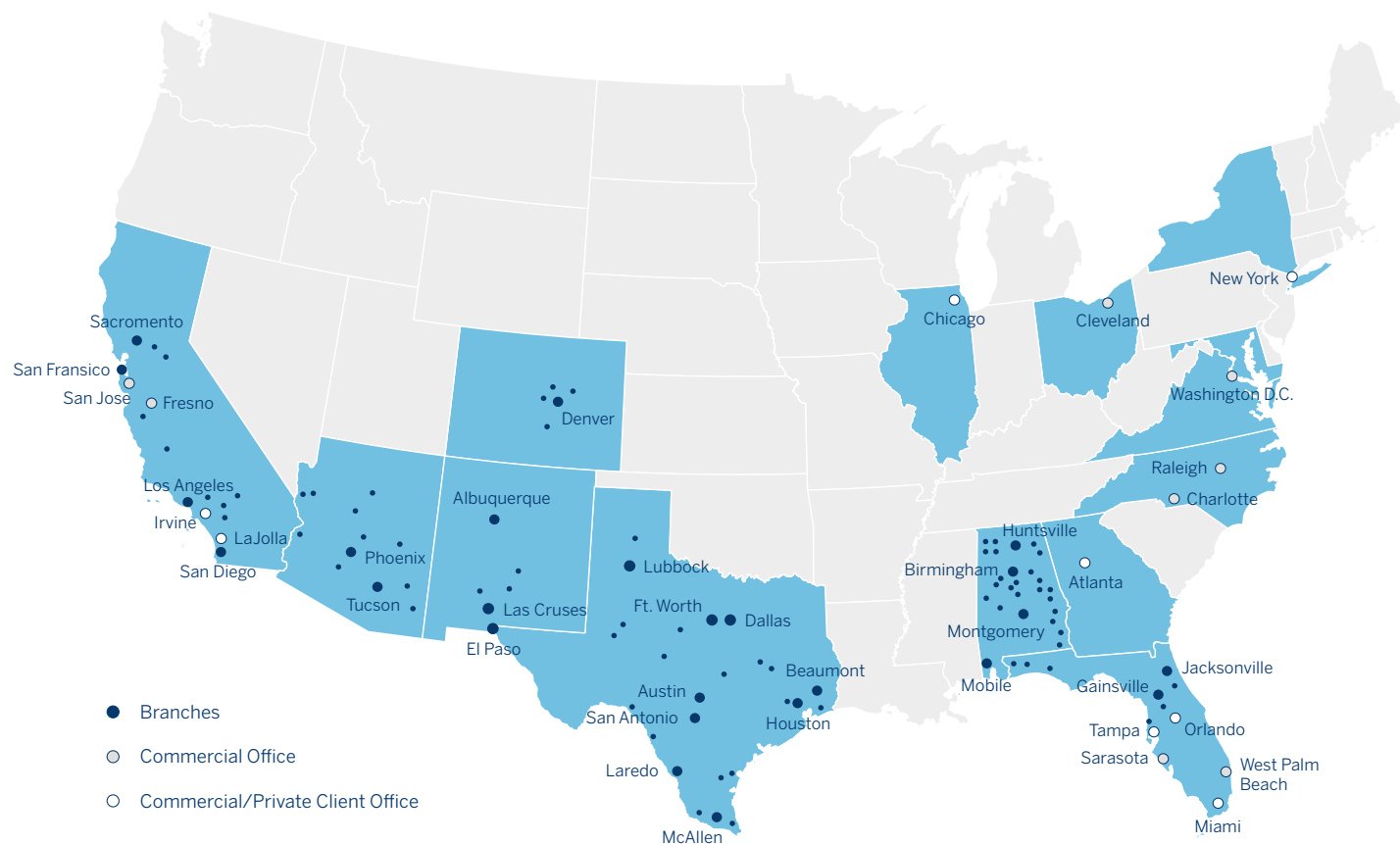
BBVA USA was recognized by Kiplinger as its runner-up in the Best Banks for High-Net-Worth Families category for 2019.

Awards



- ✓ Javelin Strategy & Research 2019 Mobile Banking Scorecard: Ease of Use
- ✓ Javelin Strategy & Research 2019 Mobile Banking Scorecard: Customer Service
- ✓ Forbes: World's Best Banks List
- ✓ GOBanking Rates: Best Second Chance Checking Accounts List
- ✓ GOBanking Rates: 10 Best National Banks of 2019
- ✓ Human Rights Campaign: 100% on the 2019 Corporate Equality Index
- ✓ Global Finance Management: Innovator in Cash Management
- ✓ DiversityInc: Top 50 Companies for Diversity
- ✓ Kiplinger: 2019 Best Banks for High-Net-Worth Families in the US
- ✓ 2019 Best in Bank Customer Experience Awards: Best Mobile Experience
- ✓ Business Insider Intelligence: 2019 Mobile Banking Competitive Edge Leader
- ✓ Greenwich Associates: 2019 Customer Service Leader: US Commercial Middle Market Banking
- ✓ AVA Digital Awards: Integrated Marketing: Platinum
- ✓ American Heart Association: 2019 Workplace Health Achievement Index: Gold Status
- ✓ 2019 Bloomberg Gender-Equality Index

► Strategy



\$93,603,347

Total Assets (In Thousands)

13

States

641

Branches

10,447

Employees

About BBVA

BBVA USA Bancshares Inc., is a wholly owned subsidiary of BBVA (NYSE: BBVA) (MAD: BBVA). BBVA is a customer-centric global financial services group founded in 1857. Headquartered in Houston, Texas, BBVA USA Bancshares is a Sunbelt-based holding company whose principal subsidiary, BBVA USA, operates branches in Texas, Alabama, Arizona, California, Florida, Colorado and New Mexico. BBVA USA ranks among the top 25 largest U.S. commercial banks based on deposit market share. BBVA is used as a trade name for the US bank.

BBVA provides financial solutions that fit with the lives of our customers. We offer traditional credit and deposit products, Small Business Administration (SBA) loans, treasury management, leasing, accounts-receivable purchasing, asset based lending, international services, insurance, interest-rate protection and investment products, specialized investment portfolio management, traditional trust and estate services, investment advisory services and financial counseling.

BBVA Values



BBVA values define our identity and they serve as the pillars for making our purpose a reality:

- **Customers come first:** the bank aspires to take a holistic customer vision, beyond finances. This means working in a way that is empathetic, agile and with integrity, among other things.
- **We think big:** we aim to have a significant impact on the lives of people, enhancing their opportunities. We are ambitious,

constantly seeking to improve, seeking excellence as a standard.

- **We are one team:** People are what matters most. We tear down silos and trust in our partners as we do ourselves.

BBVA's values are reflected in the daily life of each employee, influencing every decision. In 2019, the values and behaviors were included in all professional development model processes and the Talent & Culture policies.

BBVA highlighted and celebrated our Values during our second global Values Day in 2019. The Values Challenge, a new component of the celebration, was launched in 2019 in response to employee feedback. This program encourages impactful employee participation in shaping the bank's future. Global teams collaborate on projects over a period of two months so that their ideas can be implemented at the Group. The first edition of the program was attended by 500 employees from around the world.

ViVa Award

BBVA recognized Veronica Delgado, BBVA USA's Director of Talent Management & Learning, with the global ViVa Award. Delgado's colleagues report that she is, "a trusted and valued partner;" "always the first to jump in;" and that "she has a great can-do attitude."

These observations are among the reasons that Delgado earned the award and had the opportunity to join her fellow award winners from across the globe in Spain for Values Day.

"The ViVa Awards celebrate people who are living the bank's Values every day, in every interaction with peers and customers," said Director of Talent Acquisition and Development Sonia Storer, who nominated Delgado for the award.

Chief Talent & Culture Executive Rosilyn Houston said, "Veronica is passionate about her role in the organization, and she takes great pride in how our development opportunities positively impact team members throughout the bank and create additional opportunities for them."

"There are so many people here in the U.S. and in the bank's footprint around the globe who inspire and motivate me, and it's an honor to be included and to have the opportunity to learn from my respected colleagues," said Delgado.



Strategic Plan Process

BBVA Group establishes strategic priorities to provide focus for functions across the bank as they work on projects and programs. The strategic initiatives established as part of BBVA USA’s responsible business department were aligned with the 2019 strategic priorities as outlined in the chart below.

Based on these priorities, launched in 2015, BBVA has driven growth in digital and mobile customers, digital sales and has improved user experience and impact customer growth and satisfaction.

BBVA Group began the process of updating the company’s strategic priorities in 2019. These new priorities will be reflected in the strategic initiatives beginning in 2020.

“We want to repeat this success. We have selected six more priorities to amplify the impact of our digital transformation on our customers and society, with a key role for the team, technology and data, to make our purpose a reality and reach more clients.” — Onur Genc, BBVA’s Group Executive Chairman

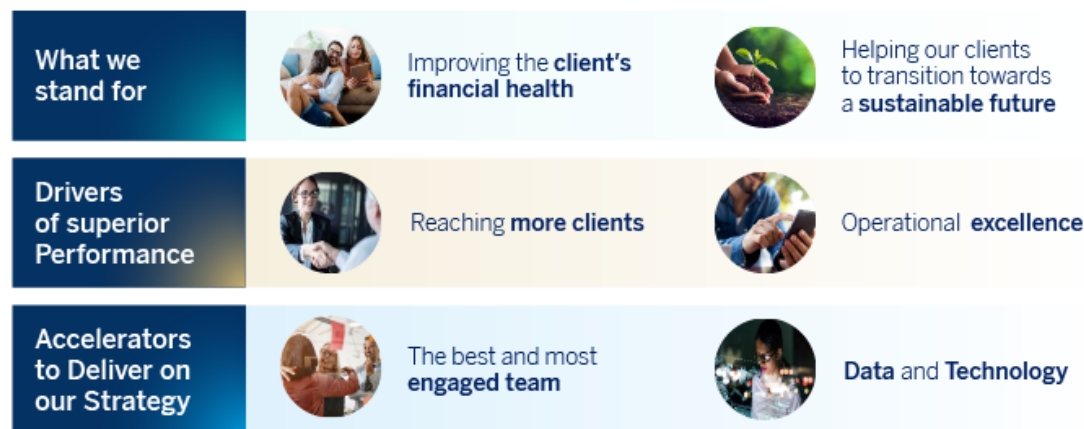
Responsible Business Initiatives

Strategic Priorities	Responsible Customer Experience	Sustainable Finance	Community Investment	Responsible Employee Experience	Reputation Management	Strategy Advocacy
 Customer Experience						
 Digital Sales						
 New Business Models						
 Optimize Capital Allocation						
 Unrivaled Efficiency						
 A First Class Workforce						

“Based on a solid understanding of the macro environment in the region of the country where we operate, our market position and some of the opportunities we see to transform certain areas of the bank, we created a thorough and collaborative plan that we believe is ambitious, achievable and fully aligned with BBVA Group global objectives.”

— Francisco Javier Rodríguez Soler,
President & CEO BBVA USA

We are **evolving** our **Strategic Priorities** to **strengthen** our **purpose**



New Global Strategic Priorities

BBVA's new strategic priorities, launched in 2019, will drive activities of the strategic plan for 2020-2024.

toward a more sustainable future inspired by selected Sustainable Development Goals.

1. Improving our clients' financial health — Help our clients, through personalized advice, make better decisions and manage their finances to achieve their life and business goals.

3. Reaching more clients to have profitable growth — Accelerate profitable growth by being where clients are, leveraging our digital channels and those of third parties.

2. Helping our clients transition towards a sustainable future — Progressively align our activity with the Paris Agreement and use our role to help our clients transition

4. Driving operational excellence — Work efficiently with automated, simple processes that use new technologies and data analytics while effectively manage risks, both financial and non-financial.

5. The best, most engaged team — A diverse and empowered team guided by our Purpose, Values, and Behaviors, propelled by a talent development model that creates growth opportunities for all team members.

6. Data and technology — Advanced data analytics coupled with secure and reliable technologies to build distinctive high-quality solutions and deliver on our strategy.

In line with the global strategy, **BBVA USA is focused on developing solutions that help clients improve their financial health through advanced technological innovation and a focus on a future grounded in sustainability.**

Materiality Process

BBVA listens carefully and considers the interests of our stakeholders throughout the year. Stakeholder feedback is thoroughly and systematically collected and assessed through the materiality process.

Our stakeholders are based on BBVA Group’s stakeholders, historical experience and input from Datamaran (automated processes for benchmarking, materiality analysis and ESG risk management).

The 2019 materiality analysis prioritizes the most relevant issues for both our key stakeholders and our business. The materiality matrix helps guide our strategic planning and determines the priority issues included in our reporting.

The materiality analysis consisted of three phases:

1. **Review and validation of the issues list from prior years based on information from the usual listening and dialog tools.**

2. **Prioritization of issues according to their importance for stakeholders including interviews and surveys of customers, employees and investors, along with a robust data analysis of other available inputs. Sources included:**

- RepTrak External Reputation Survey
- Investor relations surveys for investors and analysts
- Regulatory documents
- Industry trend reports
- News feeds
- Social media listening
- Benchmarking
- NGO documentation

3. **The global strategy team assessed how each issue impacts the six Strategic Priorities. The most relevant issues for BBVA are those that are most closely aligned with these strategic priorities (see page 9).**

According to the Global Reporting Initiative (GRI), material topics are those that reflect an organization’s significant economic, environmental and social impacts; or that substantively influence the assessments and decisions of stakeholders.

The explanation of why the topic is material can include:

- A description of the significant impacts identified and the reasonable expectations and interests of stakeholders regarding the topic;

- A description of the process, such as due diligence, that the organization used to identify the impacts related to the topic.

In 2019, the topics that demonstrated increased importance for both stakeholders and BBVA compared to 2018 were:

- **Corporate Governance**
- **Environmental and Climate Change Impact**
- **Diversity and Inclusion**



BBVA USA identified corporate governance as a new material topic in 2019.

Material Topics

Through the 2019 materiality process, BBVA identified the following topics designated as 'very high' importance as material:

- **Easy, fast and DIY (do-it-yourself):** refers to the way stakeholders interact with BBVA, with a priority on accessibility, the ability to engage with agility and simplicity, at any time and from anywhere, taking advantage of advanced technology.
- **Solvency and sustainable results:** stakeholders expect BBVA to be solvent and sustainable. BBVA's business model needs to adapt to market changes from disruptive technologies and new competitors, to geopolitical issues and more.
- **Cybersecurity and responsible use of data:** stakeholders expect their sensitive financial and other personal data to be secure at BBVA. Data is expected to be protected and used carefully and responsibly as approved and always complying with the law. This is critical to maintaining trust.
- **Ethical behavior and consumer protection:** stakeholders expect BBVA to be responsible and to protect clients or depositors by acting transparently, offering products that are appropriate to their risk profile and managing ethical challenges with integrity. This includes helping customers manage their finances and financial health while providing proactive and excellent customer service.
- **Corporate governance:** stakeholders expect BBVA to have strong, transparent corporate governance. This includes the composition of governance bodies, solid decision-making processes, accountability and control processes.

This information was gathered through ongoing listening and dialogue tools such as surveys, media analysis and more. See "Stakeholder Group Approach" on page 13.

BBVA USA MATERIALITY MATRIX 2019



● Very High ● High ● Medium ● Low

STAKEHOLDER GROUP APPROACH

Stakeholder Group	Communication Channel	Main Topics	What matters to our Stakeholders	Main Topics
Customers	• Materiality assessment • External reputation survey • Formal complaint management • Customer appreciation days	• Customer perception towards BBVA • Solicit feedback • Bank fees • Digital access capabilities • Credit decisions	• Solvency of the entity • Consumer protection • Cybersecurity and responsible use of data • Agility, simplicity, convenience and self-service • Value counseling: personalized solutions and recommendations • Corporate Governance	• Put our clients at the center of the activity • Drive transparent, clear and responsible communication and financial education to facilitate informed financial decision making • Develop social and environmental products and services • Promote financial inclusion
Employees	• Materiality assessment • Internal reputation survey • Emails • Intranet stories and content • Manager talking points • Volunteer connection • Emails via volunteers mailbox • Google+	• Employee perception towards BBVA • Employee benefits • Career growth and development • BBVA's values • Company goals • Volunteer opportunities • Volunteer stories • Volunteer recruitment • Charity program • Participation campaigns • Employee involvement goals	• Occupational safety and soundness of the company • Culture and values aligned with one's own • Professional development • Equality of opportunity, diversity and conciliation • BBVA is a good place to work • Impact to the community • Opportunity for collaboration with other employees via volunteerism efforts • Recognition for volunteer efforts • Corporate Governance	• Respect for diversity and promotion of equal opportunities • Promote work-life balance • Guarantee employee health and safety • Promote a culture of social commitment • Promote volunteer efforts and program benefits • Provide a platform for employees to give back to their communities • Listen to the causes that employees care about
Investors	• Investor portal • Fixed income presentations	• Principles and policies • Financial information • Fiscal policy • Sustainable finance • Responsible banking • Sustainability ratings	• Solvency • Shareholder remuneration • Strategy and creation of sustainable value • Good governance • Environment and climate change • Good reputation	• Transparency in disclosure of information • Awareness about of shareholders' rights • Guarantee equality of treatment
Regulators	• Materiality assessment • Regulatory oversight and relations team • Ongoing dialogue with regulators and examination team • Quarterly CRA update calls • Email responses to regulator questions	• CRA performance exam • Regulatory reform • Working to create financial education opportunities • New investment opportunities • Qualification of community development activities	• Depositor defense, consumer protection and fundamental rights (including privacy) • Solvency and liquidity • Good corporate governance and risk management (including non-financial) • Sustainability of the business model • Stability and transformation of the financial system • Respect for regulation • Protection of employment • Environment, climate change and sustainable finance	• Fiscal strategy and total tax contribution report • Community Reinvestment Act • Compliance system management
Society/Communities	• Corporate citizenship programs & events • Community relations team • Diversity team • Materiality assessment • Partnerships with NGOs & CDFIs • Volunteer chapters • BBVA Foundation • BBVA Momentum • Financial education summit • External reputation survey • Community Advisory Board meeting	• Financial education • Diversity • Opportunities for entrepreneurs/ small business • Financial solutions & opportunities • Community development grants • Society's perception towards BBVA	• Protection of consumers and their fundamental rights • Financial inclusion: access to finance • Financial education • Environment and climate change • Financial health • Creation of employment	• Commitment to the environment in line with the recommendations of the Task Force on Financial Disclosures (TCFD) • Define and implement a strategy of climate change and sustainable development for achieving the United Nations Sustainable Development Goals • Take part in initiatives to promote responsible practices • Promote the development of society focused on entrepreneurship and financial education and knowledge • Participate in initiatives and collaborate with regulators and other organizations to promote and disseminate responsible practices
Suppliers	• Supplier engagement via email registration request • Supplier enablement in eProcurement system • Responsible procurement policy	• Third-party risk management • Electronic RFX • Procurement partners announced & implemented • Service level agreements	• Procurement partner planning assistance • Service level agreements	• Respect human and labor rights in the supply chain, and stimulating demand in socially responsible products and services

Governance

Our executives are committed to helping our customers achieve financial success. That’s why transparency and accountability are at the heart of everything we do. Our team of leaders are shaping BBVA and creating new opportunities in banking.

Organizational Structure

The Board of Directors, both executive and non-executive, oversees BBVA USA Bancshares, Inc. In 2019, J. Terry Strange served as the non-executive Chairman of the Board. Francisco Javier Rodríguez Soler served as both a Board Member and Chief Executive Officer of BBVA USA Bancshares, Inc. Six of the 12 directors in 2019 were outside, independent directors. BBVA USA Bancshares defines an outside director as someone who is not, and within the

preceding fiscal year has not been, an officer or employee of BBVA USA Bancshares or any affiliate of BBVA USA Bancshares. A director is not considered to be independent if he or she does not meet several criteria including, among others, that he/ she has been, within the past three years, an employee of BBVA USA Bancshares or any of its affiliates or an immediate family member is, or has been within the past three years, an executive officer of BBVA USA Bancshares or any of its affiliates.

Detailed information about BBVA USA Bancshares, Inc.’s Board of Directors and the bank’s corporate governance structure can be found by visiting: bbvausa.investorroom.com/company-officers. Committees and members can be found at: bbvausa.investorroom.com/board-committees.

Board of Directors

J. Terry Strange (Chairman)
 William C. Helms (Vice Chairman)
 Juan Asúa
 Eduardo Aguirre, Jr.*
 Shelaghmichael Brown*
 Fernando Gutiérrez Junquera
 Charles E. McMahan*
 Jorge Sáenz-Azcúnaga

Guillermo F. Treviño* (his appointment expired on January 30, 2020)
 Lee Quincy Vardaman*
 Mario Max Yzaguirre*
 Onur Genç
 Francisco Javier Rodríguez Soler
 Carin Marcy Barth (Added January 30, 2020)

* Outside, independent Directors.

BBVA Board Committees

	Objective / Purpose	Board Participants
Audit & Compliance	Oversees the integrity of the accounting and financial reporting processes and the adequacy of the systems of internal controls regarding finance and accounting compliance with legal and regulatory requirements.	J. Terry Strange Eduardo Aguirre, Jr. Lee Quincy Vardaman Mario Max Yzaguirre* Shelaghmichael Brown Charles E. McMahan Guillermo F. Treviño
Risk Management	Oversees and monitors the overall risk strategies and key risk issues including the risk appetite, various tolerance levels and limits, key risk policies and procedures, and general oversight of risk management activities.	J. Terry Strange William C. Helms Shalaghmichael Brown Charles E. McMahan* Lee Quincy Vardaman Mario Max Yzaguirre
Compensation & Benefits	Oversees compensation programs and the establishment, maintenance and administration of BBVA USA’s employee benefit plans.	J. Terry Strange Eduardo Aguirre, Jr. Lee Quincy Vardaman* Guillermo F. Treviño

* Committee chair

BBVA USA Management Team



As of December 31, 2019

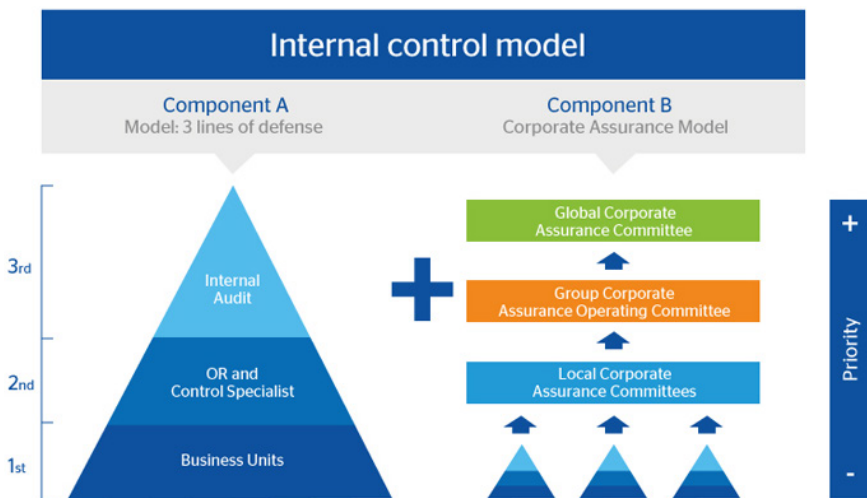
Internal Control Model

Based on best operational risk management practices, BBVA Group has established and maintained an internal control model organized around three lines of defense (3LoD), and a governance program called Corporate Assurance.

Three Lines of Defense

BBVA USA has Risk Control Assurers (RCA) embedded in the first line of defense. They are responsible for managing current risks, identifying emerging risks, implementing control procedures and assuring documentation.

Improving the documentation of risks and controls was a focus in 2019. Roughly 1,462 new risks, 1,889 new controls, and 505 new test plans were added during the year. Six hundred twenty eight new critical risks were added (roughly 43% of all risks added). For comparison, at year-end 2018, BBVA USA had 997 existing critical risks.



The second line of defense consists of experts in each type of risk such as compliance, fraud, finance, cybersecurity, business process execution and third-party risk management. These Risk Control Specialists (RCS) help identify current and emerging risks, define the control objectives within their scope of responsibility, and confirm that they are implemented correctly. A key focus of this process is to provide effective challenge of the risk and control activity carried out in the first line of defense.

The third line of defense is made up of the internal audit area, for which the Group follows the guidelines of the Basel Committee on Banking Supervision and of the Institute of Internal Auditors. It provides independent and objective assurance and consulting activity to add value and improve operations.

Corporate Assurance

The Corporate Assurance program provides a comprehensive and standardized approach to the Board of Directors and the management bodies on internal controls. The program provides timely information on the main control weaknesses in the assurance processes and makes it possible to prioritize solutions and monitor implementation.

To ensure correct operation, the program includes an orderly mechanism for reporting to management. This includes a number of committees at the local and global level in which members of the senior management of the Group and its subsidiaries take part. The committees seek to discover and make decisions on control issues that may have a significant impact on the objectives of the different areas/units, both at the local level and for the consolidated Group.

Compliance System

BBVA USA is committed to interacting with our customers – and all of our stakeholders – fairly and ethically. Our compliance system, which includes strict codes of ethical conduct, is built on the foundation established by BBVA Group.

BBVA's Compliance Unit is responsible for developing and implementing policies and procedures; communication and training; and the identification, assessment and mitigation of potential compliance risks. These activities are guided by the principles set forth by the Bank for International Settlements (BIS) as well as any relevant regulations.

The Compliance Unit is focused on:

- Prevention of money laundering and terrorist financing
- Conduct with customers
- Conduct on securities markets
- Conflicts of interest
- Prevention of corruption and bribery

BBVA Group's global compliance model includes ongoing assessment of risks and management practices. The model evolves over time as risks and industry change.

This management approach is built on the following:

- A suitable organizational structure with a clear assignment of roles and responsibilities throughout.
- Policies and procedures that clearly define positions and requirements to be applied.
- Mitigation processes and controls applied to enforce these policies and procedures.
- A technology infrastructure focused on monitoring and designed to support our compliance systems.
- Communication, training systems and policies implemented to raise employee awareness of the applicable requirements.
- Metrics and indicators that allow the supervision of the global model implementation.
- Independent periodic review of effective model implementation.

Compliance Training

BBVA USA employees are required to take compliance training based on their job function. Training programs include Foreign Corrupt Practices Act (FCPA) training, "Know the Code" training, and Bank Secrecy Act and Anti-Money Laundering training.

The Audit & Compliance Committee of the Board, consisting of six members, received training on the Bank Secrecy Act, Anti-Money Laundering and the Sanctions Compliance Program in December 2019.



7,573 employees trained in Foreign Corrupt Practices Act.



8,944 employees trained in Know the Code.



9,529 employees trained in Bank Secrecy Act and Anti-Money Laundering.



Standards of Conduct

BBVA USA's compliance program is built around the foundation of the Code of Conduct (the Code), which is available on BBVA's investor relations website (bbvausa.investorroom.com). BBVA USA employees adhere to two Codes of Conduct: the BBVA USA Code of Conduct (formerly BBVA Compass Code of Conduct), and the BBVA Group Code of Conduct.

Both the BBVA USA and the BBVA Group Codes of Conduct define the fundamentals of ethical conduct and the operating guidelines for preserving the Bank's integrity, one of the principal sources of value creation for the organization. The BBVA Group Code of Conduct is applicable to all entities and employees.

The Codes of Conduct publicly reflect the sum of pledges made by BBVA USA to our direct stakeholder groups and to the communities where we operate. All active BBVA USA employees are required to complete robust Code of Conduct training annually, wherein they acknowledge that they have read, understand, and agree to abide by the Codes of Conduct. The Codes of Conduct and

applicable training also stress the importance of reporting suspected misconduct/unethical behavior via one of the established anonymous or internal reporting channels.

During 2019, BBVA USA launched a video from several of its Management Committee members to all employees, highlighting important principles of ethical behavior and our commitment to our customers to conduct business in an ethical and responsible manner. This video was an important way to reinforce the importance of the Code of Conduct by setting the "tone at the top."

In addition to the BBVA USA and BBVA Group Codes of Conduct, we have the following important policies, guidelines, and governing bodies in place to manage commitments in various operating areas regarding ethical conduct and controls:

- **Corporate Integrity Management Committee**
- **Capital Markets Code of Conduct for BBVA in the U.S.**
- **BBVA Group Policy on Conduct in the Securities Markets**

Liquidity Management

Effective liquidity management is essential for the operation of BBVA USA's business. As a bank, we require sufficient liquidity to meet customer loan requests, customer deposit maturities/withdrawals, payments on debt obligations as they come due and other cash commitments under both normal operating conditions and unpredictable circumstances causing industry or general financial market stress.

Liquidity management is independently monitored by the Structural Risk Department under the company's Enterprise Risk Management framework. Following BBVA's global model, the Structural Risk Department establishes and monitors compliance with numerous liquidity risk management targets both internally derived as well as required by regulators. Additionally, the Internal Audit Department performs regular reviews of liquidity management to ensure compliance with policies, procedures and regulatory guidelines. BBVA USA maintains policies, procedures and contingency funding plans that are periodically reviewed and approved

by various oversight working groups and committees including certain committees of the Board of Directors.

BBVA USA regularly assesses liquidity needs under various scenarios of market conditions, asset growth and changes in its credit ratings. The assessment includes liquidity stress testing which measures various sources and uses of funds under the different scenarios. The assessment provides regular monitoring of unused borrowing capacity and available sources of contingent liquidity to prepare for unexpected liquidity needs and to cover unanticipated events that could affect liquidity.

BBVA USA believes that the current sources of liquidity are adequate to meet the company's requirements and plans for continued growth in order to support responsible banking in the communities we serve across our footprint.

International Commitments & Corporate Policies

As a leading financial institution under the umbrella of BBVA Group, BBVA USA actively engages with the global community focused on banking governance. We are aligned with the leading global frameworks, such as Equator Principles and the UN Global Compact, among others as outlined below.

RESPONSIBLE DECISION – MAKING FRAMEWORK	Sustainable Finance Commitments		Other Supported International Initiatives	
	★ Pledge 2025 ★ Corporate Social Responsibility Policy ★ Environmental Commitment ✚ Human Rights Commitment ✚ Principles for Responsible Banking (UNEP FI) ✚ UN Global Compact ✚ Task Force on Climate-related Financial Disclosure (Financial Stability Board) ✚ Collective Commitment to Climate Action (UNEP FI) ✚ Science-based Targets Initiative ✚ Equator Principles ✚ RE100		✚ UN Sustainable Development Goals ✚ Paris Agreement on Climate ✚ UNEP Finance Initiative ✚ UN Principles for Responsible Investment ✚ UN Guiding Principles on Business & Human Rights ✚ Global Initiative for Sustainability Ratings ✚ ICMA Green Bond Principles ✚ ICMA Social Bond Principles ✚ LMA Green Loan Principles ✚ LMA Sustainability Linked Loan Principles ✚ Carbon Disclosure Project ✚ Integrated Reporting ✚ Thun Group ✚ World Business Council for Sustainable Development (WBCSD)	
	Sustainable Finance Standards (BBVA Policies)		Responsible Banking Commitments and Standards	
	★ Sector Norms (defense, energy, mining, infrastructure and agribusiness) ★ Sustainable Transactional Banking Framework ★ Sustainable Development Goals Bond Framework ★ Sustainable Solutions Standards (taxonomy WIP)		★ BBVA Code of Conduct ★ Prevention of money laundering and funding terrorism ★ BBVA Group anti-corruption policy statement ★ Conduct in the securities market policy ★ Responsible Procurement Policy ★ Code of conduct for suppliers of the BBVA Group ★ Corporate principles in BBVA's tax	
	★ Corporate (global) ✚ International			

Human Rights

BBVA's Commitment to Human Rights, published in 2018, is a formal recognition of the bank's support for human rights as a foundation for fulfilling our goal to "bring the age of opportunity to everyone." BBVA respects the dignity of people and recognizes their inherent rights, respects equality and diversity, and complies with the legal frameworks in place where we operate.

The BBVA Group commitment is framed within the Group's CSR policy

and is aligned with BBVA's Code of Conduct as well as the United Nations Guiding Principles on Business and Human Rights and several other internationally recognized frameworks. For a list of these global frameworks, see page 19.

Our approach to human rights upholds the principles of integrity, prudence and transparency. For that reason, BBVA has adopted policies of action related to governments, entities, people, suppliers and customers, which guide and define our actions.

BBVA is committed to complying with all of the applicable laws and respecting the internationally recognized human rights. This commitment applies to BBVA's customers, suppliers, employees and the communities where we are located.

Supply Chain

An area of particular importance for BBVA is our support for human rights through our suppliers. BBVA aims to work with suppliers that have human rights policies and procedures in place that are consistent with ours. In particular, the Code of Conduct for Suppliers of the BBVA Group includes standards for hiring, diversity and inclusion, non-discrimination, compliance with occupational health and safety, fair pay and scheduling. The code of conduct also covers respect for the freedom of association and avoidance of child labor.

BBVA also strives to support human rights in its supply chain by promoting actions and practices that are consistent with the United Nations Guiding Principles on Business and Human Rights and the objectives set out in BBVA's Commitment to Human Rights.

BBVA USA Procurement has a long-standing commitment to seek out qualified diverse suppliers. A key mechanism for capturing qualified suppliers and programs is in the Request for Proposal stage, as it is BBVA USA's policy to take as many new and renewal contracts as possible out to bid. Our standard RFP process requires documentation and commitment to supplier diversity that extends to second tier suppliers.



BBVA USA earns a perfect score on Human Rights Campaign Foundation's 18th Annual Scorecard on LGBTQ Workplace Equality.

► The Customer

Customer Experience

Our customers are at the heart of what we do. Serving customers drives the decisions we make every day. BBVA USA understands that our customers want to feel valued and heard, so we offer opportunities to provide feedback via every available channel whether in-person, by telephone, or online through our website, mobile app and social media.

We continually review feedback, complaints and concerns from all channels and implement changes to improve customers' experiences. In addition, feedback from monthly customer surveys is communicated throughout the bank, from executive management to entry-level team members.

BBVA USA proactively communicates with our clients via ecards to demonstrate that we value our relationship with them. In 2019, we

refreshed our entire library of ecards, including a new look and feel, new messaging and Spanish versions of each card. BBVA USA hosted its third Customer Appreciation Day in our retail branches, treating clients to a variety of product promotions and branded giveaway items. Various lines of business celebrated clients with coffee, food items, financial planning and more than 3,000 ecard messages.

BBVA USA's dedication to positive client experiences earned several awards in 2019. We were named the 2019 CX Leader for U.S. Commercial Middle Market Banking by Greenwich Associates for building and implementing a customer experience program that "identifies issues and provides a mechanism to consistently correct problems," as well as for our focus on BBVA management's proactivity in reviewing customer experience data.

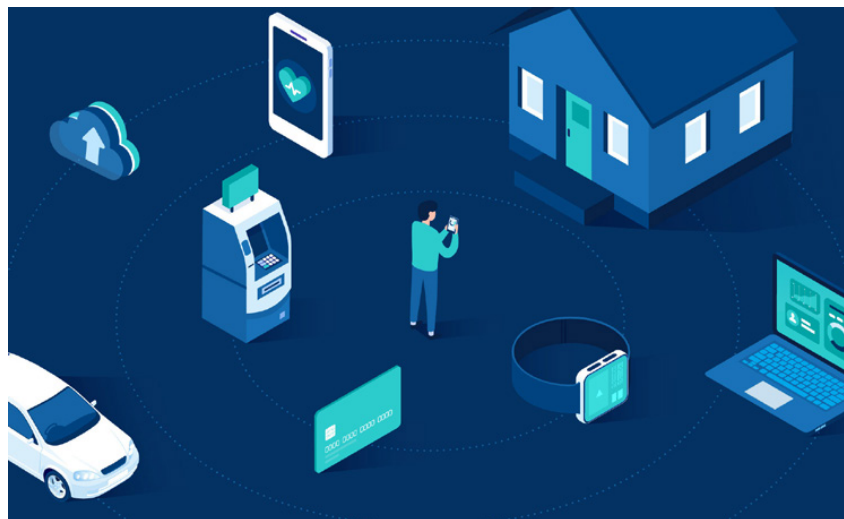
BBVA USA Head of Client Solutions José Luis Elechiguerra said the honors "reflect our values, especially the bank's commitment to provide its customers the best user experience and solutions to help them make the best decisions for their unique financial situation."

BBVA enjoyed dual honors from Javelin Strategy & Research, with the independent research firm naming the bank's mobile banking app and online banking service as a leader in its 2019 Mobile and Online Banking Scorecards. Our RealTime ARP™ was named the 2019 Innovator in Cash Management by Global Finance Magazine. This industry-first product provides an overview of check and electronic transaction activity as it happens in real time and automates the check reconciliation process.



We were named one of the 10 Best National Banks of 2019 by financial site GOBankingRates, a list compiled based on extensive research around rates, fees and policies of the top banks in the nation.

Finally, BBVA USA's Global Wealth team saw continued growth in customer satisfaction in 2019, reporting a 90% total Net Promoter Score via its Voice of the Client Program. In all, the team saw a more than nine-point rise in Net Promoter Score around client experiences with the bank's wealth advisors from 2018 to 2019. We scored highest in custom solutions, taking time to understand client goals/risk tolerance, focusing on what is right for clients, bringing specialists into the relationship, and ensuring that the digital experience added value to the client experience.



BBVA staff at Houston Tower welcomed all their clients in style for Customer Appreciation Day.

Transparent, Clear & Responsible (TCR) Banking

Being Transparent, Clear and Responsible (TCR) allows BBVA to deliver on our purpose and value proposition. The objective of TCR is to help clients make informed financial decisions, ultimately improving their financial health.

In order to deliver on these principles, we integrated TCR in the design and implementation of the main solutions, deliverables and experiences we offer our clients.

T is for **Transparency**; providing our customers with relevant information at the right time, balancing advantages and costs.

C is for **Clarity** and means easy to understand. BBVA USA achieves this by prioritizing straightforward language, structure and design.

R is for **Responsibility**, which ensures that we take care of the clients' financial interests in the short, medium and long term.

TCR principles apply to all functional areas across the organization. BBVA prioritizes TCR efforts for departments and services that are customer facing or have direct communication with customers.

In 2019, BBVA USA implemented these principles in three key ways. First, TCR-trained designers participated in the development and design of digital solutions. For example, BBVA USA's mobile and online banking, digital wire transfers, and home equity applications were designed by TCR-trained experts. Second, we conducted practical face-to-face workshops for key solutions development team members on the applications and integration of TCR principles. And finally, we increased awareness of TCR through internal communications and online training.

We evaluate progress through the Net TCR Score, based on customer feedback from third-party market research. BBVA's position vs. competitors remained steady at 7th position in 2019.

“We continue to move forward in our transformation, with a clear impact on growth of our customer base, productivity, efficiency and user experience.”
 — Onur Genç, BBVA’s Group Executive Chairman

BBVA Transformation

BBVA aims to help our customers achieve their life goals. We want to be an engine of opportunity and have a true impact on people’s lives and businesses.

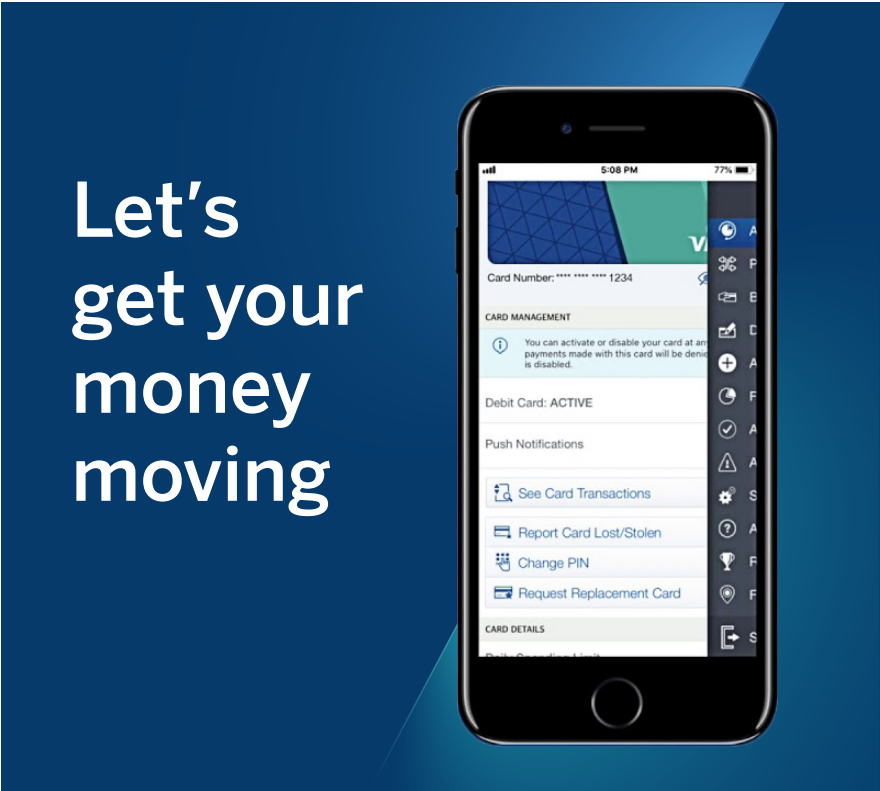
Customers across the BBVA footprint expect their transactions to be simple, transparent and immediate. We are focused on continually improving the way we use data and technology to transform the bank’s relationship with our customers by increasing access and convenience.

BBVA continues to invest in technology and processes that will create opportunities to better serve our customers and communities. As a result, BBVA will provide customers advice that matches their needs and objectives with our products and services.

This complex and intricate system leverages best-in-class technologies to make customer experiences as seamless as possible. The heads of Client Solutions, Engineering, Compliance, Risk, Talent & Culture, Finance, Corporate & Investment Banking and Data meet regularly to discuss these matters.

Customers can choose how they want to interact with the bank. As the functions of our digital channels expand, they bring personalized experiences and recommendations to every single customer.

Through mobile and online services, customers can check their balances, transfer money or pay their card balances. They also can access information to help them better understand and control their finances to make good financial decisions. As a result, they have an improved customer experience that is convenient, and that saves time and paperwork.



Complaint & Claims Management

The customer comes first at BBVA USA, but occasionally we make a misstep that leads to a customer who isn't completely satisfied and wants to let us know. We're committed to hearing and addressing any customer complaints quickly and efficiently. BBVA defines a "complaint" as any oral or written communication from a customer or non-customer (consumer or commercial) that expresses dissatisfaction with a bank product, policy, or service, or expresses overall negative sentiment about any type of interaction with the bank.

Complaints at BBVA fall into two general categories: Official and Non-official. Non-official Complaints are those received by the bank from sources other than regulatory agencies. These may be written or oral and include — but are not limited to — complaints received by: Customer Service, Banking Centers, Client Care Solutions, the Better Business Bureau, the office of the CEO, and any other complaints received by the bank through non-regulatory channels.

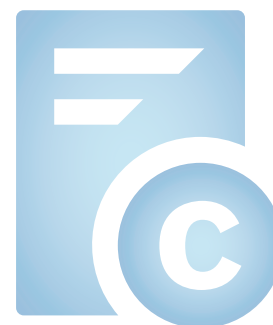
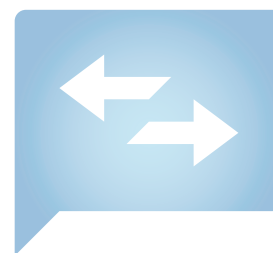
Improving Our Processes

In 2019, the bank made great strides in improving many aspects of our Non-official Complaints-management process. Within the last year, we rolled out root-cause selection in both the system used by employees for complaint intake and with our Retail Banking survey vendor. Root-cause selections align with those used by Compliance for official complaints and will enable consolidated reporting to be implemented in 2020. We also made revisions to our Complaint Handling Policy and Procedures to increase clarity by making complaint intake more intuitive and increase the value of reporting.

In 2019, BBVA developed a heat map to monitor complaint-type increases. Complaint-type increases above acceptable thresholds are flagged for additional analysis and reporting. This mapping enabled us to develop new Complaint Analysis Procedures that ensure consistent analysis of complaints and stakeholder information sharing. In addition to continuing detailed complaint handling training for customer-facing employees, we rolled out training for non-customer-facing employees.

Official Complaints are those received from a federal or state governmental agency, including, for example, the Federal Reserve Board and Federal Reserve Banks, Consumer Financial Protection Bureau, State Banking Agencies, Congress, and State Attorneys General. The Complaint Management unit of the Consumer Compliance Department is charged with reviewing Official Complaints received by the bank and producing written responses to those complaints.

Complaint Management also reviews and reports on non-official complaints that represent the greatest reputational and regulatory risk to the bank, as identified by the use of "keywords" in the complaint. In 2019, BBVA USA improved the Official Complaint-management process by implementing a new system, Bwise, to maintain all Official Complaints and their corresponding responses. The transition to Bwise allows us to better utilize the complaint information that was collected and identify trends within that information.



Customer Protection

As a customer-centric organization, BBVA protects our customers. We look out for their privacy, time and financial health. We keep customer data protected and secure. We use data only for agreed purposes and we always comply with the law. This is a material topic for the bank. It is how we maintain the trust of our stakeholders.

We maintain data that comes from customers, employees, and internally created data, as well as data from strategic vendors.

BBVA’s commitment to protect our customers’ data is reflected in investments in our Information Security Program and its continual improvement. The bank established a robust collection of policies, management tools, processes and procedures designed to detect and prevent corruption. Three core responsibilities drive BBVA USA’s commitment to customer privacy:

- **Confidentiality** – We have designed our program to prevent the unauthorized disclosure of data to protect customer confidentiality.

- **Integrity** – Customers’ data should not change without authorization. The Information Security program is designed to maintain the integrity of the data and to prevent any unauthorized changes, modifications or corruption.
- **Availability** – Customers’ information should be available to them at all times. Our program puts policies and standards in place to ensure redundancy and the availability for our critical systems.

Our goal is to protect all critical data entrusted to BBVA by maintaining confidentiality, integrity and availability. We have achieved our most recent short term goals to enhance the organizational structure with 20+ additions to staff, improving our vulnerability management and monitoring program, and making enhancements to our Information Security Third Party Risk Management program.

Our longer term strategic goals of enhancing three major areas of focus including maturing external threat controls, internal threat protection initiatives and first line of defense operational risk control completeness are all on track.

Our Data Security Policy mandates that all BBVA USA employees, contractors, and third party stakeholders that access BBVA USA restricted or internal data, networks or computers must comply with the policy and protect the data. The Divisions that are responsible for governing and managing data protection and cyber-security are as follows: Information Security which is head by the Chief Information Security Officer (CISO), Information Security Governance which is head by the Director of Information Security Governance / Chief Privacy Officer and reports to the CISO, Legal Governance and Regulatory Relations.

The bank has many tools to manage data protection and cyber-security including network monitoring, threat management, data loss prevention, end point protection, disaster recovery, encryption, anti-malware, mobile device management, network access control, data back up and recovery, firewalls, authentication and access management, among others.

BBVA USA is focusing on enhancing our card data protection, data mapping, enhanced segmentation and network monitoring.

We maintain a set of approximately 20 critical key risk indicators that are monitored on a regular basis. We continuously enhance our strategies to provide appropriate data protection.



► The Team



BBVA team enjoying a Live@BBVA event in Houston, Texas.

10,447 employees

38% of jobs filled by internal candidates

“Our people are our most important asset. We have a responsibility and commitment to promote the professional development of every team member so they can be in control of their own career to discover, develop and explore new opportunities. With our focus on growth, adapting new skills and continuous learning, they are prepared for new opportunities in this era of rapid external and internal transformation.”

— Sonia Storer, Head of Talent Solutions

Talent Acquisition

BBVA's purpose — to bring the age of opportunity to everyone — begins with our employees. We are focused on attracting and hiring the best candidates to grow with us. Once those candidates become employees, we provide a positive experience with a seamless and welcoming onboarding experience. As BBVA employees, these talented professionals take an active role in advancing their own careers based on BBVA's Professional Development Model. This helps empower employees to take control of their own own learning, development and careers.

A key to supporting employee development is our focus on internal mobility. BBVA career opportunities are featured on bbvausa.com/careers. The site includes job

openings throughout our global footprint and allows employees to identify positions that meet their interests and experience.

One of our top priorities is to fill job openings with internal talent. To facilitate this process, BBVA implemented a global applicant tracking system, TalentLink and our Global Mobility site in 2019. We are now able to make opportunities easily accessible to our employees in the US and around the world.

The global platform offers our talent acquisition teams full visibility into employees' talents and technical skills. As a result, employees have an even greater opportunity to match their skills and development goals to opportunities throughout BBVA globally. In 2019, 38 percent of jobs were filled by internal talent.



In 2019, BBVA Employees completed 614,622 training hours.

Professional Development

BBVA is invested in the future of our employees. We support their knowledge and skills while instilling pride and excitement for their own future with the bank.

Professional development requires the active involvement and commitment of both employee and manager: the employee to take advantage of learning and development opportunities, and the manager to offer guidance, direction and inspiration, working together to define success.

In 2019, BBVA USA employees completed 614,622 training hours (113,855 of which were completed by people managers). We completed 88 percent of all training activities via e-learning/virtual delivery channels, with the remaining 12 percent completed in traditional classrooms.

Campus BBVA is the gateway to learning and development at BBVA. With Campus BBVA, team members have access to an extensive library of learning activities across knowledge areas and skills from behavioral economics, and cybersecurity, to design and finance.

Campus BBVA offers all employees access to Harvard ManageMentor (HMM) and eCornell. In 2019, BBVA USA employees completed 1,146 HMM courses, totaling 2,865 hours of training and 156 eCornell course enrollments.

BBVA’s Data University Program continued to support the Bank’s data driven transformation. In 2019, 37 employees completed the Data Scientist Fundamentals Program for a total of 4,921 training hours and 33 employees completed the Data Specialist Fundamentals Program for a total of 3,276 training hours.

Additional learning and development programs for BBVA USA employees include:

- **Capella University** courses, which are six week, online leadership courses.
- **Role Certification & Development** for Financial Sales Advisors (FSA) and Sales and Service Advisors (SSA), to evaluate proficiency, identify areas for development and readiness for advancement opportunities. In 2019, nearly 67% percent of those eligible, or 581 employees, successfully completed online role certification.
- **Retail CORE Program** helps prepare employees for a Branch Retail Executive Role. In 2019, 31 team members participated
- **LEAP (learning, evaluation, application, and placement)** for recent college graduates allows candidates to learn about different aspects of the business through rotating assignments across several departments. LEAP associates are hired into one of three tracks: traditional, tech, or data.
- **Internship Program** for college students is a 10-week program for interns in Birmingham, Houston and Dallas. In 2019, 27 students from across the country joined BBVA for a rigorous summer learning opportunity.



BBVA's Engineering team together at the Brock Service Center in Birmingham.

Diversity & Inclusion

BBVA's commitment to diversity and inclusion is stronger than ever. In 2019, BBVA USA was recognized for a second time in DiversityInc's Top 50 Companies for Diversity. For the second consecutive year, we received a perfect score on the Human Rights Campaign Foundation's Corporate Equality Index.

In 2019, BBVA introduced a global framework for workplace diversity and inclusion, with a focus on gender diversity. Our highly successful Women in Leadership business resource group with chapters in Birmingham, Houston and New York is just one example of our commitment to supporting women in the workplace. We're also creating a more inclusive process for filling senior leadership positions by ensuring that women are represented at every stage.

BBVA USA CEO, Javier Rodríguez Soler, is the global sponsor for workplace diversity and inclusion, leading these efforts across BBVA's entire global footprint. This role isn't just symbolic; it's a pledge that the BBVA USA will take a leadership role in pushing this agenda globally.

We are unified in our commitment to creating a workplace where all team members are welcomed, heard, valued and respected. Moving forward, we'll be doing even more to ensure our policies reflect our purpose of bringing the age of opportunity to everyone.

At the beginning of this year, we also welcomed new members into our Workplace Diversity & Inclusion Council. Among its many goals, the council is working on:

- **Integrating industry best practices around diversity and inclusion;**
- **Establishing a framework to expand business resource groups;**
- **Creating a more inclusive recruiting, training and onboarding process;**
- **And developing an organizational scorecard that helps us stay accountable to our diversity and inclusion goals.**

We also plan to do more to recognize our diverse workforce throughout the coming year and celebrate all our employees that reflect the communities in which we serve.

BBVA USA has a firm and unwavering policy to provide equal employment opportunity without regard to age (40 and over), ancestry, citizenship, color, disability (mental and physical, including HIV and AIDS), medical condition (cancer/ genetic characteristics and information), sex (including pregnancy, childbirth, breastfeeding, and medical conditions relating to pregnancy, childbirth, or breastfeeding), gender, gender identity and expression, sexual orientation, marital status, national origin (including language use and restrictions), race, religion (including religious dress and grooming practices), genetic information, veteran status, military status, requests/time off for Family and Medical Leave, or any other status or other classification protected by federal, state or local law. This policy includes all job groups, classifications, and organizational units.

BBVA, from time to time and in the ordinary course of its business, may receive claims, including litigation, alleging violations of employment laws. As of December 31, 2019, BBVA USA was not involved in any regulatory actions related to alleged employment discrimination and working conditions that were material to our financial position.

Furthermore, BBVA has a firm commitment to equal employment opportunity and nondiscrimination, as evidenced by widely disseminated policies prohibiting discrimination in all aspects of the employment relationship. Employees have numerous avenues to raise complaints, including through the employee's Talent & Culture Business Partner, his/her manager, the Office of General Counsel, the Talent & Culture Executive Officer, or by anonymous reporting through telephone hotlines.



“We are committed to living BBVA's purpose and values by ensuring our team members have access to programs that support their physical, emotional and financial well-being. We embrace the responsibility we have within the organization to positively impact employee experience and help them realize their personal and professional goals.” — Troy Farnlacher, Director, Benefits and Payroll

Compensation & Benefits

BBVA USA offers a wide variety of benefit programs to meet employees’ unique needs and support their well-being, engagement and productivity.

For the third consecutive year, our Wellthy for Life wellness program received the American Heart Association’s Gold Level award, recognizing BBVA USA’s dedication and focus on building a healthy workplace culture for employees. Wellthy for Life promotes the overall physical, mental and financial health of our employees and their families through comprehensive, integrated programming.

Benefit plans/programs cover full- and part-time employees and include life and disability insurance, retirement plans, health insurance, health spending and savings plans, mental health benefits, dental and vision insurance, pet insurance and identity theft protection, as well as

vacation and paid time-off programs, discounts on banking services, tuition assistance and scholarship programs for employees’ dependent children.

BBVA USA supports and incentivizes healthy choices. Employees who participate in a variety of medical, social, physical and financial activities earn Wellthy Points that drive contributions to a Health Savings Account (HSA) or Health Reimbursement Account (HRA). In 2019, \$3.7 million dollars were funded through Wellthy Points.

In addition to Wellthy Points, employees are able to earn money in their paychecks — up to \$150 each quarter — for adopting or maintaining a healthy lifestyle and tracking their healthy habits and physical activity. Employees are not required to be enrolled in our company health plan to participate. As of Dec. 31, 2019, employees earned a total of \$1.4 million.

In 2019, we made several enhancements to Wellthy for Life including digital health coaching and a digital mental health platform offering goal-based training programs on mindfulness, yoga, leadership and emotional intelligence.

Other employee benefits include:

- **Paid time off**
 - Vacation (including a carryover of 5 days)
 - Community Service
 - Sick Leave
 - Pregnancy and Family Leave
 - Marriage Time Off
 - Service Anniversary Time Off (beginning with the 15th year, employees receive one paid day off during the year of each 5-year anniversary)
- **Short-Term Disability Benefits and Long-Term Disability Insurance**

- **Retirement benefits**
 - The Defined Benefit Plan was frozen in 2002 to new participants and Plan benefits were frozen at the end of 2017. Plan liabilities as of the end of December 31, 2019 were \$379 million. With an employer contribution of \$3 million in 2019, the Plan has a 95.5 percent funded status under both US GAAP and IAS basis.
- The BBVA SmartInvestor 401(k) plan is a voluntary retirement program. Eighty-seven percent of active employees have a balance in the Plan. Sixty-eight percent of active employees are currently deferring a portion of their salary into their account each pay period.

2019 FIGURES

-  125,686 total volunteer hours (120,959 employee hours and 4,714 friends and family hours)
-  6,202 total volunteers (5,060 employee volunteers and 1,142 friends and family volunteers)
-  \$886,665 in total donations from BBVA USA employees
-  \$42,855 in cause card donations
-  1,568 impacted charities
-  \$180,007 in BBVA Compassion grant dollars

Volunteerism & Social Engagement

The BBVA Volunteers Program provides a platform for employees to come together and serve others by creating opportunities in the communities where they live. All BBVA employees receive 16 hours of volunteer paid time off each year and are encouraged to partake in activities that they are passionate about as well as activities that align with the bank’s strategy. In 2019, 6,202 BBVA volunteers conducted 125,686 hours of volunteer service.

BBVA Volunteers operated 29 volunteer chapters across the BBVA footprint in 2019. Volunteer chapters

are made up of nominated employees who specialize in engaging employees in volunteer initiatives throughout the year. The Employee Involvement team tracks the impact that Volunteer Chapters have in their markets and awards three Volunteer Chapters of the Year at the beginning of the following year. The 2018 Volunteer Chapters of the year were announced and presented with a trophy at the BBVA Center for Financial Education Summit on March 7, 2019. **The Houston Volunteer Chapter, Central Florida Volunteer Chapter and Fort Worth Volunteer Chapter** were showcased as the winners.

BBVA also hosted its annual company Week of Service during the fall of



Rosilyn Houston and Rey Ocanas present the 2018 Volunteer Chapter of the Year award to the Fort Worth market.

2019. BBVA’s Week of Service focused on volunteer activities that impacted the United Nations Sustainable Development Goals. More than 2,500 BBVA volunteers engaged in 227 volunteer events serving 8,276 hours in their communities. Activities included environmental beautification projects, meal distribution services, financial education workshops and many more.

BBVA Charity

BBVA’s employee giving program allows employees to donate to qualified non-profits of their choice via one-time credit card transactions or recurring payroll deductions. All employee donations are processed

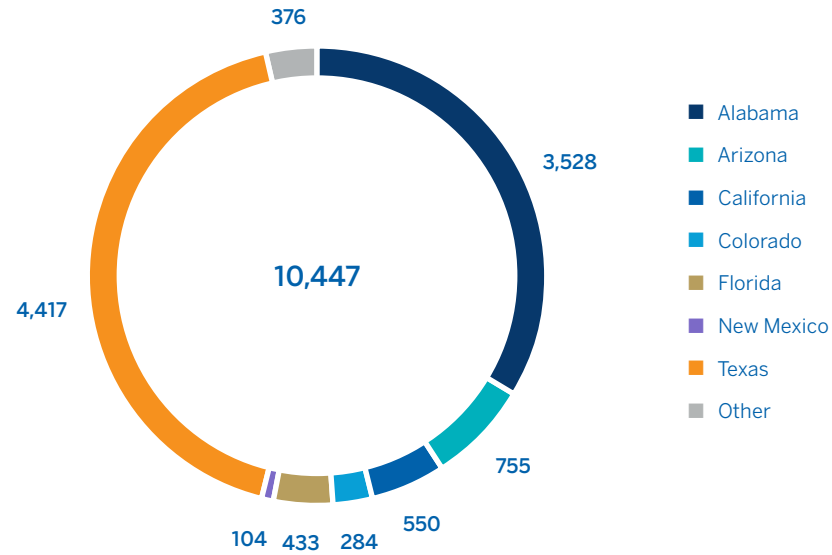
through the BBVA Charity, a 501(c)(3) entity. BBVA employee donors can manage all of their charitable contributions via the bank’s Volunteer Connection platform, making it easy to track their giving history. In 2019, BBVA employees donated a total of \$886,665 to 1,568 charities nationwide.

BBVA Compassion

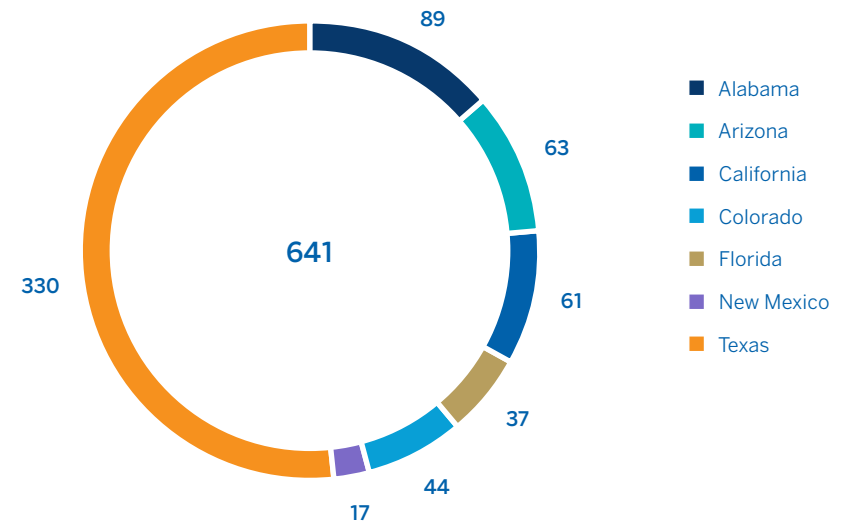
BBVA Compassion, a program of the BBVA Charity, also offers a team support fund to employees who may be facing a personal hardship or encountering a catastrophic event. In 2019, the BBVA Compassion Team Support Fund provided \$180,007 in grants to BBVA employees in need.

Employee Data

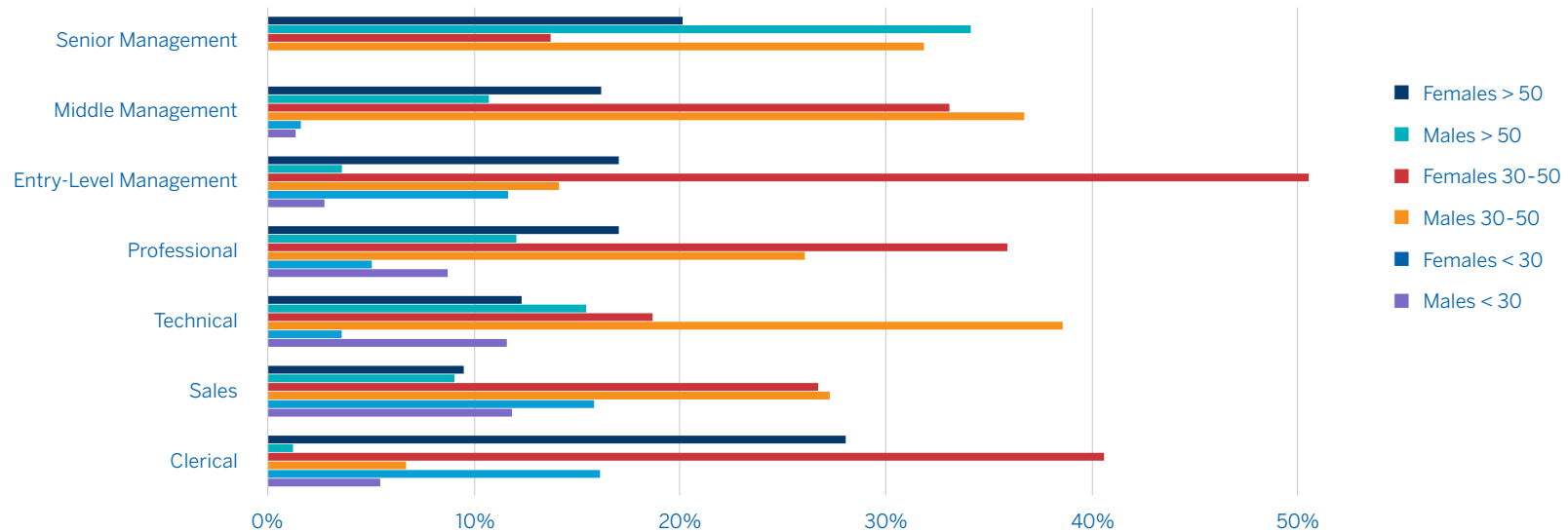
Total Employees by State



Total Branches by State



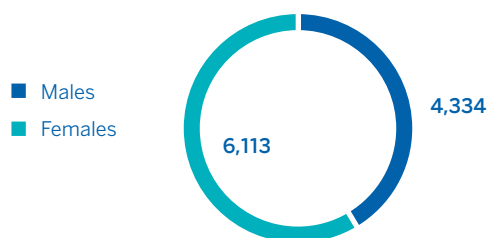
Employees by Category and Age Range (where each category total = 100%)



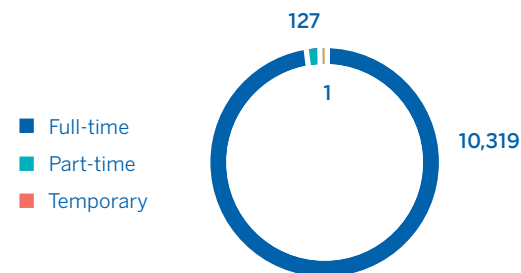
Percentage of Employees

Employee Data

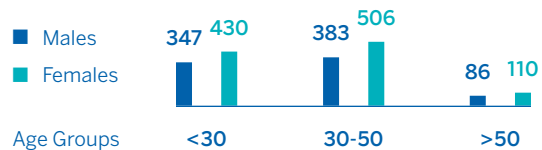
Employees by Gender



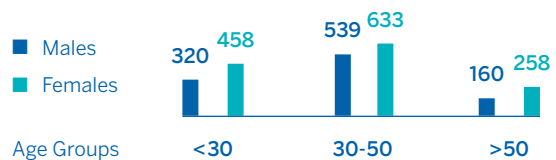
Employees by Type



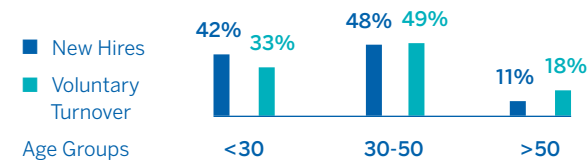
New Hires



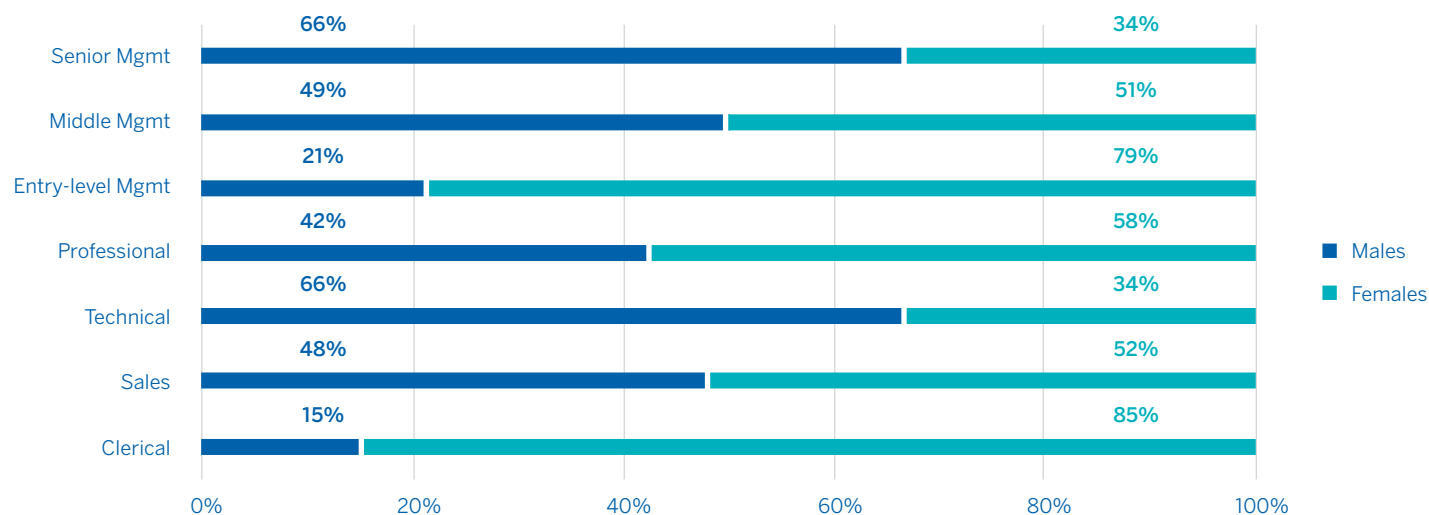
Employee Turnover



% New Hires & Turn Over by Age Group



Employees by Category



► Sustainable Finance

Five-Year Commitment (2015-2019)

In 2019, BBVA USA reached the end of the five-year commitment to invest \$11 billion to boost economic development in its communities through lending, investments and services. The bank achieved that original financial commitment goal nine months early, surpassing the goal announced in 2014, providing a total of \$13.2 billion to communities over five years. As a result, we have created opportunities across our footprint by providing products and services that meet community needs.

Our community development lending and investment activities have met a variety of critical needs as part of the five-year commitment including:

- Community services targeted to low-and moderate-income individuals for health care, education and social services.

- Promoted economic development by financing small businesses that resulted in permanent job creation, retention, or improvement.
- Provided construction and permanent loans and investments supporting affordable housing for low-to moderate-income individuals.
- Revitalized or stabilized low-to moderate-income geographies, including FEMA designated disaster areas.
- Focused on affordable housing in mortgage lending, community development lending and investments. In addition to the more than \$2.6 billion in home loans and \$22.4 million in closing cost assistance through our proprietary HOME program, the bank originated \$951 million in loans and over \$804 million in investments directly supporting affordable housing.

\$11 Billion Five-Year Community Commitment 2015 - 2019

	Total Commitment	Total Investment*
Small Business Lending	\$6.2B	\$6.1B
Community Development Lending	\$1.8B	\$3.6B
LMI HMDA Lending	\$2.1B	\$2.6B
CD Investments*	\$0.8B	\$0.9B
TOTAL	\$10.9B	\$13.2B

* Does not include grants or closing costs.

- Extended more than \$6 billion in loans to small businesses with around 96% of the loans less than \$100,000 supporting entrepreneurship and generating jobs in the bank’s markets.

The bank’s new investments during the five-year period will continue to have long term impact in our communities. BBVA is a national leader in providing support for Community Development Financial Institutions (CDFIs), mission-driven lenders that finance affordable

housing, small businesses, and community facilities. Our support includes:

- Partnerships with 31 CDFIs across our footprint
- Investments and loans totaling \$106 million to help increase CDFI lending capacity.
- A commitment to building capacity for CDFIs, including support to the national CDFI trade association, to support transformational change in the industry and address inequities.

2019 Impact

BBVA USA is a recognized leader in making community development loans, particularly financing affordable housing development through the Low Income Housing Tax Credit Program and SBA 504 program lending. During 2019, we originated 135 community development loans for a total of \$865 million. These lending efforts met a variety of critical community development needs:

- Community services targeted to low-to moderate-income individuals including health care, education, and social services;
- Promotion of economic development by financing small businesses that resulted in permanent job creation, retention, or improvement, often through SBA lending
- Construction and permanent funding of affordable housing for low-to moderate-income individuals;
- Revitalization or stabilization of low-to moderate-income geographies, including FEMA designated disaster areas.

The bank’s community development lending program supported 26 affordable housing activities totaling \$190.2 million.

Community Commitment Category	2019 Cumulative (in billions)	2019 (in billions)	Cumulative Percent of 5-Year Goal	100%
LMI HMDA Loans	\$2.6	\$0.45		127%
Small Business Loans	\$6.1	\$1.2		98%
CD Loans	\$3.6	\$0.86		197%
CD Investments	\$0.9	\$0.12		113%
Total	\$13.2	\$2.63		120%

Percentages are based on actual performance, versus rounded numbers. CD Investments does not include grants or closing costs.

Investments and Community Support

During 2019, BBVA made significant investments and provided support to our communities through various means including:

- \$78 million in low-income housing tax credit (LIHTC) investments across the bank’s footprint helping to create 750 units of affordable housing. The quality, affordable living solutions serve a range of affordable housing needs from individuals, families, seniors, veterans, to those with special needs and those once homeless.
- Promoting small business and economic development in communities through \$36 million of investments in nine CDFI partners.

- Partnering with more than 490 nonprofit organizations focused on improving the financial health and capacity for low- and moderate-income (LMI) individuals, communities and small businesses.
- Providing more than \$4 million in sponsorship, programming and general operating support to help create opportunities in LMI communities by addressing challenges related to financial capacity, sustainability, workforce development, and access to affordable housing.

Support for Small Business Lending

Small businesses are an important economic engine for our communities, which drives our focus on providing primary lending for these businesses. The bank is

a preferred SBA Lender, ranking 11th nationally in 7A dollar volume and among the top 100 Most Active SBA 7A lenders. In 2019, the bank originated 21,729 small business loans totaling \$1.2B. Ninety-six percent of these loans were made for less than \$100K.

Home Mortgage Lending

Home ownership is an important way for families to build wealth. BBVA’s proprietary Home Ownership Made Easier (HOME) program is the bank’s primary vehicle for low- to moderate-income individuals to purchase or refinance a home. The HOME program provides eligible buyers with increased access to the financing they need as well as closing cost assistance. In 2019, the bank provided loan closing cost assistance totaling \$1.5 million to 1,092 families.

Community Services

The BBVA Volunteers Program is strategically aligned to support the bank's community development investments. By working together toward a shared goal, the BBVA Foundation and the Volunteers Program help to maximize the impact of employee volunteer hours.

In 2019, through various efforts, BBVA continued to focus on support for entrepreneurship and small business through education and training and making an important impact through board and committee service. BBVA employees donate significant service hours to support small businesses in our communities. Many bank employees take on leadership roles in many of the organizations in its assessment areas.

New 6-Year Commitment (2020-2025)

Following this success, BBVA USA pledged to continue making these investments, committing nearly \$15.4 billion to support low-to moderate-income individuals and neighborhoods in the U.S.

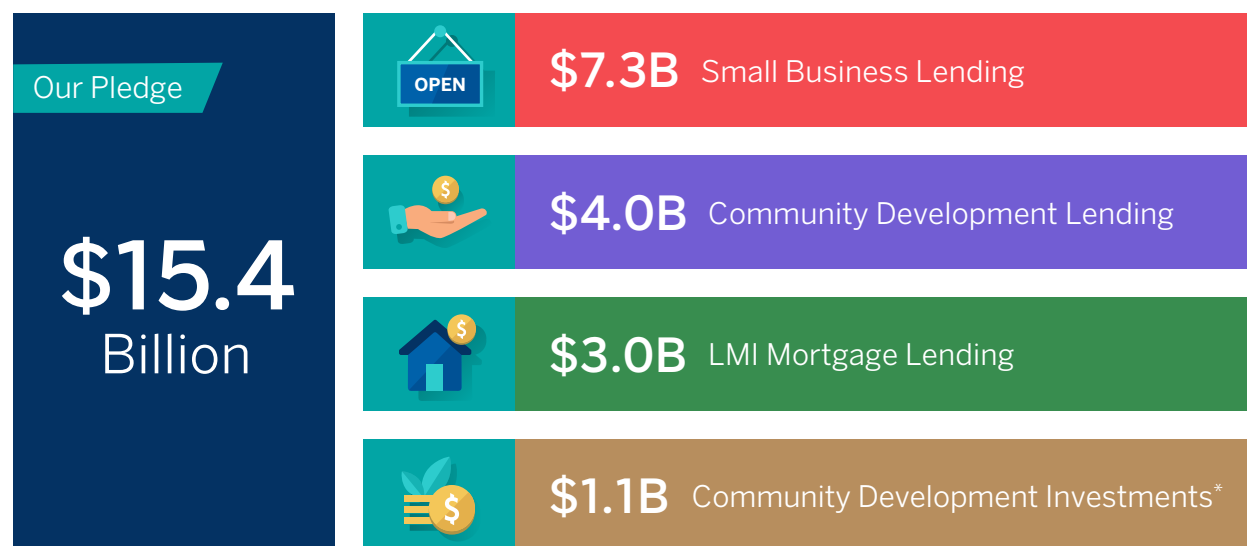
Over the next six years, the bank plans to originate \$3 billion in mortgage loans to low- and moderate-income (LMI) homebuyers and in LMI neighborhoods, nearly \$7.3 billion in small business lending, \$4 billion in community development lending, and to make more than \$1.1 billion in community development investments. The plan was developed with input from stakeholders on the bank's 20-member advisory

board, established in 2014 to provide input, guidance and feedback on its community giving initiatives.

The bank announced its renewed commitment at its Texas Regional Partner Summit, a biannual meeting of community development small business development and economic inclusion. The meeting is intended to share relevant research

and data from trusted experts, stakeholders from across Texas working in affordable housing, including the Federal Reserve Bank of Dallas and the Urban Institute, and to gather stakeholder input on regional needs for community development. Similar summits will be held in Birmingham and Phoenix next year to gather stakeholders in the bank's West and East regions.

Six Year Community Commitment* 2020 - 2025



* Does not include grants or closing costs.

► Community Investment

Community Investments

BBVA supports people — individuals, working families and entrepreneurs — in low-to moderate-income (LMI) communities through the Community Giving Program. In 2019, BBVA invested \$8.9 million in corporate sponsorships, foundation grants and signature initiatives and programs aimed at improving economic mobility by creating opportunities.

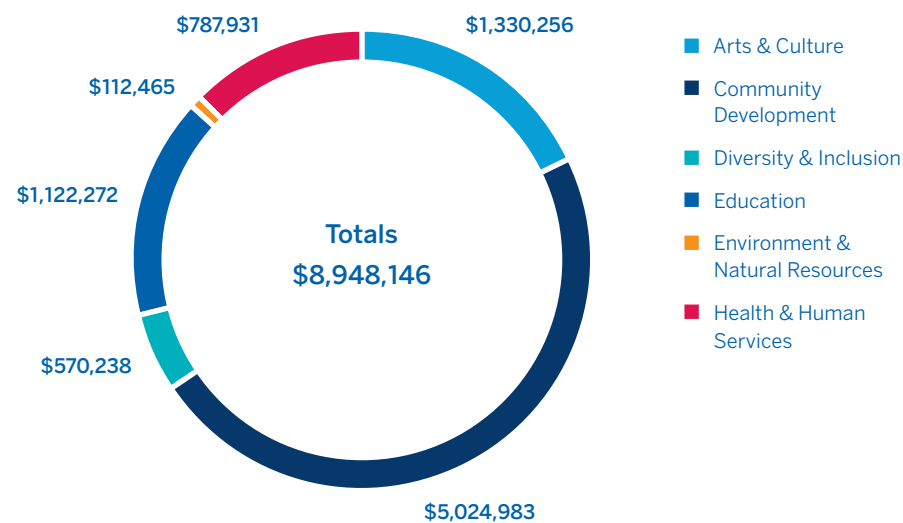
BBVA Foundation grants are focused on six areas, including Arts and Culture, Community Development, Education, Environment and Natural Resources, Diversity and Inclusion and Health and Human Services.

In 2019, the Foundation transitioned to small and by-invitation grants process while maintaining responsive grantmaking. The new small grants program allowed organizations to submit unsolicited requests for \$5,000 and under. The Foundation made larger, more strategic community development investments in alignment with the bank's priorities through by-invitation grants. The Foundation also designated resources to disaster preparedness and response efforts that support local long-term recovery efforts in addition to building resiliency at the community level.



\$8.9 million invested in 722 community-based organizations.

Charitable Contributions



Avenue's Groundbreaking Ceremony of their new building Avenue Center supported in part by BBVA Foundation. Avenue is a local nonprofit housing developer located in Houston, TX.

BBVA provided 1,031 financial education workshops reaching more than 18,750 adults



Nonprofit leaders and program coordinators gather in Houston at BBVA's second Financial Education Summit to learn financial capability impacts, share best practices and gain valuable resources.

2019 Financial Education Workshops

	Workshops	Participants	Partners
EverFi Home Ownership	204	2,760	25
EverFi Personal Finance	468	6,631	38
EverFi Small Business	179	2,655	26
Junior Achievement	82	3,372	
Money Smart	98	3,340	
Total	1,031	18,758	47

Financial Education

BBVA partners with EverFi to develop content and deliver financial education in communities through BBVA's Center for Financial Education platform. This suite of comprehensive financial education courses offers access to financial tools and provides information to support good financial decisions.

BBVA USA financial capability coaches teach this innovative, multi-platform curriculum through workshops conducted in-person and online. We offer courses on adult personal finance, homebuying and small business finances in both English and Spanish.

Building on a successful 2018 pilot, BBVA expanded the program in 2019, partnering with more organizations to reach more people. At the end of 2019, there were a total of 47 nonprofit partners delivering financial education across BBVA's footprint.

To accelerate implementation, BBVA hosted its second Financial Education Summit, bringing together representatives from partner organizations, BBVA leadership and volunteer officers. Attendees of the Houston summit learned about the financial education program, new operational components, impact measurement and best practices.

Additionally, BBVA offered grants, training and support to nonprofits to organize and execute financial education workshops. BBVA team members supported nonprofit organizations by providing their subject-matter expertise, access to technology, training materials, and resources needed to deliver effective and impactful financial education across BBVA's footprint. BBVA invested \$845,309 to support the nonprofit organizations and the financial education workshops.

In partnership with the nonprofits, BBVA nearly doubled the number of people reached through these programs from just over 10,000 in 2018 to 18,758 in 2019.

BBVA USA's signature holiday initiative, Project Blue Elf, celebrated its seventh year in 2019. The initiative highlights the Foundation's financial capability programs and celebrates the achievements of individuals and families working towards achieving personal financial milestones.

Nonprofits from the financial education program were selected to host 26 Project Blue Elf community events. At each event, BBVA surprised a participant or family with a meaningful gift aligned to their individual goals and BBVA Volunteers were there to celebrate them alongside community partners.

BBVA Momentum

BBVA Momentum is a pioneering business accelerator that provides a blended training program for social enterprises. The program is designed to scale innovative solutions that improve economic, health, social and environmental outcomes and address a significant need.

The accelerator provides training, strategic support, potential access to funding, networking and visibility to participant companies that are selected through a competitive application process. In addition

to the training, participants are paired with BBVA mentors. BBVA’s culture of innovation helps keep the focus on the inclusion of digital services by Momentum participants as they grow their enterprises.

Networking opportunities built into the program give entrepreneurs the chance to learn from a wide range of experts. The program culminates with a pitch event, where participants present their business growth plans to a panel of judges comprised of social impact investors, industry experts and business executives.

The panel selects the businesses considered most sustainable and with the highest social impact for investment opportunities, with cash prizes for the top three social enterprises.

In 2019, 19 social enterprises participated in the five-month BBVA Momentum program hailing from Alabama, Arizona, California, Colorado, Florida and Texas. Over the course of the program, bank employees delivered more than 1,200 hours of one-on-one technical assistance, providing mentorship and strategic advice to support business owners

in the development of their social enterprises and supporting their specific needs. Momentum pairs innovation with social impact in a way that provides positive outcomes for communities across the bank’s footprint.

A global program, BBVA Momentum has driven the expansion of companies with high social impact in the U.S., Spain, Mexico, Colombia, Peru and Turkey. In every country, the program measures the economic impact, jobs created and the growth in beneficiaries that the social enterprises positively impact.

2019 BBVA Momentum Winners

Entrepreneur	Business Name	Mission	Prize
Laura Hertz	Gifts for Good 	To empower the world to help people and planet through gift giving.	1st Place \$100,000
Lawrence Sheffield	Magic City Woodworks 	A social impact company designed to help young men bridge the intimidating gap between unemployment and meaningful employment.	2nd Place \$50,000
Melanie Hall	The PIC Place 	Provides education and improved access to personal, integrated, team-based healthcare services.	3rd Place \$25,000



BBVA Momentum volunteer mentor Anita Dharapuram (left) celebrates with her mentee and first place winner of the pitch competition, Laura Hertz (right), with a cash prize of \$100,000 to scale her business, Gifts for Good.

▶ The Environment

Vectors	Strategic Guidelines	Global Target
 Environmental Management and Sustainable Construction	% occupation in certified buildings	46%*
 Energy and Climate Change	Consumption per occupant (kWh/occup)	– 5%
	% of clean energy	48%
	CO _{eq} emissions per occupat (tCO _{2eq} /occp)	– 8%
 Water	Consumption per occupant (m ³ /occup)	– 5%
	% occupants in buildings with alternative water sources	9%
 Paper & Waste	Paper consumption per occupant (kg/occup)	– 5%
	% occupants in buildings with separate waste collection	30
 Extension of Commitment	Awareness campaigns for employees and supplier	

* Updated objective after the incorporation of the data from Turkey. Objectives per person.
2015 was the ending year of the previous Global Eco-efficiency Plan 2013-2015 and it was established as the base year to set the targets of the current Global Eco-efficiency Plan 2016-2020.

Management of Environmental & Social Impacts

BBVA Group is dedicated to conserving our planet’s resources. We carefully consider the way we use natural resources and look for ways to reduce our impact. BBVA Group made a significant commitment to be carbon neutral in 2020. As part of the same announcement, BBVA set an internal price for CO₂ emissions.

BBVA’s operations across the globe are committed to aligning our efforts with the Paris Agreement, which aims to reduce emissions to limit global warming to a two degree celsius increase from pre-industrial levels. We also recognize the impact of the activities financed by our credit products.

BBVA has adopted the following international standards on environmental issues:

- United Nations Global Compact (since 2002)
- UNEP-FI - United Nations Environment Programme - Finance Initiative (since 1998)

- Equator Principles (since 2004)
- CDP (since 2004)
- Paris Agreement on Climate
- Principles for Responsible Investment (since 2008)
- Global Initiative for Sustainability Ratings
- Green Bond Principles (since 2014)
- LMA Green Loan Principles
- LMA Green Bond Principles
- Task force on Climate-related Financial Disclosures (since 2017)
- Thun Group
- Science-Based Targets (since 2018)
- RE 100 (since 2018)

Environmental Commitment

In analyzing the risks that may impact its business, BBVA identified two types of risk:

1. Transition risks, both direct and indirect, resulting from changes in legislation, the market, consumers, etc.
2. Physical risks arising from climate change, which may have acute effects due to specific climatic phenomena, or chronic effects due to changes in weather patterns over time.

Energy & Emissions

In 2019, BBVA USA earned Energy Star certification for the Brock Service Center and identified 13 additional properties with LEED or Energy Star certification — for a total of 30 certified buildings.

In conjunction with the rebranding that took place in 2019, BBVA USA installed energy efficient lighting in 350 signs, recycled 1,230 signs and

avoided landfill by refacing, rather than replacing 934 signs.

BBVA USA also cut emissions from the maintenance fleet by equipping 21 mobile engineers with low emission vehicles and by increasing the efficiency of routes through careful planning of non-emergency maintenance calls

Energy & Scope 1 & 2 GHG Emissions¹

	2019	2018	2017
Diesel (liters)	7,478	43,661	32,592
Natural Gas (dekatherms)	24,423	21,604	17,382
Electricity (kWh)	112,889,078	125,647,006	121,255,542
Electricity savings from energy-efficiency projects (kWh)	1,307,238	1,398,075	1,257,154
Scope 1 GHG emissions (metric tons CO2e) ²	1,278	1,245	1,005
Scope 2 GHG emissions (metric tons CO2e) ²	41,044	42,924	61,864

¹ Includes estimates using the average emissions per square foot in comparable facilities by state for leased spaces where we lack metered data.

² We utilized the latest available emission factors for each fuel type and region and Global Warming Potential factors from the US EPA using one of their references : 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 2 (Energy). Intergovernmental Panel on Climate Change, Geneva, Switzerland to calculate Scope 1 and 2 GHG inventory. This calculation does not include any greenhouse gases other than CO2.

Water

Total water consumption in 2019 was 246,775,395 gallons (934,146 m³). As a result of ongoing conservation efforts, BBVA USA reduced total water consumption by 17% (about 49,136,463 gallons or 186,002 m³) from 2018 to 2019.

Careful inspections and repairs of water systems are a key component of these water conservation efforts. In 2019, inspections resulted in 103 interior replacements or repairs. Additionally, BBVA USA inspected all exterior irrigation systems and completed 667 repairs that were leaking or damaged.

This amount covers municipal water data only. About 28 percent of this amount is estimated for leased sites or those with shared utilities, based

on extrapolated usage by square foot from similar buildings reporting actual meter readings.

Water Totals

2019	2018	2017
934,146 m³	1,120,148 m³	1,186,310 m³
246,775,395 gal	295,911,796 gal	492,234,426 gal

Materials

BBVA consumed 956,246.65 kilograms of paper with 5 percent recycled input material, and we recycled 1,704,746 kilograms of paper in 2019. Recycled input material percentage is calculated by dividing paper purchased that contains some recycled material, as well as other sustainably sourced materials (which varies for different paper products) by total paper purchased for the year.

Technology & Travel

	2019	2018	2017
Videoconferences	34,467**	16,249	102,811
Audioconferences	94,031	148,615	107,403
Air travel (km in thousands)	38,283	35,900	37,340
Air travel (CO2e in tons)***	6,951	—	—

* The following gases are included in the GHG inventory: CO2, CH4, N2O. To report Scope 3 we get the conversion factors from the latest version provided by Department for Environment, Food and Rural Affairs (DEFRA).

** Beginning in 2018 video conference data does not include WebEx video conferences due to the implementation of a global WebEx solution. BBVA USA no longer has access to country specific data.

*** In 2019 the methodology to calculate the Air travel (CO2e in tons) was updated to align with BBVA global's process using the DEFRA factor and therefore the it is not comparable with the data reported in previous years.

► Appendix

SUSTAINABLE DEVELOPMENT GOALS



Sustainable Development Goals

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries — developed and developing — in a global partnership.

They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth — all while tackling climate change and working to preserve our oceans and forests.

In 2018, BBVA Group announced its strategy around climate change and sustainable development and our Pledge 2025 to help meet the United Nations Sustainable Development

Goals (SDGs). We are particularly focused on taking a leadership role in SDG 17: Revitalize the Global Partnership for Sustainable Development, which seeks to strengthen alliances to achieve the targets. BBVA is committed to engaging all stakeholders to increase the financial sector's collective contribution to sustainable development. The SDGs will only be achieved by working together in a broad coalition. This requires awareness, shared knowledge,

action, dialog and alliances with all stakeholders, as well as participation in international and industry initiatives that amplify results.

The following graph outlines how BBVA's responsible business strategies are linked to our commitment to the priority SDGs reflected in this report.

Initiative	Values	Strategic Priority <i>Responsible Business Initiatives</i>	SDGs <i>Responsible Business Experience</i>	Page in this Report
Governance - Internal Control Model - Compliance System & Compliance Training - Standards of Conduct - Liquidity Management - International Commitments & Corporate Policies - Human Rights - Supply Chain	Customer comes first We think big We are one team	New Business Models A First Class Workforce Unrivalled Efficiency <i>Reputation Management</i>	  	16-20
The Customer - Customer Experience - Transparent, Clear & Responsible (TCR) Banking - BBVA Transformation - Complaint and Claim Management - Customer Protection		Customer Experience New Business Models Unrivalled Efficiency <i>Responsible Customer Experience</i> <i>Reputation Management</i>		21-25
The Team - Talent Acquisition - Professional Development - Diversity & Inclusion - Compensations & Benefits - Volunteerism & Social Engagement		A First Class Workforce <i>Responsible Employee Experience</i>	     	26-30
Sustainable Finance Five Year Commitment - Support for Small Business Lending - Home Mortgage Lending - Community Development Services		New Business Models A First Class Workforce Unrivalled Efficiency <i>Sustainable Finances</i> <i>Community Investment</i> <i>Reputation Management</i>	    	33-35
Community Investment - Community Investments - Financial Education - BBVA Momentum		New Business Models Unrivalled Efficiency <i>Community Investment</i>	     	36-38
The Environment - Management of Environmental & Social Impacts - Environmental Commitment - Energy & Emissions - Water - Materials		New Business Models Unrivalled Efficiency <i>Reputation Management</i>	    	39-40

Additional Context*

*This addendum, which highlights some 2020 data, is included within this report to address BBVA USA's commitment to the Principles for Responsible Banking. This Additional Context (p. 43-44) has not been externally assured.

Background

On February 28, 2018, BBVA Group announced Pledge 2025 — a commitment to the fight against climate change, which contributes to the fulfillment of both the United Nations Sustainable Development Goals (SDGs) and the challenges set forth in the Paris Agreement on Climate. Pledge 2025 is based on three lines of action:

- Financing through BBVA's mobilization of €100 billion globally in green financing, sustainable infrastructure and agribusiness, entrepreneurship and financial inclusion.
- Managing the social and environmental risks associated with the bank's activities to minimize potential direct or indirect negative impacts.

- Engaging all stakeholder groups to collectively propel the financial sector's contribution to sustainable development.

The bank's community development lending program supported 26 affordable housing activities totaling \$190.2 million.

BBVA Sustainability Strategy

The BBVA USA Sustainability Strategy is in alignment with the BBVA Group Pledge 2025 and the new Strategic Plan approved by BBVA Group's Board of Directors in 2019. One of the strategic priorities included is "helping our clients transition toward a sustainable future." It is inspired by the Sustainable Development Goals (SDGs) adopted by the United Nations (see chart BBVA Sustainability Priorities). It mirrors other supranational agencies focused on climate change, as well as inclusive and sustainable social development.

BBVA Sustainability Priorities

During 2019, BBVA made significant investments and provided support to our communities through various means including:

Climate Action

Mobilization of investments required to tackle the challenge of **climate change**, in accordance with:

- **SDG 7** Affordable and Clean Energy
- **SDG 12** Responsible Consumption and Production
- **SDG 13** Climate Action

Inclusive Growth

Mobilization of investments required to build **inclusive infrastructures** and supporting an inclusive economic development, in accordance with:

- **SDG 8** Decent Work and Economic Growth
- **SDG 9** Industry, innovation and infrastructure

Three categories for business initiatives:

- 01. Energy efficiency** technologies reducing energy consumption per unit of product
- 02. Circular economy** recycling, new materials, responsible use of natural resources, etc.
- 03. Carbon reduction** renewables and other zero CO₂ energy sources, electric mobility

Three categories for business initiatives:

- 01. Provide access** to financial services to unbanked population mainly through basic digital solutions
- 02. Inclusive** with a focus on safe, affordable and sustainable basic services and transport systems
- 03. Support to entrepreneurs**

BBVA Sustainability Governance

In 2020 BBVA Group established the Global Sustainability Office (GSO), a unit responsible for promoting and coordinating the Group’s sustainability initiatives with the support of the senior managers in the Group’s global and local areas. The GSO has scheduled regular meetings with these managers to review the lines of work to accelerate their execution and guarantee alignment across Group units.

Under the GSO’s coordination, a network of experts has been created with sustainability specialists from the Group areas including Client Solutions, Corporate & Investment Banking, Global Risk Management, Communications & Responsible Business, and others.

In 2019 BBVA USA created a Sustainability Working Group focused on building out processes, products and services aligned to BBVA’s Climate Action and Inclusive Growth ambitions articulated in BBVA’s Pledge 2025.

In 2020 BBVA USA hired a Director of Sustainability to coordinate sustainability efforts across BBVA USA in partnership with

BBVA holding’s sustainability commercial and retail specialists, and a Sustainability Champion was nominated by BBVA USA leadership to act as the conduit between BBVA USA and the Global Office of Sustainability.

BBVA will ensure that its activity is carried out in accordance with a set of values, principles, criteria and attitudes aimed at achieving sustained value for shareholders, employees, customers and for the society as a whole, and will promote the implementation and development of ethical principles based on integrity and transparency. With a view to shaping this aspiration clearly and precisely, in 2020 BBVA published its Sustainability General Policy, which aims to set forth BBVA’s vision and general principles for the approach to sustainability in the different BBVA Geographies, including the U.S.

In sectors that are particularly relevant from a social and/or environmental impact perspective, the BBVA Group has specific operating guidelines, called ESG Sector Norms, which complement the risk appetite perspective and restrict participation in certain activities. The framework of standards recognized by the Sector Norms includes the SDGs, the Paris Agreement,

the Commitment to Human Rights and the recommendations of the Task Force on Climate-Related Financial Disclosures.

BBVA USA Sustainability Action

As a response to BBVA’s new Sustainability strategy, from 2019 to date the departments of Communications and Responsible Business and Client Solutions started working together on the design of sustainable products to facilitate its customers’ transition toward a sustainable future.

In 2020 BBVA USA adapted the Standards for Sustainable Financing Solutions created by BBVA Global. These Standards are in line with the new EU Taxonomy on sustainable activities as well as the most relevant international sustainable standards in the financial industry.

The purpose of these standards is to define the requisites that will need to be observed for a financial solution to satisfy BBVA USA standards and, consequently, to obtain the ‘sustainable’ qualification.

In 2020, BBVA USA launched the following products as part of their Climate Action initiative:

- Green Home Mortgage
- Small Business Green Commercial Real Estate Loan
- Small Business Secured Term Loan for Fuel Efficient Vehicles
- Commercial KPI-Linked Loans
- Commercial Green Loans
- Fuel Efficient Indirect Auto Program
- ESG Friendly Mutual Fund Catalog

A total of **\$2.7 billion in sustainable Products** was awarded in 2019, to which BBVA has added another **\$5.1 billion** in 2020 (See chart: ‘BBVA USA 2019-2020 Sustainable Products.’)

BBVA USA 2019-2020 Sustainable Products

	2019	2020	Total
Climate Action Products	\$45,697,530	\$482,391,722	\$528,089,252
Inclusive Growth Products*	\$2,667,582,037	\$4,622,742,000	\$7,290,318,178

The 2020 numbers are preliminary and subject to change.
 * Inclusive Growth Products include those referenced within Community Commitment on page 34.

About This Report

Reporting Scope and Boundary

The BBVA Responsible Banking Report – USA is published annually. This report represents data from the calendar year 2019 covering the BBVA USA Bancshares, Inc. portion of the U.S. business unit (including any leased facilities, subsidiaries, etc.). Our previous report was for the year ended December 31, 2018. More information is available in the BBVA Group’s 2019 Financial Report on bbvausa.com, and the investor relations website, bbvausa.investorroom.com.

There were no significant changes during the reporting period regarding the organization’s size, structure, ownership, or supply chain. There haven’t been any significant changes from previous reporting periods in the scope and boundary in the BBVA USA Responsible Banking Report 2019. As of the publication date of this report, BBVA USA is not aware of the need for restating any material from previously published reports.

Regulatory Compliance

Bank supervisory information, including bank ratings, reports of examination, and informal corrective or enforcement actions, is generally confidential and not subject to disclosure by BBVA USA. However,

BBVA USA can confirm that it is not subject to any formal enforcement action by any of its state or federal regulators or subject to any formal agreements with any of its state or federal regulators.

BBVA USA has not identified any substantiated complaints that concern breaches of customer privacy.

GRI Standards Content Index

This report has been prepared in accordance with the Global Reporting Initiative Standards: Core Option. BBVA USA engaged global accounting firm, KPMG, to review the indicators in accordance with the GRI Standards disclosures as noted in the Content Index on pages 46-54. Also refer to the Independent Accountants’ Report on page 57. For more information about the Global Reporting Initiative, visit www.globalreporting.org.

Feedback

We want to hear from you! To submit a question, opinion or suggestion about this report, please contact: Department of Corporate Responsibility and Reputation
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Additional information about BBVA USA can be found under the Investor Relations tab at bbvausa.com, by following [@BBVANews_USA](https://twitter.com/BBVANews_USA) on Twitter or visiting newsroom.bbvausa.com.



BBVA USA



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BBVA in the USA



BBVA in the USA



BBVA in the USA

Association Memberships

National

- American Bankers Association (ABA)
- Bank Insurance & Securities Association (BISA)
- Bank Policy Institute (BPI)

- Consumer Bankers Association (CBA)
- Equipment Leasing and Finance Association (ELFA)
- Global Business Alliance (GBA)
- Institute of International Bankers (IIB)
- Insured Retirement Institute (IRI)
- Loan Syndications & Trading Association (LSTA) – Associate Member
- Mortgage Bankers Association (MBA)
- National Association of Government Guaranteed Lenders (NAGGL)
- National Housing Conference (NHC)
- Securities Industry and Financial Markets Association (SIFMA)

International (with U.S. nexus – BBVA Group or NY Branch is the member)

- Americas Society / Council of the Americas (AS/COA)
- Bankers Association for Finance and Trade (BAFT)
- Institute of International Finance (IIF)
- International Swaps and Derivatives Association (ISDA)
- Spain-U.S. Chamber of Commerce
- Trans-Atlantic Business Council (TABC)

State

- Alabama Bankers Association
- Arizona Bankers Association
- Florida Bankers Association
- California Bankers Association
- Colorado Bankers Association
- New Mexico Bankers Association

GRI Standards Content Index

Disclosure	Disclosure Description	Chapter	Omission	Pages
General Disclosures				
102-1 ✓	Name of the organization.	About BBVA		7
102-2 ✓	Activities, brands, products and services.	About BBVA		7
102-3 ✓	Location of headquarters.	About BBVA		7
102-4 ✓	Location of operations.	About BBVA		7
102-5 ✓	Ownership and legal form.	About BBVA		7
102-6 ✓	Markets served.	About BBVA		7
102-7 ✓	Scale of the organization.	About BBVA		7
102-8 ✓	Information on employees and other workers.	Employee Data	Total number of employees by contract, by region: data not available. No significant portion of work performed by non-employees or significant seasonal variations.	31-32
102-9 ✓	Supply chain.	Supply Chain		20
102-10 ✓	Significant changes to the organization and its supply chain.	About this Report		45
102-11 ✓	Precautionary principle or approach.	Internal Control Model		16
102-12 ✓	External initiatives.	International Commitments & Corporate Policies		19
102-13 ✓	Memberships or associations.	Association Memberships		45
102-14 ✓	Statement from Senior decision maker.	Letter from the President & CEO		3
102-15 ✓	Key impacts, risks and opportunities.	Letter from the President & CEO		3
102-16 ✓	Values, principles, standards and norms of behavior.	BBVA Values / Compliance System / Standards of Conduct		8, 17-18
102-18 ✓	Governance structure.	Governance		14-18

✓ Externally reviewed, see page 57 for Independent Accountants' Report.

GRI Standards Content Index

Disclosure	Disclosure Description	Chapter	Omission	Pages
General Disclosures				
102-40 ✓	List of stakeholder groups.	Stakeholder Group Approach		13
102-42 ✓	Basis for identification and selection of stakeholders with whom to engage.	Materiality Process		11
102-43 ✓	Approach to stakeholder engagement.	Stakeholder Group Approach		13
102-44 ✓	Key topics and concerns raised.	Stakeholder Group Approach		13
102-45 ✓	Entities included in the consolidated financial statements.	About BBVA		7
102-46 ✓	Defining report content and topic boundaries.	Materiality Process		11
102-47 ✓	List of material topics.	Material Topics		12
102-48 ✓	Restatements of information.	Reporting Scope and Boundary		45
102-49 ✓	Changes in reporting.	Reporting Scope and Boundary		45
102-50 ✓	Reporting period.	Reporting Scope and Boundary		45
102-51 ✓	Date of most recent report.	Reporting Scope and Boundary		45
102-52 ✓	Reporting cycle.	Reporting Scope and Boundary		45
102-53 ✓	Contact point for questions regarding the report.	Feedback		45
102-54 ✓	Claims of reporting in accordance with the GRI Standards.	GRI Standards Content Index		45
102-55 ✓	GRI Content index.	GRI Standards Content Index		46-54
102-56 ✓	External assurance.	Independent Accountants' Review Report		57

✓ Externally reviewed.

GRI Standards Content Index

Disclosure	Disclosure Description	Chapter	Omission	Pages
Economic Preformance				
201-1 ✓	Economic value.	Executive Summary		5-7
201-3 ✓	Coverage of the organization's defined benefit plan obligations.	Compensation & Benefits		29
Indirect Economic Impact				
203-2 ✓	Significant indirect economic impacts.	Sustainable Finance		33-35
Anti-Corruption				
205-2 ✓	Communication and training about anti-corruption policies and procedures.	Compliance Training		17
Anti-Competitive Behavior				
206-1 ✓	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	Regulatory Compliance		45
Materials				
301-1 ✓	Materials used by weight or volume.	Materials		40
301-2 ✓	Percentage of materials used that are recycled input materials.	Materials		40
Energy				
302-1 ✓	Energy consumption within the organization.	Energy & Emissions	Energy consumption reported in local units of measure or comparability with the US-based reporting context. Reported in alignment with BBVA global.	40
302-4 ✓	Reduction of Energy Consumption.	Energy & Emissions		40
Water				
303-1 ✓	Water withdrawal by source.	Water		40
Emissions				
305-1 ✓	Direct (Scope 1) GHG emissions.	Energy & Emissions		40
305-2 ✓	Energy indirect (Scope 2) GHG emissions.	Energy & Emissions		40
305-3 ✓	Other indirect (Scope 3) GHG emissions.	Energy & Emissions		40

✓ Externally reviewed.

GRI Standards Content Index

Disclosure	Disclosure Description	Chapter	Omission	Pages
Social				
401-1 ✓	New employee hires and employee turnover.	Employee Data	Regional and age group data not available.	32
401-2 ✓	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	Compensation & Benefits		29
Education and Training				
404-2 ✓	Programs for upgrading employee skills and transition assistance programs	Professional Development		27
Diversity and Equal Opportunity				
405-1 ✓	Diversity of governance bodies and employees.	Employee Data	Governance bodies. Data unavailable.	31-32
406-1 ✓	Incidents of discrimination and corrective actions taken.	Diversity & Inclusion		28
Marketing & Labeling				
417-1 ✓	Requirements for product and service information and labeling.	Transparent, Clear & Responsible (TCR) Banking		22
417-2 ✓	Incidents of non-compliance concerning product and service information and labeling.	Regulatory Compliance		45
417-3 ✓	Incidents of non-compliance concerning marketing communications	Regulatory Compliance		45
Customer Privacy				
418-1 ✓	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Regulatory Compliance		45
Compliance				
419-1 ✓	Non-compliance with laws and regulations in the social and economic area	Regulatory Compliance		45

✓ Externally reviewed.

GRI Standards Context Index / DMAs

		Disclosure Description	Chapter	Pages
Easy, Fast and DIY				
103-1	Explanation of the material topic and its boundary	For each material topic, the reporting organization shall report the following information: a. An explanation of why the topic is material.	Material Topics	12
✓		b. The Boundary for the material topic, which includes a description of: i. where the impacts occur;	BBVA Transformation	23
✓		ii. the organization’s involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	BBVA Transformation	23
✓		c. Any specific limitation regarding the topic Boundary.	None	
103-2	The management approach and its components	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization manages the topic.	Material Topics, BBVA Transformation	12, 23
✓		b. A statement of the purpose of the management approach	BBVA Transformation	23
✓		c. A description of the following, if the management approach includes that component: i. Policies	Standards of Conduct	18
✓		ii. Commitments	BBVA Transformation	23
✓		iii. Goals and targets	BBVA Transformation	23
✓		iv. Responsibilities	BBVA Transformation	23
✓		v. Resources	BBVA Transformation	23
✓		vi. Grievance mechanisms	Complaint & Claims Management	24
✓		vii. Specific actions, such as processes, projects, programs and initiatives	BBVA Transformation	23
103-3	Evaluation of the management approach	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach;	Complaint & Claims Management	24
✓		ii. The results of the evaluation of the management approach;	Complaint & Claims Management	24
✓		iii. Any related adjustments to the management approach.	BBVA Transformation	23, 24

✓ Externally reviewed.

GRI Standards Context Index / DMAs

		Disclosure Description	Chapter	Pages
Solvency & Sustainable Results				
103-1	Explanation of the material topic and its boundary	For each material topic, the reporting organization shall report the following information: a. An explanation of why the topic is material.	Material Topics	12
✓		b. The Boundary for the material topic, which includes a description of: i. where the impacts occur;	Liquidity Management	18
✓		ii. the organization’s involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	Liquidity Management	18
✓		c. Any specific limitation regarding the topic Boundary.	None	
103-2	The management approach and its components	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization manages the topic.	Liquidity Management	18
✓		b. A statement of the purpose of the management approach	Liquidity Management	18
✓		c. A description of the following, if the management approach includes that component: i. Policies	Liquidity Management	18
✓		ii. Commitments	Liquidity Management	18
✓		iii. Goals and targets	Liquidity Management	18
✓		iv. Responsibilities	Liquidity Management	18
✓		v. Resources	Liquidity Management	18
✓		vi. Grievance mechanisms	Complaint & Claims Management	24
✓		vii. Specific actions, such as processes, projects, programs and initiatives	Liquidity Management	18
103-3	Evaluation of the management approach	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach;	Complaint & Claims Management	18
✓		ii. The results of the evaluation of the management approach;	Complaint & Claims Management	18
✓		iii. Any related adjustments to the management approach.	None	

✓ Externally reviewed.

GRI Standards Context Index / DMAs

		Disclosure Description	Chapter	Pages
Ethical Behavior & Consumer Protection				
103-1	Explanation of the material topic and its boundary	For each material topic, the reporting organization shall report the following information: a. An explanation of why the topic is material.	Material Topics	12
✓		b. The Boundary for the material topic, which includes a description of: i. where the impacts occur;	Transparent, Clear & Responsible (TCR) Banking	22
✓		ii. the organization’s involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	Transparent, Clear & Responsible (TCR) Banking	22
✓		c. Any specific limitation regarding the topic Boundary.	None	
103-2	The management approach and its components	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization manages the topic.	Transparent, Clear & Responsible (TCR) Banking	22
✓		b. A statement of the purpose of the management approach	Transparent, Clear & Responsible (TCR) Banking	22
✓		c. A description of the following, if the management approach includes that component: i. Policies	Transparent, Clear & Responsible (TCR) Banking	22
✓		ii. Commitments	Transparent, Clear & Responsible (TCR) Banking	22
✓		iii. Goals and targets	Transparent, Clear & Responsible (TCR) Banking	22
✓		iv. Responsibilities	Transparent, Clear & Responsible (TCR) Banking	22
✓		v. Resources	Transparent, Clear & Responsible (TCR) Banking	22
✓		vi. Grievance mechanisms	Complaint & Claims Management	24
✓		vii. Specific actions, such as processes, projects, programs and initiatives	Transparent, Clear & Responsible (TCR) Banking	22
103-2	The management approach and its components	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach;	Transparent, Clear & Responsible (TCR) Banking	22
✓		ii. The results of the evaluation of the management approach;	Transparent, Clear & Responsible (TCR) Banking	22
✓		iii. Any related adjustments to the management approach.	None	

✓ Externally reviewed.

GRI Standards Context Index / DMAs

		Disclosure Description	Chapter	Pages
Corporate Governance				
103-1	Explanation of the material topic and its boundary	For each material topic, the reporting organization shall report the following information: a. An explanation of why the topic is material.	Material Topics	12
✓		b. The Boundary for the material topic, which includes a description of: i. where the impacts occur;	Compliance System	17
✓		ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	Governance	14
✓		c. Any specific limitation regarding the topic Boundary.	None	
103-2	The management approach and its components	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization manages the topic.	Governance	14
		b. A statement of the purpose of the management approach	Governance	14
		c. A description of the following, if the management approach includes that component: i. Policies	Internal Control Model	16
✓		ii. Commitments	Internal Control Model	16
✓		iii. Goals and targets	Internal Control Model	16
✓		iv. Responsibilities	Internal Control Model	16, 17
✓		v. Resources	Internal Control Model	16
✓		vi. Grievance mechanisms	Complaint & Claimes Management	24
✓		vii. Specific actions, such as processes, projects, programs and initiatives	Compliance System	17
103-3	Evaluation of the management approach	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach;	Compliance System	17
✓		ii. The results of the evaluation of the management approach;	Compliance System	17
✓		iii. Any related adjustments to the management approach.	None	

✓ Externally reviewed.

GRI Standards Context Index / DMAs

		Disclosure Description	Chapter	Pages
Cybersecurity and Responsible Use of Data				
103-1	Explanation of the material topic and its boundary	For each material topic, the reporting organization shall report the following information: a. An explanation of why the topic is material.	Material Topics	12
✓		b. The Boundary for the material topic, which includes a description of: i. where the impacts occur;	Customer Protection	25
✓		ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	Customer Protection	25
✓		c. Any specific limitation regarding the topic Boundary.	None	
103-2	The management approach and its components	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization manages the topic.	Customer Protection	25
✓		b. A statement of the purpose of the management approach	Customer Protection	25
✓		c. A description of the following, if the management approach includes that component: i. Policies	Customer Protection	25
✓		ii. Commitments	Customer Protection	25
✓		iii. Goals and targets	Customer Protection	25
✓		iv. Responsibilities.	Customer Protection	25
✓		v. Resources	Customer Protection	25
✓		vi. Grievance mechanisms	Complaint & Claims Management	24
✓		vii. Specific actions, such as processes, projects, programs and initiatives	Customer Protection	25
103-3	Evaluation of the management approach	For each material topic, the reporting organization shall report the following information: a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach;	Customer Protection	25
✓		ii. The results of the evaluation of the management approach;	Regulatory Compliance	25, 45
✓		iii. Any related adjustments to the management approach.	Customer Protection	25

✓ Externally reviewed.

Principles for Responsible Banking

BBVA USA is a signatory of the Principles for Responsible Banking (PRB) and a UNEP FI Member Bank. Below is our first report on implementation of the PRB.

Disclosure Description		Chapter	Pages
Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals’ needs and society’s goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.			
1.1	Business model, products and services	About BBVA Strategic Plan Process Appendix	7 9-10 41
1.2	SDGs, Paris Agreement and other relevant frameworks alignment	Letter from the President & CEO International Commitments & Corporate Policies The Environment Appendix Additional Context	3 19 39-40 41-42 43-44
Principle 2: Impact and Target Setting We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.			
2.1	Impact Analysis	a. Scope	About BBVA Additional Context 7 43-44
		b. Scale of Exposure	Letter from the President & CEO Additional Context 3 43-44
		c. Context & Relevance	Material Topics Human Rights International Commitments & Corporate Policies Additional Context 12 20 19 43-44
		d. Scale and intensity/salience of impact	The Environment Additional Context 39-40 43-44
Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting. BBVA has conducted impact analyses on a strategic level in order to define the new priority focal points in the sustainability discipline with Group coverage.			
2.2	Target Setting	Sustainable Development Goals The Environment Additional Context	41 39-40 43-44
2.3	Plans for Target Implementation and Monitoring	Sustainable Development Goals The Environment Additional Context	41 39-40 43-44
Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring. Pledge 2025 demonstrates the commitment to establish measureable, specific objectives.			
2.4	Progress on Implementing Targets	Strategic Plan Sustainable Finance The Environment Additional Context	9-10 33-35 39-40 43-44
Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets. The bank is showing clear progress in the objectives included in the framework of Pledge 2025.			

Principles for Responsible Banking

Disclosure Description		Chapter	Pages
Principle 3: Clients and Customers			
We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.			
3.1	Overview of policies and practices	Standards of Conduct	18
		Transparent, Clear & Responsible Banking	22
		BBVA Transformation	23
		Additional Context	43-44
3.2	Encouraging customer sustainable practices	Strategic Plan	9-10
		Transparent, Clear & Responsible Banking	22
		Financial Education	37
		The Customer	21
		Additional Context	43-44
Principle 4: Stakeholders			
We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals.			
4.1	Stakeholder engagement	Materiality Process	11
		Stakeholder Group Approach	13
Principle 5: Governance & Culture			
We will implement our commitment to these Principles through effective governance and a culture of responsible banking.			
5.1	Governance structures, policies and procedures	BBVA Values	8
		Governance	14-19
		Human Rights	20
		Supply Chain	20
		Additional Context	43-44
5.2	Employee initiatives and measures	BBVA Values	8
		Compliance System	17
		Additional Context	43-44
5.3	Implementation	Additional Context	43-44
Please provide your bank’s conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.			
With the role of the Board of Directors and the establishment of the Global Sustainability Office (GSO), BBVA has reinforced its governance structure in order to ensure full compliance with these principles.			
Principle 6: Transparency & Accountability			
We will implement our commitment to these Principles through effective governance and a culture of responsible banking.			
6.1	Progress on Implementation	Strategic Plan Process	9-10
		Additional Context	43-44



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Independent Accountants' Review Report

The Board of Directors and Management
BBVA USA Bancshares, Inc.:

We have reviewed the disclosures identified with the symbol “√” (the Disclosure) included in the GRI Standards Content Index tables on pages 46 through 54 of the accompanying BBVA Responsible Banking Report USA 2019 for the year ended December 31, 2019 (the 2019 Responsible Banking Report). BBVA USA Bancshares, Inc.’s management is responsible for preparing and presenting the Disclosures in accordance with the criteria set forth for each related disclosure in the Global Reporting Initiative Standards (GRI Standards). Our responsibility is to express a conclusion on the Disclosures based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Disclosures in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Disclosures are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

The preparation of the Disclosures requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. The selection of different but acceptable measurement techniques can result in materially different measurements. Different entities may make different but acceptable interpretations and determinations.

Based on our review, we are not aware of any material modifications that should be made to the Disclosures included in the accompanying 2019 Responsible Banking Report in order for them to be in accordance with the criteria as set forth for each related disclosure in the GRI Standards.

The 2019 Responsible Banking Report includes summarized prior year comparative information for the years ended December 31, 2018 and 2017. Accordingly, the December 31, 2018 and 2017 information should be read in conjunction with the Responsible Banking Report of BBVA USA Bancshares, Inc. for the years ended December 31, 2018 and December 31, 2017, respectively, with our Independent Accountants' Review Reports dated January 17, 2020 and October 22, 2018, respectively, thereon, from which such summarized information was derived.

KPMG LLP

Boston, MA
April 8, 2021

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.