This is BBVA Compass’ sixth annual Corporate Responsibility Report, and it contains information on the organization’s related performance during calendar year 2013. This report contains data related to Compass Bank, which operates under the trade name BBVA Compass, a subsidiary of BBVA Compass Bancshares, Inc.

The BBVA Compass Corporate Responsibility Report focuses on issues deemed significant by the company and our stakeholders. Our approach transparently displays the nature of the bank’s main commitments and operations, both as a financial services institution in the United States and as a member of the BBVA Group, a premier global financial services institution.

This report has been prepared at Global Reporting Initiative G3 (GRI) Application level B and was also independently reviewed to achieve level B+. The 2013 report is available as a single electronic document to reduce paper consumption and align with BBVA Compass’ commitment to the environment.
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Dear Reader,

September 2013 marked the fifth year since the onset of the greatest economic crisis since the Great Depression. Since then, the banking industry has been subject to intense scrutiny, undergoing systemic reforms designed to make banks more responsible, less vulnerable to risk and more transparent.

You should know that BBVA Compass was careful to avoid the subprime mortgage loans in the U.S. that drove much of the crisis. And BBVA, our parent company, weathered the storm without taking any bailout money. As a result of our responsible practices, we were able to spend less time retrofitting the bank and more time thinking about our customers and how to best serve them.

We spent these years looking forward instead of backward — investing in our technology infrastructure, reinforcing our risk framework and diversifying our portfolio. And we’ve been listening to our customers — how they wanted us to improve, what services they wanted, what was working and what wasn’t.

Our new core banking platform will be key in all of our efforts. It allows for real-time transaction processing, making BBVA Compass one of the very few U.S. banks to offer customers such transparency. It gives them more control over their finances and their futures and helps us zero in on their rapidly changing needs. It is banking for the 21st century.

We’ve also strengthened our commitment to corporate philanthropy and volunteerism in the communities where we operate. We increased the bank’s emphasis on delivering financial education to children and adults in low- and moderate-income areas. Our financial literacy efforts reached more than 10,000 students across our footprint, where we’re putting down the building blocks for a generation of smart, responsible consumers.

Finally, last year saw the debut of BBVA Compass Plaza, the first high-rise to be built in Houston’s Galleria area in three decades. With its floor-to-ceiling windows and open workspaces, the 22-story building is the embodiment of our core values of simplicity and transparency. It also is a tribute to our desire to be good stewards of the environment. It was awarded a LEED-Gold certification for environmentally responsible design and construction.

Our interactions with our customers, with our communities and with our environment underscore our belief that a corporation’s sense of responsibility doesn’t fall to one team or aim its efforts in only one direction. It is embedded in everything we do as an organization — every decision, transaction, product and relationship.

Thank you for your interest in learning more about BBVA Compass. We appreciate your interest and look forward to introducing you to all of the good work we’re doing for our customers and our communities.

Manolo Sánchez
U.S. Country Manager and BBVA Compass Chairman and CEO
BBVA Compass Profile

BBVA Compass Bancshares, Inc., is a Sunbelt-based bank holding company whose subsidiary, Compass Bank, operates 685 branches under the trade name BBVA Compass. BBVA Compass ranks among the top 25 largest U.S. commercial banks based on deposit market share and ranks among the largest banks in Ala. (second), Texas (fourth) and Arizona (fifth). Headquartered in Birmingham, Alabama, it operates 685 branches throughout Alabama, Arizona, California, Colorado, Florida, New Mexico and Texas and employs 10,993 people.

BBVA Compass and its affiliates offer customers innovative, industry-leading products and services that provide financial solutions to meet their needs. Examples include mortgages, home equity lines and loans, credit and debit cards, deposit accounts, insurance products, mutual funds and brokerage services, small business loans, treasury management services, leasing, accounts receivable purchasing, asset-based lending, international services, interest rate protection and investments products, investment portfolio management, traditional trust and estate services and financial counseling.

BBVA Compass Bancshares Inc., is a wholly owned subsidiary of BBVA (NYSE: BBVA) (MAD: BBVA). Banco Bilbao Viscaya Argentaria (BBVA) is a customer-centric global financial services group with more than $826 billion in total assets, 50 million clients, 7,512 branches and approximately 109,000 employees in 30 countries. The Group has a solid position in Spain, is the largest financial institution in Mexico and has leading franchises in South America and the Sunbelt region of the United States. Its diversified business is geared toward high-growth markets and relies on technology as a key sustainable competitive advantage. BBVA operates with the highest integrity, a long-term vision and applies best practices. The Group is present in the main sustainability indices. BBVA ordinary shares are traded through the Madrid Stock Exchange under the symbol BBVA and American Depositary Shares (ADS) are traded on the New York Stock Exchange under the symbol BBVA. More information about the BBVA Group can be found at www.bbva.com.

In 2013, BBVA Compass experienced some transformative changes to its organizational structure.

BBVA Compass Chairman Lawrence Uhlick retired from the BBVA Compass Board of Directors, and U.S. Country Manager and BBVA Compass Chairman and CEO Manolo Sánchez was named BBVA Compass Chairman and CEO. Bill Helms, head of Wealth Management, retired and joined the BBVA Compass Board of Directors as vice chairman. Following his retirement, the Wealth Management line of business was consolidated under the Retail Banking line of business.

In order to achieve efficiencies on BBVA Compass’ Management Committee, the position of Head of Communications and Corporate Responsibility was dissolved, and the Corporate Communications and Corporate Responsibility and Reputation departments were shifted to the Business Development and Shared Services support area.

Amid these organizational structure changes, BBVA Compass continued to garner industry-wide recognition for its business model, advances in technology and commitment to community service.

The bank earned a perfect five-star rating from BauerFinancial, an independent rating organization. BauerFinancial performs quarterly, non-fee based evaluations on nearly 14,000 federally-insured banks and credit unions. BBVA Compass also retained its superior rating from IDC Financial Publishing, an independent rating firm that assesses the overall safety and soundness of more than 15,000 financial institutions each quarter on a non-fee basis.

Additionally, BBVA Compass won the 2013 Best in Mobile Functionality Award in Javelin Strategy & Research’s sixth annual Mobile Banking Financial Institution Scorecard. The independent research firm lauded the bank for its wide range of features in money movement and advanced capability categories, such as mobile photo bill pay, adding bill-pay payees and the ability to enroll in mobile banking using only a mobile device. Additionally, the bank’s mobile banking app was listed among the top ten apps according to American Banker. The list includes the ten most progressive mobile banking apps based on features, design and ease of use. The list highlights the app’s user-friendly features like letting people flip through their check images. It also noted that the bank is already on its second-generation iPad app and was one of the first to offer an app for the Amazon Kindle Fire.

The bank also won the 2013 Celent Model Bank Award for its core banking transformation, which was lauded as a “game changer” when it debuted in fall 2012. BBVA Compass’ technology upgrade marked one of the first successful core infrastructure replacements for a major U.S. bank in more than a decade. The award from Celent, an international consulting firm that focuses on financial markets, recognizes banks that it says “do everything right with today’s technology.”

For the fourth consecutive year, the Financial Services Roundtable (FSR) — an advocacy group representing 100 of the largest integrated financial services companies in the U.S. — recognized BBVA Compass for its 2012 community service — one of 23 businesses to receive this honor.
The data in the adjoining table is intended to be an at-a-glance snapshot of BBVA Compass activity during calendar year 2013.

*“Other” includes employees located in states where BBVA Compass does not have a retail branch network.
Corporate Responsibility Principles and Policy
Corporate Responsibility Principles and Policy

CRR continues to make quarterly presentations to the Management Committee on the transformation of CRR policies and programs and launched BBVA Compass’ formal Corporate Responsibility and Reputation Committee in January 2012.

The CRR Committee is charged with directing CRR policy at BBVA Compass and with driving the integration of CRR criteria, activities and policies throughout the company’s business and support areas. It is composed of BBVA Compass Management Committee members, and is chaired by the U.S. Country Manager and BBVA Compass Chairman and CEO, Manolo Sánchez. As chairman of the CRR Committee and as a member of the BBVA Compass Board of Directors, the U.S. Country Manager and BBVA Compass President and CEO, Sánchez provides updates to the BBVA Compass Board of Directors on CRR policy and programs on an as-needed basis.

Compliance System and Procedures

The BBVA Group’s Compliance System continues to be the framework under which BBVA Compass operates, and it provides institutional oversight at the global and local level. BBVA Compass thus conducts all operations and businesses in accordance with strict codes of ethical conduct embodied in the BBVA Group Code of Conduct. The Compliance team at BBVA Compass manages compliance risks that affect the following issues, among others:

- Conduct in the markets
- Treatment of conflicts of interest
- Prevention of money laundering and of financing terrorist activities
- Protection of personal data

The vision statement for the BBVA Group and BBVA Compass is one and the same: We work for a better future for people. BBVA Compass’ goal is to deliver outstanding corporate responsibility programs and, through our actions, establish the bank as an industry leader with an unmatched reputation among stakeholders in the communities where we have a presence.

Corporate Responsibility and Reputation

BBVA Compass has a commitment to corporate responsibility as an intrinsic part of the enterprise – instilled in employees at all levels, in our corporate goals and philosophy, and in the products and services we offer. The primary commitments of the BBVA Compass corporate responsibility policy are to:

- Uphold excellence at all times in our core business operations
- Minimize the negative impacts caused by our business activity
- Create “social business opportunities” to generate both social and economic value for BBVA Compass
- Invest in the communities where we operate by supporting the work of nonprofit and other organizations — especially those involving education and community development

Managing and Governing Corporate Responsibility

The corporate responsibility policy at BBVA Compass is approved by the Management Committee, and the Corporate Responsibility and Reputation (CRR) department is responsible for managing and coordinating that policy. In 2013, the CRR department maintained its role in managing corporate responsibility through the following offices:

- Office of Community Giving
- Office of Employee Involvement
- Office of Financial Education
- Office of Environment and Natural Resources
- Office of Diversity and Inclusion
- Office of Responsible Practices

Additionally, the CRR team expanded and restructured its staff — creating a tiered department of managers responsible for creating and implementing national strategy and programs (Community Giving, Employee Involvement, Community Relations, and Communications and Reporting) and regional officers responsible for activating and monitoring these national programs across the bank’s footprint. In 2013, CRR was also responsible for contributing to the BBVA Compass Communications and Brand’s latest strategic plan, which for CRR is focused on championing the bank’s responsible business practices aligned with the BBVA Group’s strategic priorities — Education, High Social Impact Solutions, Transparent Clear Responsible (TCR) Communications, Community Investment, and Employee Involvement.
**Key Impacts, Risks and Opportunities**

BBVA Compass is subject to a variety of risks and uncertainties, as well as opportunities. Material risks that the Company currently faces include sustainability factors such as catastrophic weather events that may be a result from climate change. As a financial institution, BBVA Compass’ business is also impacted by changes to the economic environment — including local, regional and global — legislative and regulatory changes, significant and rapidly changes in technology, heightened security risks including cyber attacks, an ever increasing competitive landscape and the retention of employees. For a more detailed discussion regarding risks and uncertainties associated with the Company’s business, please refer to the “Risk Factors” section of the Company’s Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission. A copy is available on our website at: [http://bbva.investorroom.com/sec-filings](http://bbva.investorroom.com/sec-filings).

**Corporate Governance**

The qualifications and expertise of the directors of BBVA Compass are important to ensuring fulfillment of its goals. Selection of directors is determined in accordance with BBVA Group guidelines, BBVA Compass’ bylaws, and laws and regulations governing Alabama state-chartered banks and Federal Reserve System member banks. In addition, the charter for the board’s Audit & Compliance Committee provides that the committee must consist of three or more members of the board, each of whom is determined by the board to be an outside director who is “independent of management” of the bank under 12 CFR Part 363. All members of the committee must have banking or related financial management expertise at the time of their appointment.

Each year, performance goals are established for BBVA Compass that consist of both financial measures (e.g., net income, operating profit, etc.) and other business indicators (e.g., efficiency ratio). In addition, personal or divisional performance goals are set for executives and senior managers. Incentive compensation for an individual executive or senior manager is determined both by the performance of BBVA Compass as it relates to the financial and business goals and the performance of the individual executive or senior manager, or the performance of the division in which he or she works, as it relates to personal or divisional goals. Members of the BBVA Compass board of directors, excluding Chairman and CEO Manolo Sanchez, do not participate in any incentive compensation program. Currently there is no linkage between compensation of BBVA Compass’ highest governance body, senior managers, and executives (including departure arrangements) and the organization’s social and environmental performance.

BBVA Compass is governed by a Board of Directors that consists of both executive and non-executive (“outside, independent”) directors, with Manolo Sánchez serving as both Chairman.
of the Board and Chief Executive Officer of BBVA Compass Bancshares, Inc. Six of BBVA Compass’ 11 directors are “outside, independent directors.” At BBVA Compass, an outside director is defined as a director who is not, and within the preceding fiscal year has not been, an officer or employee of BBVA Compass or any affiliate of BBVA Compass. Detailed information about BBVA Compass’ Board of Directors and the bank’s corporate governance structure can be found in the 10K and by visiting the following website: http://bbva.investorroom.com/sec-filings.

Board of Directors
Manuel Sanchez Rodriguez (Chairman)
William C. Helms (Vice Chairman)
Jose Maria Garcia Meyer-Dohner
Eduardo Aguirre
Charles McMahen
Glen E. Roney
Raul Santoro
J. Terry Strange
Mario Max Yzaguirre
Shelaghmichael Brown
Guillermo F. Trevino

Code of Conduct
The BBVA Compass Code of Conduct defines the fundamentals of ethical conduct and the operating guidelines for preserving one of the principal sources of value creation for the organization: corporate and personal integrity. The Code of Conduct is applicable to all entities and employees. It publicly reflects the sum of pledges made by BBVA Compass to our direct stakeholder groups and to the communities in which we operate. As a condition of employment, all active BBVA Compass employees are required annually to acknowledge that they have read and understand the Code of Conduct. More details on this topic can be found at: https://www.bbvacompass.com/compass/responsibility/.

In addition to the Code of Conduct for BBVA Compass employees, we have the following important policies, guidelines and governing bodies in place for managing commitments in various operating areas with regard to ethical conduct and controls:

- BBVA Group Code of Conduct
- Corporate Integrity Management Committee
- Capital Markets Code of Conduct for BBVA in the U.S.
- BBVA Group Policy on Conduct in the Securities Markets
- Audit & Compliance Committee Charter
- BBVA Compass Audit Committee Independence Policy
- BBVA Compass Board Policy
- Principles applicable to parties involved in the BBVA Compass procurement process

National Memberships
During 2013, BBVA Compass maintained memberships in the following national industry and advocacy organizations:

- Financial Services Roundtable (FSR): www.fsround.org
- American Bankers Association (ABA): www.aba.com
- Consumer Bankers Association (CBA): www.cbanet.org
- Mortgage Bankers Association (MBA): www.mba.org
- Bank Administration Institute (BAI): www.bai.org

International Agreements
Although BBVA Compass itself is not a signatory on any of the following international initiatives and protocols, we monitor the BBVA Group’s commitment and participation:

- United Nations Global Compact: www.globalcompact.org
- United Nations Environmental Program: www.unepfi.org
- Equator Principles: www.equator-principles.com
- United Nations Principles for Responsible Investment: www.unpri.org

In 2010, the BBVA Group signed the United Nations declaration of principles for the empowerment of women, “Equality is Good Business,” developed by the Global Compact and the United Nations Development Fund for Women (UNIFEM) and pursues the third MDG “Promote gender equality and empower women.” Additionally, the BBVA Group in 2011 became an inaugural participant of United Nations Global Compact LEAD — a platform for corporate sustainability leadership where organizations are committed to leading new efforts to raise sustainability issues.

In addition, the BBVA Group respects the United Nations’ Universal Declaration of Human Rights (www.un.org), the basic employment legislation of the International Labour Organization (www.iло.org) and the OECD Guidelines for Multinational Enterprises (www.oecd.org).
Financial Inclusion
At BBVA Compass, we strive to be a financially inclusive organization in the model of the global BBVA Group. As such, financial inclusion is a pillar of our corporate responsibility and community reinvestment programs. In 2013, we more than doubled our investment in these programs. We facilitate access to financial education and our employees teach these classes in communities throughout our footprint.* Our organization’s Community Reinvestment team works hard to promote accessibility to responsible products and services — as well as fair lending practices — to traditionally underserved populations.

* “Footprint,” a term found throughout this report, refers to BBVA Compass’ market presence across the seven states of Alabama, Arizona, California, Colorado, Florida, New Mexico and Texas.

Financial Education

EverFi

In 2013, BBVA Compass unveiled a partnership with EverFi, a leading education technology company in the U.S., to introduce the BBVA Compass Financial Scholars Program. Its web-based lessons introduce students to financial literacy topics such as saving, budgeting, responsible decision-making, credit and debt, charitable contributions and more. The courses feature interactive lessons and games and story-based activities that challenge kids from an early age to make choices in real-life scenarios to best achieve important goals around saving and job planning. The bank sponsored the BBVA Compass Financial Scholars Program in Phoenix, Dallas, Houston, San Antonio, Jacksonville and Birmingham — with plans to expand the relationship to more schools and new markets in 2014. EverFi currently operates in more than 3,800 schools in the U.S., including 46 of the 100 largest school districts.

FDIC Partnership: Money Smart

BBVA Compass continued its partnership in 2013 with the Federal Deposit Insurance Corporation (FDIC) to utilize its financial education program called Money Smart. This program is designed to help adults — even those with no prior banking experience — build financial knowledge, develop financial confidence, use banking services effectively, and create positive banking relationships. BBVA Compass also requires that all applicants of its First Time Home Buyer Mortgage product complete Money Smart’s “Own Your Own Home” (Module 10) online course. This partnership with FDIC allows BBVA Compass employees and our nonprofit community partners to teach the Money Smart curriculum — helping to ensure that the people in our communities are educated and exposed to how they can effectively manage their finances.

American Bankers Association Education Foundation (ABAEF) Partnership

For the fifth consecutive year, BBVA Compass partnered with the American Bankers Association Community Engagement Foundation (ABACEF), allowing our employees to connect with K-12 students and young adults to help them develop a stronger understanding of the importance of savings and how to use credit responsibly. BBVA Compass employees had the opportunity to volunteer for “Teach Children to Save” and “Get Smart About Credit” events in April and October.

Junior Achievement Partnership

BBVA Compass also continued its partnership with 17 Junior Achievement affiliates across its footprint. Junior Achievement Worldwide is the world’s largest organization dedicated to educating students about workforce readiness, entrepreneurship and financial literacy through experiential, hands-on programs. Its programs help prepare young people for the real world by showing them how to generate wealth and effectively manage it, how to create jobs which make their communities more robust, and how to apply entrepreneurial thinking to the workplace.

The overall charitable contribution for 2013 to support Junior Achievement affiliates was more than $150,000. This partnership allows our employees to volunteer and provide financial education to students of all ages. BBVA Compass plans to continue to expand on its partnership with Junior Achievement so that students can put these financial education life-lessons into action and learn the value of contributing to their communities.
Business of Sports

For the second year, BBVA Compass partnered with the Houston Dynamo, Dynamo Charities and Junior Achievement of Southeast Texas to deliver its Business of Sports program to 150 Houston high school students. The first part of the program was a financial literacy course presented by bank volunteers featuring Junior Achievement’s personal finance program and incorporating elements of the ABAEF’s Get Smart About Credit curriculum. Then in October, students received a backstage pass to pursuing careers in the sports management and financial services industries — learning about everything from selling tickets to managing professional athletes’ money. They heard from BBVA Compass and Houston Dynamo executives who specialize in sports marketing, managing a professional sports team and financing arenas such as BBVA Compass Stadium. After a day of learning about the business side of sports, the students enjoyed a Houston Dynamo match at BBVA Compass Stadium.

Community Reinvestment

BBVA Compass is committed to the communities it serves — including traditionally underserved individuals and those who live and work in low- and moderate-income neighborhoods. We believe in extending credit to, investing in, and actively providing accessible financial products and services to these populations.

BBVA Compass abides by the tenets of the U.S. Community Reinvestment Act (CRA) of 1977, which encourages depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations.

As such, BBVA Compass is subject to periodic CRA examinations by its prudential regulator the Federal Reserve Bank of Atlanta (Fed). The Fed evaluates our record of helping meet the credit needs of our communities, especially our low- to moderate-income communities and individuals. Our most recent CRA exam is dated February 1, 2011. BBVA Compass received an overall “Satisfactory” CRA rating with the following test ratings: Lending Test — High Satisfactory, Investment Test — Outstanding, and Service Test — Low Satisfactory. Our performance on these examinations influence our organization’s future growth, as it determines whether applications for future deposit facilities — including mergers and acquisitions — will be approved. Therefore, our organization’s accordance with CRA requirements has a direct impact on BBVA Compass’ ability to enter, operate in, and exit the communities we serve.

CRA Lending and Investments

During 2013, grant relationships were established or expanded with Community Development Financial Institutions (CDFIs) to enhance opportunities for access to capital in low- to moderate-income communities within the BBVA Compass footprint.

As of December 31, 2013, BBVA Compass had accounted for $314,675,203 in CRA-qualified investments in its portfolio, which includes $71 million in Low-income Housing Tax Credits. The majority of the qualified investments were categorized as affordable housing initiatives, which include Low Income Housing Tax Credit investments. The remainder was categorized as small business initiatives, community development projects or investments that otherwise help meet the needs of low- or moderate-income people and/or low- or moderate-income communities.

During 2013, BBVA Compass had a positive impact in numerous communities throughout our footprint by originating 23 Community Development Loans that totaled $141,159,000. In addition, BBVA Compass originated 22,487 CRA-qualified Small Business Loans totaling $1,030,318,000. BBVA Compass also made 2,705 mortgage loans to low- to moderate-income borrowers for a total of $304,390,000, and 1,862 mortgage loans in low- to moderate-income communities for a total of $301,567,000 — continuing our commitment to comply with both with CRA and with the Home Mortgage Disclosure Act (HMDA).

Community Reinvestment (INDIVIDUALS REACHED THROUGH BBVA COMPASS FINANCIAL EDUCATION PROGRAMS)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
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<tbody>
<tr>
<td>EverFi</td>
<td>11,597</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Money Smart</td>
<td>800</td>
<td>5,487</td>
<td>1,884</td>
</tr>
<tr>
<td>First Time Home Buyer Mortgage</td>
<td>1,147</td>
<td>828</td>
<td>488</td>
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<tr>
<td>Money Smart “Own Your Own Home”</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Teach Children to Save</td>
<td>5,563</td>
<td>5,227</td>
<td>3,767</td>
</tr>
<tr>
<td>Get Smart About Credit</td>
<td>3,111</td>
<td>960</td>
<td>5,042</td>
</tr>
<tr>
<td>Junior Achievement</td>
<td>4,726</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>26,944</td>
<td>12,502</td>
<td>11,181</td>
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CRA Lending and Investments (2013 BBVA COMPASS CRA LOANS)

<table>
<thead>
<tr>
<th></th>
<th>Number of Loans</th>
<th>Total Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Loans</td>
<td>23</td>
<td>$141,159,000</td>
</tr>
<tr>
<td>CRA-qualified Small Business Loans</td>
<td>22,487</td>
<td>$1,030,318,000</td>
</tr>
<tr>
<td>Loans to LMI Borrowers</td>
<td>2,705</td>
<td>$304,390,000</td>
</tr>
<tr>
<td>Loans made in LMI Geographies</td>
<td>1,862</td>
<td>$301,567,000</td>
</tr>
</tbody>
</table>
BBVA Compass continues its long-standing participation in the U.S. Small Business Administration's (SBA) capital access programs, and is committed to assisting small businesses through the SBA's various loan initiatives, including 7(a), SBA Express, and the 504 real estate program. In 2013, BBVA Compass ranked seventh among the top 100 SBA 7(a) bank lenders nationwide, providing more than $250 million in SBA loans to America’s small business owners. Also, numerous SBA districts throughout the year recognized BBVA Compass for its loan volume and lending activity.

Access Points in Low-populated or Economically Disadvantaged Areas

BBVA Compass’ systems for delivering retail banking services are accessible to essentially all segments of the bank’s CRA assessment areas and meet the convenience needs of residents and businesses. As of December 31, 2013, 29 percent of BBVA Compass retail branches were located in low- to moderate-income areas, and 30 percent of BBVA Compass’ ATMs were located in low- to moderate-income areas.

Initiatives to Improve Access to Financial Services for the Disadvantaged

BBVA Compass makes use of flexible lending practices in servicing the credit needs of its markets and offers affordable housing loan programs. The bank regularly explores ways to ensure creditworthy borrowers are able to obtain loans either through flexibility in underwriting or specific programs. The following items represent some of the current programs offered by the bank:

- **BBVA Compass Optimizer Card**: The Optimizer Credit Card is a secured credit card, which means a customer’s credit line is secured by a collateral savings account. Designed for people who need to build or improve their credit history, this card gives BBVA Compass customers the financial flexibility and convenience they need for today’s world. Features of the card include:
  - Looks and works like a regular credit card
  - Credit line is secured by an interest-bearing collateral savings account
  - Credit line can be increased anytime with deposits to savings account
  - Accepted at more than 28 million locations worldwide that accept Visa
• **Bank On Program:** Bank On programs are voluntary, public/private partnerships between local or state governments, financial institutions, and community-based organizations that provide low-income, unbanked and under-banked people with free or low-cost starter or “second chance” bank accounts and access to financial education. BBVA Compass participates in four Bank On programs — Bank On Central Florida, Bank On Dallas, Bank On Houston and Bank On Alabama, which is currently in the planning stage. As a participating financial institution, BBVA Compass has agreed to the following:

- Offer a no- or low-cost checking account with no minimum balance requirements
- Accept the Matrícula Card as one form of identification
- Offer at least one additional incentive. Examples include: offer an ATM or debit card, accounts for people who have had problems in the past such as bounced checks or overdraft fees, remittances, waiver of overdraft fees, free checks or free online banking

• **Individual Development Accounts (IDAs):** BBVA Compass participated with United Way of Central Alabama, to offer IDA accounts to qualified individuals. An IDA is a matched-fund savings account that individuals can use to purchase a first home, fund post-secondary education, or start a small business.

• **Matricula Card Acceptance:** Through year-end 2013, BBVA Compass accepted the Mexican Matrícula Consular Card as a primary form of identification, in conjunction with the ITIN (Individual Tax Identification Number), to open checking accounts. While BBVA Compass continues to accept the Matricula Consular Card as a secondary form of ID, it is no longer acceptable as a primary form of identification when opening a new account.

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**Fair & Responsible Banking Policy Statement**

It is the policy of BBVA Compass to fully comply with all fair lending laws and associated regulations. The bank is committed to providing all applicants with equal treatment, without regard to race, color, religion, national origin, gender, marital status, age, familial status, disability, the fact that all or part of the applicant’s income is derived from a public assistance program, or the fact that the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

The bank is committed to extending credit in accordance with fair lending laws and addressing the credit needs of communities that it serves, including low- and moderate-income areas, within the context of safe and sound banking practices.

It is the policy of the bank to manage risks associated with the potential of unfair, deceptive or abusive acts or practices in connection with any transaction with a consumer for a consumer financial product or service, or the offering of a consumer financial product or service. In order to identify potential unfair, deceptive, or abusive acts or practices (UDAAP) concerns and mitigate risk, the bank will periodically conduct a review of all relevant policies, procedures and training materials to ensure that the bank’s internal controls and employee training programs are appropriate, adequate and current.

The success of the bank’s Fair and Responsible Banking Program is the responsibility of the entire organization. The bank’s fair and responsible banking practices apply to all facets of its operations, including marketing, loan origination, processing, underwriting, servicing, and collection activities. The bank’s commitment to fair and responsible banking principles is demonstrated in its structure and organization, employee accountability, monitoring and auditing programs, training and technology.

Fair and equal treatment in regards to lending, as well as fair, clear and responsible banking practices, is not only mandated by law, but is safe and sound business practice that complements the corporate strategy of the bank in the production of quality assets and in providing excellence in customer service.
Responsible Finance
BBVA Compass maintains and follows stringent compliance policies, and as a member of the BBVA Group, has access to the Group’s risk management practices and adopts risk management as one of its main pillars. Following is information on our Bank Secrecy Act (BSA) compliance and training, our anti-money laundering protocols and procedures, as well as a description of our presence in an offshore financial center.

**Risk Management at BBVA Compass**

Risk and risk management are inherent aspects of the banking industry. Identifying, measuring and managing risk in a proactive and forward-looking manner are critical to the effectiveness of BBVA Compass’ Risk Management program.

Risk Management at BBVA Compass deals with risks and opportunities affecting value creation or preservation, defined as: The process implemented by the Board of Directors, management and other personnel across the enterprise that is designed to identify potential events that may impact the entity, manage identified risks within established risk appetites and tolerances, and provide reasonable assurance regarding the achievement of entity objectives — both strategic and tactical. The company governs this process through the Enterprise Risk Management Program framework.

Utilizing BBVA Group standards as well as U.S. Financial Industry standards, the bank has a formalized Enterprise Risk Management Program with the following ongoing objectives:

- Optimize and manage risk across the enterprise tied to strategic initiatives and business plans
- Define the risk appetite of the bank and establish financial and non-financial risk tolerances and limits to protect the safety and soundness, compliance and reputation of the bank
- Proactively measure and manage each defined risk type
- Ensure that proper risk management of the defined risks is integrated with the strategic direction of the bank
- Ensure that organizational goals are clearly defined, aligned and communicated
- Establish policies, programs and processes to identify, measure, monitor and control risks
- Integrate and link the Internal Capital Adequacy Assessment Process with the Strategic Planning Process, comprehensive risk assessments and thoughtful stress test scenarios
- Establish comprehensive and targeted management information and reporting concerning the key risk indicators targeting all risks, approved exposure limits and tolerances, and risk appetite
- Promote strong risk governance and oversight through focused organizational alignment of management and board committees
- Ensure that established processes are operating as designed through the use of audit controls and internal examinations
- Promote an effective risk management and control culture

By effectively managing risk, BBVA Compass can meet the needs of customers, employees, shareholders and the communities we serve.

**Bank Secrecy Act Compliance**

BBVA Compass maintains comprehensive policies and procedures to comply with applicable United States laws and regulations under the Bank Secrecy Act (BSA), the USA PATRIOT Act, and laws and regulations administered by the U.S. Office of Foreign Assets Control. BBVA Compass has taken the following steps to ensure transparency and compliance:

**Currency Transaction Reports (CTRs):** CTRs are made to the U.S. Treasury Department for cash transactions of more than $10,000 on business days.

**Suspicious Activity Reports (SARs):** SARs are reported to the Financial Crimes Enforcement Network unit of the U.S. Treasury Department. Suspicious activities include any transaction involving or aggregating $5,000 or more in funds or other assets if the bank knows or has reason to believe that the transaction involves funds derived from illegal activities or is intended to hide illegal-source funds to evade any law, including any currency transaction reporting requirement, the transaction is designed to evade any BSA regulation; the transaction is atypical for the customer, or has no apparent business or lawful purpose, and the bank cannot reach a reasonable explanation for the transaction after examining the available facts.

**Monetary Instrument Records:** The bank keeps records of certain information required by the BSA with respect to sales of any official check, money order, traveler’s check or bank draft involving currency from $3,000 to $10,000.

**Other Recordkeeping:** Specific recordkeeping requirements apply to taxpayer identification numbers, deposit accounts, electronic funds transfers, extensions of credit, and transfers of funds outside the United States. These records are maintained for at least five years.

**Anti-money Laundering**

The Prevention of Money Laundering and the Financing of Terrorist Activities (henceforth referred to jointly as anti-money laundering) is a major priority at BBVA Compass and an issue critical to the company’s pledge to promote and uphold the well-being of the different communities in which it operates. Accordingly, the following measures were developed to support these efforts:
**Anti-money Laundering Audit:** The adequacy and effectiveness of the bank’s BSA and anti-money laundering policies and programs are assessed at least annually by BBVA Compass’ Internal Audit department. The process includes evaluating the levels of risk associated with the types of transactions conducted by the bank; varying customer characteristics; and the multiple geographic locations in which the bank conducts business, among other relevant factors. The assessment includes transaction testing of “high risk” areas and an evaluation of the overall adequacy of the bank’s processes to identify suspicious activities and the adequacy and effectiveness of related training programs.

**BBVA Compass Presence in Offshore Financial Centers**

Since 2004, the bank has maintained a single foreign branch license for its Cayman Islands branch in order to gain access to the Eurodollar deposit market. Eurodollar deposits are U.S. dollar-denominated deposits associated with a non-U.S. deposit facility. BBVA Compass has been able to expand and diversify its funding sources and to compete more effectively for corporate and institutional deposits as a result of maintaining this branch. As a limited purpose branch, however, this branch does not conduct business or operate any physical business facility in the Cayman Islands. Instead, receipt and payment of all of its Cayman branch deposits occur in the United States, although, legally, BBVA Compass could limit withdrawals to the Cayman Islands. All such deposit business is conducted in conformity with all applicable U.S. and Cayman Islands banking laws.
Responsible Banking
BBVA Compass is a different kind of financial institution—one that works hard to build long-lasting relationships with our customers, employees and communities. Our “Solutions built around you” brand promise reflects and supports our organization’s vision of working for a better future for people and our customer-centric business model—which is based on our guiding principle of “the client as the center of our business.” To this end, we are using innovative techniques to develop and deliver solutions for our clients that simplify their lives. This includes providing our customers with personal service and offering them quality choices—listening to their needs and helping them find solutions that will not only benefit them today, but that will also adapt to their needs as their circumstances evolve.

Universal Banking Model

As part of our organization’s goal of becoming the best universal bank in the U.S., BBVA Compass eliminated the outdated practice of placing customers in line-of-business silos and moved to the concept of the whole bank owning the customer relationship—with each line of business having equal access to that customer.

To break down these silos, we created REACT—Regions Acquiring Customers Together—with the objective of improving teamwork across lines of business as they jointly acquire and refer new customers and, in turn, drive revenue growth. Additionally, REACT enables us to serve customers as a single bank and not as a collection of representatives from different businesses within the bank. Finally, REACT allows us to capitalize on the strength of each line of business, which improves cross-selling, strengthens our relationships, and improves relationship profitability.

Wealth & Retail Banking

In August, BBVA Compass combined its Wealth and Retail banking lines of business to form the new Wealth & Retail Banking group. The move brings together all of the bank’s consumer segments in a single area to deliver innovative, market-leading products, services and solutions that simplify customers’ lives.

Deposit gathering was strong for the unit in 2013, exceeding goals across both the Wealth and Retail teams. Retail investment sales were another bright spot. International insurance was also good, and the bank had positive momentum in domestic brokerage heading into 2014.

The bank’s product factory launch, resulting from the November 2012 replacement of the bank’s core technology platform, led to much faster product development times in 2013. As a result, the team was able to introduce NBA Banking, the Business Mobility Bundle and a new suite of checking and savings products.

The unit’s Wealth Management team expanded its reach to New York, allowing the bank to continue beefing up its presence in key financial centers outside its footprint and better serve customers with world-class service. The new office is dedicated to servicing both domestic and international Wealth Management clients, as well as Commercial Banking.

BBVA Compass also partnered with renowned Christie’s auction house to bring rare art to our Wealth Management clients. The partnership combines the bank’s financial acumen with the auction house’s expertise in collectible assets. Since April 2013, we’ve brought rare American art—including an Edward Hopper painting that later sold for $40.5 million—to clients in a series of exclusive events. The Christie’s partnership will continue in 2014, with events slated in new markets including Phoenix and Orlando, among others. The events will include art, jewelry, wine and culinary experiences.
RETAIL BANKING — RESPONSIBLE PRODUCTS AND SERVICES

**NBA Banking:** BBVA Compass introduced this NBA-branded online account in early 2013, leveraging the bank’s digital platforms to expand beyond its geographic footprint and capitalizing on its role as the official bank of the NBA to reach fans and customers nationwide. The NBA Checking and Savings accounts are the first products built on the bank’s new core technology system, which provides the integration required to support a wholly digital banking product. NBA Banking accounts must be opened online and can be maintained online or with a smartphone using the bank’s mobile app, which allows eligible users to upload a photo of a check to make a deposit. Combined with access to the nationwide surcharge-free Allpoint ATM network, NBA Banking allows customers to conduct almost any banking transaction without visiting a branch. NBA Banking also lets fans display their favorite NBA team logo on the accompanying debit card, view game scores and headlines via the online account interface, and check schedules and scores via mobile devices. It also adds a layer of gamification, giving customers the chance to earn NBA merchandise by processing transactions online.

**Everyday Heroes:** The Everyday Heroes program was developed as a way of thanking those who make the biggest impact in our communities — military, law enforcement, health care workers such as nurses and pharmacists, teachers and firefighters. It provides solutions that fit the financial needs of these heroes, while also offering special benefits and discounts on solutions from checking to mortgage and many things in between.

**First Time Home Buyer Mortgage:** BBVA Compass’ First Time Home Buyer (FTHB) Mortgage product offers a path for first-time homebuyers to achieve their dream of home ownership more easily than they could have otherwise. The program is built to provide affordability, simplicity and transparency as well as online tools and resources. Features of the program include:

- The client’s first payment is not due for three months
- There is no origination fee or other lender fees
- The FTHB Mortgage offers low down-payment options, requiring less cash to purchase
- Financial education tools that help provide the client with a clear view of the financial impact of owning a home

Completing the FDIC Money Smart’s “Own Your Own Home” program is a prerequisite for the mortgage. The course helps potential clients determine if they are ready to purchase a home and walks them through the mortgage process.

**Build My Savings:** BBVA Compass’ Build My Savings product helps customers meet their savings needs via an innovative and straightforward process. In addition to easy-to-use online tools, Build My Savings also includes an annual match to encourage and reward commitment to specified savings targets created by the customer. When customers stick to their savings plan, BBVA Compass will match a percentage of their transfers up to $250 each year per account (maximum two accounts per customer). An annual “Match Bonus” is based on the account’s opening balance, transfer amount and length of plan. Customers can use an interactive savings calculator to determine how to maximize their savings and match potential.

**Simplified Line of Credit:** The Simplified Line of Credit (LOC) is a revolving line of credit that gives customers quick access to available funds. As they pay down their credit line, that credit becomes available again for their use. Customers can access their account by visiting a branch, using a convenience check, requesting a balance transfer, or by requesting an advance. The minimum amount for each advance is $1,000, and monthly payments do not vary unless the term of the LOC is changed or unless the Prime Rate changes.
**ClearPoints Credit Card:** The BBVA Compass ClearPoints Credit Card provides our customers a clear, simple, "no surprises" credit card. We like to refer to it as the card you’d “want your grandmother to have.” Features of the card include:

- Pricing terms, tied to a Prime Rate index, with a margin that will not change for the life of the card.
- No default pricing.
- No annual fee.
- No unexpected or hidden fees.
- Rewards for good payment behavior.
- CompassPoints rewards program.

**Optimizer Card:** The Optimizer Credit Card is a secured credit card, which means a customer’s credit line is secured by a collateral savings account. Designed for people who need to build or improve their credit history, this card gives BBVA Compass customers the financial flexibility and convenience they need for today’s world. Features of the card include:

- Looks and works like a regular credit card
- Credit line is secured by an interest-bearing collateral savings account
- Credit line can be increased anytime with deposits to savings account
- Accepted at more than 28 million locations worldwide that accept Visa

**Visa Signature Card:** The Visa Signature Credit Card has all the features that the BBVA Compass ClearPoints Credit Card offers and includes clear and consistent interest rate terms and no default pricing. Additional Visa Signature benefits include: no preset spending limit; Visa Signature core enhancements and discounts; access to special events, concierge service, and travel and dining discounts; and a 125-point airline discount at the 25,000-point redemption level ($315 value). The following Signature features are provided at no extra charge: travel accident insurance; travel and emergency assistance services; Visa Signature access (sports and entertainment); Visa Signature concierge; Visa Signature dining; Visa Signature privileges; and all the Visa benefits that come with the BBVA ClearPoints Credit Card.

**Compass For Your Cause:** Compass for Your Cause is a program that offers banking services to nonprofit organizations as well as a way for supporters to help nonprofits raise funds just by banking with BBVA Compass. In this program, the nonprofit opens a checking account with BBVA Compass and is given a program ID. Supporters of that non-profit who open a checking account with BBVA Compass, or those who already have an account, can tie their account to the nonprofit. For each new account, the nonprofit receives a monetary gift. In addition, each time the supporter uses their check card on a signature-based transaction, a percentage is also given back to the nonprofit organization. In essence, the Compass for Your Cause program creates an annuity stream of income for the nonprofit.

**Home Ownership Made Easier (HOME) Mortgage Loans:** HOME is designed to assist low- to moderate-income borrowers as well as borrowers seeking to purchase or refinance primary residences located in low-to-moderate income census tracts. The advantages of HOME are reduced down payments, no private mortgage insurance (PMI), low credit score requirements, and low reserves.

**USDA Rural Housing Loans:** This product is designed to provide adequate housing for low- to moderate-income borrowers in rural areas. The borrower must be without adequate housing within their commuting distance. There is no down payment or reserve requirement.

**Home Affordable Refinance Program (HARP) Loans:** This product provides access to refinancing for responsible homeowners suffering from falling home prices — targeting borrowers who are able to make their payments but have been unable to refinance due to declining property values. The expectation is that refinancing their mortgage will put responsible borrowers in a better position by reducing their monthly principal and interest payments or moving them from a more risky loan structure, such as interest only or short-term adjustable rate mortgage, to a more stable product.
Commercial Banking

Commercial Banking at BBVA Compass had another excellent year in 2013. Despite challenging market conditions that impeded competing banks’ commercial divisions, the Commercial Banking line of business continued its strong growth.

The key developments in 2013 included opening new loan production offices, implementing new industry specialization segments, and a continued focus on making the client the center of everything we do.

New offices
In 2013, BBVA opened loan production offices in Tampa, New York City and Washington, D.C., to offer the Commercial Bank’s products and services to clients outside of the bank’s current markets. In 2014, more offices will open from coast to coast in high-growth markets including in Los Angeles, Seattle and Raleigh, among others.

Franchise Food Segment
The Franchise Foods segment began building its portfolio in 2012 and now helps franchisees meet financial challenges through its Build My Franchise program. The program offers everything from start-up financing to cash management tools and works with some of the leading franchises in the country.

SafeSpend Card: The BBVA Compass SafeSpend Card is an open loop, reloadable, prepaid Visa debit card, available with a $4 monthly maintenance fee, that offers customers a low cost, full-service alternative to checking accounts. There is no credit approval required to apply for the SafeSpend Card, and funds can be direct deposited onto the card, transferred from an existing BBVA Compass checking account, or reloaded at any Visa ReadyLink location. The SafeSpend Card provides customers with multiple free features that are very useful in money management, such as:

- Direct deposit
- Bill payment service
- Domestic ATM balance inquiry
- Online banking
- Email and text message alerts
- Electronic statements
- Unlimited PIN and signature transaction access

BBVA Compass Healthcare Financial Solutions:
An integrated approach for the unique needs of customers in the health care industry, such as doctors, dentists and veterinarians and their employees. A team of experienced BBVA financial professionals are dedicated to health care business.

- With a BBVA Compass business checking account, health care practices will be enrolled in the BusinessClass Preferred Plus program for one year and enjoy up to $1,500 or more in annual savings on banking services, a dedicated customer service unit, and access to our online business resource center.
- Health care practices receive unique business lending solutions with special terms, fees and pricing.
- Our banking professionals and credit teams have specific knowledge and experience providing credit solutions for a wide variety of needs including:
  - Commercial real estate (Office)
  - Medical practice/hospital buy-ins
  - Medical equipment purchases
  - Practice loans
  - Lines of credit
  - Professional Rewards Visa credit card
BBVA Compass launched its national equipment financing and leasing business in 2013. An experienced management team launched the business in the second half of 2013. The business focuses on providing financing for equipment used in manufacturing, energy, medical, marine and other industries.

Quality, Satisfaction and Customer Service
At BBVA Compass, our mission is to deliver a branded client experience that demonstrates our commitment to serve and foster our clients' success. Our commitment to building and maintaining long-term relationships with our clients requires that we understand their current and future financial objectives so that we can meet their ever-changing needs.

Creating a best-in-class client experience is a dynamic effort. It’s not something that has an end date. At BBVA Compass, we see it as an ongoing evolution. Financial needs change constantly. Our clients change their banking channel preferences over time, and we must be able to change with them. In fact, it’s our job to anticipate their needs and preferences so we are ready when they are.

Retail Banking Client Experience
In 2013 Retail Banking continued to intensely focus its efforts on improving our clients’ experience. Initiatives put into place or continued over the previous years, including the Passion for Customers Accelerator (PfCA) program and the disciplined customer surveying process, continued to drive Retail Banking’s commitment to excellent client service.

In 2013, key achievements from our client experience efforts included:

- Bank Net Promoter Score (NPS) for Retail Banking was 45.8, 2.8 higher than the 2013 target of 43.0
- The Retail Network had the highest score (55.8), and was 6.8 higher than its target of 49.0

As was the case in recent years, the following are still fundamental to our strategy for improved client experiences:

- Continuing to revise policies and procedures that reduce problem incidence and resolution time.
- Improving our account initiation/on-boarding programs to ensure financial needs and solutions are appropriately matched.
- Increasing individual empowerment levels to improve the resolution process when problems/era occur.

To help achieve these goals, Retail Banking implemented and/or continued the following initiatives in 2013:

- Participation in The Client Advocacy Oversight Committee (CAOC) and the Client Advocacy Discovery Group (CADC)
- Front Line Friday — This ongoing campaign places leaders throughout the bank in Retail Network branches and in back office support areas on designated days so they can see first-hand how our clients interact with the bank.
- 2013 Launch of Customized training, Building Customer Relationships 101 and 201 for front line sales (FSAs).
- Continuation of the Retail Banking Employee Recognition Program — each Regional and District Retail Executive (RRE and DRE) get prize packs to utilize with their network employees recognizing efforts that go above and beyond.

Commercial Client Experience
The objective of our Commercial Banking teams is to deliver comprehensive solutions, customized to meet the unique needs of each relationship. While Relationship Managers are clients’ strategic partners, orchestrated collaboration is critical from Relationship Support Specialists, Commercial Relationship Associates, City Presidents and all other support personnel. To build on this client-centric focus, a number of initiatives were implemented and/or continued in 2013 to improve the commercial client experience. A few of those include:

- Mistral — a comprehensive new sales management process that emphasizes a thorough understanding of clients’ businesses, industry and financial objectives.
- Journey — an employee recognition program, originally introduced in 2012 and continued in 2013, designed to highlight those who go above and beyond in meeting client needs.
- Bank on Us! — this internal branding slogan was submitted and voted on by Commercial Employees as part of the Best Place to Work initiative. It is designed to instill pride and dedication to service for Commercial clients.

Due to these initiatives, BBVA Compass experienced improvement in several key satisfaction and loyalty metrics in the annual Voice of the Client survey.

- Performance overall has improved year-over-year in key Brand Loyalty measures, Relationship Manager attributes, and in Treasury Management and Credit Services.
- NPS, overall satisfaction, likely to continue to do business are all trending up, along with perceptions in the key area of ease of doing business.
• Relationship Manager performance continued an upward trend in nearly all metrics, stemming some previous declines and building upon other previous gains.
• Credit Services has improved from its relative weakness and is now almost in-line with industry norms.
• Treasury Management Services continued to improve and is now near best-in-class status.
• Operations remains an underperforming area with problem incidence above norms and trending up, and satisfaction well below industry standards.
• NPS continues its upward trend, with an increase in Promoters and a decline in Detractors due to the following:
  - Offer a no- or low-cost checking account with no minimum balance requirements
  - Accept the Matrícula Card as one form of identification
  - Offer at least one additional incentive. Examples include: offer an ATM or debit card, accounts for people who have had problems in the past such as bounced checks or overdraft fees, remittances, waiver of overdraft fees, free checks or free online banking

The Commercial bank has no intentions of letting up on its continuous improvement efforts. As BBVA Compass improves, so do its peers. The team is keenly aware of its improvement opportunities and intends to regularly incorporate client feedback into business decisions and solution recommendations.

Wealth Management Client Experience

In 2013, Wealth Management established a three-year Client Experience program. This program takes a holistic approach to meeting the needs of our clients, executives and employees, as well as to achieving business goals. Extensive research established market industry benchmarks, client baselines and employee perceptions. Based on these findings, improvement plans and training tools will be developed, and evaluation metrics will be established in order to ensure that the group is delivering service levels that meet corporate standards and exceed client expectations. The bank’s primary objective in the coming years is to earn a “Best in Class” rating for Net Promoter Score (NPS), the most significant benchmark of customer loyalty.

Privacy

BBVA Compass is committed to compliance with all applicable federal and state privacy laws and regulations. Examples of such laws and regulations include, but are not limited to, Regulation P, the Affiliate Marketing Rule, and the Right to Financial Privacy Act. Regulation P implements portions of Title V of the Gramm-Leach-Bliley Act. It governs the treatment of non-public personal information about consumers by financial institutions and requires that an institution, under certain circumstances, notify consumers about its privacy policies and practices.

The affiliate marketing provision of the Fair and Accurate Credit Transaction Act went into effect on October 1, 2008. Subject to some important exceptions, an entity may not use “eligibility information” received from its affiliate to market to a consumer unless the consumer was notified that such marketing may occur, was given an opportunity to “opt out” of such marketing, and has not opted out.

The Right to Financial Privacy Act is largely procedural and requires government agencies to provide persons notice and an opportunity to object before a financial institution can disclose personal information about them to the government agency.

BBVA Compass consolidated the affiliate-marketing opt-out notice with its Regulation P notice (collectively referred to as the “Privacy Disclosure”). The Privacy Disclosure is provided to consumers at account opening, is available online and in branches, and is mailed to customers annually.

To help prevent unauthorized access to customer information, BBVA Compass uses physical, electronic and procedural safeguards. We periodically test and update those safeguards to help ensure the protection and integrity of our customer information.

BBVA Compass also trains and regularly educates our employees about the importance of maintaining confidentiality and the proper handling of customer information. All of our employees are governed by a Code of Conduct that authorizes access to customer information for business purposes only and includes strict standards for maintaining confidentiality.

In addition, the bank maintains a Customer Information Disclosure Event Plan in case there is ever an unauthorized or unintentional disclosure of customer information. If BBVA Compass becomes aware of an unauthorized disclosure of customer information, the Event Team meets to evaluate the situation and direct subsequent notifications and activities.
Transparency, Advertising and Labeling

Transparency is an important commitment we make to our customers. In this respect, BBVA Compass has the following measures in place to reinforce transparency and clarity in our product and services campaigns:

- We provide disclosures in all of our products, advertisements and customer materials to ensure transparency and a clear understanding of our terms, features and offers.
- All BBVA Compass ads and literature go through a rigorous process and are reviewed by legal counsel and compliance officers to verify that the terminology used is accurate and clear.
- BBVA Compass strives to provide clarity in all product features and terms.

Multi-channel Banking

In 2013, BBVA Compass saw a significant growth in our self-service channels. Mobile Banking added important upgrades in functionality, such as:

- Mobile Remote Deposit Capture, allowing customers to deposit checks by simply taking a picture with their mobile phone
- Enhanced Bill Pay functionality, enabling customers to add payees and issue payments either by entering the biller information, or simply by taking a picture of the bill
- Person-to-person payments, making it possible for customers to send money to anyone with just an email address or a mobile phone number
- A new account alert system and Fast Pay credit card payments, enabling real-time payments to BBVA Compass credit cards

These changes earned BBVA Compass the 2013 Javelin Research Best in Mobile Banking Functionality in the U.S.

Online Banking also saw significant changes, with the release of a new in-house Online Banking platform. Nearly 90 percent of current users were migrated to this new platform, which allows BBVA Compass to add new features to better serve our customers.

LiveLink — a new and innovative solution for drive-thru banking, developed in collaboration with BBVA's Corporate Innovation group and external vendors Wincor Nixdorf, Gravity Europe and Atento – was finalized and installed first at the new BBVA Compass Plaza building in Houston. LiveLink brings personal assistance to an ATM channel, providing a high-definition videoconference and remote service to our customers. After a very successful trial period with employees and customers, two more units were installed in 2013 – with five more scheduled for 2014.

Innovation — BBVA is intently focused on identifying innovative ways to manage our business and interact with our customers. In 2013, we rolled out several cutting-edge tools that help our customers handle their banking needs on the go and make our own processes more efficient.

Mobile Remote Deposit Capture

Mobile Remote Deposit Capture was added to existing mobile banking apps for enhanced functionality. The ability to capture deposits of checks from any mobile device running the BBVA Compass app helps us compete with the top banks that have this service available for their mobile customers, thus helping us be one of the few U.S. banks to offer such a service and reduce the chance of customer loss. A huge savings for the bank will be realized with customers who use the service as the check processing costs will be much lower for the MRDC processed checks. Also, this is great tool for customers to deposit checks with limited branch locations in certain areas, or no presence at all. For those with branches nearby, this feature saves time and money spent driving to a branch to make a deposit.

Mobile Picture Bill Pay

Mobile Picture Bill Pay enables a bank customer to easily and securely pay a bill with the snap of a smartphone or tablet camera. After a customer takes a picture of a bill, the technology automatically extracts relevant data from the paper bill and auto-populates the fields required to make a mobile payment. This revolutionary new way to pay bills eliminates the need for manual data entry, a checkbook or even a computer. Mobile Photo Bill Pay easily integrates into the existing bill pay application.

NSF/OD eNotification

This project sends email versions of Insufficient Funds (NSF) and Over Draft (OD) notices to clients that have signed up for eStatements and the Reg E form. This project sends the NSF & OD notices to the clients faster and will potentially allow them to clear up any account discrepancies up to two days faster. There is also potential savings to the bank of $250,000 or more yearly from savings on mailings.

Online Account Opening

With the completion of the Alnova rollout, BBVA Compass can begin the process of rebuilding visitor-facing online applications. BBVA Compass launched a new web application called Online Account Origination (OAO) that allows customers both in and outside of our footprint to apply for, open and fund an account exclusively online. This improves the customer experience, opens accounts faster and reduces third-party application costs.
Branch Empowerment Tools

Branch Empowerment Tools (BETS) is a guidance application for the branches to assist in fee waivers and exception pricing for a customer. Previously, BBVA Compass outsourced this process to a third-party vendor that maintained a website for internal use. BBVA Compass took the existing data and displayed it on an intranet page for use in the channels, telephone banking, and other units that currently use BETS. Removing the third-party vendor saved $60,000 annually.

Social Media

2013 was a second consecutive year of major growth for BBVA Compass’s social media presence — with a 65 percent increase in Facebook fans, 45 percent increase in Twitter followers and 41 percent increase in LinkedIn followers. The bank’s Social and Online Media team have optimized a content strategy to go beyond solely promoting the bank’s products and services and provide fresh, informative and education information that will benefit our customers and social connections.

Over the course of 2013, the Social Media team has promoted several Corporate Responsibility initiatives via social channels including Team Works: In School/NBA Cares, a special program created in conjunction with the NBA. In addition, we’ve utilized multiple social media channels to share events like Junior Achievement programs and employee volunteer events such as Habitat for Humanity and Veteran’s Day programs across the BBVA Compass footprint. In May, the bank used social media to brand the week leading up to Memorial Day as Helping and Hiring Heroes where we promoted multiple programs within the bank, including HR initiatives, targeted to current and retired members of the U.S. Armed Forces.

Social media highlighted bank-sponsored events in the community that promoted the arts including a free outdoor symphony series with the Alabama Symphony and in-branch performances by the Alabama Youth Symphony Orchestra. The bank also partnered with the city of Birmingham, Ala. to commemorate the 50-year anniversary of the Civil Rights Movement events that occurred in the city in 1963 with a concert hosted by actor and singer Jamie Foxx and featuring musical performances by Jill Scott and Charlie Wilson.

In December, we focused our social media efforts on promoting Project Blue Elf — a holiday toy donation campaign benefitting students of pre-selected schools in low-income areas. For the fourth year, we created a holiday e-card that could be shared by link across multiple online channels including social media. We were able to fund these posts in a paid Facebook campaign that reached out beyond our current fan base. On Facebook alone, our Project Blue Elf posts reached more than 1,000,000 impressions (or views), 1,700 likes and more than 200 shares.

BBVA Compass Social Media Customer Care expanded its care program in 2013 based on consumer demand for service through social channels. Social media conversations increased almost fourfold from 2012 representing many opportunities to have meaningful interactions with customers/consumers to further evolve the care program. This feedback has allowed customers to play an active role in product and service improvements and BBVA Compass’ proactive listening across social channels helped bring positive resolutions to customer questions and concerns. Use of advance social media monitoring tools helped improve efficiency, analyze trends, and provide robust reporting. The social media customer care team also looked for new ways to bring teams across the organization together to help improve the customer experience and encourage continued support from internal and external stakeholders. BBVA Compass understands the increasing development and impact of social media customer care on the business world and how it has revolutionized the way we communicate. We anticipate larger growth for 2014 and plan on expanding our social media customer care services and personnel.
Responsible Management of Human Resources
BBVA’s Human Resources (HR) department continued to lead the way in improving the employment experience in 2013 under a new heading: Engagement 2.1 (Employee Value Proposition).

Human Resources’ objective in adopting this theme was to take a leadership role in the design and development of a consistent and meaningful employment brand, highlighting the mutual benefits that employer and employee offer each other in the workplace experience.

HR targeted five top priorities throughout 2013:

- Provide leadership development opportunities for all levels of management
- Strengthen employee awareness and utilization of career management tools
- Enhance focus on employee engagement and talent retention
- Align talent acquisition strategies with current market realities
- Deliver a high level of strategic value to line of business and corporate area management

Employment and Recruitment

With an eye toward simplicity and accessibility in recruiting and employment services, HR aimed to make the processes and resources that affect people managers, candidates and new hires more efficient through innovative processes and technology.

Access Essentials

Human Resources worked closely with collaborators and stakeholders in 2013 to fine-tune the Access Essentials order site. Formerly known as NEO Access Essentials and initially developed as a platform for ordering resources for newly hired employees, the site was renamed to reflect its expanded scope as a one-stop shop for existing and transferring employees.

Access Essentials simplifies and streamlines the process of ordering the resources employees need to do their jobs. Managers can request items such as global IDs, online software, phone and voicemail, corporate credit cards, Wi-Fi access, remote access, badge access and more.

Consolidating the order process for various items into one site streamlined the task of making sure that employees have the tools they need to do their jobs and ensured these resources are delivered in a timely fashion.

In 2013, Access Essentials won a global BBVA PassionX3 Award in the area recognition category for its focus on simplicity and success in simplifying managers’ jobs.

Online Onboarding Documentation and I-9 Verification

Employee onboarding has been revolutionized from years past thanks to an online documentation system. This resource enables new hires to submit their required onboarding documentation online, rather than give forms to their managers for processing when they report for work, thus eliminating the need for managers to forward paperwork to Recruiting Support. Another component of the system allows managers to verify Employment Eligibility Verification Form I-9 electronically, rather
Responsible Management of Human Resources

Internal Careers Site
Human Resources remains committed to filling vacancies internally whenever possible. The Internal Careers Site allows employees to browse and apply for current vacancies bank-wide. Employees can also set up parameters matching their career interests, and a subscription service will notify them when applicable vacancies become available. The Internal Careers Site not only helps employees take a proactive step in their own career development, but it also streamlines the job application process and shortens the amount of time it takes to fill vacancies with qualified internal talent.

As of November 2013, 1,625 non-entry level open positions had been filled with internal talent, as compared with 1,126 non-entry level positions that were filled with external candidates.

Welcome to BBVA Compass Avatar Presentation
HR offers a streamlined, easily accessible channel for welcoming new employees to the company. Prior to their first day on the job, new hires are able to access the online Welcome to BBVA Compass presentation, in which a video avatar offers an overview of our corporate culture, detailed information about our health and welfare benefits package, information about compliance requirements, a glimpse into some of our employee perks and much more.
Employee Development

BBVA Compass holds firm to the belief that the ongoing development of employees and the effective deployment of their talents are the keys to creating value. Talent Management and Training was instrumental in offering a variety of programs and initiatives in 2013 that focused on helping employees develop the key skills, abilities and knowledge required to succeed.

New Compliance Training Platform

In 2013, BBVA Compass began offering selected HR compliance courses via a new online platform that is accessible 24/7 from any Internet connection at or away from work. The platform offers both English and Spanish translations and allows bookmarking so that employees may start and stop at their convenience. It also allows users to select one of three formats: full video, audio with rotating pictures, or silent with still pictures. The first company-wide course, Know the Code, was completed on this platform in November of 2013.

Competencies Development Process (CDP)

BBVA Compass continued participation in the Competencies Development Process (CDP). A global BBVA Group initiative in which all employees simultaneously participate every two years, CDP represents a systematic approach to competencies development that enables the organization as a whole to achieve better results.

Non-Discrimination and Equal Opportunities

BBVA Compass embraces an Equal Employment Opportunity policy while reinforcing other established policies and procedures.

BBVA Compass has a firm and unwavering policy to provide equal employment opportunity without regard to age, citizenship, color, disability, ethnic origin, gender, gender identity, marital status, nationality, national origin, race, religion, sexual orientation, genetic predisposition, veteran status, 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 Compass, 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, 2013, BBVA Compass was not involved in any regulatory actions related to alleged employment discrimination and working conditions that were material to our financial position. Furthermore, BBVA Compass has a firm commitment to equal employment opportunity and non-discrimination, as evidenced by widely disseminated policies prohibiting discrimination in all aspects of the employment relationship. Employees are afforded numerous avenues to raise complaints including through management, local Human Resources, the Office of General Counsel, and corporate Human Resources or by anonymous reporting through telephone hotlines.

While we do not prohibit freedom of association, as of December 31, 2013, there were no BBVA Compass employees covered by collective bargaining agreements. We have not identified any operations where the right to exercise freedom of association and collective bargaining may be at significant risk.

NETprofile My Portfolio Tab

In an effort to develop a pipeline of internal talent, Human Resources reminded and encouraged employees throughout 2013 to register information about their work skills, educational backgrounds and relocation preferences in the My Portfolio tab of NETprofile. The information employees provide serves to create a database that will help HR identify internal candidates who are well suited for job vacancies.

The Welcome to BBVA Compass presentation resides on the 4UfromHR Portal and is available 24/7 from any Internet connection. It is accessible to all employees, not just new hires, so that anyone can view it at any time for information about the BBVA Compass employment experience.
In 2013, BBVA Compass joined the entire BBVA Group in reintroducing Phase II of the Competencies Development Process — formerly known as “Individual Development Plan” — as Self Development Plan (SDP). During the 2013 SDP cycle, managers conducted development interviews with their direct reports, which were intended to help them understand their Competencies Results — the strengths and gaps that were identified — and discuss a recommended path for their Self Development Plan to close those gaps.

**CareerMap4U**

CareerMap4U has taken root as a critical tool for helping employees take responsibility for their career planning at BBVA Compass. Employees logged on in growing numbers throughout 2013 to register their interest in areas where they might want to develop and grow as their career progresses. Rather than focus only on available opportunities, CareerMap4U takes a long-term approach toward career growth, allowing employees to view a range of functional profiles across lines of business, regardless of whether a vacancy for a particular functional profile currently exists. They can then register interest in profiles for which they meet the critical skills required and discuss these career interests with an HR partner.

**leap (Learning, Evaluation, Application and Placement) Program**

BBVA Compass’ innovative leap program attracted 23 bright college graduates this year to complete a year of immersion training at the bank. The program, which is designed to recruit, develop and retain top university talent, allows for several five-week rotations in various lines of business so the graduates get equal exposure to and knowledge about different areas of the bank.

The program revolves around four pillars: Learning, Evaluation, Application and Placement. During the Learning phase, participants take a close look at the bank’s people, culture and departments, as well as attend training sessions. The Evaluation phase includes Dale Carnegie training programs and credit skills assessments. The Application phase offers job-shadowing opportunities and rotations, which are assigned based on competencies. During the Placement phase, Human Resources and the lines of business identify positions and determine placements for the leap associates.

**Internship Program**

In 2013, BBVA Compass welcomed its second class of interns to the bank-wide summer internship program. The 20 participating interns were selected from universities within the bank’s footprint and are working toward undergraduate and graduate degrees. Throughout the ten-week program, the interns worked full-time in BBVA Compass markets including Birmingham, Dothan, Ala.; Denver; Dallas, and Houston. In addition to their individual assignments, the interns also convened once a week to work on a group project in cross-functional virtual teams. The internship program represents another important step in BBVA Compass’ efforts to create a pipeline of talent and cultivate future leadership.

**Employee Training**

In 2013, BBVA Compass employees completed 464,077 training hours. This achievement was made possible in large part by the continued implementation of Alnova, the bank’s new core banking system, and Building Customer Relationships, redeveloped sales training for the Retail Bank. BBVA Compass completed 79 percent of all training activities via e-learning/virtual delivery channels, and 21 percent of training activities were completed in the traditional classroom.

<table>
<thead>
<tr>
<th>Training Hours Completed</th>
<th>Number of Hours</th>
<th>% of Total Completions</th>
<th>Number of Completions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Live Training</td>
<td>97,082</td>
<td>21%</td>
<td>8,054</td>
</tr>
<tr>
<td>Online training</td>
<td>366,995</td>
<td>79%</td>
<td>268,441</td>
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<td>Employees trained in 2013</td>
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<tr>
<td>Total investment in training (in dollars)¹</td>
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<tr>
<td>Training investment per employee</td>
<td>$344</td>
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</table>

¹ Total investment in training (in dollars) refers to the true expense of training materials, content development, etc. It does not include calculations for any expenses related to employee time, travel, etc. This is the estimate of expense as of January 3, 2014.

**Massive Online Open Courses**

In 2013, BBVA Compass partnered with Coursera to offer employees at all levels of the organization the chance to learn from top professors at some of the world’s leading universities through a series of five massive open online courses. Coursera’s programs are college-level courses in which students hear lectures from top professors and interact with students from around the world. Participants who completed a course received credit on their internal training records. For people managers, the hours counted toward their annual Continuous Learning Requirement (CLR).

**Toastmasters Clubs**

In response to employees’ interest in improving their public speaking and leadership skills, BBVA Compass launched Toastmasters clubs in Birmingham in 2013. Toastmasters, an international organization that trains people to communicate effectively and develop leadership skills, provides employees opportunities to practice and improve their public speaking skills during each meeting. Additionally, leadership opportunities such as serving as a local or regional club officer or joining the club’s Speaker’s Bureau and speaking outside of the club setting are borne out of participation in Toastmasters.
Leadership Development

Talent Management and Training was rigorous in its approach to developing leaders, offering a wide range of initiatives designed to help managers build their leadership abilities. Through these leadership development programs, Talent Management and Training provided well over 32,000 hours of training to the BBVA Compass leadership community during 2013.

Continuous Learning Requirement (CLR)

The Continuous Learning Requirement is a leadership development strategy intended to ensure that all people managers remain focused on keeping their skills sharp. This program requires all managers who have at least one direct report to complete a minimum of 12 hours of continuous learning each calendar year. More than 2,000 managers participated in CLR in 2013, with overall completion up 22 percent from 2012, from 65 to 87 percent.

Harvard ManageMentor

Harvard ManageMentor proves useful to people managers in completing the CLR and other development goals throughout the year. This innovative web-based tool offers 44 distinct learning modules focused on critical leadership topics.

Leadership Essentials

Leadership Essentials is an important resource for new people managers. This program ensures that managers who are new to the people manager role are knowledgeable regarding critical HR policies and procedures via an ongoing series of targeted communications and webinars, leveraging Harvard ManageMentor modules among other resources.

Targeted Leadership Training

Talent Management and Training offered targeted development solutions for multiple segments of the leadership population in 2013, including a series of training programs for members of the Executive Management Team. Throughout the year, members of this targeted leadership group attended programs at Campus BBVA in Madrid, including the Corporate Management Program, Building a Customer Centric Organization, Corporate Leadership Program and Entrepreneurial Strategies for Growth Program.

Other targeted groups participated in programs such as eCornell, a leadership development program that combines the most effective elements of classroom and online learning environments, allowing select BBVA Compass leaders to actively participate in the learning process without the need for a rigid schedule or expensive travel.

In the fall of 2013, 35 senior BBVA Compass leaders participated in the BBVA Compass School of Management on the campus of The University of Texas at Austin (UT). Sponsored by Talent Management and Training in partnership with the McCombs School of Business at UT, this comprehensive educational program explored topics including advocacy and influence, leading high-performance teams, world economic outlook and change management.

New in 2013 was a three-part leadership development program targeting senior top talent, beginning with graduates of the BBVA Compass School of Management. This self-leading program is facilitated by InterManagement — a BBVA global training partner — and is based on the need for a strong understanding of how personal characteristics impact the development of leadership potential and the execution of management functions.

Talent Planning

Talent Management and Training also continued to develop the Talent Planning process throughout 2013. This initiative is designed to identify employees who demonstrate great potential for growth and advancement into leadership positions. People managers are involved in the Talent Planning evaluation process on an annual basis.

[ EMPLOYEES BY PROFESSIONAL CATEGORY ] – percentage

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steering Committee and</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Corporate Managers</td>
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<td>0.1</td>
<td>0.1</td>
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<tr>
<td>Middle Management</td>
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<td>21.9</td>
<td>23.6</td>
</tr>
<tr>
<td>Specialists</td>
<td>17.2</td>
<td>15.8</td>
<td>15.7</td>
</tr>
<tr>
<td>Sales Force</td>
<td>22.6</td>
<td>20.5</td>
<td>19.5</td>
</tr>
<tr>
<td>Entry-level</td>
<td>37.4</td>
<td>40.5</td>
<td>40.0</td>
</tr>
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</table>

*This table includes full-time, part-time and temporary employees.

Performance Appraisal

BBVA Compass is committed to providing competitive compensation, maintaining merit pay as the cornerstone of our compensation philosophy and rewarding individuals based on the contributions they make to the organization’s success.

Semiannual Same-Seat Promotion Process

In June, the process by which same-seat promotions occur transitioned to a formalized semiannual schedule. Managers may now evaluate eligible employees for same-seat promotions twice annually, on September 1 and March 1.
This transition offers a number of benefits for managers and employees. Setting standard dates for promotion opportunities creates a consistent, organized, transparent and fair process for evaluating, recognizing and rewarding talent across all lines of business. The semiannual schedule also encourages talent development by providing managers the chance to discuss advancement opportunities, career development resources and tools and next steps with their employees. Additionally, moving to a semiannual process enhances managers’ ability to manage their salary increase budgets.

In 2013, 208 employees received same-seat promotions in March, and 217 received them in September.

**Personal Benefits**

Because each individual contributes to the success of the organization, BBVA Compass is committed to providing a variety of benefit programs designed to meet employees’ needs. These programs offer financial security through life insurance and retirement plans as well as support our employees’ health and overall well-being.

**Employee Benefit Plans**

BBVA Compass provides a comprehensive benefits package designed to meet the needs of employees and their families. Benefit plans and programs include health care, vacation and paid time-off programs, savings and retirement plans, the Wellthy for Life wellness program, discounts on banking services through Employee Banking Perks, special discounts on products and services, tuition assistance and scholarship programs for employees’ dependent children. Part-time employees are eligible for the same employee benefits as full-time employees with the exception of short term disability and paid military leave.

**Wellthy Points and Health Reimbursement Account (HRA)**

In 2013, BBVA Compass offered employees a new option to save money on their out-of-pocket medical costs while taking charge of their health and wellness at the same time. By completing designated wellness activities in the Wellthy for Life wellness program, employees can earn up to 720 Wellthy Points each year.

These wellness activities include:

- Biometric Testing
- Health Assessment
- Tobacco Free
- Smoking Cessation Program
- Preventive Screenings
- Chronic Care Management
- Virgin Pulse (formerly Virgin HealthMiles)
- Wellness Seminar
- Online Action Plan
- Sporting Event
- Flu Shot
- Blood Donation

For employees who are enrolled in the Health plan, each Wellthy Point earned equates to a company-paid $1 contribution to a Health Reimbursement Account (HRA), and employees can earn up to $720 in HRA funds per year. HRA dollars may be used to pay for eligible medical, dental, prescription and vision expenses, including co-pays, co-insurance and deductibles. Because unused HRA balances roll over from year to year, participants are able to add to any balance they may carry over from the 2013 plan year and build on it going forward into the future.

Employees who are not enrolled in the Health plan may also complete wellness activities and earn Wellthy Points, and they will retroactively receive HRA contributions for these completed activities should they enroll in the Health plan at a later date within the plan year due to a qualifying Life Event or a qualifying Employment Status Change.
BBVA Compass Employee Health Center
In early October, BBVA Compass opened an Employee Health Center less than a mile from the new BBVA Compass Plaza in Houston, providing a wide variety of health and wellness services to employees covered under the company’s health plan.

The center, which underscores the bank’s commitment to promoting health and wellness, is open five days a week and provides a wide variety of primary care, urgent care and wellness services with no co-pay or at minimal cost as part of employees’ health benefits. Services are available to all employees who are covered under the company’s health plan, including those who work in Houston and those who travel there.

The health center is staffed by two full-time medical assistants, one full-time advanced family nurse practitioner and one part-time oversight physician.

Defined Benefit Plan
BBVA Compass has a defined benefit plan known as the Compass Retirement Plan that pays a defined monthly benefit at retirement using a formula based on a participating employee’s age, years of service and highest five-year salary average. The plan is 100-percent funded by BBVA Compass and has been closed to new participation since January 2003. Employees at that time had the opportunity either to continue their participation in the Compass Retirement Plan or transfer their participation to the Compass SmartInvestor Retirement Plan, which is a defined contribution plan.

Available since January 2003, the Compass SmartInvestor Retirement Plan is designed to build benefits evenly over a BBVA Compass career — whether that’s five, 10 or 30 years — through employer contributions that increase with service and potential future growth resulting from the performance of an employee’s investment selections. All BBVA Compass employees (with the exception of BBVA Compass Insurance and BBVA Compass Wealth Solutions employees) are eligible for this plan, and participation automatically begins the month after an employee completes one year of service in which they work at least 1,000 hours.

BBVA Compass employees also have the option of participating in the Compass SmartInvestor 401(k) Plan, which allows employees to defer a portion of their salary on a pre-tax basis and to receive an employer match after completing one year of service. All employees are immediately eligible to participate in this plan upon hire. Employer matching contributions begin following the completion of one year of service in which the employee works at least 1,000 hours.

BBVApay
Accessing and managing payroll information is now easier and more convenient than ever, following the launch of BBVApay in 2013. On this easy-to-navigate site, employees can view earnings statements and W-2s and make changes to direct deposit and withholding information — all around the clock from any Internet connection. Beginning in 2014, W-2s will be available via BBVApay — consolidating all critical payroll information onto one platform.

Total Compensation Statements
“Total Awareness + Total Understanding = Total Appreciation” is the tagline that describes Total Compensation Statements, a resource designed to help employees understand the full investment BBVA Compass makes on their behalf, beyond just take-home pay. Total Compensation Statements, which are available on www.mybbvacompassbenefits.com, break down employees’ annual total compensation into several categories, including cash compensation, retirement benefits, company-paid health and welfare benefits and other benefits.

Paid Time Off
BBVA Compass believes that regular times of rest and relaxation away from the job are crucial for health, well-being and performance on the job. Employees are encouraged to take advantage of annual paid vacation time.

NEW LEAVE AND ATTENDANCE PROGRAMS
BBVA Compass’ leave and attendance policies are designed to help employees achieve a healthy balance between work and their personal lives.

Enhanced Sick Pay Provision for Family Leave: Under the enhanced Sick Pay Provision for Family Leave, employees may use up to half of their current accrual of sick time each calendar year to provide care for an ill or injured family member, to assist a family member with attending medical appointments or to attend to a personal or family-related medical emergency.

Pregnancy Leave: Employees who give birth via a natural or Caesarian delivery may receive two weeks of pregnancy leave paid at 100%, followed by one week of parental leave paid at 100% per birth event. In addition, while under a doctor’s care, a birth mother has access to 100% of her accrued sick pay balance up to a maximum of six weeks for a natural birth and a maximum of eight weeks for a Caesarian birth, unless otherwise extended by the physician and/or as required by state or local law. Following these periods of up to six or eight weeks, as applicable, new birth mothers may also use up to 50% of their remaining accrued sick time balance under the enhanced Sick Pay Provision for Family Leave, followed by any accrued vacation time, and go unpaid for the remainder of their approved leave.
Responsible Management of Human Resources

Health and Safety at Work

BBVA Compass is committed to providing tools to help employees live healthy and productive lives, as well as finding ways to help them manage their health.

Wellthy for Life Health Fairs

The Benefits team helped get BBVA Compass’ new year off to a healthy start by offering Wellthy for Life Health Fairs. These onsite events took place in locations across the footprint throughout the first quarter. Attendees completed a screening that measured total cholesterol, triglycerides and glucose levels, as well as biometric information including height, weight, body mass index (BMI), and blood pressure.

Completing these activities not only allowed employees to get a clear picture of their overall health, but it also earned them 200 Wellthy Points: 100 points for the Biometric Screening and 100 points for completing a Health Assessment. For those employees on the BBVA Compass health plan, these Wellthy Points equated to $200 in contributions to the Health Reimbursement Account (HRA). In all, 4,350 employees in 12 cities attended the health fairs.

Parental Leave: Under the new Parental Leave policy, male and female employees receive up to one week of fully paid parental leave per birth or adoption event for the purpose of bonding with a newborn or with a newly adopted child under the age of 18. Following this one week, employees may opt to use up to half of their accrued sick time balance available as of the effective start date of the leave.

Enhanced Attendance Policy: Under the enhanced attendance policy, full-time and part-time employees may use accrued sick pay for up to 12 absences in a rolling calendar year for one’s own sick time (illness, injury or to attend doctor appointments, etc.), to provide care for or assist ill or injured family members, or to attend certain family members’ routine medical appointments without being disciplined if the absence is scheduled and approved in advance. The enhanced policy is intended to allow employees more flexibility by providing increased access to sick time accruals, and it also encourages employees to plan ahead when absences are required.

Continuous Time Away
The Continuous Time Away work-life balance and leave policy remained in force in 2013. Under the terms of this policy, employees are required to remain continuously away from job duties for at least five consecutive business days annually. Remaining continuously away from the job means that employees are not allowed to transact or otherwise carry out, either physically or through electronic means, their regularly assigned duties during the required time away. Certain employees who work in identified high-risk areas or who are involved with high-risk responsibilities may be required to remain continuously away from their job duties for ten consecutive business days.

Strict adherence to this policy helps ensure that our organization remains in compliance with federal regulatory risk management policies, as well as provides employees a tangible benefit, as regular times of rest and relaxation away from the job are crucial for their health, well-being and performance on the job.

Sick Pay, Short-Term Disability Benefits and Long-Term Disability Insurance
BBVA Compass provides the opportunity to accrue sick pay to be used to help avoid an interruption in base pay if work is missed due to medical necessity, personal emergency or another necessary absence. Short-term disability benefits are provided to eligible employees, and long-term disability benefits may be available for employees who cannot return to work because of health problems.
Passion for People

BBVA Compass demonstrates a personal investment in employees by providing tangible benefits through Passion for People initiatives.

Carrera 5K and Family Day

The Corporate Culture and Employee Engagement team hosted the BBVA Compass Carrera 5K and Family Day for the second consecutive year. This celebration of fun and wellness, which took place in Birmingham on September 21 and Houston on November 9, included a 5K race, one-mile fun run and Family Day with food, fun and games.

More than 3,000 employees and their guests registered to participate in the events. The top three male and female 5K finishers in several age categories and the top three finishers overall received medals in an awards ceremony in each location.

Afternoon activities offered something for attendees of all ages, including a healthy post-race lunch, inflatables and games, a face-painting booth and a photo booth. Participants left Railroad Park in Birmingham and Discovery Green in Houston at the end of the day with Carrera T-shirts, water bottles, backpacks and souvenir photo frames — as well as great memories of fun afternoon spent with friends and co-workers.
I Love Working at BBVA Compass Video Contest
Employees had a new avenue to express their creativity in 2013 with the launch of the I Love Working at BBVA Compass Video Contest. Employees were asked to submit videos showing why they love working at the bank. All employees had the chance to vote for their favorite submissions, and they were asked to evaluate the videos on their creativity, entertainment value and degree to which they clearly explained the creator’s motivations. All employees then had a chance to view the submissions and vote for their favorites.

The winning team won a $2,500 cash prize, while $1,500 went to second place and $1,000 to third place.

Passion for People Photo Contest
In the Passion for People Around the World Photo Contest, employees had the chance to share their summer vacations with BBVA Compass by snapping a photo with the Passion for People logo on display. Employees submitted photos from atop mountains, under the sea, at amusement parks, on mission trips, at graduations, weddings and births, and everywhere in between.

All employees had the chance to vote one time for their favorite photo from among the 81 submissions, and 2,753 employees cast a vote to determine the three winning photos. Winners took home fun and exciting travel prizes, including a trip to Jamaica or Las Vegas for the first place winner, and a hotel stay in a location of their choice for the second and third place finishers.

Celebrating U
Recognizing and thanking employees for their many contributions took center stage in March as Celebrating U took place at BBVA Compass. During this weeklong celebration, employees received gestures of appreciation each day in the form of small commemorative gifts, exclusive discounts and other special offers. Items and highlights included a personalized Celebrating U 2013 desk calendar, Celebrating U-branded chocolate bar, 100 bonus HealthMiles through the Virgin HealthMiles program, an extra paid day off in 2013, the opportunity to wear jeans to work on Friday and more. People managers were also encouraged to set aside time to recognize their employees in special and unique ways.

The goal of these daily celebrations and small gestures was to send the message that BBVA Compass values and appreciates employees and the contributions they make to the organization’s success.

See Share Smile
In April, employees shared something special with their children by bringing them to participate in See Share Smile. This fun half-day program, formerly known as “Take Your Children to Work Day,” was designed to teach children about the banking industry and the importance of saving, as well as give them a glimpse of the BBVA Compass workday.

More than 1,100 children participated in the event, and each received a See Share Smile kit that included an activity book to teach them about the many roles of employees at BBVA Compass, explore different types of currency, locate and identify tools and machines used in the bank and talk about the importance of saving. Through a special offer to promote financial literacy, each child who participated in See Share Smile had the opportunity to open a Young Savers Account with a free $10 opening deposit provided by the bank.

Campus LFP
In July, 15 children of BBVA Compass employees got the soccer experience of a lifetime, as they flew to Seva, Spain to attend Campus LFP, a world-class soccer camp sponsored by the BBVA Group. Along with other children of BBVA Group employees from around the world, the girls and boys spent a week improving their soccer skills at top-notch facilities under the tutelage of first-class trainers. They also learned valuable lessons about respect and teamwork and got the chance to tour official Liga BBVA stadiums.

To enter for the chance to attend, children of BBVA Compass employees were asked to write a short essay on why they wanted to attend Campus LFP.

Aspire Recognition Program
The Aspire informal recognition program allows employees to send messages of appreciation to peers, managers and direct reports in all areas of the footprint. Note cards, available in hard copy or electronically, reinforce seven behaviors that BBVA Compass values, driving home the message of “The Impact of One.” Themes such as “thanks for striving for excellence,” "thanks for embracing change," and "thanks for putting the customer first" offer a reminder that “the impact of one” is far-reaching and that everyone can make a difference.

Employee Banking Perks Program
Employees have access to special benefits and discounted rates on a wide range of banking products and services, including checking and savings accounts, mortgage financing, consumer loans, the BBVA Compass ClearPoints credit card, CompassPoints®, wealth management and brokerage services, the CompassPlus® discount program and more.

Special discounts on products, services and entertainment opportunities are also available through selected vendors with whom BBVA Compass contracts.
Responsible Management of Human Resources

Human Resources continued its commitment to enhancing communication with employees through its 4UfromHR Portal in 2013. The innovative web resource offers employees convenience and accessibility, consolidating all HR-related content into one easy-to-access site.

Information on the Portal is easy to find, as most of the content is organized under one of the three main HR pillars: Passion for People, Growth & Development and Practices & Programs. The site also provides news and information through videos and interactive media, and all Portal content is customized for each individual employee.

Within the BBVA Compass network, employees are logged in without having to enter a password through single sign-on identification. They can also access the Portal around the clock from outside the BBVA Compass network by going to www.4UfromHR.com and entering their employee number and password.

Several enhancements to the Portal in 2013 have made finding information easier than ever. The Quick Links page, which is accessible from the homepage, offers an alphabetical list of frequently accessed pages and applications. One click on the homepage also provides access to the Real Estate and Procurement Services (REPS) site, which includes information about travel services, print and copy services and more.

HR Communications

4UfromHR Portal

Employees stayed apprised of the latest in Human Resources news throughout the year with the 4UfromHR e-Newsletter. Visually engaging and easy to read, the e-Newsletter with page-turning features is distributed on a regular basis and serves as an important outlet for keeping the lines of communication open between employees and Human Resources.

See Share Smile Scholarships

Employees can search for information regarding Human Resources-related policies, practices and programs via the HR Solutions Self-Service Application. This resource offers another avenue for accessing HR Solutions, the team of HR professionals dedicated to providing assistance with all employees’ HR-related questions and needs. HR Solutions is also available via email at HRHelp@bbvacompass.com and over the phone at 1-888-HRHELP5.

MarketPlace

MarketPlace is an online resource that gives BBVA Compass employees easy access to discounted offers on goods and services. Employees can take advantage of discounts on local and national restaurants, retailers and service providers. Selected deals also earn cash back, paid quarterly. Participating merchants change daily, but MarketPlace consistently offers deals on apparel, beauty and spa treatments, electronics, entertainment, gifts, sports and fitness, toys, travel and more. MarketPlace offers two ways to find out about its deals: visit the site daily to see new deals as they become available or sign up to receive email notifications about new deals.

4UfromHR e-Newsletter

Employees stayed apprised of the latest in Human Resources news throughout the year with the 4UfromHR e-Newsletter. Visually engaging and easy to read, the e-Newsletter with page-turning features is distributed on a regular basis and serves as an important outlet for keeping the lines of communication open between employees and Human Resources.

See Share Smile Scholarships

In an effort to support academic achievement, two scholarship programs are made available to children of BBVA Compass employees: the BBVA Compass Passion for Education Scholarship and the Harry B. Brock, Jr. Scholarship Program at Samford University. In 2013, 42 scholarships in the amount of $3,000 each were awarded to children of BBVA Compass employees through the BBVA Compass Passion for Education Scholarship.
Responsible Procurement
Principles Applicable to Those Parties Involved in the Procurement Process

As a member of the BBVA Group, BBVA Compass follows its Code of Conduct and Principles Applicable to Those Parties Involved in the Procurement Process. These principles and general guidelines include respect for the law, commitment to integrity, competition, objectiveness, transparency, value creation and confidentiality. Additionally, procurement at BBVA Compass is governed by the procedures outlined in BBVA Compass’ Management Manual, Policy Section 109 — “Procedure for Procurement of Goods, Engagement of Services and Contract Administration.”

The Contracted Services group under Real Estate Procurement and Services also performs many tasks to ensure that BBVA Compass is in compliance with regulatory requirements, such as Financial Health Assessments and Risk Assessment Scorecards. A Financial Health Assessment is a process to evaluate the financial wellbeing of a supplier in order to ensure that the company has the financial strength and stability to provide the goods and services requested. A Risk Assessment Scorecard is a process that allows for objective scoring by the appropriate manager to classify suppliers that have access to customer-sensitive data.

Awareness Building Initiatives

Promoting Sustainability Initiatives with Employees

BBVA Compass requires that remanufactured toner cartridges be ordered and used (when applicable), which helps reduce landfill waste. While not all of the bank’s printers are able to use remanufactured cartridges, 82 percent of the 10,902 toner cartridges purchased were Sustainable Earth Remanufactured Toner.

In 2013, BBVA Compass again offered employees a “shred day” — expanding what was a one-day, single location event in Birmingham, Ala., to Houston, Dallas, Phoenix and Decatur, Ala. — in conjunction with Global Security Awareness Day. IT Risk and Governance (formerly IT Compliance) is passionate about the security of BBVA Compass employees’ personal data. We partnered with the Records and Information Management team and our national shred vendor to provide a convenient way for employees to safely destroy their personal documents.

Procurement Model and Policy

BBVA Compass’ procurement model follows the structure developed by the BBVA Group, as well as industry best practices. The Supply Chain Management team’s mission is to deliver and sustain value across the organization by building and managing an external supplier network that meets the operational needs of the organization at minimal cost. This is achieved by adopting procurement best practices — establishing partnerships across BBVA Compass to expand category coverage and continuing to secure savings.

Supplier Diversity held meetings and presentations with members of the Management Committee and line of business leaders to obtain full endorsement of the mission and objectives for the next several years. The Supplier Diversity team will be partnering with the BBVA Compass Diversity and Inclusion initiative, and will be the co-leader of the Operational Council. A continuous collaboration with the bank’s technology area and procurement through our newly implemented recognition program (see the Diversity and Inclusion chapter of this report) have resulted in increasing the company’s spend with diverse companies — promoting strategic implications for future long-term relationships with higher levels of sustainability.
Environmental Management and Climate Change
BBVA Compass continues to make progress toward full implementation of the BBVA Group’s Global Eco-efficiency Plan, which has five components, each containing a large number of individual initiatives. It is managed through a scorecard that has six specific indicators, each linked to a target, to make it easier to monitor and evaluate compliance.

The Procurement and Corporate Responsibility and Reputation teams, in conjunction with Real Estate Services, continue to work with the BBVA Compass Efficiency team to garner support across lines of business and support units so that we can unite in addressing the sustainability action items in the BBVA Group’s Global Eco-efficiency Plan as follows:

- Separation and recycling of solid urban waste and hazardous waste
- Separation and recycling of computer waste
- Reduction of electricity consumption per employee
- Reduction of water consumption per employee
- Reduction of paper consumption per employee
- Establishing sustainability criteria for purchasing
- Increase the number of ISO 14001 quality certifications
- Use of videoconferences to reduce the number of business trips
- Offsetting CO2 emissions and reforestation
- Training, dissemination and education programs

The bank also continued its utilization of the CA Eco-efficiency software, which allows for a more reliable way of tracking electricity, water and diesel consumption — while also allowing the Real Estate Management team the ability to identify potential anomalies at locations throughout our footprint.

In June, BBVA Chairman and CEO Francisco Gonzalez officially opened BBVA Compass Plaza in Houston, the first high-rise to go up in the Galleria area in 30 years. The new BBVA Compass offices at 2200 Post Oak Blvd. incorporate an open workspace design, replacing offices and cubicles to encourage collaboration. Bluetooth and Wi-Fi-enabled phones allow employees to work in a variety of settings — in informal collaboration areas or private rooms, for example.

More than 800 employees occupy 185,000 square feet on eight floors of the building, which includes a flagship bank branch and innovation lab. It also has an on-site fitness center, a cafeteria offering healthy food options and floor-to-ceiling windows.

BBVA Compass Plaza was awarded LEED Gold certification, a global recognition of an environmentally friendly building made with sustainable materials. The 318,000-square-foot property was constructed with green materials, from recycled carpets to organic paints. Teleconferencing technology and a variety of meeting spaces also reduce the need for employees to travel, minimizing the bank’s energy and emissions.

During the construction of the 22-story building, waste was diverted away from landfills by recycling products. BBVA Compass also reduced the environmental impact of the building through efficient water- and energy-consumption systems and by utilizing green cleaning products.

Using BBVA Compass Plaza as its standard, the Real Estate Services team will continue to incorporate environmentally and economically sustainable building materials, utility systems and other conservation techniques into future buildings, renovations and retrofits. Through electricity, water and recycling initiatives, BBVA Compass continues to deliver on our goals for sustainability. In 2013, the following measures were implemented:

- Drought-resistant landscaping was put in place at several branches in Texas and Arizona. This method of landscaping focuses on using plants native to the area, allowing for water conservation. Arizona was a continuation of past practices, and the sites in Austin, Texas, were part of a new initiative to implement logical landscaping in an area where water restrictions are often in play.
- LED lighting was placed under drive-thru canopies in Alabama and Texas. Many canopies use metal halide or other large electricity consuming fixtures to dispense required light levels. LED’s can achieve the same lighting levels for up to 75 percent less electricity.
- The first branch lobby LED retrofit was completed in South Texas before the end of 2013.
- The Real Estate Services team is currently completing HVAC retrofits at sites throughout the country, upgrading to more energy efficient and environmentally-friendly 13 SEER units with 410 refrigerant.
- In May of 2013, BBVA Compass signed a new electricity agreement with Choice Energy, for all of its de-regulated sites in Texas. As part of this agreement, BBVA Compass executed a 10-year, 100-percent Green Electricity purchase for all of its deregulated Texas facilities.
**Conservation**

BBVA Compass has a comprehensive energy management program, which is the cornerstone of any sustainability and emission reduction program. This program includes initiatives to reduce consumption and travel.

**Technology vs. Travel**

BBVA Compass continues to invest in technology with the goal of reducing business travel. The bank increased the number of videoconference and telepresence meetings it hosted during 2013, but also saw an increase in scope 3 air travel due to business growth. The number of audioconference meetings also slightly declined in 2013, which includes conference calls as well as web-based meetings. Commercial air travel captures km travelled by BBVA Compass employees as provided by a third-party vendor. The km travelled are then converted into emissions using a distance-based approach, which uses the distance travelled by the relative emission factor to arrive at the total emissions.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
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</thead>
<tbody>
<tr>
<td>Videoconferences (nº)</td>
<td>5,516</td>
<td>4,036</td>
<td>4,517</td>
</tr>
<tr>
<td>Audioconferences (nº)</td>
<td>88,730</td>
<td>106,515</td>
<td>92,741</td>
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<tr>
<td>Telepresences (nº)</td>
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<td>185</td>
<td>273</td>
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<tr>
<td>Air travel (km)</td>
<td>36,874,610</td>
<td>25,611,370</td>
<td>35,337,301</td>
</tr>
<tr>
<td>Air travel (CO₂ in tons)</td>
<td>6,913</td>
<td>3,031,250</td>
<td>–</td>
</tr>
</tbody>
</table>

**Diesel**

In 2013, BBVA Compass consumed 42,205 liters (12,206 gallons) of scope one diesel fuel — which is used by the bank to power generators in emergency situations. This led to 107 metric tons of CO₂ in scope one emissions.

**Electricity**

In 2013, the total scope two electricity consumption for all of BBVA Compass’ properties was 132,950,885 kWh, which translates to 65,712,304 kg (65,711 metric tons) of CO₂. Electricity usage captured represents all BBVA Compass actual electricity consumption for 2013 as captured by a third-party property manager.

In 2013, our scope one and two emissions totaled 65,818 metric tons of CO₂.

Additionally, the bank participated for the fifth straight year in the international Earth Hour energy conservation event. Several of our landmark buildings, including our corporate headquarters in Birmingham, went dark for one hour on Saturday, March 30, 2013 in solidarity with our counterparts who recognize climate change as an ongoing global concern.

**Water**

In 2013, the total estimated water consumption for all of BBVA Compass’ properties was 1,113,878 m³ from municipal utilities. Water consumption captured represents all actual BBVA Compass water consumption within BBVA Compass’ boundary for 2013 as captured by a third-party property manager.

**Solid Waste**

In 2013, BBVA Compass’ national recycling program resulted in the tracking of 5,672,106 kg of total waste, 3,671,833 kg of which was trash and 2,000,274 kg was recycled. All waste data is represented as actuals as provided by a third-party vendor.

In 2013, BBVA Compass consumed 873,555 kg of paper with an average of 8 percent recycled input material, and we recycled more than 2,478,589 kg of paper. The weight of the paper that the bank sent for recycling outweighs the amount of paper that the bank purchased during 2013 because of the bank’s records management procedures. Prior to 2010, Compass Bank and the other U.S. banks that were consolidated under the BBVA Compass name and brand were not managing paper records efficiently. Therefore, the bank now has hundreds of thousands of offsite boxes of records that are eligible for destruction in addition to the contents collected in our office and branch shred bins. The length of time we keep these records is dictated by the bank’s approved retention schedule, which is based on line-of-business need, government regulations and common business practices.

Also in 2013, BBVA Compass’ technology vendor reported that an estimated aggregate total of 70,096 kg of computer equipment was either recycled or destroyed on the bank’s behalf. Additionally, 615 printer toner cartridges were recycled.

**Significant Fines and Non-monetary Sanctions**

BBVA Compass accumulated no significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations in 2013.

**Green Product Standards**

Since 2008, BBVA Compass has been working with our janitorial vendor to develop a program so that all janitorial cleaning supplies and cleaning policies meet LEED “Green Product” standards. This includes our banking center drive-thru lanes, which are cleaned by waterless concrete and asphalt cleaners using natural agents.

Additionally, BBVA Compass is contracted with a global supplier to procure the Zody® chair for BBVA Compass’ corporate buildings. Zody is assembled in an ISO 14001 certified facility in Bruce, Miss, and there is zero waste to landfill. The energy required to manufacture Zody is offset through the purchase of renewable energy certificates. Zody has a high recycled content of 51 percent and is also GREENGUARD® Children and Schools Certified as low-emitting furniture and is free of PBDEs, PVC, CFC and chrome – making it an ideal product to support LEED certification.
Community Involvement
At BBVA Compass, our vision – one that we share with the global BBVA Group – is to work for a better future for people. This is a commitment that we make to all the communities where we have a presence and one that we take very seriously.

The BBVA Compass Corporate Responsibility and Reputation (CRR) team has adopted this vision statement for our own work – reflecting the comprehensive way the BBVA Group views its relationships with the communities in which it has a presence. Our holistic approach involves many aspects, including charitable giving, volunteerism, an emphasis on education and financial literacy for all, and other areas that promote the wellbeing of people where we live and work.

BBVA Compass Foundation

CRR’s Office of Community Giving continues to manage BBVA Compass’ charitable giving through the BBVA Compass Foundation – working with local contributions committees in our major markets and city presidents in our community markets. Using this approach, we continue to embrace a localized, focused and inclusive community giving strategy dedicated to making a meaningful, measurable impact in low- to moderate-income communities.

The BBVA Compass Foundation is a private foundation that funds eligible 501(c)(3) organizations in six focus areas: Community Development (including Financial Education), Education, Health and Human Services, Arts and Culture, Diversity and Inclusion, and Environment and Natural Resources. The foundation considers grant requests from nonprofit organizations serving the neighborhoods and communities where we have a presence, including those in Alabama, Arizona, California, Colorado, Florida, New Mexico and Texas. In 2013, more than $5 million was donated through the foundation and charitable sponsorships to support endeavors in our six focus areas.

Although the foundation contributes to a wide variety of nonprofits, many of whom already have long-standing relationships with the bank, the CRR team continues to focus on Community Development and Education as two major areas of need – targeting 60 percent of the Foundation’s total giving to these primary focus areas. These focus areas are well aligned to the BBVA Group’s recognized work in reducing traditional barriers to financial well-being for low- to moderate-income communities – resulting in a better educated, more informed and smarter customer base that, in turn, strengthens BBVA Compass’ position in our communities.

Our automated grant application system, which launched in April 2010, allows nonprofits to apply online and enables BBVA Compass to make more educated decisions about funding requests at the local level. Our partners get all the information they need in one place, www.bbvacompass.com/foundation, so that they can review our eligibility requirements, giving priorities and the foundation’s funding limitations. BBVA Compass benefits by having a streamlined, orderly process for reviewing and evaluating grant requests. There are many advantages of the online system, including the ability to collect robust information from nonprofits about their organization, programs and impact, the creation of a historical database for foundation contributions, and better methods of tracking and reporting the charitable investments we make throughout our footprint.

Following their initial review, applications are submitted to each local market’s charitable contributions review committee. Our local charitable contributions review committees are an essential component to the foundation’s success. Committees are composed of market leaders representing our three lines of business (Retail, Commercial and Wealth Management) who work in partnership with the CRR team to evaluate local charitable requests. These committees follow the foundation’s guidelines to address the needs specific to their communities.

Additionally, the CRR team hosts monthly webinars to educate nonprofits about the application process and funding priorities – fielding questions from participants toward the end of each 60-minute session. In return, they receive rich information about BBVA Compass and the BBVA Compass Foundation, the foundation’s eligibility requirements and receive a step-by-step tutorial on our grant submission process.

Nonprofit representatives who participated in these webinars have acknowledged BBVA Compass as taking a progressive approach to charitable giving and going above and beyond in our community outreach efforts. Our goal is to arm these nonprofits with a new arsenal of knowledge as they approach fundraising in future years.
Employee Involvement

Over the course of 2013, CRR’s Office of Employee Involvement continued to deliver programs that strengthen our community involvement through active and engaged employees. Signature volunteer programs encourage employees to contribute their time and talents via the BBVA Compass Volunteers program and make charitable donations via payroll deduction through the BBVA Compass Charity program. Both programs are designed to empower employees to become philanthropists in their communities.

Both programs utilize Volunteer Connection — an online, state-of-the-art employee involvement resource. It is a one-stop online shop for all things related to employee involvement — a website where employees can search and sign up for individual volunteer opportunities and team events, record volunteer hours, and direct all aspects of their BBVA Compass Charity contributions. For added convenience, Volunteer Connection is accessible to employees at work or from any computer with Internet access.

BBVA Compass Volunteers

BBVA Compass Volunteers, the bank’s employee volunteer program, is aligned with the BBVA Compass Foundation’s six focus areas and gives employees the opportunity to participate in footprint-wide “signature” volunteer programs, as well as local, chapter-based volunteerism initiatives — offering many different opportunities for individual and team volunteerism.

While BBVA Compass signature programs were introduced to provide employees with an easy option for local volunteerism; they were intentionally designed to expand our offering of initiatives that align to CRR’s primary focus areas:

• BBVA Compass’ financial education program, in partnership with EverFi and Junior Achievement, is composed of the robust, multi-faceted Money Smart curriculum for adults through a partnership with the FDIC and offers the American Bankers Association Community Engagement Foundation’s (ABACEF) “Get Smart About Credit” and “Teach Children to Save” curricula. (For more information, see page 13)
• Reading Counts, BBVA Compass’ literacy program aimed at improving educational opportunities for disadvantaged students in kindergarten through third grades, put more than 4,700 books into the hands of children across our footprint during 2013. (For more information, see page 49)
• In 2013, the CRR team launched a new holiday initiative called Project Blue Elf, funded by the BBVA Compass Foundation, which created an opportunity for BBVA Compass Volunteers to provide gifts to children in low-income schools. (For more information, see page 47)
• BBVA Compass Volunteers in six of the bank’s major markets partnered with NBA Cares on their joint “Team Works. in Schools/NBA Cares” initiative. (Additional information is available on page 49)
Community Involvement

Clinic (hosted by NBA and WNBA legends), the introduction of the BBVA Compass Financial Scholars Program through EverFi (an online, interactive financial education tool), among other donations.

“Building a Better Houston” Initiative with the Houston Dynamo
BBVA Compass and the Houston Dynamo teamed up during 2013 to boost the city’s East End as part of our joint “Building a Better Houston” campaign.

Volunteers, including U.S. Country Manager and BBVA Compass Chairman and CEO Manolo Sánchez, and Dynamo officials painted, landscaped and made repairs to homes occupied by underprivileged senior citizens for the initiative’s “Building a Better Community” event. The homes were selected by Rebuilding Together, and the effort was made possible largely by a $75,000 contribution from the BBVA Compass Foundation.

Additionally, BBVA Compass and Dynamo Charities adopted The Rusk School for its “Building a Better Mind” program. Volunteers delivered the American Bankers Association Education Foundation’s “Teach Children to Save” financial education curriculum, and shared a BBVA Compass Reading Counts reading moment with students in grades K-2 to emphasize the importance of reading.

BBVA Compass Charity
BBVA Compass Charity, the bank's employee charitable giving program, offers employees control and transparency when it comes to their charitable contributions.

Through Volunteer Connection, employees control how much they want withheld from each paycheck for charitable contributions, the way in which those dollars are withheld (either a recurring fixed-dollar amount or a percentage of their pay), and the 501(c)(3) nonprofit organization they want those dollars to benefit. Employees can select as many as four organizations from the complete IRS database of more than two million 501(c)(3) nonprofits to be the beneficiaries of their gifts. In addition, the program is 100-percent voluntary.

The BBVA Compass Charity program was supported by an annual campaign that encouraged employees who already participate in the program to review their charitable contribution choices and to consider increasing their gifts. In addition, the campaign encouraged employees who are not in the program to become active donors. In 2013, employees donated more than $1.3 million to qualified nonprofits through BBVA Compass Charity.
Diversity and Inclusion
BBVA Compass believes that diversity is inherent in our business, from our relationships with customers of different backgrounds, to our local and international employee base, to the work we do with minority and women-owned vendors acting as suppliers to the organization. The CRR department works closely with HR and Procurement to build a solid infrastructure for diversity and inclusion, creating new committees and expanding outreach in the community.

**Strategy**

Our strategy for diversity and inclusion focuses on three core areas: Human Resources, Procurement and Community Involvement. Working together with the Office of the CEO, we issued BBVA Compass’ official CEO Statement on Diversity:

> When we envision a better future for people, we mean all people. As a global company, we embrace diversity, and in the U.S., we value the diversity of our employees, customers, vendors and communities. From supplier diversity, to employee programs, to support for our communities, we make diversity a competitive advantage.

**Human Resources**

In 2013 BBVA Compass expanded its commitment to diversity and inclusion in the workplace with the Blending the Best Workplace Diversity & Inclusion effort. BBVA Compass established a formal Workplace Diversity & Inclusion Council, comprised of 24 dedicated employees nominated by BBVA Compass’ executive leadership and representing each line of business. The Council is committed to championing workplace diversity and inclusion across the organization.

In support of the Workplace Diversity & Inclusion (D&I) effort, the Council has defined a strong business case and developed a Charter and a five-phase Progression Strategy to guide the D&I effort to deliver value at every stage, build a successful and sustainable effort in a systematic way, and guide the growth and maturity of D&I year over year.

Currently BBVA Compass is in the Fundamental Phase (Phase 1) of the Progression Strategy. We introduced workplace diversity and inclusion education in 2013. By March 2014, all of the bank’s top leadership, including approximately 2,100 people managers, will have participated in an in-person Blending the Best Workplace Diversity & Inclusion Workshop. Throughout 2014, workplace diversity and inclusion education and training will continue for employees.

Our commitment to workplace diversity and inclusion has been underscored publicly by the addition of verbiage to www.bbvacompass.com, our recruiting Portal and all of our social media sites.

**Procurement**

In 2013, BBVA Compass sponsored and had exhibits at two national diverse supplier conferences and two regional conferences. Participating in these events allows us to meet new and qualified companies that would not appear on our radar during normal business practices. In addition, it enables BBVA Compass to expand its brand to a new group of businesses. These discoveries assist us in broadening our database of potential suppliers to consider for our sourcing events.

The National Minority Supplier Development Council (NMSDC) and Women’s Business Enterprise National Council (WBENC) are the two national events that draw the largest number of both corporate and business members marketing various resources and capabilities. The associations that we have established with two regional affiliates of the NMSDC – HMSDC (Houston) and DFWMSDC (Dallas/Ft. Worth) – provide access to a resource of companies that we may consider for sourcing opportunities in those markets. We have drafted a regional sourcing strategy initiative that can be a valuable tool to demonstrate a “practitioners approach,” as a participating corporation.
As in previous years, BBVA Compass sponsored and exhibited at the annual HMSDC conference. A platinum sponsor, the bank was among notable corporate and minority business sponsors. This is a premier regional event in Texas, with more than 160 exhibitors and over 1300 corporate and small business representatives.

BBVA Compass will continue to focus on developing new business relationships with minority and women-owned companies to support our supply chain and corporate services infrastructure. As we continue to expand the bank’s brand at future national and regional conferences, we will seek to identify new businesses that can be considered for future sourcing events.

**Significant spend increases among diversity businesses during 2012 and 2013**

The identification and sourcing with minority- and women-owned businesses (MWBEs) during the past two years has resulted in a significant increase in spend due to strategic sourcing agreements with companies in the technology sector. Meetings with the leadership of BBVA Compass’ technology teams have opened up new opportunities that have enabled category managers to expand their search among MWBEs in select sourcing events. In addition, we experienced a strong second tier report from major suppliers, acknowledging spend with MWBEs in accordance with the terms of the Master Service Agreement (MSA).

During 2014, there will be an effort to broaden the range of categories for new sourcing opportunities, as well as, monitoring the increase in existing products and services. Specific categories will be considered as we become aware of the sourcing events and their availability.

### Community Involvement

Employees continue to lead the way in reaching out to diverse communities, as they volunteered many hours to organizations serving minority populations. BBVA Compass and the BBVA Compass Foundation also invested in many diverse organizations, including the NAACP, the Urban League, the U.S. Hispanic Chamber of Commerce, and the Human Rights Campaign, among many others.

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### [ FUNCTIONAL DISTRIBUTION BY SORT AND PROFESSIONAL CATEGORY ] - percentage

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<th></th>
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<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Females</td>
<td>Males</td>
<td>Females</td>
</tr>
<tr>
<td>Steering Committee</td>
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<td>100.0</td>
<td>0.0</td>
</tr>
<tr>
<td>and Corporate Managers</td>
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<td></td>
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</tr>
<tr>
<td>Senior Management</td>
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<td>83.9</td>
<td>16.9</td>
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<td>Middle Management</td>
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<tr>
<td>Specialists</td>
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<tr>
<td>Sales Force</td>
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<td>51.5</td>
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<tr>
<td>Entry-level</td>
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### [ CONTRACTS BY GENDER ] - percentage*

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</thead>
<tbody>
<tr>
<td></td>
<td>Males</td>
<td>Females</td>
<td>Total</td>
<td></td>
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<tr>
<td>Full-time</td>
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<tr>
<td>Part-time</td>
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<td>Temporary</td>
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* This table only includes full-time, part-time and temporary BBVA Compass employees. It does not include contract workers.

### [ VOLUNTARY RESIGNATIONS OF THE WORKFORCE ] - turnover

#### [ VOLUNTARY RESIGNATIONS OF THE WORKFORCE ] - turnover AND BREAKDOWN BY GENDER

<table>
<thead>
<tr>
<th></th>
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<th>2012</th>
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<tr>
<td></td>
<td>Total turnover</td>
<td>Males</td>
<td>Females</td>
<td>Total turnover</td>
<td>Males</td>
<td>Females</td>
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<td>2013</td>
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<td>37.8</td>
<td>62.2</td>
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<tr>
<td>2011</td>
<td>16.8</td>
<td>33.7</td>
<td>66.3</td>
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</table>

1) Turnover = (Voluntary discharges (excluding early retirement) / number of employees at the start of the period) x 100.
2) BBVA Compass does not currently track employee turnover by age group or region.
Supplementary Information
Stakeholder Engagement

As a part of our vision of working for a better future for people, BBVA Compass considers a positive and engaging relationship with its stakeholders to be a high priority — allowing us to respond to salient issues quickly and effectively as they develop. BBVA Compass stakeholders are any groups of people, institutions or organizations that significantly affect the organization’s activity and decisions as well as those that may be affected by them. We are interested in being as transparent as possible so that we may differentiate ourselves as an organization and continue to earn our stakeholders’ trust.

Communication with stakeholders allows BBVA Compass the opportunity to continually improve its operations and programs and to anticipate any important issues before they turn into future risks or threats. By engaging stakeholders, we can create action plans as needed to mitigate risk and effectively manage our reputation.

For our 2013 report, the Corporate Responsibility and Reputation team (CRR) employed the Express Consultation approach to reporting on stakeholder engagement. This process involves three objectives: the identification of stakeholder groups, determining the issues that our stakeholders deem relevant, and identifying those stakeholder issues to include in our report.

Over the course of the year, the CRR department engaged stakeholders in a variety of ways, from surveying customers and employees, soliciting input from advisory boards, and leveraging our relationship with the Reputation Institute to better understand current positioning and needs with various stakeholder groups.

2013 Activity

Customers

BBVA Compass engaged the services of Reputation Institute, the world’s leading research and advisory firm for reputation, to conduct customer surveys. The responses and resulting analyses allowed our organization to manage reputation and identify chronology-based changes in perception about key indicators, including corporate citizenship, product offerings, fair treatment of employees, and more.

In addition, key BBVA Compass customers are selected to become a part of one of the various advisory boards that provide feedback to our organization on important issues in the marketplace.

Employees

BBVA Compass gauged employees’ perceptions about the company through various polls and surveys during 2013, including the annual Internal Reputation Survey conducted by the Reputation Institute during the summer of 2013 when 766 employees were randomly selected from across the organization. The sample was representative of two key groups: Retail employees (those directly in contact with the client) and non-Retail employees (employees from other lines of business and support areas).

Nonprofits

During 2013, the CRR team continued its practice of conducting monthly webinar training sessions for nonprofit organizations applying for grant funding from the BBVA Compass Foundation.

While we do not currently survey our nonprofit partners about our corporate responsibility initiatives, we occasionally receive unsolicited feedback from these partners — usually through email or phone calls. The Corporate Responsibility and Reputation team will implement a formal feedback channel for this stakeholder group in 2014.

Conclusions

Understanding the needs and expectations of our stakeholders is central to BBVA Compass’ ability to create programs and products that address the most important issues. We carefully gather and review market insight that reflects each of our stakeholder groups including GlobeScan Radar as well as customized surveys of both U.S. customers and employees conducted by the Reputation Institute. This data drives the development of our sustainability programs and reporting as well as our products and services.
According to the 2013 research from GlobeScan Radar, a survey on business expectations, global businesses continue to be mistrusted in comparison to other institutions such as scientific/academic institutions, NGOs, etc.

In the United States, GlobeScan Radar found that trust in global businesses did increase over 2012 from net negative to net positive. However, the level of trust remains low in comparison to other types of institutions.

An increasing number of survey respondents expect business to play a positive role in society beyond maximizing profits. GlobeScan Radar also found that employee motivation and loyalty grows with increased company social responsibility. In addition, BBVA Compass commissioned a comprehensive study of our U.S. customer base and of our employees in 2013. That study found that BBVA Compass reputation score increased across customers, non-customers and employees.

Collectively, this ongoing research enabled us to identify priority stakeholder issues such as: high ethical banking standards; effective communication to promote informed customer choices; training and development for employees; and support of local economic development among others. These findings underscore the business imperative for BBVA Compass to continue to refine our sustainability strategy in a way that is responsive to the expectations of financial institutions.

BBVA Compass is committed to operating with ethics and integrity and to developing socially and environmentally responsible programs and projects as outlined in this report. We seek to be transparent about all of these efforts in order to build trust as a member of the communities where we operate recognizing the importance of our role as a financial institution and as part of a global business.

This report, based on systematic market research of our stakeholders, is a key part of BBVA Compass’ commitment to operating sustainably with transparency and open communications.

The research provides the foundation for the 2013 BBVA Compass Corporate Responsibility Annual Report.
## BBVA Compass 2013 Goals and Status

<table>
<thead>
<tr>
<th>GOAL</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CR Principles and Policy</strong></td>
<td></td>
</tr>
<tr>
<td>Hold annual meeting of the CRR Committee.</td>
<td>100%</td>
</tr>
<tr>
<td>Appear before BBVA Compass Board of Directors, National Advisory Board and Management Committee as needed.</td>
<td>100%</td>
</tr>
<tr>
<td>Achieve B+ level on 2013 Annual CR Report with assurance services provided by Deloitte &amp; Touche LLP.</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Stakeholder Engagement</strong></td>
<td></td>
</tr>
<tr>
<td>Create and follow an annual stakeholder engagement plan.</td>
<td>0%</td>
</tr>
<tr>
<td>Conduct annual internal reputation survey.</td>
<td>100%</td>
</tr>
<tr>
<td>Continue reputation tracking via RepTrak.</td>
<td>100%</td>
</tr>
<tr>
<td>Keep U.S. employees informed on CRR activities and programs via multiple channels.</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Financial Education</strong></td>
<td></td>
</tr>
<tr>
<td>Renew financial education relationships with the ABA Education Foundation and FDIC Money Smart.</td>
<td>100%</td>
</tr>
<tr>
<td>Reach 10,000 children with ABA Education Foundation financial literacy curriculum.</td>
<td>87%</td>
</tr>
<tr>
<td>Reach 6,000 adults with FDIC Money Smart financial literacy curriculum via employees as instructors and through nonprofit partnerships.</td>
<td>32%</td>
</tr>
<tr>
<td><strong>Financial Inclusion</strong></td>
<td></td>
</tr>
<tr>
<td>Continue involvement in U.S. microfinance and CDFI trade associations and gatherings.</td>
<td>100%</td>
</tr>
<tr>
<td>Continue partnerships for banking the unbanked via “Bank On” initiatives.</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Customer Focus</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Responsible Finance</strong></td>
<td></td>
</tr>
<tr>
<td>Continue and expand enterprise risk management program.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Collaborate with Risk Management on reputation risk assessment and monitoring.</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Responsible Banking</strong></td>
<td></td>
</tr>
<tr>
<td>Continue innovative outreach to NGOs for Compass for Your Cause product.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Foster alternative information and access channels for banking services including online, mobile and social media.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Support product development at BBVA Compass to incorporate CR principles and policies into products as appropriate.</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Responsible Management of Human Resources</strong></td>
<td></td>
</tr>
<tr>
<td>Continue “leap” Associates Program to add management trainees to the workforce.</td>
<td>100%</td>
</tr>
<tr>
<td>Support expansion of talent management and training offerings to employees.</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Responsible Investment</strong></td>
<td></td>
</tr>
<tr>
<td>Introduce wealth management clients to BBVA Group opportunities in Socially Responsible Investing (SRI) pools.</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Responsible Procurement</strong></td>
<td></td>
</tr>
<tr>
<td>Continue Supplier Diversity program within Procurement and support participation at supplier diversity events.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Support the use of environmentally-friendly office products, the building/leasing of LEED certified facilities and the use of utilities using renewable energy sources.</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Environment and Natural Resources</strong></td>
<td></td>
</tr>
<tr>
<td>Contribute to the advancement of specific objectives in the Global Eco-Efficiency Plan.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Participate in Earth Hour, including signature buildings in major markets.</td>
<td>100%</td>
</tr>
<tr>
<td>Reduce consumption in CO2 emissions, paper, water and energy.</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Community Involvement</strong></td>
<td></td>
</tr>
<tr>
<td>Host annual BBVA Compass Foundation board meeting.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Support BBVA Compass Volunteers chapters in major markets with training, monthly meetings and engagement in signature volunteer programs.</td>
<td>100%</td>
</tr>
<tr>
<td>Support partnership with NBA through community programming.</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Diversity</strong></td>
<td></td>
</tr>
<tr>
<td>Continue and expand relationships with national organizations serving minority populations.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Launch Workplace Diversity Initiative, spearheaded by Human Resources</td>
<td>100%</td>
</tr>
</tbody>
</table>
## 2014 BBVA Compass Goals

<table>
<thead>
<tr>
<th>GOAL</th>
<th></th>
</tr>
</thead>
<tbody>
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<tr>
<td>Hold annual meeting of the CRR Committee.</td>
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<tr>
<td>Appear before BBVA Compass Board of Directors, National Advisory Board and Management Committee as needed.</td>
<td></td>
</tr>
<tr>
<td>Transition to GRI G4 reporting in 2014 with assurance services provided by Deloitte &amp; Touche LLP.</td>
<td></td>
</tr>
<tr>
<td><strong>Stakeholder Engagement</strong></td>
<td></td>
</tr>
<tr>
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<tr>
<td><strong>Financial Literacy</strong></td>
<td></td>
</tr>
<tr>
<td>Renew financial education relationships with Junior Achievement, EverFi, FDIC Money Smart, and Money Smart for Small Business.</td>
<td></td>
</tr>
<tr>
<td>Reach 30,000 children with financial literacy programming in low income schools.</td>
<td></td>
</tr>
<tr>
<td>Reach 15,000 low and moderate income adults with financial literacy programming.</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Inclusion</strong></td>
<td></td>
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<tr>
<td>Continue involvement in U.S. microfinance and CDFI trade associations and gatherings.</td>
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<td></td>
</tr>
<tr>
<td>Continue and expand relationships with national organizations serving minority populations.</td>
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</tr>
<tr>
<td>Ensure all employees receive Workplace Diversity Initiative training, spearheaded by Human Resources.</td>
<td></td>
</tr>
</tbody>
</table>
INDEPENDENT ACCOUNTANTS’ REVIEW REPORT

Board of Directors and Stockholder
BBVA Compass Bancshares, Inc.
Birmingham, Alabama

We have reviewed the accompanying 2013 Corporate Responsibility Report of Compass Bank, which operates under the trade name BBVA Compass, a subsidiary of BBVA Compass Bancshares, Inc., (the "Company") for the year ended December 31, 2013. The Company’s management is responsible for the Corporate Responsibility Report.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review consists principally of applying analytical procedures, considering management assumptions, methods, and findings, and making inquiries of and evaluating responses from persons responsible for corporate sustainability and operational matters. It is substantially less in scope than an examination, the objective of which is the expression of an opinion on the Corporate Responsibility Report. Accordingly, we do not express such an opinion. A review of the Corporate Responsibility Report is not intended to provide assurance on the entity’s compliance with laws or regulations.

The preparation of the Corporate Responsibility Report 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. The Corporate Responsibility Report includes information regarding the Company’s corporate sustainability initiatives and targets, the estimated future impact of events that have occurred or are expected to occur, commitments, and uncertainties. Actual results in the future may differ materially from management’s present assessment of this information because events and circumstances frequently do not occur as expected.

Based on our review, nothing came to our attention that caused us to believe that the Corporate Responsibility Report does not include, in all material respects, the required elements of the Global Reporting Initiative G3 Sustainability Reporting Framework for Application Level B; that the 2011-2013 data included therein have not been accurately derived, in all material respects, from the Company’s records, or that the underlying information, determinations, estimates, and assumptions of the Company do not provide a reasonable basis for the disclosures contained therein.

August 14, 2015
Report Criteria

Profile, Scope, Relevance, Materiality and Coverage of the BBVA Compass Report

BBVA Compass has developed and disseminated annual corporate responsibility reports annually since 2008. This report, which covers the 2013 calendar year, includes information for the BBVA Compass facilities and subsidiaries. There have been no changes from the previous report in scope, boundary, or measurement methods.

When deciding upon the relevance and materiality of the content to include, special attention was given to the opinions of leading stakeholders, extending the engagement process in line with the recommendations of the Sustainability Reporting Guidelines (version 3, 2006) of the Global Reporting Initiative (GRI) G3 and the new AA 1000 APS (2008) Account Ability Principles Standard and the AA 1000 AS (2008) Assurance Standard. Along these lines, a specific analysis was developed based on public and other information available within the BBVA Group to assess the validity and relevance of these matters in the context of the current financial/economic environment.

This BBVA Compass report is supplemented by the BBVA Group’s 2013 Financial Report and by the information available via BBVA Compass’ main website, www.bbvacompass.com, and its investor relations website, http://bbva.investorroom.com. The investor relations website also includes resources and contact information for shareholders to reach the Board of Directors.

Restatements

As of the publish date of this report, BBVA Compass is not aware of the need for restating any material from previously published reports.
## GRI Indicators

<table>
<thead>
<tr>
<th><strong>PROFILE</strong></th>
<th><strong>PAGES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Strategy &amp; Analysis</strong></td>
<td></td>
</tr>
<tr>
<td>1.1 Statement from the CEO and chairperson.</td>
<td>4</td>
</tr>
<tr>
<td>1.2 Description of key impacts, risks and opportunities.</td>
<td>10</td>
</tr>
<tr>
<td><strong>2. Organizational profile</strong></td>
<td></td>
</tr>
<tr>
<td>2.1 Name of the organization.</td>
<td>6</td>
</tr>
<tr>
<td>2.2 Primary brands, products and/or services.</td>
<td>6</td>
</tr>
<tr>
<td>2.3 Operational structure of the organization.</td>
<td>6</td>
</tr>
<tr>
<td>2.4 Location of organization’s headquarters.</td>
<td>6</td>
</tr>
<tr>
<td>2.5 Number of countries where the organization operates.</td>
<td>6</td>
</tr>
<tr>
<td>2.6 Nature of ownership and legal form.</td>
<td>6</td>
</tr>
<tr>
<td>2.7 Markets served.</td>
<td>6-7</td>
</tr>
<tr>
<td>2.8 Scale of the reporting organization.</td>
<td>6-7</td>
</tr>
<tr>
<td>2.9 Significant changes during the reporting period in the size, structure and ownership of the organization.</td>
<td>6</td>
</tr>
<tr>
<td>2.10 Awards received in the reporting period.</td>
<td>6</td>
</tr>
<tr>
<td><strong>3. Report Parameters</strong></td>
<td></td>
</tr>
<tr>
<td><strong>REPORT PROFILE</strong></td>
<td></td>
</tr>
<tr>
<td>3.1 Reporting period for information provided.</td>
<td>2, 55, 59</td>
</tr>
<tr>
<td>3.2 Date of most recent previous report (if any).</td>
<td>2, 59</td>
</tr>
<tr>
<td>3.3 Reporting cycle (annual, biennial, etc.).</td>
<td>2, 59</td>
</tr>
<tr>
<td>3.4 Contact point for questions regarding the report or its contents.</td>
<td>63</td>
</tr>
<tr>
<td><strong>REPORT SCOPE AND BOUNDARY</strong></td>
<td></td>
</tr>
<tr>
<td>3.5 Process for defining report content.</td>
<td>2, 54-55, 59</td>
</tr>
<tr>
<td>3.6 Boundary of the report.</td>
<td>2, 59</td>
</tr>
<tr>
<td>3.7 State any specific limitations on the scope or boundary of the report.</td>
<td>2, 59</td>
</tr>
<tr>
<td>3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.</td>
<td>59</td>
</tr>
<tr>
<td>3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.</td>
<td>45, 59</td>
</tr>
<tr>
<td>3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.</td>
<td>59</td>
</tr>
<tr>
<td>3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.</td>
<td>2, 59</td>
</tr>
<tr>
<td><strong>GRI CONTENT INDEX</strong></td>
<td></td>
</tr>
<tr>
<td>3.12 Table identifying the location of the Standard Disclosures in the report.</td>
<td>60-62</td>
</tr>
<tr>
<td><strong>ASSURANCE</strong></td>
<td></td>
</tr>
<tr>
<td>3.13 Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).</td>
<td>2, 58</td>
</tr>
</tbody>
</table>
## 4. Governance, Commitments and Stakeholder Engagement

<table>
<thead>
<tr>
<th>GOVERNANCE</th>
<th>PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Governance structure of the organization, including committees under</td>
<td>9-10</td>
</tr>
<tr>
<td>the highest governance body responsible for specific tasks, such as</td>
<td></td>
</tr>
<tr>
<td>setting strategy or organizational oversight.</td>
<td></td>
</tr>
<tr>
<td>4.2 Indicate whether the Chair of the highest governance body is also</td>
<td>10</td>
</tr>
<tr>
<td>an executive officer (and, if so, their function within the organization's</td>
<td></td>
</tr>
<tr>
<td>management and the reasons for this arrangement).</td>
<td></td>
</tr>
<tr>
<td>4.3 For organizations that have a unitary board structure, state the</td>
<td>10</td>
</tr>
<tr>
<td>number of members of the highest governance body who are independent and/</td>
<td></td>
</tr>
<tr>
<td>or non-executive members.</td>
<td></td>
</tr>
<tr>
<td>4.4 Mechanisms for shareholders and employees to provide recommendations</td>
<td>54-55</td>
</tr>
<tr>
<td>or direction to the highest governance body.</td>
<td></td>
</tr>
<tr>
<td>4.5 Linkage between compensation for members of the highest governance</td>
<td>10</td>
</tr>
<tr>
<td>body, senior managers and executives (including departure arrangement),</td>
<td></td>
</tr>
<tr>
<td>and the organization's performance (including social and environmental</td>
<td></td>
</tr>
<tr>
<td>performance).</td>
<td></td>
</tr>
<tr>
<td>4.6 Processes in place for the highest governance body to ensure conflicts</td>
<td>10</td>
</tr>
<tr>
<td>of interest are avoided.</td>
<td></td>
</tr>
<tr>
<td>4.7 Process for determining the qualifications and expertise of the</td>
<td>10</td>
</tr>
<tr>
<td>members of the highest governance body for guiding the organization's</td>
<td></td>
</tr>
<tr>
<td>strategy on economic, environmental and social topics.</td>
<td></td>
</tr>
<tr>
<td>4.8 Internally developed statements of mission or values, codes of</td>
<td>9-11</td>
</tr>
<tr>
<td>conduct, and principles relevant to economic, environmental, and social</td>
<td></td>
</tr>
<tr>
<td>performance and the status of their implementation.</td>
<td></td>
</tr>
<tr>
<td>4.9 Procedures of the highest governance body for overseeing the</td>
<td>9-10</td>
</tr>
<tr>
<td>organization's identification and management of economic, environmental,</td>
<td></td>
</tr>
<tr>
<td>and social performance, including relevant risks and opportunities, and</td>
<td></td>
</tr>
<tr>
<td>adherence or compliance with internationally agreed standards, codes of</td>
<td></td>
</tr>
<tr>
<td>conduct, and principles.</td>
<td></td>
</tr>
<tr>
<td>4.10 Processes for evaluating the highest governance body's own</td>
<td>9-10</td>
</tr>
<tr>
<td>performance, particularly with respect to economic, environmental, and</td>
<td></td>
</tr>
<tr>
<td>social performance.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMMITMENTS TO EXTERNAL INITIATIVES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4.11 Explanation of whether and how the precautionary approach or</td>
<td>18</td>
</tr>
<tr>
<td>principle is addressed by the organization.</td>
<td></td>
</tr>
<tr>
<td>4.12 Externally developed economic, environmental and social charters,</td>
<td>11</td>
</tr>
<tr>
<td>principles, or other initiatives to which the organization subscribes</td>
<td></td>
</tr>
<tr>
<td>or endorses.</td>
<td></td>
</tr>
<tr>
<td>4.13 Memberships in associations (such as industry associations) and/or</td>
<td>11</td>
</tr>
<tr>
<td>national/international advocacy organizations.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STAKEHOLDER ENGAGEMENT</th>
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</tr>
</thead>
<tbody>
<tr>
<td>4.14 List of stakeholder groups engaged by the organization.</td>
<td>54</td>
</tr>
<tr>
<td>4.15 Basis for identification and selection of stakeholders with whom</td>
<td>54</td>
</tr>
<tr>
<td>to engage.</td>
<td></td>
</tr>
<tr>
<td>4.16 Approaches to stakeholder engagement, including frequency of</td>
<td>54</td>
</tr>
<tr>
<td>engagement by type and by stakeholder group.</td>
<td></td>
</tr>
<tr>
<td>4.17 Key topics and concerns that have been raised through stakeholder</td>
<td>54-55</td>
</tr>
<tr>
<td>engagement, and how the organization has responded to those key topics</td>
<td></td>
</tr>
<tr>
<td>and concerns, including through its reporting.</td>
<td></td>
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</tbody>
</table>
### Disclosure on Core Indicators

<table>
<thead>
<tr>
<th>Economic Performance Indicators</th>
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<tbody>
<tr>
<td>EC1. Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.</td>
<td>7</td>
</tr>
<tr>
<td>EC3. Coverage of the organization's defined benefit plan obligations.</td>
<td>36*</td>
</tr>
<tr>
<td>EC4. Significant financial assistance received from the government</td>
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### Environmental Performance Indicators

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<td>EN1. Materials used by weight or volume.</td>
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<tr>
<td>EN2. Percentage of materials used that are recycled input materials.</td>
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</tr>
<tr>
<td>EN3. Direct energy consumption by primary energy source.</td>
<td>45</td>
</tr>
<tr>
<td>EN4. Indirect energy consumption by primary source.</td>
<td>45</td>
</tr>
<tr>
<td>EN8. Total water withdrawal by source.</td>
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<tr>
<td>EN16. Total direct and indirect greenhouse gas emissions by weight.</td>
<td>45</td>
</tr>
<tr>
<td>EN17. Other relevant indirect greenhouse gas emissions by weight.</td>
<td>45</td>
</tr>
<tr>
<td>EN22. Total weight of waste by type and disposal method.</td>
<td>45</td>
</tr>
<tr>
<td>EN26. Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.</td>
<td>44</td>
</tr>
<tr>
<td>EN28. Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.</td>
<td>45</td>
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</table>

### Social Performance Indicators: Labor Practices and Decent Work

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<th>SOCIAL PERFORMANCE INDICATORS: LABOR PRACTICES AND DECENT WORK</th>
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<tbody>
<tr>
<td>LA1. Total workforce by employment type, employment contract and region.</td>
<td>7, 30, 34, 52</td>
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<tr>
<td>LA2. Total number and rate of employee turnover by age group, gender and region.</td>
<td>52*</td>
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<tr>
<td>LA3. Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.</td>
<td>35-37</td>
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<tr>
<td>LA4. Percentage of employees covered by collective bargaining agreements.</td>
<td>32</td>
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<tr>
<td>LA8. Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.</td>
<td>37-38</td>
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<tr>
<td>LA10. Average hours of training per year per employee by employee category.</td>
<td>33</td>
</tr>
<tr>
<td>LA11. Programs for skills management and lifelong learning.</td>
<td>32-33</td>
</tr>
<tr>
<td>LA13. Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.</td>
<td>52*</td>
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### Human Rights Performance Indicators

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<tr>
<td>HR4. Total number of incidents of discrimination and actions taken.</td>
<td>32</td>
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<tr>
<td>HR5. Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights.</td>
<td>32</td>
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### Society Performance Indicators

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<tbody>
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<td>SO1. Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting.</td>
<td>14</td>
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<tr>
<td>SO3. Percentage of employees trained in organization's anti-corruption policies and procedures.</td>
<td>19*</td>
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### Product Responsibility Performance Indicators

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<td>PR5. Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.</td>
<td>25</td>
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<tr>
<td>PR6. Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.</td>
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### Society Performance Indicators

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<th>SOCIETY PERFORMANCE INDICATORS</th>
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<td>FS13. Access points in low-populated or economically disadvantaged areas by type.</td>
<td>14-15</td>
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<td>FS14. Initiatives to improve access to financial services for disadvantaged people.</td>
<td>15-16</td>
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### Product Responsibility Performance Indicators

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<tr>
<td>FS16. Initiatives to enhance financial literacy by type of beneficiary.</td>
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*Denotes partial GRI credit.
If you would like to submit a question, opinion, inquiry or suggestion regarding the information contained in this report, please contact one of the following:

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