

BBVA

Creating Opportunities

Leading the Industry Transformation

DAVID PUENTE,
HEAD OF CLIENT SOLUTIONS



Disclaimer

This document is only provided for information purposes and does not constitute, nor should it be interpreted as, an offer to sell or exchange or acquire, or an invitation for offers to buy securities issued by any of the aforementioned companies. Any decision to buy or invest in securities in relation to a specific issue must be made solely and exclusively on the basis of the information set out in the pertinent prospectus filed by the company in relation to such specific issue. No one who becomes aware of the information contained in this report should regard it as definitive, because it is subject to changes and modifications.

This document contains or may contain forward looking statements (in the usual meaning and within the meaning of the US Private Securities Litigation Reform Act of 1995) regarding intentions, expectations or projections of BBVA or of its management on the date thereof, that refer to or incorporate various assumptions and projections, including projections about the future earnings of the business. The statements contained herein are based on our current projections, but the actual results may be substantially modified in the future by various risks and other factors that may cause the results or final decisions to differ from such intentions, projections or estimates. These factors include, without limitation, (1) the market situation, macroeconomic factors, regulatory, political or government guidelines, (2) domestic and international stock market movements, exchange rates and interest rates, (3) competitive pressures, (4) technological changes, (5) alterations in the financial situation, creditworthiness or solvency of our customers, debtors or counterparts. These factors could cause or result in actual events differing from the information and intentions stated, projected or forecast in this document or in other past or future documents. BBVA does not undertake to publicly revise the contents of this or any other document, either if the events are not as described herein, or if such events lead to changes in the information contained in this document.

This document may contain summarised information or information that has not been audited, and its recipients are invited to consult the documentation and public information filed by BBVA with stock market supervisory bodies, in particular, the prospectuses and periodical information filed with the Spanish Securities Exchange Commission (CNMV) and the Annual Report on Form 20-F and information on Form 6-K that are filed with the US Securities and Exchange Commission.

Distribution of this document in other jurisdictions may be prohibited, and recipients into whose possession this document comes shall be solely responsible for informing themselves about, and observing any such restrictions. By accepting this document you agree to be bound by the foregoing restrictions.

We launched our **transformation anchored on two pillars**



Value Proposition

Mobile as the centre of gravity

CONVENIENCE

Mobile as **remote control** of the bank

TRANSPARENT & SIMPLE OFFER

Very **simple product catalogue** and **one click processes**

ADVICE

Helping clients control **day-to-day** life and their **financial health**



Relationship Model

A new way of interacting with our clients

REMOTE MODEL

Human assistance **beyond face to face interactions**

DIGITAL SALES

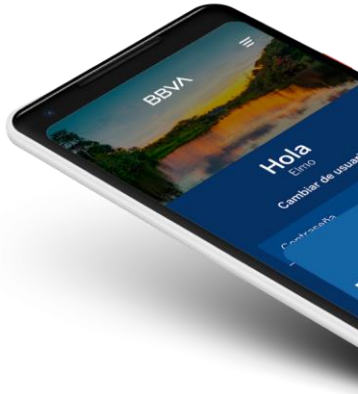
Digital channels as a sales engine, beyond pure servicing

CUSTOMER INTERACTION ORCHESTRATION

Multichannel, automated and data based sales & servicing orchestration

And we have delivered

Differential Value Proposition



Digital Experience
Leader
5 years in a row
(“Forrester Digital Experience review”)



Brandpower

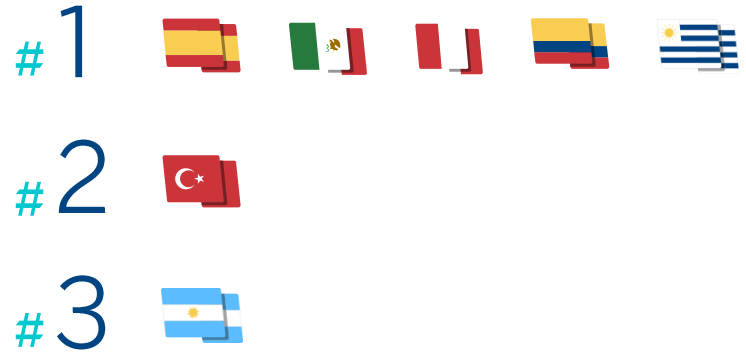
Leading position in our main geographies

Source Brandpower: Kantar



Improved client satisfaction

NET PROMOTER SCORE



Leading position in our main geographies,
widening distance vs peers in 7pps in the last 5 years

Note: As of FY 2020

And we have delivered

Unparalleled **Client Acquisition...**

ANNUAL NEW CUSTOMERS

3.4 MM
2016

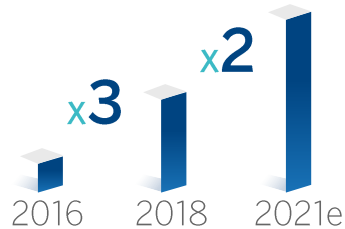
5.1 MM
2018

8.3 MM
2021e

x2.5

... and sustained **revenue Growth**, based on digital

TOTAL DIGITAL SALES (VALUE)



PRV: Product Relative Value

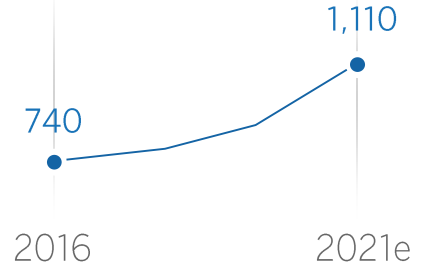
E2E DIGITAL SALES

~x5

MORE EFFICIENT

Lowering **cost to serve**

TOTAL ACTIVE CUSTOMERS PER SALESFORCE



+50%

A clear focus on our objectives



- 1 | **A larger and more profitable bank**
- 2 | **A distinctive bank for our clients**
based on a unique value proposition
- 3 | **Continue leading efficiency**
through operational excellence



1

A larger and more profitable bank

- Growth in Value Segments & Products
- New Customer Acquisition

2

A distinctive bank for our clients based on a unique value proposition

3

Continue leading efficiency through operational excellence

Value Segments: **SMEs**

Impact

SMEs ACCOUNTS FOR

13% over total BBVA
Gross Margin

REVENUES

+7% 21e vs 19*

NUMBER OF CLIENTS

+17% 21e vs 19

Drivers



DISTRIBUTION MODEL

Efficient **coverage** & high **capillarity**

- Dedicated manager for c**90%** of **high value** SMEs
- **Low value** SMEs manager role **in every BBVA branch**
- Promoting **remote** capabilities



RISK

Solid risk models support **proactive & seamless** approach to our clients

- **1/3** of BBVA clients have received a **proactive offer**



DIGITAL

Digital onboarding & core products digitally available

- Digital Penetration of **75%**
- Digital onboarding and products (**23%** digitally onboarded clients, one-click digital loans, etc)

Value Segments: Private Banking & Affluent

Impact

AM & WM ACCOUNTS FOR
34% over total BBVA
 Net Fees

REVENUES
+16% 21e vs 19*

NEW CLIENTS GROWTH
x1.7 21e vs 19

Drivers



DISTRIBUTION MODEL

- Specialized** investment advisory & **hybrid** relationship model
- 28% increase in specialized Relationship Managers
 - Remote Capabilities



SOLUTIONS

Technology to provide extreme **customization at scale** and wide range of Global Solutions (i.e. **ESG**, funds of funds)



DIGITAL

- Bringing specific solutions to digital channel (BBVA Invest, Investment Funds supermarket, portfolio management, etc)
- Proactive **selling, advice** and **servicing** digitally and data based

Value Segments: **Cross-Border Banking (CIB & Commercial)**

Impact

CROSS-BORDER
ACCOUNTS FOR

25% over total
BBVA Gross Margin
(Commercial & CIB)

REVENUES

+25% 21e vs 19*

NUMBER OF CLIENTS
CROSS-BORDER

+26% 21e vs 19

Drivers



**DISTRIBUTION
MODEL**

Global and **local** client needs covered by **international specialists**



SOLUTIONS

Leverage our **Global Banking footprint in 24 countries**

Global Treasury Management Platform with comprehensive multi channel offering

(eg. Payments & Collections, Supply Chain Finance, Commercial Cards, reporting & agent, Sustainability solutions)



DIGITAL

Global Transactional Banking Solutions through **BBVA Pivot**, with **one single contract**



Value Products: **Payments**

Impact

PAYMENTS
ACCOUNTS FOR

14% over total BBVA
Gross Margin

REVENUES

+10% 21e vs 19*

CREDIT CARDS GROWTH

x4 21e vs 19

POS GROWTH

x6 21e vs 19

*Growth in constant euros

Drivers



ISSUING

Differential Value Proposition around “Digital First”

- Top security: No PAN, Dynamic CVV
- Loyalty
- E2E Digital Funnels
- Integrated PFM
- Sustainable



ACQUIRING

One Stop Shop for Merchants

- Core payments innovative solutions: e-commerce, in-store (mobile POS), QRs
- Value Added Services (business intelligence, POS linked financing, BNPL)
- Digital onboarding



Value Products: Insurance

Impact

INSURANCE
ACCOUNTS FOR

6% over total BBVA
Gross Margin

REVENUES

+11% 21e vs 19*

NEW POLICIES

x1.3 21e vs 19

Drivers



**DISTRIBUTION
MODEL**

Omnichannel approach for insurance products: Branches, Digital and Remote
SMEs opportunity for further growth



SOLUTIONS

Best in class partnerships

Non Life



Health



Life



New products: Auto pay per KM, modular Home, digital Health, unemployment, sustainability, contextual Travel



DIGITAL

Digital products & data-based models
(pricing, churn, customized offers)

New Customer Acquisition



Own
Channels

Impact

NEW CLIENTS ACQUIRED
(in Mn)

+17% ^{21e vs 19} > 8.3 ^{21e}

OF WHICH DIGITAL

x2 ^{21e vs 19} > 3.3 ^{21e}



Third
Parties

NEW CLIENTS ACQUIRED

+37% ^{21e vs 19}

NEW PARTNERSHIPS

x5 ^{21e vs 19}

Drivers

- **E2E digital sales** of all key entry products for non customers
 - **Automated fraud & risk prevention**
 - **New Acquisition Strategies** Fallback products & User Space
 - **Early engagement** of customers
-
- **Embedded financial services** through **Partnerships**
 - **Open Banking Platform:** 3rd party channel integration where and when the client operates



1

A larger and more profitable bank

2

A distinctive bank for our clients
based on a unique value proposition

- Enriched Advice
- Helping transition in Sustainability

3

Continue leading efficiency
through operational excellence

Centered around **improving our clients' financial health**

Day-to-day Control

- Help control my day to day income and expenses
- Awareness of future expenses

Help to Invest

- Put money to work
- Optimize investments

Help to Save

- Help optimizing monthly expenses
- Create a safety net and automate periodic contributions

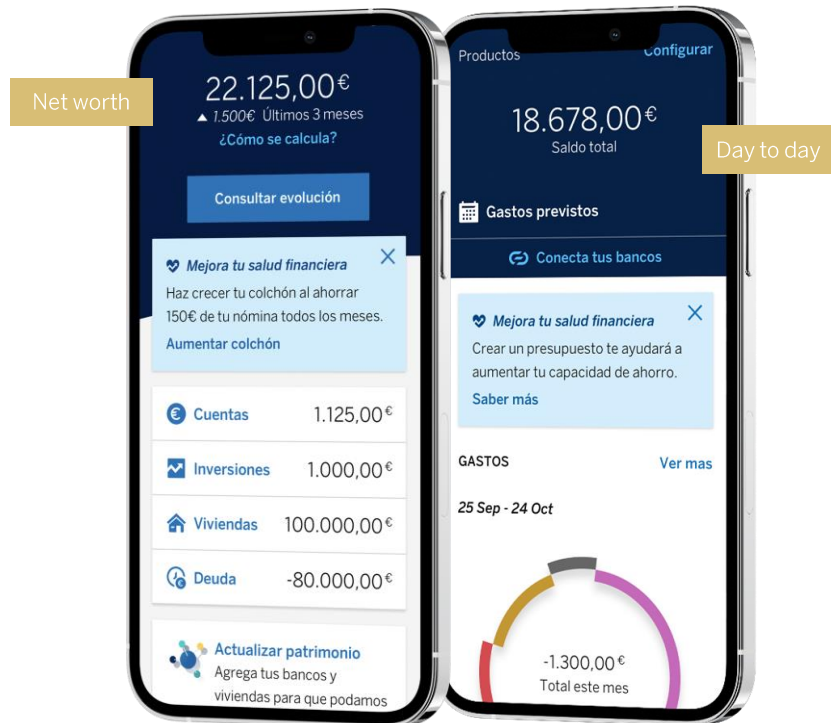
Financial Planning

- Holistic advice and planning
- Achieving specific life goals



Data based - Personalized, Proactive and Actionable

Sizable impact on customer engagement and business generation



10 Mn

Customers interacting with Financial Health Experience

-38%

Attrition*

(users of FH vs non users)

+39%

NPS*

(users of FH vs non users)

25%

New mortgages sold used **BBVA Valora***

17%

New funds sold used **BBVA Invest***



1

A larger and more profitable bank

2

A distinctive bank for our clients
based on a unique value proposition

3

Continue leading efficiency
through operational excellence

- › Deeper Digital & Remote
- › Leveraging Globality

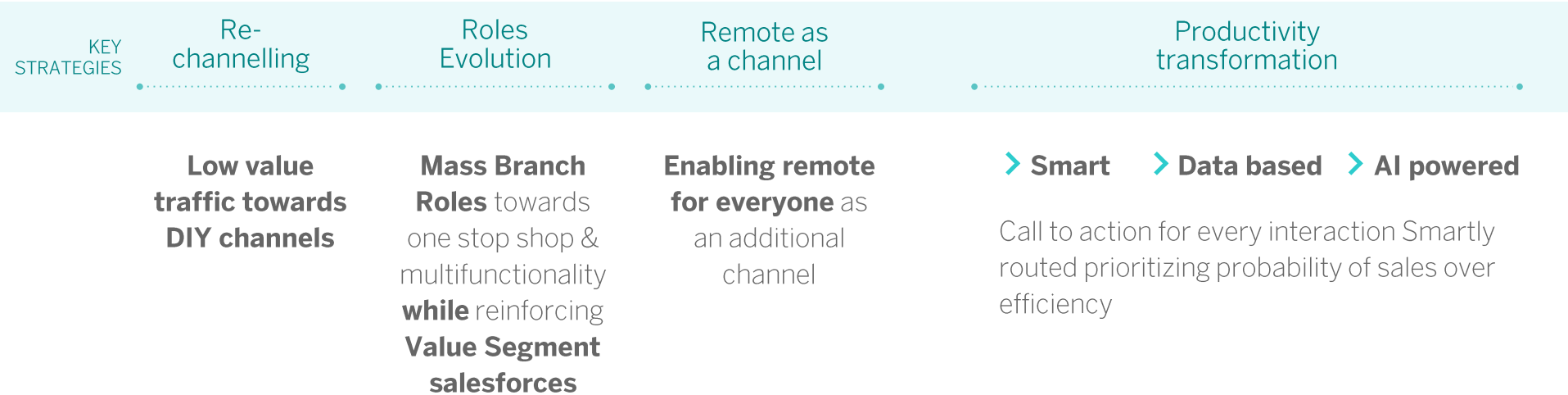
Deepening our **Relationship Model** transformation...



Optimizing Relationship Model to support customer growth with a significantly lower cost to serve & sell

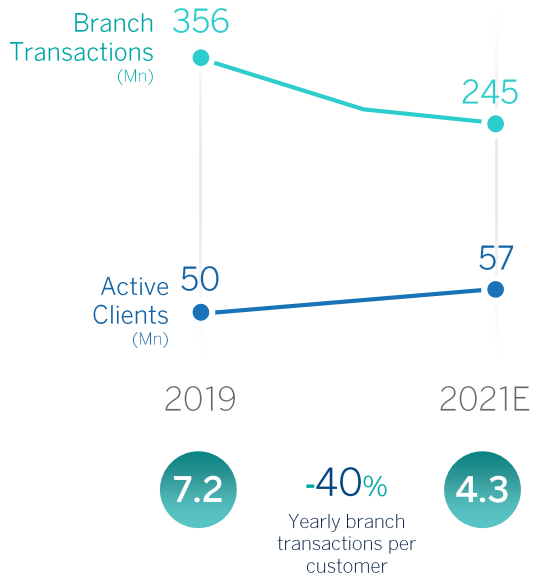


... taking advantage of every interaction to “talk” with the customer



... is further **accelerating efficiency**

Re-channeling



Remote as
a channel

x3

Clients with
Remote Service
2019-2021e



Remote Model vs
In Branch

+19%

NPS
September 21

+15%

Personalised
client coverage

Branch Roles evolution &
Productivity Transformation

+24% to 1,110 in 2021e

Active Customers per
Salesforce
2019-2021e

+21% to 147,000€ in 2021e

Sales Value per
Salesforce
2019-2021e

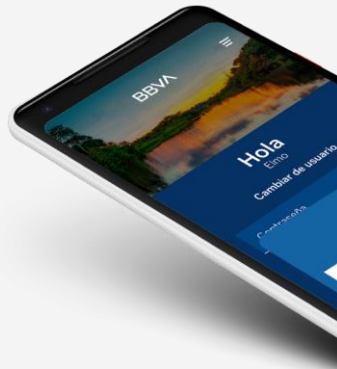
Leveraging Globality to deliver global products & platforms

Global Retail Mobile App (GLOMO)

Reutilization by design



Code reutilization



Top 1 (in 12 apps out of 14)

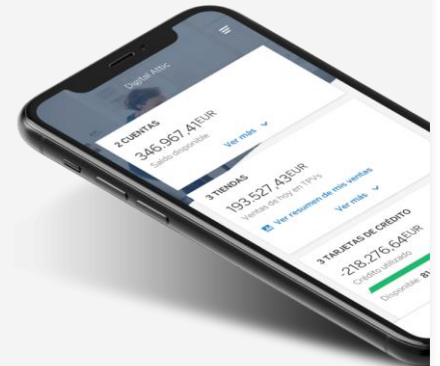
Average rating 4.5 (out of 5)

Global Enterprise Mobile App (GEMA)

Multi-segment global co-creation



Design & Software reusability



Top 1 (in 6 apps out of 6)

Average rating 4.7 (out of 5)

IN SUMMARY, we will continue delivering on our transformation to amplify the impact

- › Differential Value Proposition
- › Sustained Profitable Growth
- › Lower Cost to Sell and Serve our clients