

BBVA: accelerating profitable growth



CARLOS TORRES VILA, CHAIRMAN ONUR GENÇ, CEO

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.



01

Economic recovery in an age of opportunity

The economic recovery continues despite short term



pressures

50%

Jan-20

May-20

Sep-20

Jan-21



Source: BBVA Research. (1) Considers spending at BBVA Point of Sale (POS) by BBVA and non-BBVA customers and spending by BBVA customers at non-BBVA POS. (2) Average data for BBVA's footprint: Spain, Mexico, Turkey, Peru, Colombia and Argentina. (3) Proxied by total inflows received by firms classified by NACE codes from the current account transfers on daily basis. (4) Average data for footprint: Spain, Mexico, Turkey, Peru and Colombia. (5) Average annual inflation.

Sep-21

May-21

2019

2020

2021e

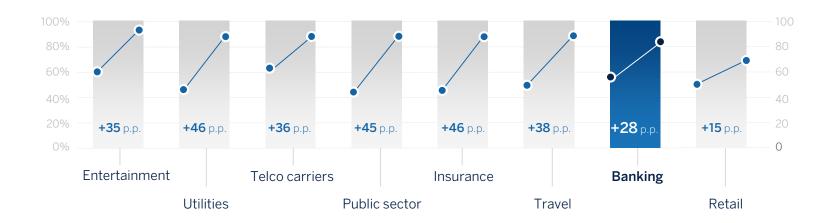
2022e

Covid has accelerated **pre-existing trends**



DIGITAL ADOPTION BY INDUSTRY IN EUROPE AND US

PERCENTAGE OF USERS WHO USED DIGITAL OR REMOTE CHANNELS (6 MONTHS PRIOR TO APRIL 2021 VS. 6 MONTHS PRIOR TO APRIL 2020)

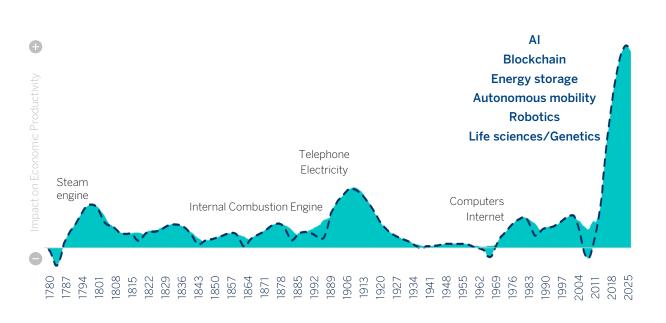


Source: McKinsey Global Digital Sentiment Insights survey.

We are living disruptive times, an age of opportunity



ESTIMATED IMPACT OF TECHNOLOGY AND INNOVATION ON ECONOMIC PRODUCTIVITY



- Disruptive innovation driven
 by digitalization and
 decarbonization
- Deep impact in all sectors of the economy
- Technological disruptions have traditionally boosted economic growth and productivity

 $Source: ARK Investment \ Management \ LLC \ (https://ark-invest.com/white-papers/innovation-why-now-white-paper/).$

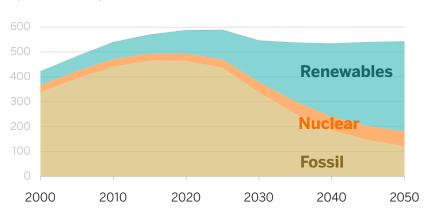
Decarbonization is king among these trends



Renewables will displace fossil fuels

Large investment needs over the next 30 years to reach Net Zero

NET ZERO 2050 ENERGY MIX (EXAJOULES¹)



GLOBAL INVESTMENT NEEDS IN ORDER TO REACH NET ZERO CO2 EMISSIONS FROM ENERGY BY 2050 (2021-2050)

\$150 TRILLION

~5% WORLD GDP

(every year for 30 years)

Source: Based on data from International Energy Agency (2021) Net Zero by 2050: Net Zero by 2050 Scenario - Data product - IEA; as modified by BBVA Research.

Source: Lenaerts, Tagliapietra and Wolff (2021).

(1) Exajoule (EJ) equals 1018 Joules. (2) Excluding China, IEA, Financing Clean Energy Transitions in Emerging and Developing Economies, 2021.

Emerging markets should be among those leading the race, relative to GDP, with over \$1 trillion investment annually², seven times current levels



02

BBVA is uniquely positioned in this age of opportunity



Leading franchises in very attractive markets



BBVA	STRONG POSITION		LEADING PROFITABILITY	
Sep-21	Market share ¹ (%)	Ranking ¹	ROE (%) vs. industry ² (bps)	
Spain	13.1%	#3	12.3% (+350 bps)	
Mexico	23.8%	#1	22.2% (+1,070 bps)	
Turkey	18.2%	#2	19.1% (+840 bps)	
Colombia	10.5%	#4	16.4% (+530 bps)	
l Peru	21.3%	#2	12.6% (+270 bps)	

⁽¹⁾ Latest available market shares, Ranking among peer group. Turkey among private banks.

⁽²⁾ ROE under local criteria as of 9M21, except Colombia 8M21. Excludes Corporate Center expenses.



Trend-setters in **Digital and Sustainability**



LEVERAGING OUR DIGITAL EDGE



DIGITAL ACQUISITION (%; VAR 9M19-9M21)



PIONEERING SUSTAINABILITY



(1) According to 'The Forrester Digital Experience ReviewTM: European Mobile Banking Apps, Q3 2021'. (2) According to Dow Jones Sustainability Index.

Differential culture and mindset



VALUE DRIVEN ORGANIZATION



Customer comes first



We think big



We are one team

AGILE

- Started in 2014 in Digital area in Spain, extended in 2018 across areas and countries.
- > Over 30,000 employees working under Agile

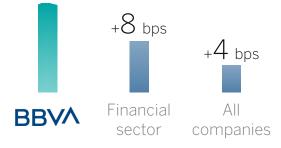


MOST ENGAGED

GALLUP SURVEY 2020 VS 2019

(BPS YOY IMPROVEMENT)

$$+14 \, \text{bps}$$







To bring the age of **opportunity** to everyone ">>>



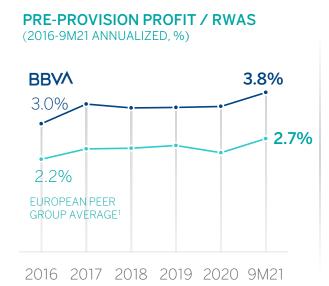
Proven track record of solid financial returns

EFFICIENCY RATIO



STRONG PRE-PROVISION PROFIT AND BEST-IN-CLASS EFFICIENCY

OUTPERFORMING OUR PEERS ON PROFITABILIY





ROTE (%: 2016-9M21 AVERAGE)



⁽¹⁾ European Peer Group: BARC, BNPP, CASA, CMZ, CS, DB, HSBC, ISP, LBG, NWG, SAN, SG, UBS, UCG.

5 Disciplined capital allocation

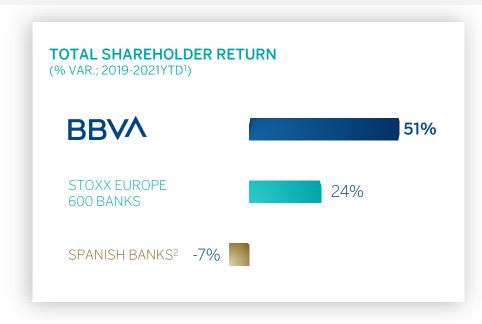


CAPITAL ALLOCATION TOWARDS MARKETS WITH SCALE AND PROFITABLE FRANCHISES

Profitability

FOCUS ON MARKETS WITH SCALE AND PROFITABILITY SUCCESSFUL DIVESTMENTS

VALUE TO SHAREHOLDERS



(1) Period from January 1, 2019, to November 12, 2021. (2) BKIA, BKT, CABK, LBK, SAB, SAN, UNI.

Market share

6 Excess capital for shareholders distributions and growth



A CLEAR FOCUS ON VALUE CREATION





⁽¹⁾ CET1 as of September 2021 excluding restructuring costs in Spain. (2) Considering the maximum amount of €3.5 Bn of the share buyback program. (3) Assuming 100% acceptance on voluntary takeover bid on Garanti BBVA shares currently not owned by BBVA (50.15%).

Shareholders distributions increase



NEW DISTRIBUTION POLICY

SHARE BUYBACK²

Payout

40-50%

- > €3.5_{Bn Program}
- > € 1.5 Bn 1st Tranche

To be executed in the following 3-4 months

(1) Includes the possibility of combining cash distributions with share buybacks. (2) The execution of the €3.5 Bn share buyback program scheme (including its first tranche) is considered an extraordinary shareholder distribution and is therefore not included in the scope of the new distribution policy. We will start shortly after the Investor Day with the execution of the first €1.5 Bn tranche which will not be subject to any maximum share price. We estimate the execution will take 3 to 4 months.

BBVA is uniquely positioned in this age of opportunity



KEY STRENGTHS

- 1 Leading franchises in very attractive markets
- Trend setters in **Digital and Sustainability**
- 3 Differential culture and mindset
- Proven track record of **solid financial returns**
- 5 Disciplined capital allocation
- 6 Excess capital for **shareholder's distributions and growth**



03 Our ambitious long-term goals



COST TO INCOME



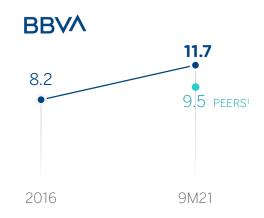




ROTE

HISTORICAL TREND

(2016-9M21 BBVA, 9M21 PEER AVG, %)





(1) European Peer Group: BARC, BNPP, CASA, CMZ, CS, DB, HSBC, ISP, LBG, NWG, SAN, SG, UBS, UCG.



TANGIBLE BOOK VALUE PER SHARE + DIVIDENDS







NEW TARGET CUSTOMERS¹

CUMULATIVE NEW TARGET CUSTOMERS

(2018-9M21, MN CUSTOMERS)

+7.5_{Mn}

2024 GOAL (MN CUSTOMER GROWTH) +10Mn

(1) Target customers refers to those customers in which the bank wants to grow and retain, as they are considered valuable due to their assets, liabilities and/or transactionality with BBVA.



SUSTAINABLE FINANCE

CUMULATIVE FINANCING

(2018-9M21, €BN)

€**75**_{Bn}

2025 GOAL (€ BN)

Our ambitious long-term goals



COST-TO-INCOME	ROTE	TBV/SHARE + DIVIDENDS
42 %	14 %	9%
2024	2024	2021-2024 CAGR

NEW TARGET CUSTOMERS ¹	SUSTAINABLE FINANCE
+ 10 Mn	€200 Bn
2021-2024	2018-2025

(1) Target customers refers to those customers in which the bank wants to grow and retain, as they are considered valuable due to their assets, liabilities and/or transactionality with BBVA.



04

Taking profitable growth to a new level

Executing on our strategic priorities to capture the opportunities of the new era and achieve our goals



Differentiation Superior performance **Accelerators** Reaching Improving our clients' The **best** and **most** more **clients** financial health engaged team Helping our clients **Data** and Driving operational transition towards a excellence Technology sustainable future

A clear focus on our objectives





- A larger and more profitable bank
- A distinctive bank for our clients based on a unique value proposition

Continue leading efficiency through operational excellence

A clear focus on our objectives





A larger and more profitable bank

- > New customer acquisition
- > Higher growth in attractive value pockets
- > Invest in disruption

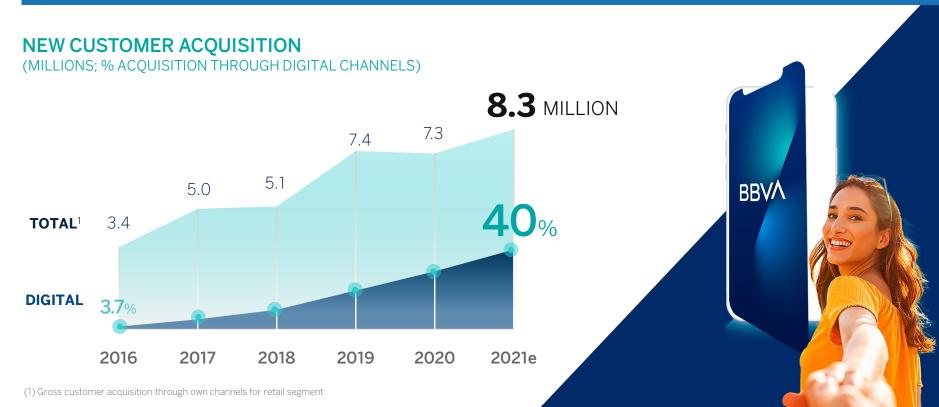
A distinctive bank for our clients based on a unique value proposition

Continue leading efficiency through operational excellence

New customer acquisition in the open market



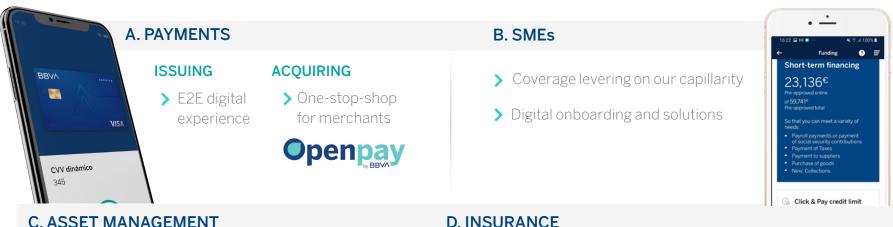
Conviction: Scale is a competitive advantage in our traditional banking business



Prioritization of high value business verticals



Conviction: Banking is the combination of distinct businesses with different return-growth profiles



- > Global value proposition for Private Banking clients
- > Capture the opportunities of the affluent segment

D. INSURANCE

- Digital products and contextualized sales
- Distribution of leading third party products









Corporate & Investment Banking: great upside potential



CIB GROSS INCOME CONTRIBUTION

(% OVER BBVA GROUP VS PEER AVERAGE)

EUROPEAN PEER AVERAGE¹





STRATEGY ANCHORED IN THREE MAIN LEVERS

> GLOBALITY AND EMERGING MARKETS PREVALENCE

+7%
Cross-Border
Revenues
(YoY growth 9M21)

ADVISORY CAPABILITIES WITH DEEP INDUSTRY KNOWLEDGE

+24%
Advisory Revenues

(YoY growth 9M21)

> SUSTAINABILITY FOCUS

+74%

Funds channeled in sustainable finance

(YoY growth 9M21)

Investing in disruption and financing innovators



Conviction: All businesses, including ours, are gradually being disrupted by technologically focused players

SELECTIVE DIGITAL BANK INVESTMENTS

BUILT BASED ON EXISTING INFRASTRUCTURE

BBVA Italy



INVESTMENTS



Solarisbank (Europe, Infrastructure)

FINTECH INVESTMENTS



Fintech venture capital fund with 6 unicorns



Leading Chinese technology venture capital with 400+ portfolio companies, with focus on Al

FINANCE THE CLIENTS OF THE FUTURE

Capturing growth opportunities from massive change across industries: innovation banking

- Digitalization
- Decarbonization
- > Artificial Intelligence
- Blockchain
- > Quantum Computing
- Machine Learning

A clear focus on our objectives





A larger and more profitable bank

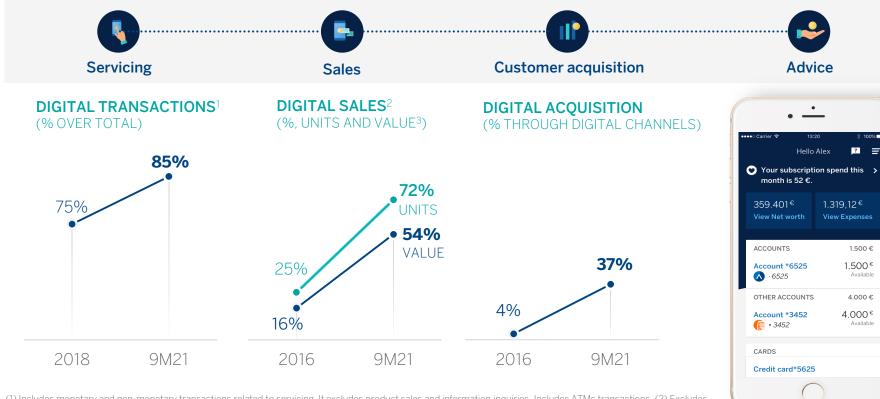
A distinctive bank for our clients based on a unique value proposition

- > Next level of financial advice
- > Transition to a sustainable world

Continue leading efficiency through operational excellence

Uniquely positioned to capture value from the entire digital journey, from servicing to advice





(1) Includes monetary and non-monetary transactions related to servicing. It excludes product sales and information inquiries. Includes ATMs transactions. (2) Excludes units sold in USA. Venezuela, Chile and Paraguay. (3) Product Relative Value as a proxy of lifetime economic representation of units sold.

Sustainability: a significant business growth opportunity





% fin o

Sustainability-linked finance over Group's new business¹ origination

OF WHICH:

~20%

Incremental business² driven by sustainable products offering

PIONEERING SUSTAINABLE PRODUCTS

WHOLESALE AND RETAIL

2021

A **sustainable alternative** for most of our core products

...

Carbon footprint calculator: world's 1st bank

...

1st gender loan worldwide

...

1st green project finance worldwide

..

1st social bond worldwide

...

2007 • **1**

1st Green Bond worldwide

A CLEAR COMMITMENT IN PORTFOLIO ALIGNMENT TOWARDS NET ZERO 2050

2030 decarbonization goals set in CO2 selected intensive industries Advice our clients in the transition



A clear focus on our objectives

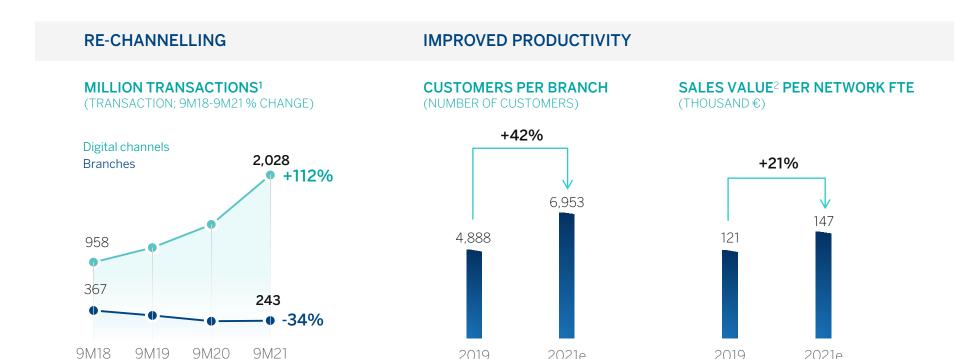




- A larger and more profitable bank
- A distinctive bank for our clients based on a unique value proposition
- Continue leading efficiency through operational excellence
 - > Transformation of the relationship model
 - Disciplined capital management

Relationship model transformation to support growth with a significantly lower cost-to-serve and sell





⁽¹⁾ Includes monetary and non-monetary transactions related to servicing. It excludes product sales and information inquiries (2) Total sales. Product Relative Value as a proxy of lifetime economic representation of units sold

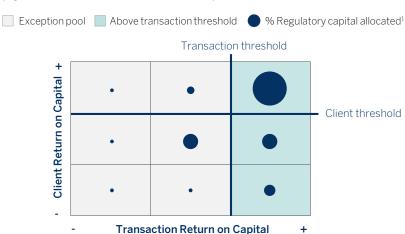
Disciplined capital management



MECHANISMS TO IMPROVE PRICING AND OPTIMIZE CAPITAL ALLOCATION

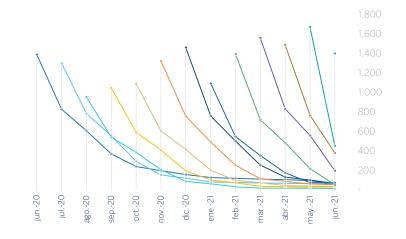
NEW PRODUCTION MAPPED BASED ON CLIENT AND TRANSACTION PROFITABILITY THRESHOLDS

NEW PRODUCTION MATRIX, SPAIN - COMMERCIAL BANKING (20 2021; % REGULATORY CAPITAL ALLOCATED)



MANAGEMENT OF EXCEPTION POOL CLIENTS TO IMPROVE PROFITABILITY, MAINLY THROUGH CROSS-SELL

VINTAGE ANALYSIS, SPAIN - COMMERCIAL BANKING
(2Q 2021;# OF CLIENTS WITH AT LEAST ONE TRANSACTION IN EXCEPTION POOL)



⁽¹⁾ Regulatory capital allocated to transactions in each matrix section

Evolving the organization to capture the opportunities of the new era





⁽¹⁾ Sustainability data available since 2019. (2) Time-to-market measured by number of days since a scrum starts developing a feature to implementation. (3) Increase in feature releases in BBVA mobile app vs. traditional methodology.



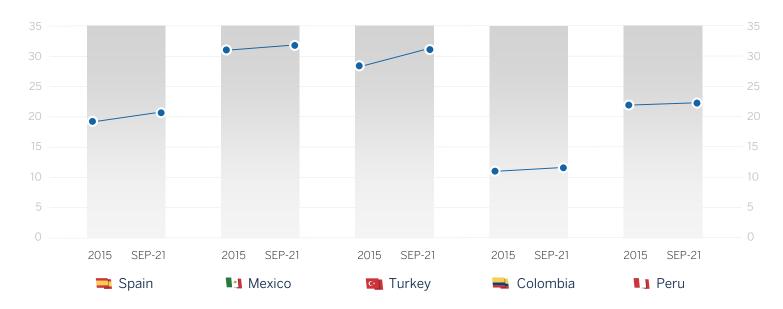
05

Countries' strategies designed to accelerate profitable growth

Market position already strong and further improving



CORE REVENUES MARKET SHARE¹ (%)



Profitable organic growth with a disciplined capital approach





Bubble size: Regulatory Capital 2021

/ 41

Countries' strategies and goals fully aligned

Corporate Center



	REVENUE GROWTH (%, CAGR, € CONSTANT)		COST TO INCOME (%, AVERAGE)			COST OF RISK (BPS, AVERAGE)	
	2015-9M2021 annualized	2021-24 CAGR Goal	2015-9M2021	2024 Goal	2015-9M2021	Avg. 2022-24 Goal	
Spain	-1.9	Slight growth	54.3	45	36	< 35	
Mexico	+6.2	Close to double digit ¹	34.2	Low 30's	319	< 300	
T urkey	+17.7	High teens ¹	34.2	Low 30's	170	< 150	
South America	+7.0	Mid teens ¹	43.8	Low 40's	166	< 200	

Expenses continue to decline

(1) In local currency



42 %	14 %	9%
2024	2024	2021-2024 CAGR
NEW TARGET CUSTOMERS ¹ +10Mn	SUSTAINABLE FINANCE €200 Bn	
2021-2024	2018-2025	

We remain committed to our 11.5-12% CET1 target range

(1) Target customers refers to those customers in which the bank wants to grow and retain, as they are considered valuable due to their assets, liabilities and/or transactionality with BBVA.

Takeaways





- Leading franchises in very attractive markets
- > Trend-setters in **digital and sustainability**
- Differential culture and mindset
- Proven track record of solid financial results
- Disciplined capital allocation
- Excess capital for shareholders' distributions and growth

We are executing on our strategic plan with clear objectives

- > A larger and more profitable bank
- A distinctive bank for our clients based on a unique value proposition
- > Continue leading efficiency through operational excellence

We have set ambitious long-term goals to accelerate profitable growth and value for our shareholders





