

Accelerating profitable growth in our main markets: Spain

PEIO BELAUSTEGUIGOITIA, COUNTRY MANAGER SPAIN



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02 Achievements 2016-21

03 Strategy 2022-24

BBVA Investor Day





0.9%

Dec-24e

Spanish economy in a positive cycle of GDP Growth

GDP Growth Spain (YoY, %)

Interest Rates Euribor 12M (monthly average, %)

System Loans

(total loans in Spain, YoY growth, %)



Source: BBVA Research

In a low interest rate environment, we can glimpse better prospects for the banking industry, as deleveraging comes to an end

Relevant achievements in last 5 years

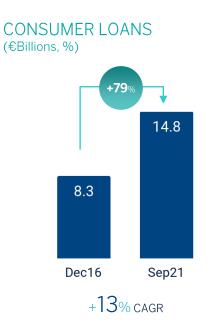


Customer growth

Capital allocation in the most profitable products

CUSTOMER ACQUISITION

- **3.5 million new customers** 2016-21e
- 50% through digital channels in 2021 (vs. 9% in 2016)
- 18% market share in new customer acquisition in 2021¹





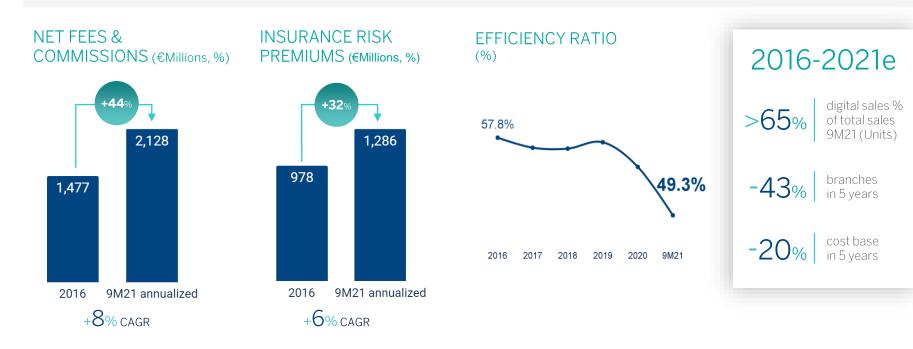


Relevant achievements in last 5 years



Non interest income growth

Leading efficiency ratio





As a result, **BBVA Spain enjoys a differential position**

Efficiency and Profitability (9M21, %)

Retail banking Net Promoter Score* (9M21, %)



Leading the industry profitability and achieving superior client satisfaction

Looking forward, with a clear focus on **our objectives:**



A larger and more profitable bank

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

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Continue leading efficiency through operational excellence

New customer acquisition both in own channels and through third parties agreements

LEVERAGING ON OUR DIGITAL CAPABILITIES

Own channels

- Best in class onboarding process
- Excellence Bank change Service

A PLATFORM FOCUSED ON ENGAGEMENT



>70% Engaged clients in six months

Third parties agreement

MAIN LINES OF ACTION

- > Tech players agreements
- > Buy-now-pay-later value proposition
- > Financing through partnerships

niw.es

AliExpress

ASPIRATION 2021-24

+3.6 MILLION

New customer acquisition yearly average 2016-21





1 | A LARGER AND MORE PROFITABLE BANK Translating sustainability into a **tangible growth opportunity**



Our aim is to target different business

RETAIL

- Standardized solutions: self-consumption, energy efficiency, and more
- > Tailor-made financing solutions

WHOLESALE

- Tailor-made solutions around power
- > Large scale renewable projects
- > Support our client's transition with advice and financing
- > Industry coverage & new clients

Growing in new lending above our natural market share

(>15% market share)

And all this supported by a dedicated and committed team covering all the business lines and fully integrated into existing origination and risk processes

1 | A LARGER AND MORE PROFITABLE BANK **Loan growth** in the most profitable segments: **Consumer**



Consumer loans market share (%)

14.9%

Sep21

+400

10.9%

Sep16

Main lines of action

- Strong risk models support pre approved loans to our customers
 - Best in class digital capabilities
 - > Data capabilities & business intelligence to maximize cross-sell
 - Standardized turnkey solutions together with key partners, both own channels and third parties

ASPIRATION 2021-24

+30% (+9% CAGR)



1 | A LARGER AND MORE PROFITABLE BANK Very **Small Business** & **Mid-Size Companies**



Commercial* Loans (€Billions, %)

34.7

Sep21

+23%

28.2

Dec16

Very Small Business

- Growing in pre approved loans
- > Proactive offering
- > Intelligence Customer Relationship Management
- Standardized green solutions together with key partners

Mid-Size Companies, focus on

Sustainability

- Financing solutions for each asset
- Project finance
- Coverage for
 companies throughout
 energy value chain
- International solutions

Transactional engagement

ASPIRATION 2021-24

+20% (+6% CAGR)



(*) Very Small Business + Mid-Size companies

+4% CAGR

Pricing policies aligned with return on capital to ensure profitability

1 | A LARGER AND MORE PROFITABLE BANK **Strengthen diversification,** prioritizing high value verticals: **Payments**



Sep-20 launched Aqua credit card



> Issuing

Strengthen Aqua value proposition

> Acquiring

- Modeled and reinforced offer
- Value added services
- Specialized e-commerce salesforce
- Taking advantage of new rails opportunities

ASPIRATION 2021-24

Growing above our natural market share

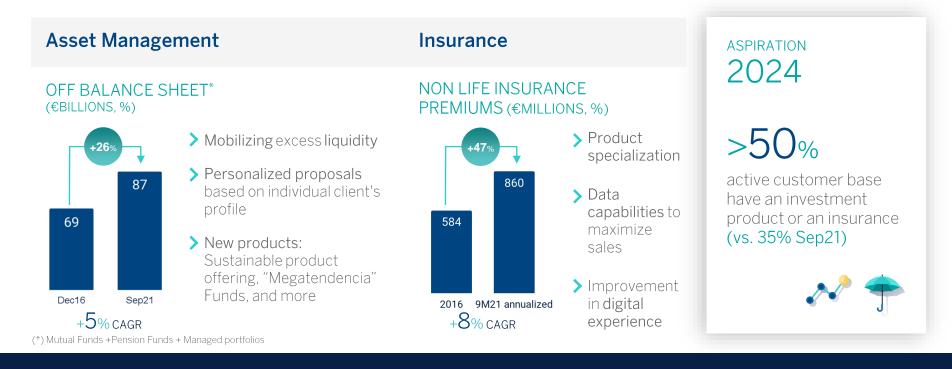


Total control of payments experience Security reinforced

Leading the payments transformation

1 | A LARGER AND MORE PROFITABLE BANK Asset Management and Insurance as high value verticals





Asset management and insurance key products to increase cross sell

2 | A DISTINCTIVE BANK FOR OUR CLIENTS BASED ON A UNIQUE VALUE PROPOSITION Build differentiation based on advice, allowing us to increase sales

Customers user advice

tools vs. non user (Sep21)

-38%

+39%

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ATTRITION

DIGITAL SALES

in the last 6 months

RATF

NPS

Monthly client interactions

with advisory tools (Millions)

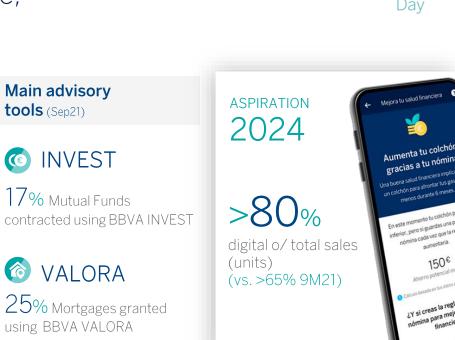
+30

5.2

Jan20

6.8

Sep21



BBVA

Investor

From Advising to Selling

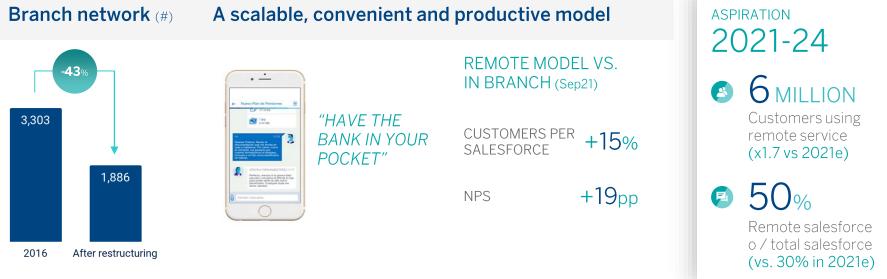
Main advisory

INVEST

17% Mutual Funds

🙆 VALORA

tools (Sep21)



3 CONTINUE LEADING EFFICIENCY, THROUGH OPERATIONAL EXCELLENCE **BBVA leading** the transformation of the relationship model with a focus on remote assistance

(*) BBVA is an overall digital experience leader five year in a row according to "The Forrester Digital Experience Review"

Digital experience leader five years in a row^{*}

BBVA

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Takeaways & Guidance

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Continue focusing on **profitable growth**, based on three-pillars:

Increase the customer base
 Improving our lending mix
 Revenue diversification

Maintaining an **efficient allocation** of our **capital** keeping up strict price and risk management policies

Driving operational excellence, with a convenient, scalable and productive **relationship model**

Working on digitalization evolution driving **productivity, efficiency and flexibility**

Revenues 2021 / 2024 Slight growth

Efficiency goals for 2024 To reach 45% CoR 2022 / 2024 < 35 bps on average



BBVA Investor Day