

BBVA Responsible Banking

BBVA's corporate purpose is "to bring the age of opportunity to everyone". This purpose is aligned with the Group's long-term vision and serves to guide BBVA's strategy and decision-making processes. BBVA wants to help its customers reach their goals, and be more than a bank, creating opportunities that have a positive impact on people and businesses.

The Group's Corporate Social Responsibility Policy

also referred to as the Responsible Banking Policy, has been approved by the Bank's Board of Directors. The objective of this policy is to incorporate concerns related to social, environmental and ethical issues, human rights, and the general concerns of its stakeholders into its daily business practices.

This policy is the basis of a business model that we call "Responsible Banking". This model is founded on the idea of achieving profitability based on principles, a strict conformance with the law, and the creation of valuable, long-term relationships with our stakeholders.

This policy is core to all business units and support areas' operating models. The Responsible Business unit coordinates the policy's implementation and acts as a second line of support for the business areas, challenging their daily business practices.

The policy was updated over the course of 2017 and approved in February 2018, reinforcing BBVA's commitment to combat climate change and promote sustainable finance, and aligning itself to new imperatives in these areas.

Both the Board of Directors and the Executive Committee will be kept informed about the policy's implementation.

Commitments and responsible practices

Our clients

Put our clients at the center of activity









"The best customer experience" is one of BBVA's six strategic priorities

"The client comes first" is one of BBVA's three basic values. Holistic view of the client, not only financial. This means working with empathy, agility and integrity

New features available to clients based on a new relationship model and new technologies

NPS

BBVA position vs main peers:

 Spain	#1	 Colombia	#1
 Mexico	#1	 Peru	#1
 Turkey	#1	 Paraguay	#1
 Argentina	#1	 Venezuela	#1











Drive transparent, clear and responsible communication and financial education to facilitate informed financial decision making

TCR (transparency, clarity and responsibility). Two areas of focus: Transform communication in traditional banking and create a new bank. TCR comes within brand positioning

NET TCR SCORE

BBVA position vs main peers:

 Spain	#1	 Colombia	#1
 Mexico	#1	 Peru	#1
 Turkey	#1	 Paraguay	#1
 Argentina	#1	 Venezuela	#1



Make training and educational tools an integral part of solutions for clients

Center for financial education and Capability

Develop high social and environmental products and services

Climate change and sustainable development strategy

1. Sustainable finance in wholesale banking (sustainable bonds, green lending)
 - **10,646 million** euros of green and social bonds placed (1.517 billion as a bookrunner)
 - More than **1 billion** euros in green lending
2. Corporate financing and sustainable projects
 - **218 million** euros of **financing** for renewable energy projects
3. Socially responsible investment (SRI) in asset management



Promote financial inclusion

Easy-to-use solutions for clients and opening up low-cost digital channels

Mexico Express Account

Other local financial inclusion initiatives

CRA (Community Reinvestment Act) in United States

Financial Inclusion Segment

8,1 million customers in financial inclusion segment



Society and environment

Fight against climate change. Achieving SDG

Climate change and sustainable development strategy

1. [BBVA environment policy](#) and rules for specific aspects

2. Eco-efficiency Global Plan 2016-2020

- 42% of staff work in buildings with environment certification
- 27% of energy comes from renewable sources
- -6.9% energy use per person
- -2.5% CO2 emissions per person



Commitment to the environment in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

Member of the bank pilot group on UNEP FI



Taking part in initiatives to promote responsible practices

UN Global Compact, UNEP FI, CSR Europe, Ecuador's Principles of Responsible Investment, Thun Group, Green Bond Principles, Integrated Reporting Initiative, Spanish Green Growth Group. Commitment to define goals in line with Science-Based Targets, RE100



Promote the development of society focused on entrepreneurship and financial education and knowledge

Support entrepreneurs through BBVA Microfinance Foundation and BBVA Momentum

- 1.9 million customers and **10,795 million dollars in loans** granted by MFF
- 87 beneficiaries of BBVA Momentum in 2017 in 5 countries



Promote financial education

2.3 million beneficiaries of financial education programs with an investment of over 6 million euros in 2017



Promote knowledge, science and culture

1. BBVA Foundation

25.9 million euros of BBVA Foundation projects



2. Local education programs in the parts of the world where BBVA is present

126,488 beneficiaries of education programs



Investment in social programs

Over 103 million euros invested in 2017



Our employees

Respect for diversity and promotion of equal opportunities

BBVA is a signatory of public commitments related to diversity:

- EU Diversity Charter
- UN Women's Empowerment Principles
- Specific local initiatives on disability

Women make up 23 % of management team



Promote work-life balance

Launch local initiatives adapted to the reality of each country

Internal reputation survey

Reputation among employees

Country	Year-on-year score variation
Spain	↑
The United States	↑
Mexico	=
Turkey	n.d.
Argentina	=
Chile	↑
Colombia	=
Peru	↓
Venezuela	=
Paraguay	↑
Uruguay	=
Group	=



Guarantee employee health and safety

On-site training programs and online training tool

39 hours of training per employee



Promote aculture of social commitment

Global volunteer policy

7,800 volunteers



Shareholders and investors

Transparency in disclosure of information published regularly and at the right time

Shareholders and Investors Communication and Contact Policy

Equity Story ESG

Annual Integrated Reporting



Suppliers

Responsible procurement policy

Reinforce responsible procurement policy by incorporating reputational scoring system in accreditation processes

Total of **4,895 suppliers that have passed the approval process**

New ethical code for suppliers

[Code of Ethics for Suppliers](#)

Use local suppliers

97% local suppliers, accounting for 94% of total billing



Fiscal responsibility

Fiscal strategy

Fiscal strategy and Total Tax Contribution report

9,881 million euros in total tax contribution



Prevention of illegal practices

Meeting legal obligations and internal rules and policies

[BBVA Code of Conduct](#)



Respect for human rights

Commitment to human rights

BBVA has a new commitment to human rights since February 2018



[BBVA Social housing policy](#)

2,676 housing units ceded to public bodies and 60,900 repossession mortgage settlements



Regardless of the country concerned, FPIC inclusion in all projects with local communities concerned



UN guiding principles in financial activity

BBVA has carried out due diligence in the area of human rights incorporating these principles. New commitment and action plan derived from this. Also takes part in sector initiatives such as the informal Thun Group for banks

