



BBVA

Digital Disruption at BBVA

Teppo Paavola

Chief Development Officer & GM of New
Digital Businesses

Brussels

September, 2016

Over 150 years of history to become a leading international banking franchise



€ 741
billion in total
assets

66
million customers

35
countries

9,173
branches

30,794
ATMs

137,445
employees

▶ **To bring
the age
of opportunity
to everyone**

Redefining the Value Proposition

- ✔ Assist people in all parts of their financial life cycle
- ✔ Help customers achieve their life goals
- ✔ Be more than a bank, engine of opportunity

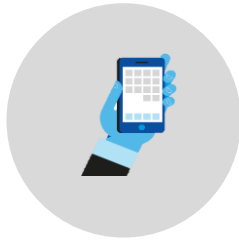
Having a true impact on people's lives and businesses

BBVA's strategy translates into 6 strategic priorities

Redefine value proposition



New standard in customer experience



Digital sales

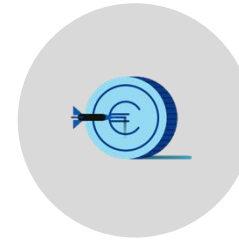
Be more selective



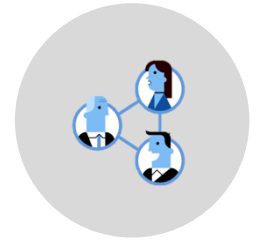
New Business Models



Optimal capital allocation



Unrivaled efficiency



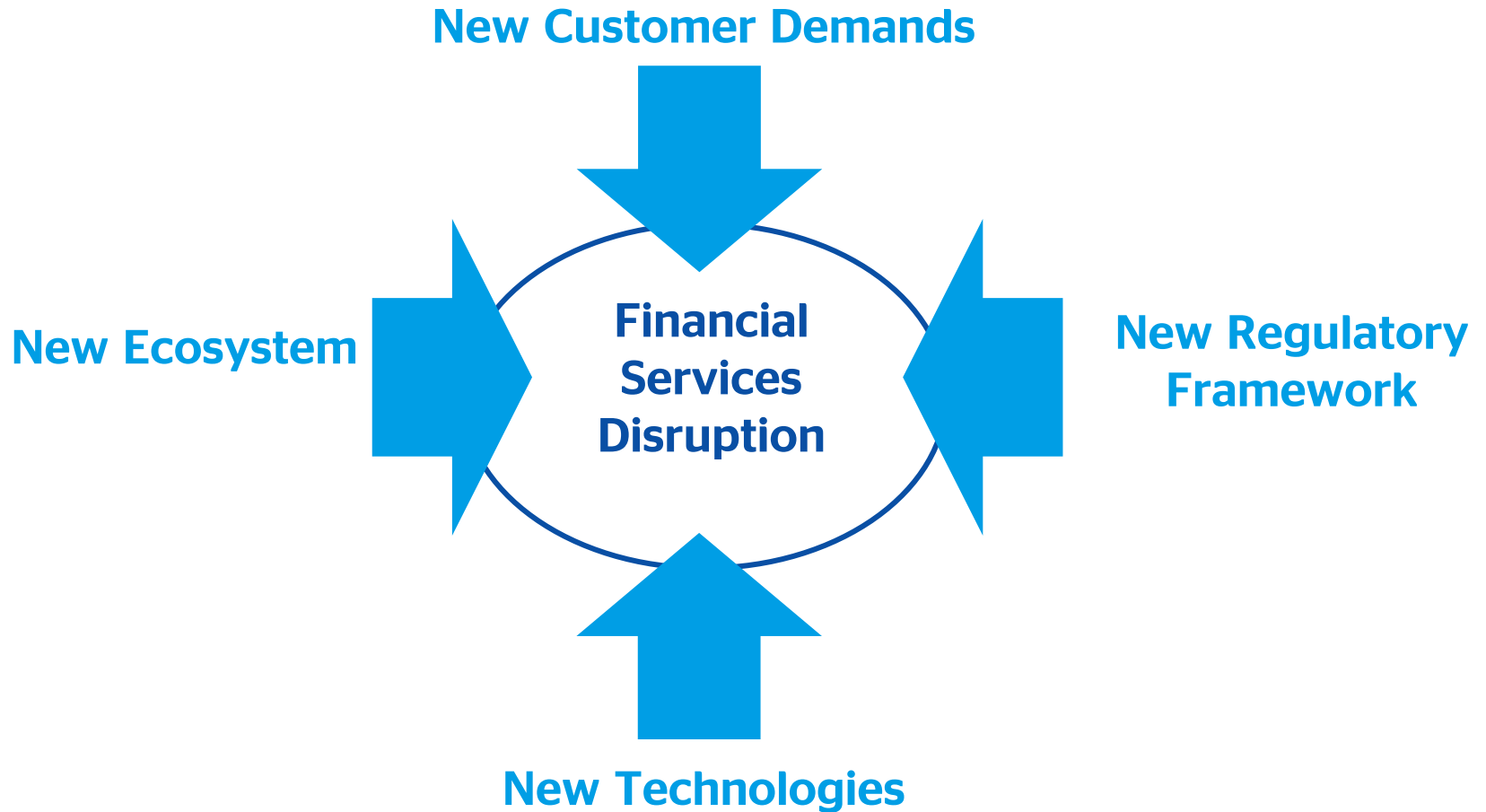
A first class workforce

- ✓ Long term focus
- ✓ Attacker Play - disruptive business models
- ✓ Symbiosis between a Fintech & incumbents
- ✓ New digital technologies at the core

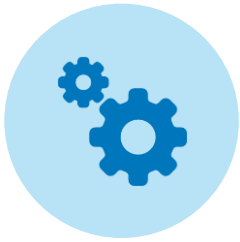
**NDB's
Mission**

“Create new business models and revenue streams, while supporting the wider digital change within BBVA”

We look at disruption as an opportunity



Our aim is to create a diversified portfolio



Build

- Not available in the market
- Leverages on BBVA assets
- Assets can be reused



Partner

- Mutually beneficial
- Speeds up time to market
- Access to skills and know-how



Buy

- Time to market critical
- Unique assets/skills
- Cost advantage vs. build
- Capture talent & learn



Invest

- Based on pure financial criteria

The [Un]holy alliance between fintechs and banks

Internal Incubation

Nimble
Simple Payments & Easy Business

API_MARKET
Innovation for growing your business

elenko
by BBVA Group

Strategic partnerships

dico distributed ledger group

DWOLLA

Acquisitions

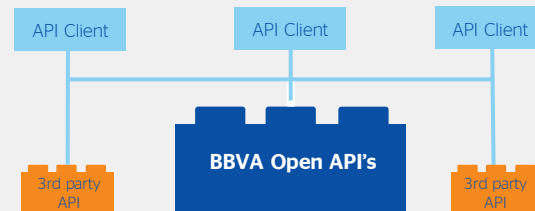
HOLVI
SIMPLE **Atom**
29.5% stake

Investments (venture capital)

coinbase **DocuSign**
PROSPER
PERSONAL CAPITAL **taulia**
earnest **INSIKT**

Open Platform

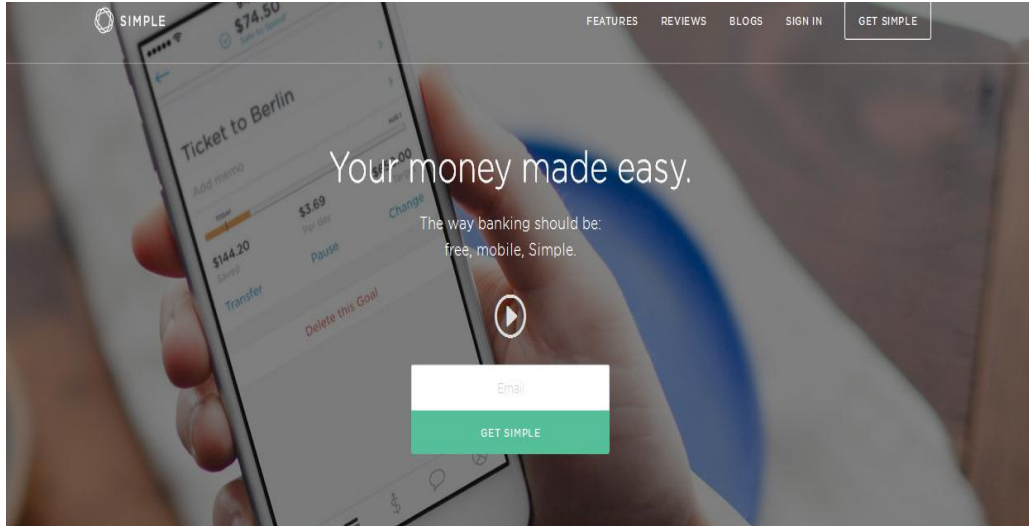
Enable new developments combining BBVA's APIs, client's technology and other building blocks



BBVA is driving the modularization of finance

www.bbvaapimarket.com

To succeed we must be good at finding, partnering and nurturing startups




SIMPLE
 FEATURES REVIEWS BLOGS SIGN IN GET SIMPLE

Ticket to Berlin
 Add memo
 \$74.50
 \$3.69 per day
 \$144.20 saved
 Transfer
 Delete this Goal

Your money made easy.
 The way banking should be:
 free, mobile, Simple.

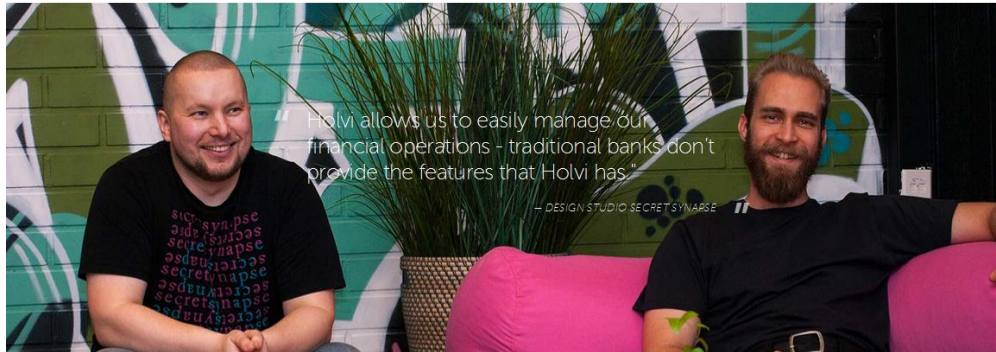
Email
 GET SIMPLE

Meet Simple
 Simple is the whole idea of banking re-made with beautiful design, built-in tools for budgeting and saving, and genuine human goodness. Know what you can really afford and save more than ever before.



SIMPLE
 4000 1234 5678 9010
 JENNA SMITH
 DEBIT
 VISA

- ✓ **Differentiated focus on customer experience**- built-in tools to help manage your personal finance
- ✓ **Outstanding customer acquisition model** (fully digital) leveraging on technology and data
- ✓ **No customer fees** - Revenue generation driven by deposits and payments



Banking for Makers and Doers —
entrepreneurs, freelancers and small businesses

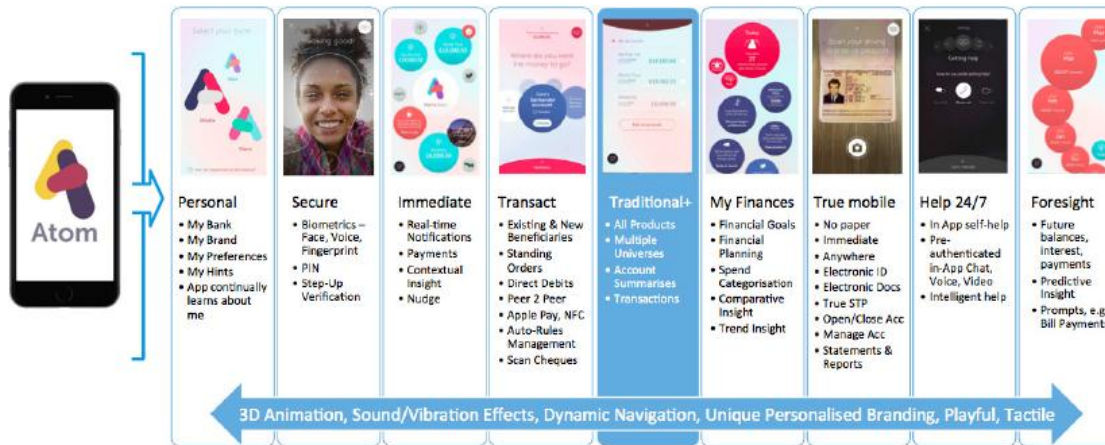
A digital current account for your business.
Open your account online within minutes.

[OPEN MY ACCOUNT](#)

- ✓ Engage customers with free to use business tools linked to current account
- ✓ Operates as an Authorized Payment Institution regulated by FIN-FSA
- ✓ Currently present in Finland and testing in Germany and Austria

A revolutionary concept of mobile banking

Step change in functionality and experience from traditional mobile banking solutions → **Proton's app is not a not evolutionary app, without typical menus**



- ✓ **Authorised banking license**
- ✓ **Full branchless banking service & remote servicing in UK**
- ✓ **Atom will have a full banking product offer through direct channels & intermediaries.**
- ✓ **Customer service as a core competence in-house**
- ✓ **More efficient than traditional banks**



BBVA

Digital Disruption at BBVA

Teppo Paavola

Chief Development Officer & GM of New
Digital Businesses

Brussels

September, 2016