

Annual Report 2012



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Group Profile

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Group Profile

Grupo Financiero BBVA Bancomer (BBVA Bancomer) is a subsidiary of Grupo Banco Bilbao Vizcaya Argentaria, one of the leading financial groups in Europe.

BBVA Bancomer maintains a solid leadership position in the Mexican market. It offers a variety of financial products and services through the largest branch network in the country and other distribution channels such as ATMs, banking correspondents, POS terminals, internet and cellular phone, among others. Additionally, we have specialized executives who provide differentiated and personalized service to individuals and enterprises.

Basic Information:

Employees: 38,853

Customers: 20'029,000

Branches: 1,797

ATMs: 7,733

Banking Correspondents: 20,879

POSs Terminals: 125,252

Concept	Amount (mp)	Market Share (%)	Position
Total Assets	1,264,545	21.0	1
Total Performing Loans	637,690	23.8	1
Total Deposits	672,270	22.5	1

Source: CNBV

BBVA Bancomer's corporate principles are based on four pillars that set it apart from its peers:

1. **Differential model**, with the leader position in the local market.
2. **Business model**, customer centric with efficient and secure business channels, leveraged on innovation and technology.
3. **Management model** that is characterized by two principles: prudence and anticipation.
4. **Corporate governance model** inspired by integrity and transparency.

BBVA Bancomer works for a better future for people, providing to its customers with a mutually beneficial relationship and integrated solutions.

Business Model

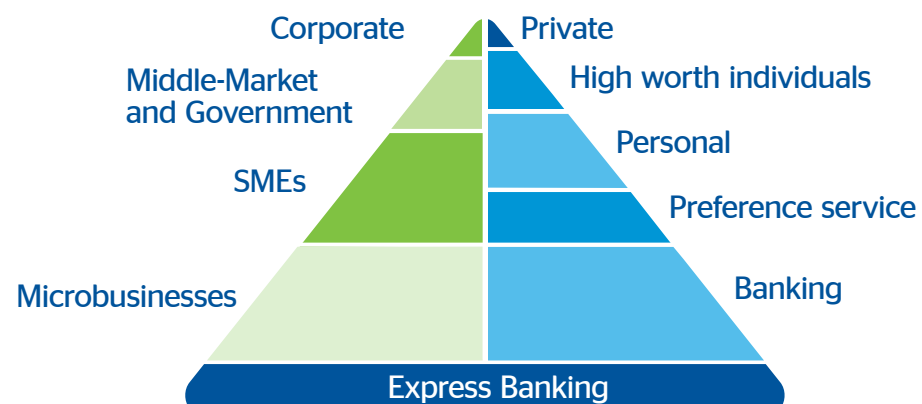
BBVA Bancomer's business model consists on a customer centric universal banking model based on differentiation and specialized products and services.

We work to construct lasting relations with our customers. That is why we offer personalized attention to each of our customer segments through a specialized network of executives that allow us to give a high quality service.

The business model is also based on a highly efficient distribution network with a high level of capillarity, key for easy and secure access to financial services. Finally, it is a business model with a firm commitment to technology that allows major investments to be undertaken in transformation and innovation projects.

This model has demonstrated BBVA Bancomer's capacity to generate solid recurrent revenue through its outstanding performance characterized by a clear philosophy of risk control and the goal to maintain long-term profitability.

All this, puts us in an excellent starting position to face future challenges with success.



Mission and Vision

Our Mission

- Build trust by expanding and enhancing customer service with transparency and integrity, always offering top-quality products and services.
- Provide the maximum value possible to our groups of interest. To our employees, with the ideal working conditions to help them develop their full potential.
- Preserve solvency and offer our shareholders attractive returns.
- Foster social well-being with projects such as education, social entrepreneurship, research and culture, as a result of our business activities.

Our Vision

We are working for a better future for people.

This vision will always be relevant and is a permanent guide for everything we do. That is why our daily actions are based on the following corporate principles:

- The customer as the core of our business.
- Teamwork as the key to generating value.
- A management style that generates enthusiasm.
- Ethical conduct, personal and professional integrity as a way of understanding and managing business.
- Innovation as a driver of progress.
- Corporate social responsibility as an intrinsic part of development.

Significant Events

New Organizational Structure

BBVA Bancomer has changed its organizational structure to create a simpler organization that is geared to swift generation of solutions and results for customers. It assumes responsibility at senior management level, and promotes efficiency and business profitability.

Since October 2012, Mr. Vicente Rodero is part of the Steering Committee under the figure of General Manager of BBVA Bancomer and the Board of Directors with the position of Vice President. Mr. Luis Robles takes the position of Chairman of the Board of Directors.

Sale of Afore Bancomer

The sale of Afore BBVA Bancomer to Afore XXI Banorte was agreed in November 2012. The sale was completed at the beginning of 2013 following authorization by the National Retirement Savings Commission (CONSAR) and the Federal Competition Commission (COFECO).

BBVA Bancomer a bank committed to Mexico

In 2013, BBVA Bancomer announced the largest investment in the history of the Mexican financial system: US \$ 3,500 million between 2013 and 2016. This is an unprecedented investment that reflects a firm commitment to the transformation taking place in Mexico today.

Most of the investment will go to benefit the customers with the change and renewal of all BBVA Bancomer's branches into the specialized attention model. There will also be investment on the development of new technology, distribution channels, infrastructure and operating platforms. Another part of the investment will go towards the finishing of the construction of the new corporate headquarters in Mexico City and Mexico State.

Corporate Structure



Leadership

(Market Share)

1st Place Branches 14.5%	1st Place Total Assets 21.0%	1st Place Performing Loans 23.8%	1st Place Consumer Loans 29.2%	1st Place Auto Loans 51.2%
1st Place Mortgages 32.9%	1st Place Total Deposits 22.5%	1st Place Demand Deposits 26.5%	2nd Place Mutual Funds 21.7%	1st Place Bankassurance 30.2%

Sources: CNBV, AMIS, AMIB y AHM

Performing Loans: Total Performing Loans.

Consumer Loans: includes consumer and credit cards.

Mortgages: Number of new mortgages.

Total Deposits: Includes demand deposits, time deposits and bank bonds.

Mutual Funds: Assets Under Management.

Presence

Mexican Republic

1,797 branches

28,367 employees

7,733 ATMs

Relevant Information

General indicators of Commercial Banking in Mexico

	Dec. 2010	Dec. 2011	Dec. 2012
Total Commercial Banking Institutions	41	42	43
Branches	11,281	11,498	12,407
Employees	133,615	152,526	186,967
Total banking assets (million pesos)	5,215,553	5,824,690	6,021,408
GDP at constant prices (million pesos)	35,308,073	36,680,742	38,120,262
% of GDP	14.8%	15.9%	15.8%
Total gross banking portfolio (million pesos)	2,142,776	2,471,938	2,746,434
% of GDP	6.1%	6.7%	7.2%
Total deposits (million pesos)	2,533,327	2,759,971	2,984,044

Source: CNBV, Banxico

Importance of BBVA Bancomer in the Mexican Economy

	Dec. 2010	Dec. 2011	Dec. 2012
Total assets (million pesos)	1,098,162	1,222,914	1,263,545
Share of total assets	21.0%	20.9%	20.9%
Traditional deposits / Total assets	56.2%	52.8%	53.2%

Source: CNBV

Information on BBVA Bancomer including mortgage SOFOLES

Breakdown of Economic Value Added (EVA)

	Dec. 2010	Dec. 2011	Dec. 2012
Dividends	16,209	18,633	19,399
Personnel costs	13,920	14,765	16,006
Interest expense	28,370	30,832	32,741
Administration and operating costs	11,531	12,527	13,360
Taxes	8,804	8,558	9,007
Community support: resources allocated	78,834	85,315	90,513
Economic value generated and distributed			
Economic value generated	90,861	95,218	101,892
Net interest income	66,049	70,266	77,333
Net fees and commissions	17,848	17,444	18,299
Other ordinary income	6,964	7,508	6,260
Economic value distributed	54,569	58,541	63,057
Dividends	16,209	18,633	19,399
General administrative expenses	15,636	16,585	18,645
Taxes	8,804	8,558	9,007
Personnel costs	13,920	14,765	16,006
Economic value retained	37,198	36,677	38,835
Loan-loss reserves - amortization	18,219	18,208	20,022
Reserves	18,979	18,469	18,813

* Figures in millions of pesos, with information from the BBVA Bancomer Financial Group



Report from the Chairman of the Board of Directors

To our shareholders:

I am pleased to welcome you and address you for the first time in my capacity as Chairman of the Board of Directors of BBVA Bancomer, particularly considering our Company's achievements in 2012. I would like to express my appreciation to all our customers for the confidence they have placed in our products and services. And I would also like to congratulate all our staff, who have worked untiringly to attain the goals set and, in particular and very deservedly, the talented management team led by our new Chief Executive Officer Vicente Roderio.

In 2012 we achieved very good results in this country. We are the sector's leading banking institution, with the most extensive infrastructure and the largest number of customers, and the bank that grants the greatest number of loans to all segments of society: families, businesses and the public sector.

I am very pleased to inform you that at the close of 2012, BBVA Bancomer completed 32 consecutive months of credit growth, with higher portfolio balances in real terms than those posted prior to the 2008 crisis, which hit the Mexican economy particularly hard, with a fall in GDP similar to the one seen in 1995. The crisis is therefore behind us. One out of every 4 pesos in new lending in the country was placed by BBVA Bancomer, thus confirming its position as the main lender in Mexico. 50 cents out of every peso were allocated to households through consumer and mortgage loans, while the other half has granted to businesses and the public sector. Loans have been granted dynamically, but responsibly, and the decade from 2002 to 2012 has not only been one of the most dynamic, but also one of the healthiest and most sustainable in the country's history of credit granting.

Traditional savings through mutual funds in BBVA Bancomer have also been very active over these years. New products have been launched, achieving a more attractive offering, with higher returns and a more international profile, which has resulted in our institution receiving various recognitions for its performance and innovation in favor of our customers. To sum up, 2012 saw the culmination of the efforts made over several years and confirms BBVA Bancomer's commitment to Mexico as a sound, solvent institution that carries out its activity thoroughly in terms of lending, savings and financial brokerage.

This banking and financial activity has been carried out very positively thanks to the environment of macroeconomic stability, in sharp contrast to the global economy, marked by high uncertainty and low economic growth. It is important to mention that healthy public finances and a sound and well capitalized banking system, in a context of orderly democratic transition, are important assets for Mexico which provide certainty and confidence to investors.

However, the progress made needs to be consolidated and we need to make the most of the country's new opportunities. We are all aware that Mexico requires stronger economic growth in order to be able to offer more development and well-being opportunities to the population, and for this reason it is essential not only to maintain stability, but also to achieve a more efficient, dynamic and flexible economy. In this sense, our outlook for the Mexican economy is positive. The responsible debate on the reforms following the signing of the Pact for Mexico suggests that the conditions are right for the country to make progress towards a new dynamic, moving from minimum reforms to more extensive reforms that will in the medium term result in higher rates of growth and, consequently, in higher levels of well-being. The next 10 years could become the best decade of growth for Mexico since the 1980s.

2012 was a year of major milestones for BBVA Bancomer, which has been working in Mexico for the last 80 years. This commitment to the country was strengthened in 2012 with the successful conclusion of the strategic corporate social responsibility plan for 2010-2012. During this period we reinforced the two basic pillars of our strategy. Firstly, we have made significant progress in expanding financial inclusion over the last six years, bringing on board a high number of customers through a wide range of products and services supported by various platforms: banking correspondents, mobile telephony, the Internet, point-of-sale terminals and innovative ATMs that provide access to financial services. Technology and innovation are certainly drivers of progress for BBVA Bancomer. A means we will continue to make the most of to make life easier for our customers and offer them the best possible service. Secondly, our commitment to the community is being reinforced through support for education, with scholarships for high-performing young people under the program "For those left behind" for migrant families. We have already supported three generations of secondary education students since the program was launched in 2006, adding approximately 31,000 children who

have received the BBVA Bancomer Foundation integration scholarships. Also worth pointing out are our financial literacy activities, where we have extended the scope of our training workshops through the program "Forward with your future", with more than one and a half million participants since the program was launched in 2008. In addition, this year we launched the "Momentum Project", a major social entrepreneurship program for "differently-abled" people.

In 2012 we also concluded the 2008-2012 Eco-efficiency Plan, which implemented various environmental protection initiatives aimed at raising awareness among our employees and customers about the importance of saving paper, water and energy, which have resulted in a significant reduction of our direct environmental impact. These actions confirm our support for the United Nations Global Compact, which BBVA Bancomer joined in 2003, while enabling us to make progress in our vision as an institution: "work for a better future for people".

Looking ahead, 2013 is already being perceived as a very promising year for the Mexican economy, and we at BBVA Bancomer want to be ready to fund the country's growth to the best of our capabilities. We will therefore make major investments that will enable us to better contribute in this new stage of the country's development, providing every day more and better products and services to our customers.

To sum up, this is the time to invest, and at BBVA Bancomer we are committed to Mexico.

Adelante,

Luis Robles Miaja
Chairman of the Board of Directors



Report from the Chief Executive Officer

A stable macroeconomic environment for Mexico compared with other geographical areas has enabled earnings and banking activity to perform well for BBVA Bancomer in 2012.

Lending and customer deposits maintained their growth in 2012. At the same time, investment continued to strengthen our infrastructure, technology and innovation, including the construction of what will be our new corporate headquarters.

The loan book closed the year at 642,171 million pesos, equivalent to an annual growth of 5%. Lending to households, which includes consumer loans, credit cards and mortgages, grew annually at 8% to 316,962 million pesos as of December 31. The consumer finance and credit card portfolio increased by 13% on the previous year, reflecting a high level of commercial activity, with more than a million new consumer loans (payroll loans, car loans and personal loans), as well as two million new credit cards.

Housing finance closed the year with a balance of 150,882 million pesos, equivalent to an annual growth of 4%. More than 28,300 mortgages were granted, maintaining our leadership in this segment, at one out of every three new mortgages in the private sector.

Commercial loans, which includes corporate, SMEs, financial institutions and the public sector, had a balance of 325,209 million pesos. There was an outstanding performance in finance for SMEs, which was up an annual 26%, with more than 43,000 new loans, supported by a specialized business model backed by Nafin guarantees. This outstanding activity earned BBVA Bancomer the "Pyme 2012" (SME 2012) award again this year, granted by the Secretariat of the Economy.

In business loans, there was a notable performance in finance granted through our SME Banking unit, where annual growth was 12%. More than 1,300 companies were newly registered, giving a total of 8,900 companies with loans.

In 2012 BBVA Bancomer assisted its corporate customers with their issuance through a high level of involvement in debt issues on capital markets. It maintained its leading position in this area, with a market share of 25% at the close of 2012, according to *Dealogic*.

Lending to the public sector closed 2012 with a balance of 87,120 million pesos, an annual fall of 5%, due to a high comparison figure at the close of 2011.

The loan book continued to show a good mix, without significant changes with respect to the close of 2011. Commercial loans accounted for 51%, followed by consumer finance and credit cards with 26%, and housing with 23%.

The positive performance of lending was accompanied by stable indicators of credit quality. At the close of 2012, the NPA ratio stood at 3.3%, and the coverage ratio at 129%. The risk premium (the total cost of granting a loan) remained at 3.4%. All this confirms our prudent strategy of lending with quality control.

Deposits, including funds in demand and time deposits, negotiable instruments and investment companies, stood at 971,762 million pesos, an annual rise of 5%. Demand deposits increased by 8% on the figure at the close of 2011 to 471,975 million pesos. Time deposits ended 2012 with an annual fall of 8%, due to the decision to offer higher-value products to our customers; as a result, the fall has been offset by the increase in assets under management by investment companies (up an annual 7%) and by the performance in other products such as repos and fixed-income instruments. The biggest component of liabilities was demand deposits, so in 2012 the structure of customer funds remained profitable.

Non-banking businesses continued to perform well. The insurance branch Seguros Bancomer was extremely active commercially, and recorded a net profit of 3,717 million pesos, 20% up on the previous year. This maintained its position as leader of the bancassurance segment.

Toward the close of 2012 the sale of Afore BBVA Bancomer was agreed to for a total of US\$ 1,734 million, following authorization by the National Retirement Savings Commission (CONSAR) and the Federal Competition Commission (COFECO).

BBVA Bancomer has maintained a sound and high capital ratio, at 15.8% at the close of the year, above the minimum required by regulations. Our active and independent management of capital was reflected in the successful placement of 10-year complementary capital notes for US\$ 1.5 billion on the international markets. This shows the confidence that investors have in the growth and good performance of the bank and the country.

In 2012 BBVA Bancomer has continued to manage actively the liquidity levels that support the growth required by our customers.

The performance of commercial activity and good risk management have meant that the BBVA Bancomer Financial Group closed the year with a high and stable level of recurrent revenue.

Net interest income amounted to 77,333 million pesos, 10.1% above the figure for 2011, while income from fees and commissions closed the year with an annual upturn of 4.9% due to the high level of transactions with credit and debit cards and due to the growth in assets under management by investment companies.

Expenses amounted to 42,856 million pesos, with an annual growth of 9.4% due to our continued investments over recent years.

As a result, the BBVA Bancomer Financial Group posted a high level of profit of 28,123 million pesos.

In 2012 we continued to invest and maintained our differentiated business model to serve our broad customer base of 20 million. New products were designed using the "Cuenta Express" (Express account) technology, which reached 1.8 million customers, and "Dinero Móvil" (Mobile money), which allows customers to send money to any part of the Mexican Republic via our website, ATMs or cell phones. In 2012 our non-banking correspondents numbered 20,000 points of sale where customers can make transactions, thus extending opening times for the banking service.

We feel satisfied with respect to the question of corporate responsibility, as over the last three years of the strategic plan that is coming to a close, we have achieved significant progress on four fronts: financial literacy, financial inclusion, responsible banking and community involvement.

2013 looks like a year of transition and change. It marks the start of a new period for BBVA Bancomer. Major changes have been made in the structure of the Institution's Management Committee, and in the organization of our branch network in Mexico. These modifications will enable us to deal with a changing and challenging market and environment. They will ensure that we are in an even better position to continue to grow in Mexico, which is a country that offers significant opportunities.

One example of our commitment to the country is that in 2013 BBVA Bancomer will continue investing to improve our customer service and offer the best specialized solutions and financial products.

I would like to thank the continuous and profound dedication of each and every one of the collaborators in the BBVA Bancomer Financial Group; our customers for choosing us; and the members of our Board of Directors, for its dedicated action in continuing to strengthen our Institution.

The best is yet to come, Adelante

Vicente Rodero Rodero
Chief Executive Officer

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BBVA Bancomer, committed to Mexico

BBVA Bancomer has focused its attention on its main strength: A broad customer base. That is why the main part of the investment is in benefit for the customers. We constantly seek to enhance the customer knowledge to continue offering specialized products and services with personalized attention and a differentiated multi-channel distribution.

We are working to offer the best service to our customers with high quality standards that allow having a good experience with BBVA Bancomer and maintaining the preference of our customers.

In addition, we developed a different way to relate with our customers through a multi-channel distribution model that provides easy, secure and efficient access to financial services.

Operational Summary

Commercial Banking

This unit provides a service to seven of the ten segments making up our customer base. It has an extensive distribution network in which it has successfully deployed its new customer service model involving the refurbishment of the whole branch, with differentiated and specialized service by segment.

At the close of 2012, the 7 branches where this new model has been implemented have shown positive results in terms of profitability, customer loyalty, productivity and improved perception of customer service. It is worth highlighting that the new image was installed in more than 700 branches throughout the whole country.

In addition to this new segment-differentiated customer service model, a number of specialized products were launched in 2012, such as: sale of structured notes for customers in the Private and High Net Worth segment, in line with the strategy to offer higher-value products to customers. These segments are also offered pre-approved consumer loans, credit cards and mortgages, which has helped to drive lending in these portfolios. In addition, BBVA Bancomer Asset Management, in a strategic alliance with BlackRock, launched the B+RVUSA fund, the first and only fund in its category in Mexico. The fund invests in equity instruments, mainly international equity, and thus extends the range of funds available to private banking customers.

For our customers in the Personal segment we extended the number of managers, thus allowing targeted service and products such as the "DIVER-C"

mutual fund, which offers the option to invest in a fund of funds. We also granted consumer loans for this segment through Bancomer.com at a special price.

The strong lending activity in the SME segment earned BBVA Bancomer the "PYME 2012" (SME 2012) award as the banking institution that lends most to SMEs and entrepreneurs. For this segment we also launched the successful program "Membresías PyME", which aims to boost value-added solutions for the efficient and effective management of businesses, covering areas such as administration and payroll, mutual funds and tax payments. The initiative attracted 100,000 customers in 2012.

A new customer segment has been developed called Express with the aim of increasing the use of financial services among the population. Various easy-to-access products have been developed for this, including "Cuenta Express", the first mobile account in Mexico linked to the customer's cell phone. The new network of non-banking correspondents was the subject of enhanced promotion, which extended the points of sale to over 20,000 stores registered at the close of 2012.

Continued innovation in various distribution channels was reflected in the launch of the "Dinero Móvil BBVA Bancomer" service through which money can be sent to any part of the Mexican Republic via Bancomer.com, an ATM or cell phone. The recipient of the transfer receives a cell-phone text message with a password giving access to the cash through ATMs in the BBVA Bancomer network, without the need to have a debit card or a bank account.

Consumer Finance Unit

This unit manages consumer finance and credit cards, one of the portfolios with the highest rates of growth in 2012.

Among the contributing factors to this growth have been alternative channels to the branch and pre-approved loans through the multi-channel distribution network.

In fact, more than 80,000 pre-approved loans were granted through BBVA Bancomer ATMs, and the percentage of loans placed through channels other than the branch network amounted to 9% at the close of 2012.

In consumer finance, more than 929,000 loans (excluding car loans) were granted by the close of the year, with an outstanding performance in payroll loans. The positive alliance with car firms also contributed to the increase in car loans. By the close of 2012 more than 90,000 loans of this type had been granted.

The various promotions launched through our commercial partners to create incentives for the use of credit cards increased revenue from purchases by 14% in annual terms.

The positive management of this portfolio enabled BBVA Bancomer to maintain its leading position in consumer finance and credit cards.

Government & Mid-sized Enterprises

This unit has specialized branches to serve each and every one of its customer segments: 87 branches for companies, 36 for the public sector and 14 for housing developers.

The company segment has 40,949 customers, 12% more than in 2011. In 2012, loans were granted to 1,344 customers who did not already have one. The total number of customers with loans increased to 8,899, 22% of the total customer base in this unit. Support continued for customers through various solutions making their business operations much easier and quicker. At the close of the year, 66% of the groups served by the bank were linked to 5 or more BBVA Bancomer products.

The portfolio of housing developers has redesigned its strategy and model of service by incorporating new admission and monitoring processes to maintain portfolio quality.

The number of clients in the public-sector segment has grown steadily in 2012. At the close of the year it amounted to 3,232, or 58% of all the government agencies in Mexico. Innovation and the broad range of services offered, such as payroll payments for public employees and collection solutions for taxes for states and municipalities, have ensured that it has among the highest levels of loyalty within the bank.

The financial leasing activity was strengthened by the purchase of FacilLeasing in 2011. At the same time, the range of products was extended to include not only car leasing but also specialized leasing (planes, ships) for machinery and fleets.

Corporate & Investment Banking

C&IB has deployed a solid business model that allows a great capacity to generate recurrent results and create value on a sustained basis.

This unit specializes in the management of corporate and global clients, to who offer added-value investment banking and cash management products.

C&IB has three main lines of activity:

- *Client Coverage*, which manages the BBVA Group's relations with the major global corporations.
- *Global Markets*, which provides investment and risk management solutions to corporate and institutional clients.
- *Transactional Banking*, which provides products and services via competitive and innovative funds.

This business model has proven its effectiveness even in difficult financial environments, as can be seen by the maintaining of its leading position in various market segments such as: issues on debt capital markets (market share of 28% according to *Dealogic*); structured notes (market share of 37% according to Valmer); and exchange rates and currencies (market share of 21% according to Banxico).

In 2012, C&IB took part in significant cross-border operations including the IPO of Cemex in Colombia, FibraHotel and Alsea, as well as various foreign-trade financing operations with Cemex, Ebramex, IBM and América Móvil.

In commercial terms, the range of collection products has been improved with new solutions such as: "CIE Interbancario", which allows corporate clients to extend the range of points where their bills can be paid to the networks of other banks, with BBVA Bancomer acting as payment settler; and "Cobranza Referenciada CIE", which allows payments to be received from credit cards even after months without interest.

Asset Management

The mutual fund administrator has performed well, with double-digit growth throughout the year.

Asset Management maintains the broadest range of products in Mexico with an extraordinary performance in both fixed-income and equity funds.

This unit administers its assets under management well and aims to improve its customer service every day.

It also competes in the global market with its wide range of funds under management. As a result it has received two important international mandates: the LatAm sovereign debt mandate; and the LatAm (ex-Brazil) equity mandate.

Insurance Services

Seguros BBVA Bancomer's financial performance is consistently positive.

In 2012 the broad range of insurance business products (ILP, VidaSegura, HogarSeguro, Auto and Transacción Segura) recorded an annual growth of 10% in the accumulated premiums written, which combined with a low claims led to a net profit level of 3,717 million pesos, an annual rise of 20%.

This performance has enabled it continue as leader in the Bancassurance segment, with a market share of 32% according to the Mexican Association of Insurance Institutions (AMIS).

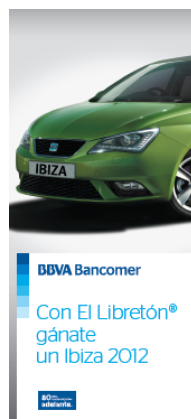
Our famous massive annual Car loan campaign recorded all-time high results in the two months since its launch, with more than 45,000 initial policies issued (compared with 42,000 in 2011) and written premiums of 229 million pesos (compared with 216 million in 2011). The "Auto Alerta" application by which customers can report accidents through a GPS system in their cell phone already has more than 5,000 activations.

Advertising Campaigns

Vida Bancomer



Libretón (Passbook)



Dinero móvil



Creditón



Fondo Nómina



Quincena del Ahorro
(Fortnight savings campaign)

Quincena del Ahorro

80 Years

Libretón

End of Year

Finance

Active management of the balance sheet allowed adequate liquidity and capital levels to be maintained for the correct operation of the bank.

A low level of sensitivity of net interest income to interest-rate movements was also maintained, in what has been a difficult and volatile financial environment.

In 2012 two successful 10-year supplementary capital issues were placed for a total of US\$ 1.5 billion on the international markets. The issue was oversubscribed 3 times, thus showing the confidence of investors in the growth and good performance of BBVA Bancomer and the country.

It is worth noting that BBVA Bancomer contributed notably to the discussions on adapting to the new Basel III capital requirements in Mexico. It has also headed up the proposals in the sector relating to liquidity requirements, with positive results.

The bank itself has implemented numerous initiatives to strengthen Internal Control within the institution. As a result of the success obtained with the Atlas project in the Commercial Portfolio, in 2012 the Atlas project for Credit Cards was launched with the aim of bringing the operation of credit cards into line with business and quality processes. At the same time, as part of the effort to maintain a transparent working environment, integrity workshops were given to preserve corporate integrity and boost the capacity to identify, situate and resolve ethical conflicts.

Credit Risks and Recovery

Our extensive knowledge of our customers and strong risk platform have enabled us to design various proposals for giving our customers quick, secure and easy access the financial services offered by BBVA Bancomer.

In 2012, offers were sent via the pre-approved loan model to customers in the business segment and private individuals for credit-card, consumer finance, SME and mortgage products. This channels offers to customers with a superior credit performance and also maintains quality in the loan portfolio.

The pilot "Visión Cliente" collection project was also launched, including financing via credit cards, consumer finance, SME loans and mortgage lending. Various groups were selected for monitoring, according to the combination of products past due and their level of risk for executing the collection. Additionally, the risk framework for states was authorized that drives the business with state governments.

This unit implements initiatives to improve the calculation of economic capital for the credit valuation adjustment (CVA). It also validated the certification for the risk parameters of the credit card portfolio and internal scoring models.

All of this has helped to maintain an adequate quality of the total credit portfolio with stable risk indicators at the end of the year.

Customer Insight and Innovation

BBVA Bancomer is continuously searching for ways to improve the tools and processes that can offer a better service to our customers.

That is why much of the investment in 2012 in technology was assigned to the various technological platforms that aim to improve service quality. One example is the new front office provided for the managers in the branches, which gives them comprehensive information about the customers and allows them to generate offers with a higher added value that are adapted to the needs of each customer.

With respect to quality, new service indicators were constructed for Human Resources, and a new database was prepared for customer queries. It allows us to establish new strategies and redesign existing ones with the aim of offering a better experience for customers and users of BBVA Bancomer financial services.

At the same time, Quality Plans were implemented for each of the business units and new data mining models were created to provide commercial opportunities based on customer behavior and needs.

Systems and Operations

BBVA Bancomer's clear commitment to the cutting edge of technology is reflected in the major effort made by Systems and Operations to provide solutions that increase the commercial activity of the Business Units, leveraged on two concepts: innovation and simplicity. It means offering products on multi-channel platforms and dramatically reducing service times in branches and the Bancomer line, in order to set us apart from the competition in terms of our quality and service.

After assessing the pilot phase of the new service model in the first 7 branches, key performance metrics were considered to improve the perceived customer service, increase loyalty and migrate branch teller transactions to self-service transaction channels. The decision was taken to start the process of expanding this model to all our branches.

To continue to improve our customers' experience with BBVA Bancomer, we have managed to make processes more efficient within the branches and significantly reduce contracting times.

The new technological insurance platform called "Clipert" was deployed to support the expansion of Seguros BBVA Bancomer. This platform distributes multi-channel products and services and multiplies the channels for contacting customers and prospects, thus enabling a greater number of products to be commercialized.

Internal Auditing

Internal Audit defined a work plan to cover the most relevant processes and areas, with the main goal to add value to the business units and support efforts on internal control and risk management.

One aspect that required more resources was the loan portfolio to which this unit gives a vision about its current situation and its risk level. Revisions made to the fields of entertainment, construction and infrastructure and credit origination to states and municipalities, result on recommendations that will help improve controls and measurements associated with them. We continue to make significant efforts to review admissions processes, credit monitoring and recovery in both the wholesale and retail segments, recommending improvements that will strengthen internal control and security of these processes.

This unit keeps focus on topics such as security, technological infrastructure and the review the main applications that support the business. Within this, we review the security tools of ATMs evaluating existing controls to ensure confidentiality and integrity of customer's data. Recommendations made will help to improve security environment.

The main pillars of Internal Auditing over the last years have been monitoring the implementation of the recommendations and ensure the improvement in terms of control within all the business units of the bank. Regarding this, during 2012 Internal Audit continued to boost the correct application of the recommendations, which has resulted in a better businesses control environment and processes.

Analysis and Discussion of Results

Figures under local accounting standards of Grupo Financiero BBVA Bancomer for 2012.

At the close of the year, total lending amounted to 642,171 million pesos, 31,955 million pesos or 5.2% up on 2011. This growth was mainly boosted by lending to families (consumer finance, credit cards and mortgages), which grew annually by 8.4%.

By heading, the commercial portfolio, which includes loans to companies, financial institutions and government agencies, brought in a balance of 325,209 million pesos, 2.3% more than in 2011. This was largely due to the 5.1% annual growth in corporate activity in the portfolio, although corporate clients replaced lending for stock-market debt. Loans to government agencies amounted to 87,120 million pesos.

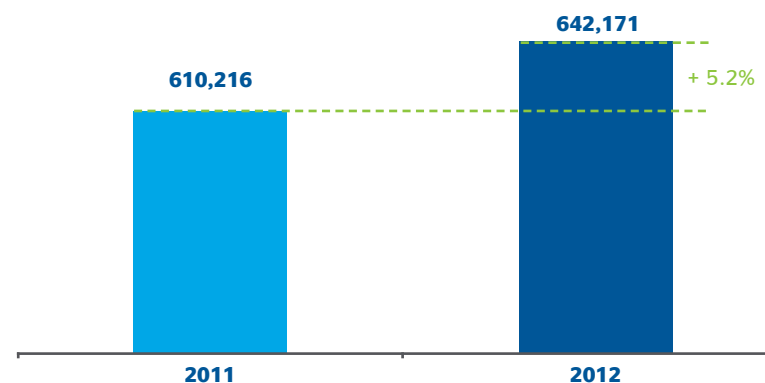
Consumer finance and credit cards amounted to 166,080 million pesos, an annual increase of 13.3%. It is worth mentioning that during the year over a million consumer loans were granted, including payroll loans, car loans and personal loans. Revenue from credit card purchases continued to perform positively, with an annual rise of 14.1%.

Mortgage loans increased by 3.6% to 150,882 million pesos. Over 28,300 new mortgages were granted in 2012, and BBVA Bancomer maintains its leading position in the private sector market, granting one in three new mortgages granted by banks and Sofoles combined.

In terms of customer deposits, which includes demand deposits, term deposits and negotiable instruments, the year-end balance was 671,171 million pesos, 4.0% more than in 2011. This is due to a 7.9% annual growth in demand deposits, which recorded a balance of 471,975 million pesos thanks to the good performance of commercial banking customers. Time deposits fell by 7.6% due to our strategy of offering higher-value products to our customers.

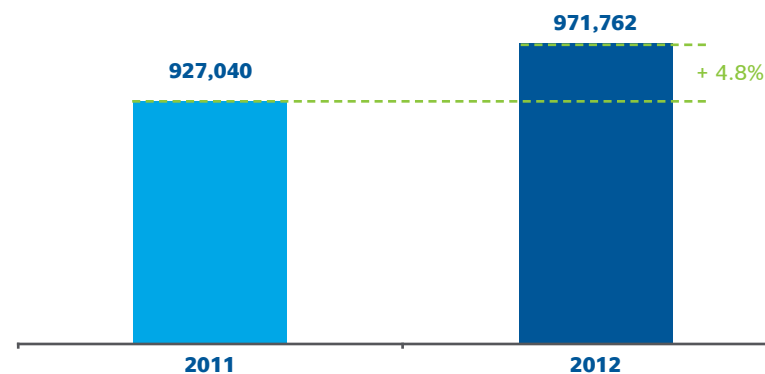
Performing Loans

(Million pesos and % annual change)



Total Deposits

(Million pesos and % annual change)



Negotiable instruments issued closed the year at 56,537 million, an annual increase of 5.6%.

Out of total deposits, including traditional deposits and off-balance-sheet funds, investment companies performed particularly well, with assets under management up 6.7% on the previous year to 300,591 million pesos.

Net Interest Income

Net interest income was 77,333 million pesos, equivalent to an annual growth of 10.1%, boosted by greater volumes of lending and deposits, as well as positive activity in the insurance business. Net interest income after loan-loss provisions came to 55,073 million pesos, 9.6% more than in 2011.

Loan-Loss Reserves

Our positive management of risks has maintained the quality of our loan portfolio throughout the year. Loan-loss reserves reflected the growth of activity and closed 2012 at 22,260 million pesos.

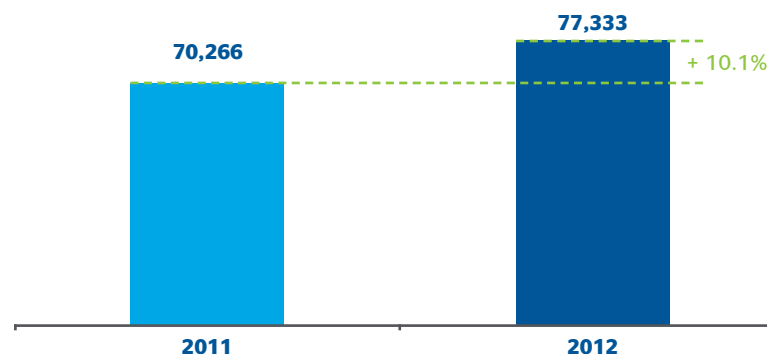
Fees and Commissions

Net income from fees and commissions closed the year at 18,299 million pesos, an increase of 4.9% on the figure for 2011. This performance was boosted by a greater level of credit and debit card transactions, as well as the incorporation of a larger number of customers and the upturn in assets under management by investment companies.

Net Trading Income

Net trading income amounted to 5,383 million pesos, equivalent to an annual fall of 11.9% on the high revenue recorded in 2011.

Net Interest Income
(Million pesos and % annual change)



Administration and Promotion Expenses

Administration and promotion expenses amounted to 42,856 million pesos, an annual increase of 9.4%, due to the continued investment in technology and infrastructure. At the close of the year, the number of ATMs was 7,733, while the number of Point of Sale (POS) terminals was over 125,000.

Net Profit

Net profit was 28,123 million pesos, a year-on-year increase of 1.5%. This performance is mainly the result of growth in revenue and higher investment, which boosts and consolidates the bank's position.

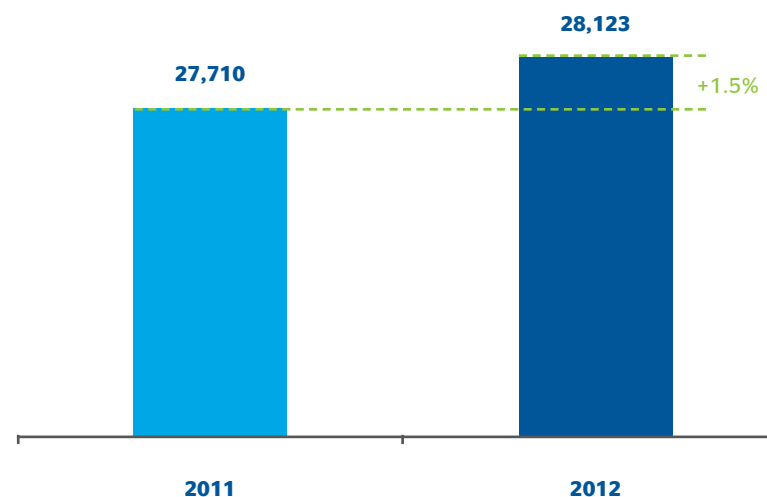
Profitability (%)	BBVA Bancomer	Market*
Efficiency Ratio	42.1	53.1
Profitability Ratio	42.7	44.2
Return on Assets (ROA)	2.1	1.6
Return on Equity (ROE)	20.1	14.0
Capital Ratio	15.8	15.0

* 5-banks market (Banamex, Santander, Banorte, HSBC and Scotiabank).

Source: Financial Group Quarterly Reports

Net Profit

(Million pesos and % annual change)



BBVA Bancomer Steering Committee

Name	Position
1 Vicente Rodero Rodero	Deputy Chairman and Chief Executive Officer
2 Luis Robles Miaja	Chairman of the Board of Directors
3 Ramón Arroyo Ramos	Head of Human Resources
4 Javier Malagon Navas	Chief Financial Officer
5 Pablo Pastor Muñoz	Head of Risk and Recovery
6 José Fernando Pío Díaz Castañares	Head of Legal Services
7 Gerardo Flores Hinojosa	Head of Commercial Development
8 Agustín Eugenio Mendoza López	Managing Director of Customer Insight
9 Eduardo Osuna Osuna	Head of Corporate, Institucional and Mortgage Banking
10 Héctor Paniagua Patiño	Head of Transformation, Quality and Corporate Development
11 Sergio Salvador Sánchez	Head of Systems and Operations
12 Fernando del Carre González	Head of Internal Auditing
13 Juan Pablo Ávila Palafox	Head of Insurance Services
14 Oscar Coppel Tirado	Head of Commercial Banking Network
15 Adrián Otero Rosiles	Head of Corporate and Investment Banking
16 Álvaro Vaqueiro Ussel	Head of Global Markets

Board of Directors

Directors	Alternate Directors
1 Fernando Gerardo Chico Pardo*	1 Bárbara Garza Lagüera Gonda*
2 José Francisco Gil Díaz	2 Ignacio Deschamps González
3 Alberto Bailleres González	3 Arturo Manuel Fernández Pérez
4 Alejandro Burillo Azcárraga*	4 José Fernando de Almansa y Moreno-Barreda*
5 Luis Robles Miaja (CHAIRMAN)	5 Vicente María Rodero Rodero (DEPUTY CHAIRMAN AND CHIEF EXECUTIVE OFFICER)
6 Pablo Escandón Cusi*	6 Andrés Alejandro Aymes Blanchet*
7 José Antonio Fernández Carbajal	7 Carlos Salazar Lomelín
8 Ángel Cano Fernández	8 Manuel Castro Aladro
9 Francisco González Rodríguez	9 Fernando Gutiérrez Junquera
10 Ricardo Guajardo Touché*	10 Jaime Serra Puche*

*Independent Directors

Secretary	Pro-secretary
José Fernando Pío Díaz Castañares	Alfredo Aguirre Cárdenas
Regular Statutory Auditor	Alternate Statutory Auditor
José Manuel Canal Hernando	Ernesto González Dávila

Audited Financial Statements

Click to open Audited Financial Statements



go to PDF

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Principles, Policies and Stakeholders

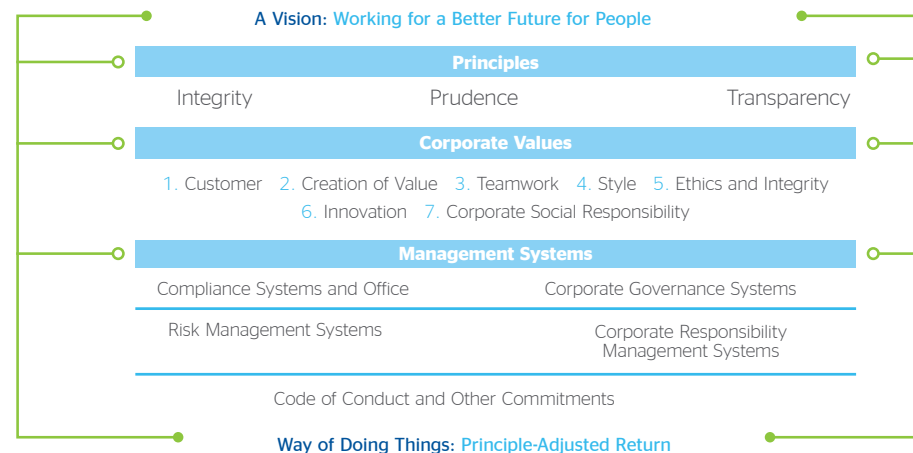
Our business model is based on the concept of Principle-Adjusted Return, which means placing people at the center of our business, so that profitability comes hand-in-hand with social development and environmental protection.

With the BBVA Bancomer principles as our main point of reference, we continue to make progress through actions based on the pillars of the Strategic Corporate Responsibility and Reputation Plan, in order to generate sustainable value over time for our stakeholders.

Corporate Responsibility Principles, Policies, and Governance

At BBVA Bancomer, social responsibility is one of the seven corporate values derived from our vision “to work for a better future for individuals” and from our principles of integrity, prudence, and transparency.

The Corporate Responsibility (CR) Policy of BBVA Bancomer represents an expression of these principles, and its main objective is to define and encourage behaviors that allow the company to **generate value for all its stakeholders** (customers, employees, shareholders, suppliers, and society in general) and for the company itself (in terms of reputational and business value).



The main commitments contained in the CR Policy include:

- To at all times execute primary activities with excellence.
- To maximize the positive impacts of company business on society, and minimize potential negative impacts.
- To create “social business opportunities” that generate social value and business value for BBVA Bancomer.
- To invest in the societies in which the Group operates through support for different initiatives, particularly in the area of education.

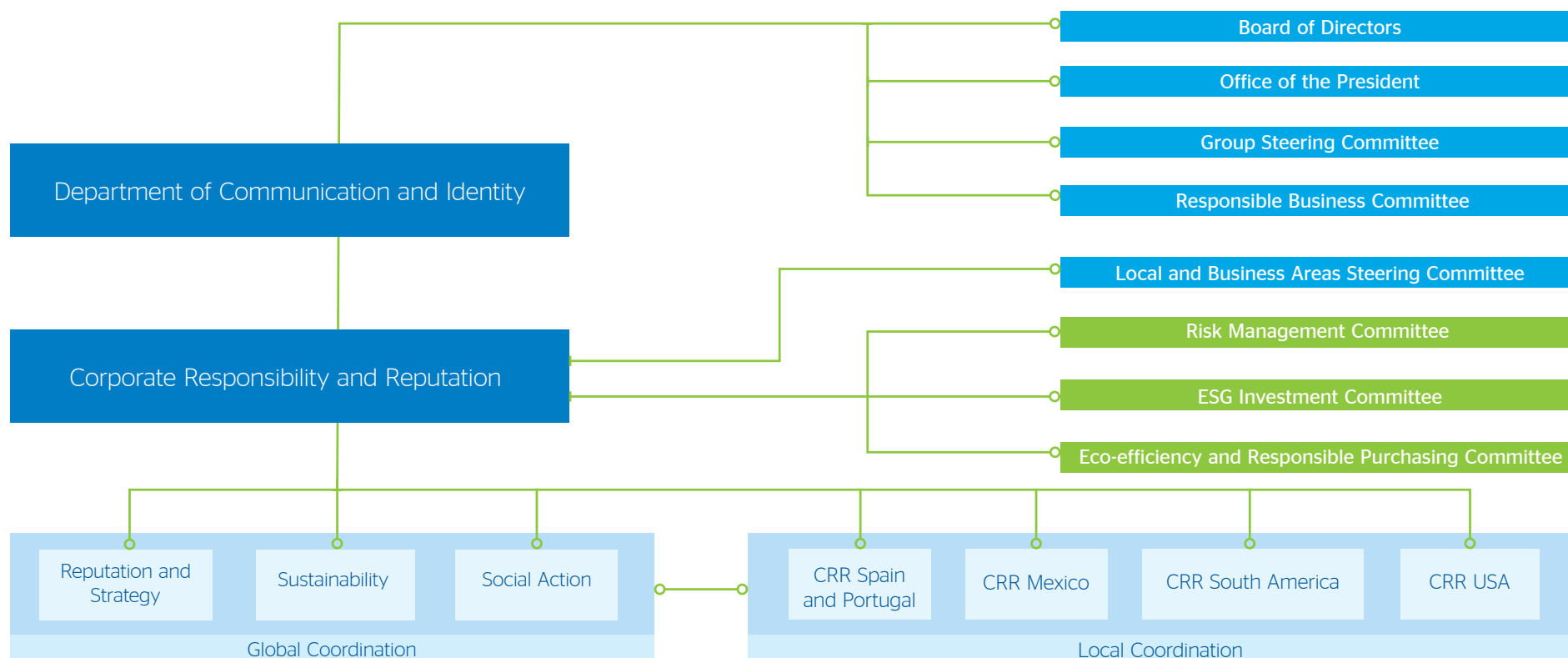
In 2012, the Corporate Responsibility and Reputation governance system was made up of the following bodies:

- BBVA Group Board of Directors: responsible for approving and enforcing policies on corporate responsibility.
- BBVA Group Steering Committee, supported by the Responsible Business Committee: responsible for promoting and enforcing CRR programs companywide.

- BBVA Bancomer CRR Committee: charged with promoting and enforcing CRR programs at a local level and within specific business areas. This committee is presided over by the President and CEO of BBVA Bancomer and is made up of nine Deputy Directors, eight Area Directors (with the CRR Director serving as coordinator), and three CRR Directors from the BBVA Group.
- Transversal Operational Committees: these committees are tasked with implementing and executing CRR programs. The secretariat duties of these committees lie with the Department of Corporate Responsibility and Reputation.
- BBVA Bancomer CRR Management: responsible for implementing the strategic plan through coordination of the business areas involved.

The BBVA Bancomer CRR Committee meets every three months to evaluate the developments and results of the main projects being carried out on this issue.

CRR Governance System of the BBVA Group



Corporate Responsibility Management System and Strategic Focuses

The four axes that make up the Strategic Corporate Responsibility and Reputation Plan are: education, financial inclusion, responsible banking, and commitment to society.

Axes of the Strategic CRR Plan

Financial Education
Get Ahead on Your Future

Financial Inclusion
Banking Access Plan

Responsible Banking

Customer Assistance
Responsible Finances

Responsible Purchasing
Environmental Management

Responsible Management of Human Resources

Commitment to Society

BBVA Bancomer Foundation
Social Entrepreneurship

2012 Developments

- This year we completed the cycle of our 2010-2012 Strategic Plan, during which we sought to implement innovative pilot projects resulting from a process of review of both the internal and external environment of the company and the expectations of our stakeholders. The three main achievements were:

1. We brought CR to the center of the company, involving senior management and key areas.
2. We achieved on-time completion of 16 initiatives developed by the different business areas.

3. We made significant progress in some of these initiatives:

CR Initiative	Description	2012 Developments
Condominium Owner Assistance	Assistance for borrowers and residents who make timely mortgage payments with physical and logistical improvements such as lighting, security booths, and reductions in monthly payments, among other benefits.	A non-profit was created that provided the following: <ul style="list-style-type: none"> • Interior lighting for condominiums. • Boarding up of vandalized homes. • Installation of metal trashcans. • Management of condominium improvements.
BBVA Bancomer/ITESM Fund Entrepreneurial Clinic	Educational program managed through a trust established in 1999 to provide students with an opportunity to develop values, attitudes, skills, and knowledge for investment portfolio management and to encourage them to conduct research in the field of investments.	More than 360 students have completed the course at different Tecnológico de Monterrey campuses. In 2012, the Santa Fe and State of Mexico campuses joined the initiative.
Inclusion of People with Disabilities	Inclusion of people with disabilities in the BBVA Bancomer staff.	39 people with disabilities were hired with the support of eleven different non-profits. Ten renovation projects were completed to improve the accessibility of our facilities. An awareness campaign was launched as part of the diversity program.
Crediproveedores (supplier lending program)	Encourage a culture of on-time payment and contribute to the development of suppliers, particularly small and medium-sized businesses.	We completed the first stage of implementation, developing and advising 300 suppliers in addition to the 33 suppliers who already participated in the program.

- We have worked on the new 2013-2015 Strategic CRR Plan, which includes the mission to consider the impact of our financial activities on the lives of individuals during key BBVA Bancomer decision-making processes, so as to set us apart and put people at the center of our business.

- We continue to support the following industry initiatives:

- The *2012 Fourth Annual Banking Social Responsibility and Sustainability Report* from the Association of Mexican Banks (ABM, in Spanish).
- The “Sustainability” Group of the UNEP-FI (United Nations Environment Programme – Financial Institutions), in support of the environment and the incorporation of the Equator Principles at Mexican banks.
- The *Sustainalytics* sustainability survey of the International Development Bank (IDB).

- We participated in the Rio+20 Summit, the United Nations Conference on Sustainable Development, with the publication of the business case of the *B+Educa* Fund in the document “Principles for Social Investment: Business Cases.”

- We designed a communications strategy that will allow us to more effectively communicate to all our stakeholders what it is that BBVA Bancomer is doing with regard to sustainability; this strategy will be implemented in 2013 primarily through the www.bancaparatodos.com portal.

System of Corporate Governance

We have an online [System of Corporate Governance](#) with international recommendations and trends, adapted to the social reality and suitable for the most advanced practices of those markets in which we develop our activity. The policies and principles that make up the Corporate Governance System for BBVA Bancomer are established in the Board Regulations, which govern the internal structure and operation of the Board and its Commissions, as well as the rights and obligations of the Board Members.

The BBVA Bancomer Board of Directors is of plural representation; 40% are Independent Board Members. Such Board constitutes the natural representation, administration, management, and surveillance organ of the Partnership and, according to its own regulations; it is responsible of the most important decisions affecting the Partnership. It is made up by five specific commissions: An Executive Committee, an Audit and Compliance Committee, an Appointments Committee, a Remuneration Committee and a Risk Committee.

Code of Conduct and Other Commitments

Code of Conduct

The BBVA Bancomer Financial Group Code of Conduct defines and develops the pillars of ethical behavior and the guidelines necessary to preserve one of the Group's main sources of value: corporate integrity.

It offers a public reflection on the commitments made by BBVA Bancomer with its direct stakeholders: shareholders, customers, employees, and suppliers, and with the societies in which the Group operates.

The values and ethical principles of the [Code of Conduct](#) are in accordance with the *Universal Declaration of Human Rights*, the *Global Compact of the United Nations*, and other agreements of international organizations, such as the International Labour Organization (ILO).

Our Code of Conduct is based on fundamental ethical values:

- Respect for the dignity and rights inherent to the individual.
- Respect for the equality and diversity of all people.
- Strict adherence to the law.
- Professional objectivity.

In accordance with Principle 10 of the Anti-Corruption Global Compact, and in adherence to pertinent legislation on the matter, at BBVA Bancomer **we work to combat corruption in all its forms, including extortion and bribery.**

Compliance System

The *Code of Conduct* establishes that the Compliance Office is responsible for ensuring enforcement of the Code and of legal provisions applicable to Group operations, as well as identifying any breaches and properly managing the risks derived from such breaches. Its responsibilities also include advising and training all other employees, as well as executing internal controls relating to:

- Prevention of money laundering and terrorism financing
- Standards of conduct in securities markets
- Protection of personal information

We use a program called *Responsible Attitude* to allow employees to contribute to preserving the corporate integrity of the company by reporting any situations they believe to be ethically questionable or which may result in violation of any legislation in effect. This process is used to track and monitor all reported cases. The channels used to lodge complaints include:

Internal Mail: [Actitud Responsable \(Responsible Attitude\)](#)

External Mail: actitud.responsable@bbva.bancomer.com

Voicemail: (55) 56214188 or 01800-001-0011

Corporate Intranet: [No lo vamos a tolerar \(We won't tolerate it\) -BActitud Mailbox](#)

Director of Discipline, Legal or Human Resources Directors:

actitud.responsable@grupobbva.com

Commitment to Human Rights

BBVA Bancomer **promotes respect for the dignity of people and the rights to which they are entitled in all its relations** with customers, shareholders, suppliers, and employees, and with the communities in which it conducts its business and activities.

This commitment is enshrined in the document [Compromiso de BBVA en Materia de Derechos Humanos \(BBVA Commitment to Human Rights\)](#), which details the scope and mechanisms through which human rights are upheld and the adoption of measures necessary to resolve any potential transgression.

Other Policies and Standards of Functional Areas

In addition to the Code of Conduct for employees, the BBVA Group has developed other specific instruments to manage the basic commitments of each functional area. The most important among them include:

- Internal Regulations for Conduct in the Securities Market.
- Bylaws of the Compliance Office.
- Bylaws of the Board of Directors.
- Code of Ethics for Personnel Hiring.
- Principles Applicable to Persons Participating in the BBVA Procurement Process.
- Basic Principles of Risk Management and Manual of Risk Management Policies.
- Standards for Relations with Persons and Entities of Public Concern on Matters of Financing and Guarantees.
- Principles Applicable to Divestiture Processes for Property and Equipment Belonging to the BBVA Group through Offer to Group Employees

2012 Developments

- Through the institutional channels of the Responsible Attitude program, we received 1,659 reports, a 40% increase over 2011, of which:
 - 162 cases involved failure to respect the dignity of individuals, a 17% decrease as compared to the same period in 2011;
 - 413 cases involved fraud, 14% more than in 2011.
- The new Policy on Family Connections came into effect, which will help to maintain company transparency regarding relationships existing between employees and suppliers.
- We participated in the 4th Forum on Ethics and Compliance, together with 60 other companies, aimed at creating a space for professional exchange of best practices on issues of ethics and compliance.
- Training activities were conducted, such as:
 - The annual campaign to strengthen the Code of Conduct, called “We Are an Example of Integrity”;
 - “Business Integrity Worship” for directors and officials, which in its first stage included 493 participants, developing a strategy to train employees on a “culture of integrity” set to begin in 2013.

Legal Compliance

As of December 31, 2012, BBVA Bancomer had no fines or sanctions on record for failure to comply with laws and regulations on environmental matters, performance within society, or the provision and use of products and services that may be of any significance with regard to the company's net worth, financial standing, or consolidated results. Likewise, there were no legal suits detected relating to acts of discrimination or violation of human rights, or significant legal complaints with regard to working conditions.

International Commitments and Agreements

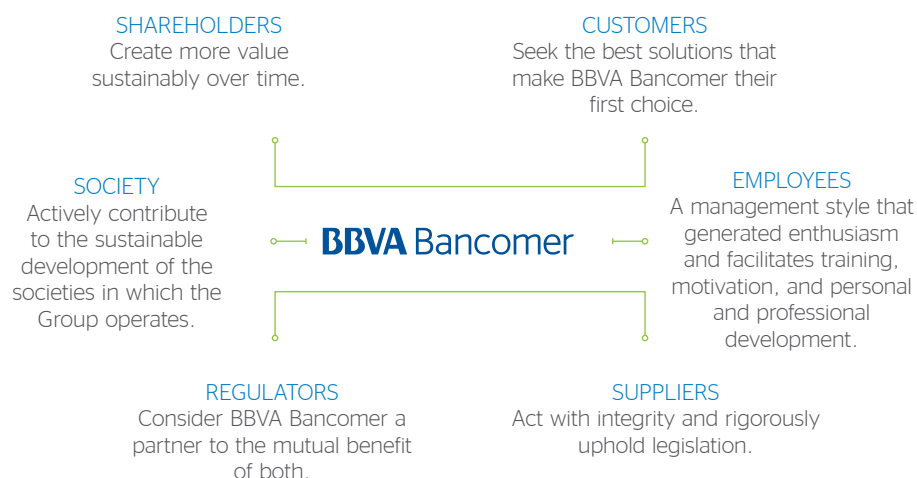
At BBVA Bancomer we continue to support the following initiatives:

- The United Nations Global Compact
- The Financial Initiative of the United Nations Environment Programme
- The Equator Principles
- The United Nations Principles for Responsible Investment

Stakeholders

At BBVA Bancomer we have identified six main stakeholders to whom we are committed and with whom we have developed strong, transparent, and long-term relationships over time.

BBVA BANCOMER STAKEHOLDERS AND COMMITMENTS MAINTAINED WITH EACH



Tools for Dialogue and Communication

We have several tools that allow us to hear from our stakeholders and find out firsthand their main needs and expectations regarding the company.

There are three channels through which we communicate with our stakeholders. The first consists of the everyday relations between business and support areas and each of the stakeholders, including periodic assessment of our performance. This includes tools such as the employee satisfaction survey and the customer and supplier satisfaction survey. These activities involve the participation of different company areas in industry forums and associations and with regulatory entities.

The second channel is managed by the Corporate Responsibility and Reputation Area, which drafts periodic reports based on analysis of public opinion and trends on sustainability obtained from varying sources such as Reprtrack and GlobeScan, as well as other specialized analysis performed by [BBVA Research](#).

The third channel consists of qualitative information we obtain through direct dialogue sessions organized by the CRR Area together with area experts. These sessions are used exclusively to understand the perception that key interest groups have of the social responsibility performance of BBVA Bancomer. To this end we use tools such as focus groups, roundtables, and panel discussions.

We have several ways of communicating with and updating our stakeholders regarding the most important news and developments of BBVA Bancomer and its affiliates, the most prominent of which is our Annual Report. Our external communication channels include branch offices, the Bancomer line, the internet portal, and various media outlets (newspapers, magazines, inserts, direct mailings, television, and radio, among others). Regarding internal communication, we have the *Para ti* de RRHH (For you from HR) portal, the BBVA Bancomer and Seguros Bancomer internal electronic magazine, and the *Conecta-T* internal communication magazine.

Relevant Issues

The BBVA Bancomer corporate responsibility strategy is based on several relevant issues that have arisen as a result of consultation and dialogue processes carried out by the company with its stakeholders relating to four major axes: financial education, financial inclusions, responsible banking, and commitment to society.

In 2009, we developed a methodology to consolidate the information obtained from different dialogue tools, in order to identify the most relevant issues for each of our stakeholders. We call this process *Analysis of Materiality and Relevant Issues*, and it includes the methodology employed, sources of information, graphics of material issues, and the monitoring conducted of each such issue. To date we have completed three such analyses, which can be consulted in the BBVA Bancomer corporate responsibility reports.

2012 Developments

- After three consecutive years performing the [Analysis of Materiality](#), this year we made the decision to conduct this analysis biennially, for two reasons. Firstly, the issues do not vary significantly from year to year, only their level of importance increases or decreases. And secondly, more time is needed to properly follow up on the issues identified and include them in company management.
- The relevant issues identified in the 2011 analysis, which are still current for this year, are: more personalized customer service, targeted financial inclusion, employee training, greater coverage of financial education, and better communication of CRR. Throughout the report we will detail the progress made on each of these issues.
- Based on the 2012 public opinion analysis, there were five topics that Mexicans rated as most important: lack of safety and crime, unemployment, corruption, pollution, and education. We will make special mention of how we are handling these issues within the report.

Impact of BBVA Bancomer on Society

This year, BBVA Bancomer has progressed in creating new indicators that allow us to better measure the social impact of the company.

Based on the systems of communication and dialogue with our stakeholders, and in keeping with the strategic vision of the BBVA Group, a new strategic program has been launched called the “Social Balance Sheet”, the objective of which is to **inventory the social and economic impacts of BBVA on the development of the societies in which it operates**, including impacts of social programs it supports, but primarily focusing on the company’s main financial activities.

One of the main indicators we have reported on is Added Economic Value (EVA, in Spanish), broken down by stakeholder, as well as Economic Value Generated, Distributed, and Retained (VEGDR, in Spanish); this information is available in the “Relevant Information” section of this report.

2012 BBVA Bancomer Social Impact Indicators

Jobs created	3,294
Remittances disbursed by BBVA Bancomer ⁽¹⁾	56%
Number of microloans granted ⁽²⁾	32,122
Number of SMEs financed	110,069
Number of homes financed	32,911
Children offered scholarships through educational programs in Mexico	19,910
Tax payments ⁽³⁾	42,969

(1) Percentage of all remittances paid at Mexican banks.

(2) Total loans paid as of the close of each FY.

(3) This includes corporate tax, VAT (both internal and collected from third parties), local taxes and fees, personal income tax withholdings and other taxes owed by third parties, Social Security payments (both employer and employee contributions), and payments made during the 2012 FY resulting from tax disputes. In millions of Mexican pesos.

Scope: BBVA Bancomer

Financial Education

One of the priorities of our corporate responsibility strategy is to develop the skills that allow Mexican families to use financial services responsibly, thereby supporting their wellbeing.

Adelante con tu futuro (Get Ahead on Your Future)

Five years have passed since we launched *Get Ahead on Your Future*, the BBVA Bancomer financial education program whose mission is to empower the general public with a basic financial literacy that allows them to use financial services to their benefit.

Both customers and non-customers have taken the five basic personal finance workshops, free of charge, as well as the two modules aimed at SMEs, in our twenty-one classroom spaces located in fourteen of the country's largest cities. We also have fifteen fully equipped mobile classrooms available which are used to bring the workshops to the facilities of participating companies, and workshops are also offered through the website www.adelantecontufuturo.com.mx.

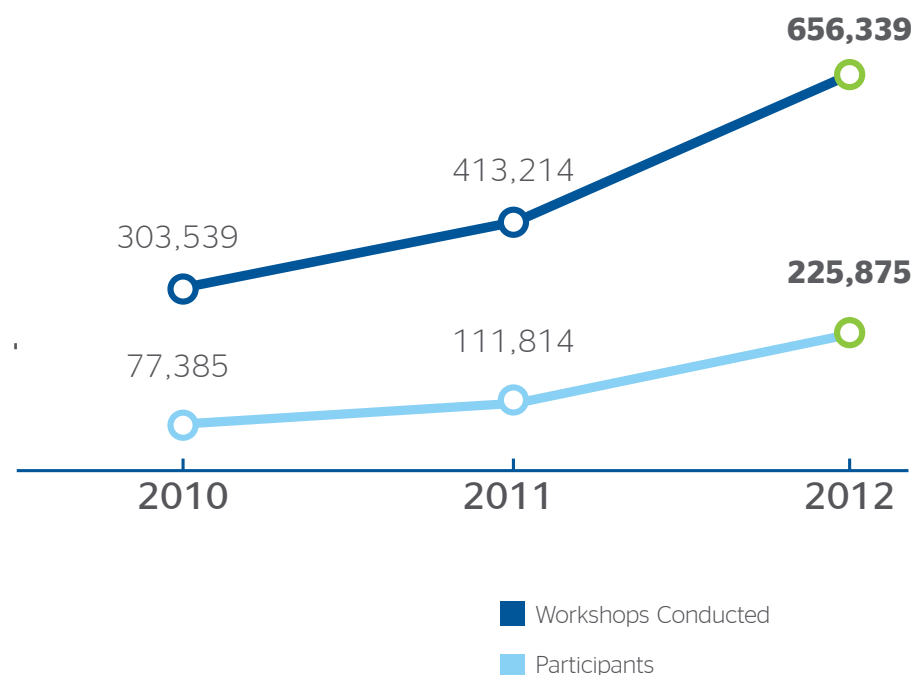
We are very satisfied with the results this program has achieved, as our analysis has shown a positive relationship between the financial education provided and improvements in the behavior of those who participated in our workshops.

We began the project called *Valores de futuro* (Future Values) to develop among primary and secondary school children the values associated with money management, using predesigned workshops that teach lessons through different classes from the basic curriculum in Mexico. To date we have completed more than 13,000 workshops for students from public and private schools in several Mexican states.

2012 Developments:

- Since the launch of *Get Ahead on Your Future* in 2008, more than 1'400,000 participants from the general public have benefited through different channels: 300,000 participants from 815 companies; 90,000 participants from 20 universities; more than 85'000,000 tips on personal finance have been given; and workshops have been conducted for employees of the BBVA Bancomer Financial Group, reaching more than 90% of said employees.
- **We increased our personal financial education offering with two new workshops: *Investment Funds* and *Electronic Banking*.** During this initial stage, more than 73,000 workshops have been provided on Investment Funds, and we hope to achieve the same level of success for the Electronic Banking workshops which will begin on December 3.
- We have continued our participation in the National Financial Education Week organized by CONDUSEF, where our experts give lectures and exchange experiences.
- As part of the financial education week for SMEs, we presented the two workshops developed last year to support the creation and growth of small and medium-sized businesses in our country (SMEs: Credit and SMEs: Cash Flow), of which more than 18,000 and 8,000 workshops, respectively, have been completed.

- We developed new modalities for our workshops using non-electronic and conventional methods, such as comic books, preprinted calculators, and educational games, to reach different sectors of society that do not have access to computer technology and/or do not have the knowledge necessary to use such technology. Through these educational programs we have completed more than 120,000 workshops to date, creating new jobs for at least 55 people.
- 129,288 personal finance workshops have been provided for Group employees.
- We have continued to raise awareness of the importance of financial education among the general population with our participation in events coordinated internally and through collaboration with authorities, universities, and other companies. Highlights include our collaboration on industry financial education activities with institutions such as the ABM, the SEP, CONDUSEF, and the Bank of Mexico.
- We have increased interaction with our participants through our digital platform, this year reaching more than 30,000 followers on social networks such as Twitter, Facebook, and YouTube, which has resulted in more than 200,000 visits this year at our www.adelantecontufuturo.com.mx website, contributing significantly to increased participation in our online workshops.

Participation in the *Get Ahead on Your Future* Program

Financial Inclusion

Financial inclusion is one of the four strategic axes of our corporate responsibility policy. Our challenge consists of bringing financial services to the 21.2 million Mexicans who still lack access to these services.

Banking Access

The BBVA Bancomer banking access strategy, which began in 2007, seeks to facilitate the public's access to financial services by developing special products based on three fundamental pillars:

- a low-cost account
- encouraging the use of channels separate from our branch offices
- innovation in technological platforms

Through these efforts, we seek to develop **banking services that better serve the public, increasing quality of life and enabling inclusive economic growth in Mexico.**

Express Segment

We continue to innovate in order to offer banking services to people who lack access to these services, particularly for low-income communities, **using channels that are separate from our branch offices and are low-cost, quick, secure, and accessible**, such as: *Express Teller* (non-banking partners) and *Bancomer Mobile*, as well as products that match the profile of this segment, including the *Express Account*, *Express Insurance*, and *Express Lending*.

As part of *Bancomer Mobile*, we launched the "BBVA Bancomer Mobile Money" service, which allows people to send money to others which can be withdrawn from a BBVA Bancomer ATM without using a card, meaning the recipient does not have to be an accountholder.

Through this service, we are bringing banking infrastructure to people who lack access to banking services, while these people are given access to the largest ATM network in Mexico with nearly 8,000 ATMs distributed throughout the country, which together with the strong market penetration of cell phone technology (more than 80 million lines in a country with 120 million people) offers a convenient, quick, and easy option for sending money.

Another innovative service is called *Celularízate*, a program launched in partnership with Coca-Cola FEMSA that seeks primarily to promote financial inclusion among small commercial establishments and their customers, providing them with alternative products and processes outside of branch offices, aimed at reducing the use of cash, with is associated with benefits in terms of security and decreased transactional costs.

Celularízate consists of providing retailers with an application that allows them to offer their customers new methods of payment, make electronic payments to their suppliers, and enable them to sell financial and non-financial products.

2012 Developments

- Our model is undergoing a transformation toward fewer branch offices and ATMs, to encourage the use of other simpler means such as non-banking partners, mobile banking, and *practicajas*.

- With the *Express Account*, which allows customers to use their cell phone to open a low-cost, easy-to-use, and secure bank account immediately, we have reached 999,297 customers this year.
- Through our network of *Non-banking Partners* (NBPs), which allows our customers to perform banking transactions all year round and during non-banking hours, we have reached 20,750 points of service, which reflects an increase of 15% over 2011. A total of 31.9 million transactions were made, 59.5% more than the previous year. Farmacias Guadalajara, 7 Eleven, and Merco joined our network of NBPs.
- BTS (Bancomer Transfer Services) processed 40% of the electronic remittances sent to Mexico in 2012, while BBVA Bancomer paid 56% of the electronic remittances paid in Mexican banks. These remittances were made through a total of 28 million transactions, with a total volume of \$10.38 billion dollars.

BBVA Micro-financing Foundation

The Foundation is constantly working for and committed to the success of its customers, who represent the entrepreneurs at the bottom of the pyramid. 60% of the customers served by the Foundation are women.

As part of BBVA's commitment to financial inclusion, in 2007 the **BBVA Micro-financing Foundation** was created, with the objective of promoting the sustainable economic and social development of the most disadvantaged people in society, through the use of productive micro-financing.

The Foundation, which is active throughout Latin America, has two lines of activity. The main such line focuses on creating a Network of Micro-financing Entities in the region, while the secondary line of action focuses on developing initiatives to transform the micro-financing industry, particularly in terms of strengthening good corporate governance and human capital, in an open and philanthropic way.

Banking Access			
	2010	2011	2012
Number of Active Customers ⁽¹⁾ (in millions)	16,3	18,1	20
Number of Branches	1,985	1,791	1,770
Number of ATMs	6,760	7,608	7,424
Number of Electronic Transfer Transactions (BTS)	15'684,366	16'572,396	16'040,372

(1) An active customer is one who has a balance greater than zero.
Scope: BBVA Bancomer

Responsible Banking

At BBVA Bancomer, social responsibility includes everything from product design and risk management, to putting the customer at the center of our business, efficiently using resources, and remaining a good company for our employees to work at.

Customer Assistance

Quality, Satisfaction, and Service

Putting the customer at the center of our business allows us to meet our customers' expectations and provide them with more personalized service.

In constantly seeking to better understand the needs of our customers, significant changes have been made in the measurement systems whereby we obtain information aimed at increasing levels of satisfaction.

Our analysis indicates that BBVA Bancomer customers want security, reliability, transparency, accessibility, immediacy, and simplicity. That is why we have designed a new model to provide them with quality service based on five key attitudes: friendliness, customer advisory, consistency, empathy, and quick service.

One of the most important tools in our commitment to improving customer satisfaction has been the Specialized Unit (*Bancomer UNE*), an independent

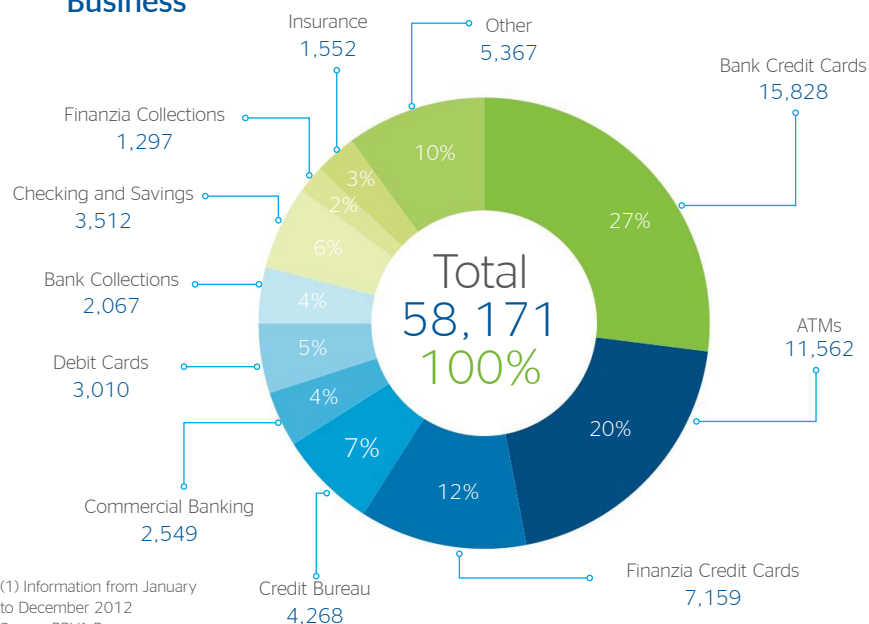
office, capable of resolving problems internally, that was created by BBVA Bancomer to act on behalf of customers, together with CONDUSEF. When a complaint or claim is not resolved via traditional channels (branch offices, the Bancomer line, bancomer.com, etc.), our customers can seek help from the *Bancomer UNE* as a second option.

2012 Developments

- Our customers identified a need for flexibility, speed, and sales advisory in the satisfaction surveys, and in order to meet these needs, a new system was designed to reduce the wait time for opening a credit card from 40 to 7 minutes, while also providing better advisory regarding the use and benefits of these products. This simplification of processes and decreased processing time will improve the quality of the sales and new customer processes.
- To improve customer service we have implemented certain measures, including a two-week campaign to replace nearly 2,500 authentication devices, the hiring of more self-service executives who provide advisory to customers regarding how to use the devices, and the elimination of banners from the voice interactive system of the Bancomer Line.
- With these measures we have made our customers' lives easier by decreasing wait times at branch offices, creating self-dependency and decreasing call wait times, among other effects.

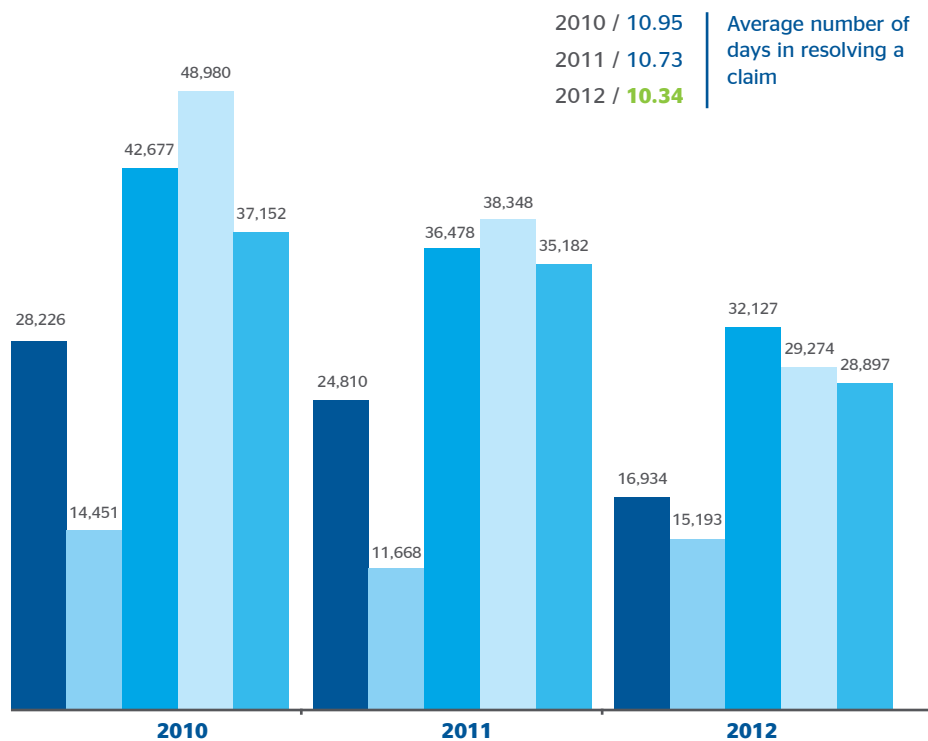
- The main incidences in products and services in 2012 were:

Business



- The results of the claims submitted to the UNE are shared in greater detail with process owners, so as to understand why these claims were received and make efforts at correcting these problems.
- The UNE continues to be a leader in best practices, especially regarding our partnership with the National Commission for the Protection and Defense of Financial Services Consumers (CONDUSEF), with whom we continue working on collaborative projects to the benefit of banking consumers in Mexico, such as: the electronic management system, thanks to which the average time in resolving disputes has decreased from 53 days in 2006 to 18 days in 2012; immediate phone-based management, which allows us to resolve the complaints submitted during a single phone call and without any paperwork; and the telephone reconciliation hearing, so that our customers do not need to arrive in person at the office.
- The UNE continues to participate in the “No tires tu dinero” (Don’t throw your money away) radio program, during which the host invites banking customers to air their problems live, so that a bank representative can handle their problem during the program.

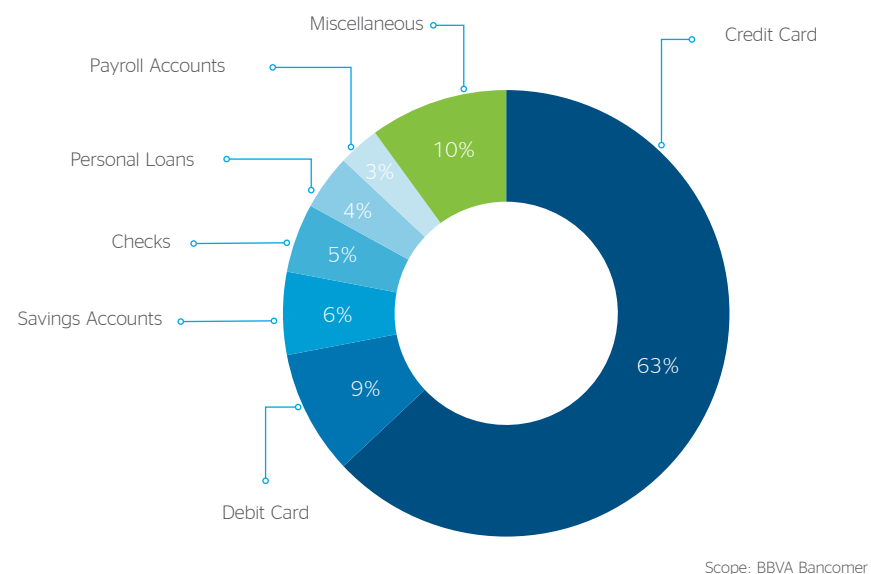
Claims Submitted to the UNE



- Resolved fully in favor of the customer
- Resolved in favor of the bank
- Total claims submitted (UNE)
- Internal claims (SAC)
- Number of claims submitted to banking authorities

(1) Information from January to December 2012
Scope: BBVA Bancomer

Disputes submitted to CONDUSEF



Transparent, Clear, and Responsible Communication (TCR)

In keeping with the objective of making our customers' lives easier, at BBVA Bancomer we have made a commitment to ensuring that all communication regarding our products and services at all points of contact and interaction with the customer is transparent, clear, and responsible (TCR).

This commitment is established in the "TCR Communication Manual", which defines the basic criteria for action and necessary behavioral guidelines, which are summarized in five key pillars: simplicity, transparency, clarity, responsibility, and integrity.

This new way of communication, using simple, friendly, and easy to understand language, will help our customers to make better financial decisions.

Publicidad Responsable

La información que proporcionamos a nuestros clientes es clara y transparente, tal y como lo exige la Ley para la Transparencia y Ordenamiento de los Servicios Financieros. Nuestra publicidad, contratos y estados de cuenta incluyen datos de fácil lectura y comprensión para que los usuarios tomen decisiones con el debido conocimiento.

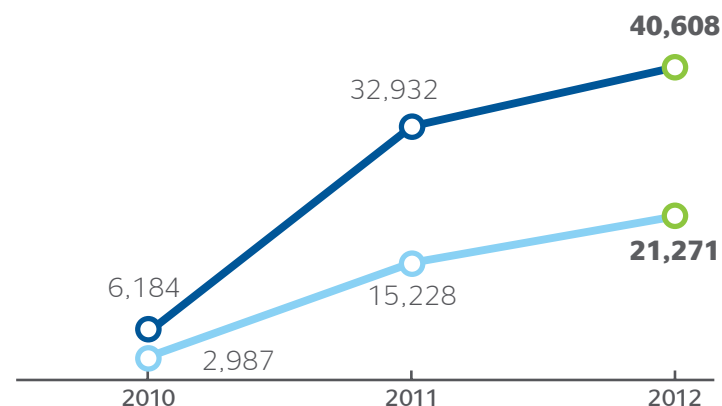
Continuamos trabajando por una comunicación comercial y publicidad responsables en colaboración con distintos organismos tales como la Asociación de Bancos de México (ABM), el Consejo Nacional de la Publicidad y la Comisión Nacional para la Protección y Defensa de los Usuarios y Servicios Financieros.

Access to Credit

One of the main factors that restrict lending access is the overall economic situation. In this context, BBVA Bancomer maintains its commitment to **supporting our customers and the productive sector of the country, offering them financing options adapted to their needs.**

2012 Developments

Loans Given to SMEs



■ Number of loans given
■ Total in millions of pesos

(1) Loans given greater than 2 million pesos.
Scope: BBVA Bancomer

- We gave 23% more loans to SMEs than the previous year, with a 40% larger total lending amount.
- Together with the federal government, we support SMEs through the following programs:
 - Entrepreneurs Program with the Ministry of Economy: 66 loans totaling 22.8 million pesos.
 - “Microbusiness Banking Access” comprehensive modernization program: 219 loans totaling 27 million pesos.
 - Drought Economic Regenerations Programs for Oaxaca, Chiapas, Tabasco, Sinaloa, and Acapulco: 380 loans totaling 240 million pesos.
 - Launch of shorter-term SME loans: 111 customers totaling 47 million pesos.
- We continue to support the SME community through the blog www.yosoypyme.net/, a platform through which we offer business advice in collaboration with other related companies and organizations.
- This year we have managed to include more than 100,000 customers in our SME membership program, which seeks to develop added value solutions to allow businesses to efficiently manage cash flows, including payroll administration, investment funds, tax payments, and others.
- For the fourth time we were awarded the SME Award for the best banking institution for the promotion of SMEs and entrepreneurs.

Security, Customer Protection and Business Continuity

Our security strategy includes measures to prevent situations such as bankcard fraud and cybercrime, and to strengthen security at branch offices and the protection of personal information.

Crime and lack of security have become very important issues for Mexicans. For BBVA Bancomer these issues are a priority, and as such, we are working on several fronts to protect the safety of customers and others who receive our services, as well as that of our employees and business.

We have implemented a *Business Continuity Plan*, which allows us to take the necessary measures to ensure that our activities are not affected in emergency situations, such as natural catastrophes, pandemics, and social conflicts.

2012 Developments

- The Department of Institutional Security earned certification under ISO 9001:2009 for Civil Protection, Banking Security, and Fraud and Theft Protection processes, among others.
- We began updating the alarm system for branch offices, which involves technological innovations to manage bank security, incorporating new functionalities and improving reliability in communication of security-related events occurring at branch offices.
- We developed a theft insurance policy, which provides benefits such as reimbursement of the amount withdrawn from debit accounts in cases of robbery or theft occurring within 24 hours from withdrawal.
- We have a diagnostic and response service for suspicious or fraudulent emails through the CERT@bbva.com account.

- We continued the internal communication campaign called *¡Sí, seguro!* (Yes, It's Secure!) to inform our employees regarding the Federal Personal Information Protection Law (LFPDP, in Spanish) so as to ensure proper enforcement.
- The 2012 Information Security Week was carried out, including activities to help our employees take greater care with the information they handle.

Responsible Design of Products and Services

Paga bien, paga menos (Pay Well, Pay Less)

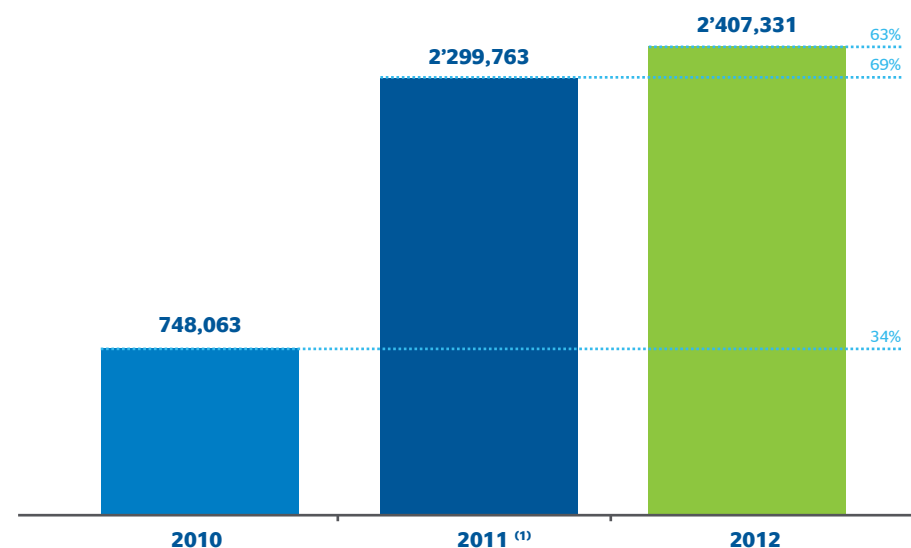
We continue to award our customers who make their credit card payments on time through our *Paga bien, paga menos* (PbPm) program, offering lower interest rates.

Since its launch in 2009, we have achieved significant benefits by **empowering our customers to utilize their credit to their benefit**, implementing the principles of financial education and credit health and offering competitive interest rates.

2012 Developments

- 53% of BBVA Bancomer customers that have a credit card are registered in this program, 34% more than the previous year.
- During the first two quarters of 2012, we entered all preapproved customers in the program automatically. However, we changed our strategy in July so that the customer would have to call the Bancomer Line to be included in the program. This way we ensure that the customer is aware of the features that PbPm offers and they are able to actively participate.

Paga bien, paga menos (Pay Well, Pay Less)



(1) Due to changes in the method of measurement, the figures from 2011 differ from those reported in the last report.
Scope: BBVA Bancomer.

Number of customers registered in the program
..... Percentage of member accounts that were given a decrease in their interest rate

B+EDUCA Fund

Our philanthropic investment fund, the *B+EDUCA* Fund, is the first of its kind in Mexico. It allows investors to earn high returns while also having the opportunity to contribute to education in Mexico.

Through the *B+EDUCA* Fund, investors donate 25% of their monthly returns to provide scholarships for young people with high levels of academic achievement through the *Por los que se quedan* (For those left behind) Scholarship Program, an initiative of the Bancomer Foundation.

2012 Developments

- Thanks to the support of 27,439 responsible investors, we collected more than 60 million pesos, 73% more than the previous year.

B+Educa Fund			
	2010	2011	2012
Total donations	24'808,683	38'465,262.12	66'739,063
Transactions	116,715	156,655	233,496
Investors	15,410	17,844	27,439

Scope: BBVA Bancomer

Other Products and Services

We offer a wide range of products and services designed to meet the needs of specific sectors, such as:

- *IPN-Bancomer Card*: Launched last year, using the IPN-Bancomer credit card, we contribute 2% of billing to the Polytechnic Foundation in order to support higher technology education in Mexico. With the funds collected thus far, we have supported projects such as the installation of prefabricated classrooms at several educational centers to meet the growing demand of students, and support for the "TRANSFERON" Transfer Factor program, which invests in improvements in laboratory infrastructure, in order to provide more efficient service to patients, among others.
- *Hipoteca Selecta* (Select Mortgage): This product was launched together with the Institute of the National Housing Fund for Workers (INFONAVIT, in Spanish), and is aimed at private-sector employees, who are offered preferential financing conditions.
- *Bank Card for Food Coupons*: This is the first bank card of its kind, meant to replace paper coupons; it provides benefits for customers such as increased security, decreased administrative burden, and a flexible method of operation.
- *Ahorro voluntario* (Voluntary Savings): This program allows customers to make voluntary transfers to increase their savings, so as to improve the conditions of their pension at the end of their career or to complete short, medium, and long term personal projects.
- *Micronegocios* (Microbusiness) Credit Card: This card offers a line of credit for small businesspeople with special characteristics, such as 45 days of interest-free financing, and lines of credit equal to 15 days of business turnover.
- *Envíos de dinero* (Money Sending) Cards: These cards replace the Paisano a Paisano card, offering alternate channels for use, such as Mobile Banking, which alerts the recipient when the remittance has arrived via text message, so they can get their money immediately.

Responsible Finances

El riesgo forma parte del negocio bancario; es un elemento inherente a esta actividad y su gestión supone un reto diario para las compañías del sector.

En el Grupo BBVA, es el Consejo de Administración y la Unidad Central de Riesgos del Grupo quien coordina nuestro sistema de gestión de riesgos; a escala nacional, la Dirección General de Riesgos y Recuperación de Crédito es la encargada de esta tarea. Así garantiza la gestión continua del riesgo en todos los aspectos del negocio y se posibilitan una respuesta y una detección ágiles y ponderadas frente a las posibles amenazas desde todos los ámbitos de la empresa.

Inclusion of ESG Variables in Risk Management

The acronym ESG stands for Environmental, Social, and Corporate Governance. By integrating these variables in risk management processes, BBVA Bancomer seeks to mitigate non-financial risks that could affect the creditworthiness of borrowers or financed projects, jeopardize debt repayment, and violate the corporate principles of integrity, prudence, and transparency. The idea is to fully consider the impacts of BBVA Bancomer financing on society at large.

To integrate these aspects in our business, we created the Social, Environmental, and Reputational Risk Management Committee (abbreviated to SAR in Spanish), which is presided over by the Director of Risks of the BBVA Group. The Committee meets twice per year to support and monitor the management of key reputational risks and the actions aimed at integrating social and environmental risks in the activities of the entire Group.

The Equator Principles

Since 2004, the BBVA Group has adhered to the Equator Principles (EPs), a set of standards promoted by the World Bank, through its affiliate the International Financial Corporation (IFC), in order to determine, evaluate, and manage social and environmental risks in project financing.

The EPs are applied to financing of new projects that total 10 million dollars or more, to the expansion of projects that generate significant impacts, and to advisory services for project financing. At BBVA Bancomer, we do not apply this minimum limit, instead choosing to **apply the EPs to transactions of any amount, regardless of the ultimate allocation of funds**, including not only new projects or significant expansions, but also project construction, acquisition, refinancing, etc.

EP analysis is included in our internal project structuring and approval processes. This process includes social and environmental due diligence, which begins with assignment to one of three categories (A, B, or C), which, based on the IFC categorization criteria, reflect the level of environmental and social risk of the project. To approve any project financing, in addition to preliminary categorization, the file must include an EP compliance report, reviewed by the unit responsible for approval.

Ecorating

We have designed a tool called *Ecorating*, which allows us to **assess companies' risk portfolio from an environmental perspective**. Each client is assigned a credit risk level based on a combination of several factors: location, polluting emissions, resource consumption, company environment susceptible to direct or indirect impact by the company, legislative pressure, and supervision of environmental considerations, to mention just some of the more significant factors.

The *Ecorating* consists of a questionnaire that includes six questions on the following topics:

- Permits for drinking water service
- Permits or records of land use
- Permits for electricity supply
- Special permits (licenses) issued by the state or municipality
- Administrative penalties relating to environmental issues
- Environmental Management System (ISO 14001 certification)

2012 Developments

- Seven company officials received training on Analysis of Environmental and Social Risks (abbreviated to ARAS in Spanish).
- We financed three projects pursuant to the Equator Principles for a total of 1.493 billion pesos: a wind power plant in Oaxaca, a gas terminal in Salamanca, and a highway connecting Mitla to the Tehuantepec Isthmus.

Operations Financed Pursuant to the Equator Principles in Mexico, 2012

Category ⁽¹⁾	Number of Operations	Total Amount Financed by BBVA Bancomer (in millions of pesos)
A	1	73.2
B	2	1,420
C	0	0
Total	3	1,493.2

(1) - Category A: Projects with a significant negative impact that may affect an area greater than that which the project occupies.

- Category B: Projects with a minor negative impact on human populations or in areas of environmental importance.

- Category C: Projects with very little or no environmental impact.

Scope: BBVA Bancomer

- The *Ecorating* model has been fully developed and completed, while the user manual has been completed and is expected to be launched during the first quarter of 2013.

Preventing Money Laundering and Terrorism Financing

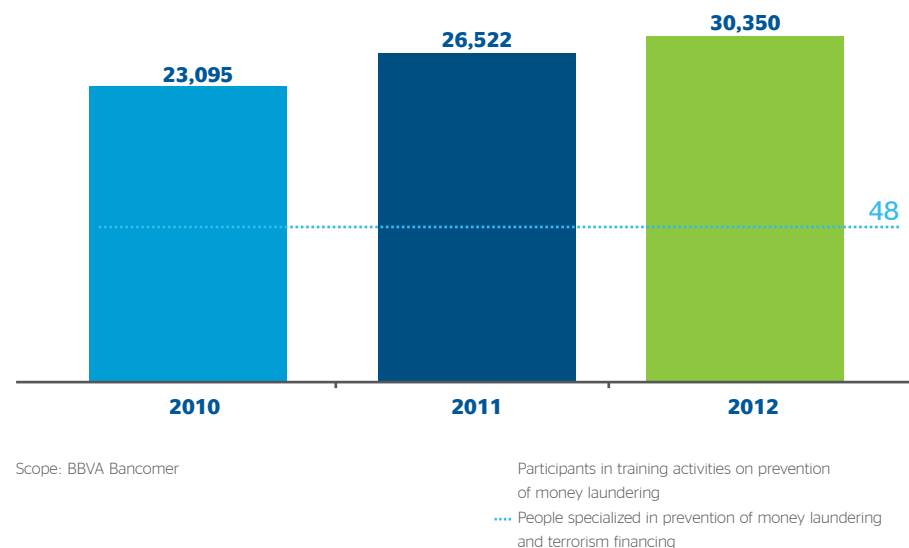
Given the current struggle against organized crime in Mexico, we know that special attention must be paid to preventing criminal activity, especially money laundering.

For BBVA Bancomer, preventing its products and services from being used for illegal purposes constitutes a requirement essential to preserving its corporate integrity and one of its main assets: the trust of the people and institutions with whom we interact on a daily basis.

To achieve this objective, we have adopted a Corporate Risk Management Model for the Prevention of Money Laundering, which takes into account not only domestic regulations on prevention of money laundering, but also incorporates best practices from the international financial industry on this issue, as well as the recommendations issued by international organizations such as the Financial Action Task Force (FATF).

2012 Developments

- We have implemented initiatives to prevent these crimes, including the following: controls on cash deposits in dollars, controls for payment of remittances, formalization of an industry agreement for the exchange of information, controls for SOFOMs (a form of Mexican financial institution), and agreements with authorities for reporting suspicious transactions



- In order to make money laundering prevention courses more effective, this year we separated these courses into six different categories, to make adjustments based on the needs and experience levels of our employees.

Responsible Management of Human Resources

Diversity

Respecting diversity in all its forms is a fundamental part of our corporate values, and by implementing these attitudes through our actions we can support an environment where people can fully realize their potential, working efficiently and productively without compromising their quality of life.

Profile of Our Employees

With more than 38,000 employees across all 31 states in Mexico, the staff of BBVA Bancomer represents a very diverse group of professionals. In keeping with the employment principles of the Global Compact and the ILO, and under the leadership of the Human Resources Department, our objective is to **attract, retain, and maximize the talent of our employees, while at all times respecting diversity and inclusion.**

Staff by Age and Gender			
	2010	2011	2012
Age	Percentage of employees		
< 25	18%	24%	17.5
25-45	69%	63%	69.2%
> 45	13%	13%	13.2%
Sex	Percentage of employees		
Women	52.2%	53.4%	54.5%
Men	47.2%	46.6%	45.5%
Total employees	34,082	35,337	38,868

Scope: BBVA Bancomer Group

Staff by Contract and Work Schedule				
Contract	33,773 with permanent contract		5,095 with temporary contract	
	18,317 women	15,456 men	2,865 women	2,230 men
Work Schedule	37,905 full-time employees		963 part-time employees	
	20,562 women	17,343 men	620 women	343 men

Scope: BBVA Bancomer Group

Non-Discrimination and Equal Opportunities

At BBVA Bancomer we uphold the principles of equal opportunity and non-discrimination in order to promote diversity and leverage this diversity as a competitive advantage.

As part of our “Gender Diversity” plan, we have worked on three main issues through eight corporate initiatives:

1. **Maternity:** Prevent maternity leave from being an impediment to the development of women at the company.
 - Substituting women on leave with people of a similar level of training.
 - Corporate mentorship model to facilitate reintegration after maternity leave.
 - Post-maternity follow-up interview after nine months back at work.
2. **Promotion and Development:** Create conditions of equality to allow for the professional development of women.
 - Metrics to track the professional development of women at the company.
 - Support identification and development of talent among women at the company.
 - Incorporate gender diversity in evaluating actions of responsible individuals.

3. Awareness: Build an inclusive culture.

- Incorporation of key concepts of diversity in the leadership training programs offered.
- Development of two e-learning companywide courses on diversity awareness, aimed at directors, team leaders, and all other employees.

We have 1,180 women in middle management and director positions, 12% more than the previous year.

Category of Employees by Gender						
	2010		2011		2012	
	Number of employees					
Position	Men	Women	Men	Women	Men	Women
Board of Directors and Corporate Directors	63	1	62	5	60	5
Directors	254	35	252	32	249	35
Middle Management	2,101	945	2,085	1,013	2,216	1,140
Specialists	2,101	945	2,841	2,630	2,299	2,820
Sales	2,999	2,594	6,695	7,122	7,378	8,601
Entry-level Positions	6,118	6,282	4,538	8,062	4,770	8,564

Scope: BBVA Bancomer Group

2012 Developments

- **We added eleven people with intellectual disabilities and eight people with physical disabilities to our team.** This entire process was accompanied by awareness talks for all teams where differently abled people (DAP) were hired, so as to achieve effective integration.
- We developed a process to effectively include intellectually disabled people, looking for the activity where they could perform best and enjoy close oversight with a supervisor.
- We created an intranet site aimed at offering information, sharing knowledge, and exchanging ideas related to diversity.
- We opened a breastfeeding room in our corporate building to support working mothers who are lactating.
- We have developed two sets of guidelines: Guidelines for Leaders and Working Months, and Mentoring Guidelines for All Group Leaders, both of which offer information on different aspects of maternity.
- The Corporate and Governmental Banking Area (abbreviated to BEyG in Spanish) has earned Gender Equality Model MEG:2003 certification from the National Women's Institute.

Hiring, Compensation, and Development

Unemployment takes second place among the issues that worry Mexicans the most. At BBVA Bancomer, we consider it a great responsibility to continue to create stable jobs.

In 2012, we added more than 3,500 people to our staff. We are using new hiring tools, such as the *Apúntate* (Sign up) job board and the *Job-posting* system, which guarantee talent development, transparency in hiring processes, and equal opportunities. It bears mention that despite the fact that we are a global company, 93% of our directors are Mexican nationals.

The level of compensation at BBVA Bancomer is determined based on the level of responsibility the position requires and the professional experience of each person, while fully respecting the individuality of each employee and avoiding discrimination of any kind. Our average salaries are 50% higher than the general minimum wage in Mexico, and in the case of the most representative position at the company, based on quantity and activity (administrative teller), the standard starting salary is 230% greater.

Turnover by Age and Gender			
	2010	2011	2012
Men	17.2%	27.7%	32.8%
Women	17.1%	24.5%	31.6%
0 to 25 years	28.7%	40.2%	52.2%
25 to 45 years	14.7%	23.6%	27.6%
Over 45 years	9.6%	18.9%	18.4%

Scope: BBVA Bancomer Group

Our talent management system includes a skill assessment process, which allows us to identify the areas of improvement and progress of each individual, so they can define an individual development plan together with their immediate superior. In addition, the Mobility Policy that was launched last year allows any interested professional to submit an application for vacancies, thus encouraging mobility of talent between the different areas, both locally and internationally.

Employee Hires						
Núm. de empleados y % del total ⁽¹⁾	2010		2011		2012	
	F	M	F	M	F	M
< 25	240	176	3,153	2,435	4,074	3,154
25-45	152	163	2,325	2,393	4,217	3,374
< 45	9	16	195	278	443	341
Total	7,419		10,779		15,603	

(1) Actual hires are reported.
Scope: BBVA Bancomer Group

Number of employees and % of total ⁽¹⁾						
	2010		2011		2012	
Retirement and Early Retirement	683	1.2%	147	15%	215	18%
Termination with Incentive	900	15.9%	1,646	17.1%	3,750	31.1%
Resignation	2,961	52.3%	4,368	45.3%	8,073	66.9%
Other	1,729	30.6%	3,489	36.2%	38	0.3%

(1) Actual terminations are reported.
Scope: BBVA Bancomer Group

Training

Our investment in training in 2012 was \$134,473,392, slightly less than the previous year. However, with this investment we were able to increase training hours per employee from 63.1 to 65. Likewise, we supported 108 employees interested in completing their studies or taking a continuing education course.

As part of our training plan, this year we put special emphasis on **including social responsibility content**, such as: certification of risks in corporate and governmental banking, aimed at network office executives and directors; six courses on preventing money laundering, separated by trainee for our more than 35,000 employees; and the third edition of the financial education course, achieving participation of 34,000 employees.

We also support constant improvements in quality through training and skill-building activities relating to branch office customer service protocols, using programs aimed both at branch office employees and commercial banking directors.

Finally, the talent incorporation program came to include many candidates who were recent graduates, had little work experience, and had special characteristics such as auditory, visual, and/or motor limitations.

2012 Developments

Training Hours per Channel			
	2010	2011 ⁽¹⁾	2012
On-site Training	843,422	614,894	1'190,694
Training through e-campus	1'090,269	1'730,179	1'241,729
Total	1'933,691	2'316,632	2'432,423
Percentage of employees trained	99%	96%	91%
Training			
	2010	2011	2012
Total investment in training (pesos)	113'000,000	135'485,280	134'473,392
Investment in training per employee (pesos)	3,426	3,953	3,683
Hours of training per employee	58.6	63.1	65
Evaluation of satisfaction with training ⁽¹⁾	8.6	8.4	8.6
Employees that have received training	32,987	34,278	36,515

(1) This year the figures from 2011 have been changed, as the figures reported here are as of December 31, 2011, whereas the figures reported last year were as of September 30, 2011.
Scope: BBVA Bancomer Group

Hours of Training per Employee Category, 2012

Position	Number of Participants	Number of Hours
Teller	78,852	550,557
Advisor	4,649	58,769
Director	25,095	280,821
Executive	77,807	897,470
Specialist	4,858	64,067
Manager	3,796	48,119
Head of Administration and Control	17,208	125,552
Deputy Director	2,567	36,389
Other	41,337	370,678
Total	256,169	2'432,423

Scope: BBVA Bancomer

- We increased training hours per employee from 63.1 in 2011 to 65 in 2012.
- The number of employees that received training increased by 6.5%.

Occupational Conditions

Work Environment

In seeking to maintain a healthy work environment we have implemented different initiatives in three main categories: increasing satisfaction, motivation, and commitment to employees. To determine whether we are upholding this objective and to find areas of improvement, we use four main tools: the work environment survey, the *Great Place to Work* (GPTW) assessment, the Gender Equality Model (MEG:2003), and the *RepTrack* internal reputation index.

2012 Developments

- BBVA Bancomer was rated as the 16th Best Company to Work in Mexico with more than 5,000 employees by the Great Place to Work Institute.
- In 2012, 82% of eligible Group staff completed the organizational environment survey.
- We began to implement the *New Ways to Work* (NFT, in Spanish) project, which promotes telecommuting using new technologies, which will result in: scheduling flexibility, objectives-based management, greater work mobility, and teamwork.
- At branch offices we have implemented the "half-time" system to allow employees to work four hours per day, and "part-time" to work three full days a week.

Freedom of Association: Union Representation and Conflict Resolution

At BBVA Bancomer, we believe that dialogue and collective bargaining are the best ways to resolve conflicts and reach consensus, pursuant to regulations in effect in Mexico.

BBVA Bancomer has the most comprehensive collective labor agreement in the financial sector, which defines labor relations with 37.8% of employees. Banking institutions in general have been characterized by offering compensation and benefits well above those required by Law. Not only is BBVA Bancomer no exception to this characterization, but also it offers more advantageous conditions than many other companies from the industry in some areas.

Every two years the Collective Labor Agreement is thoroughly reviewed together with the BBVA Bancomer National Union of Banking and Credit Services and Related Financial Activity Employees (SNAEBB, in Spanish), in order to reformulate administrative clauses. Last year the agreements reached included maintaining the benefits provided to employees, and a salary increase of 4.1%.

28,367 employees			
UNION		NON-UNION	
MEN	WOMEN	MEN	WOMEN
3,806	6,939	9,374	8,248
10,745		17,622	

Scope: Bank employees only

Occupational Health and Safety

Based on its Occupational Health Policy, BBVA Bancomer is committed to providing our employees with a safe and healthy workplace, so that they can perform their work in the best possible conditions.

2012 Developments

- As part of the *Reto Vitalidad* (Vitality Challenge) program, we launched the “Healthy Lifestyle Questionnaire” together with the Mayo Clinic, which allows our employees to know their strengths, habits, and health risks, so as to create a personalized plan of action.
- On the *Vida Saludable* (Healthy Lifestyle) intranet site, we publish useful tips for BBVA Bancomer employees to maintain a healthy diet, balanced with exercise and regular checkups.
- We expanded our medical benefits to dependent children of employees between 21 and 25 years of age.
- We offered a lecture on menopause and another on osteoporosis, given by expert physicians.
- The 2012 Civil Protection Week was carried out, which included the presence of the Deputy Director of Industry Consensus from the Department of Civil Protection under the Ministry of the Interior.

- As is done every year, the Civil Protection Brigades and the Security Staff organized an evacuation drill at the Bancomer Center in order to develop a culture of self-protection among staff.
- Informational campaigns were conducted to provide information on actions to be taken before, during, and after an earthquake, hurricane, or flood.

Absenteeism			
Year	2010	2011	2012
Employees	5,141	6,365	8,345
Days	82,731	82,731	100,792

(1) Because of a new calculation method, the figures from 2010 and 2011 are different from those reported the past two years.
Scope: BBVA Bancomer Group

Pasión por las personas (Passion for People)

Through the *Pasión por las personas* program, we conduct initiatives that have become a key element of added value in the benefits that BBVA Bancomer offers its employees and their families.

Our initiatives include three main programs:

- Personal Loans: For clothing and footwear, purchases, automobiles, mortgages, personal and business loans. We use a tool called *Prestanet*, which allows employees to simulate different scenarios in managing their loans.
- Bancomer Staff Benefits: Membership in discount and hotel programs, vacation incentives, and seniority recognition.
- Bancomer Family: Athletic, social and cultural activities to promote integration and family wellbeing.

2012 Developments

- Employees included in the BBVA Bancomer Membership program: 92.2% of total staff.
- **Total number of employees receiving Staff Benefits: 117,843.**

- Significant activities performed by Bancomer Family:

- 7th BBVA Bancomer People Race: 20,000 participants and a total 642,440 pesos raised for the “*Por los que se quedan*” (For those left behind) scholarship program.
- Summer Entrepreneur Program: 407 entrepreneurs from around the country participated, 147 of whom are from Mexico City.
- Athletic Activities: 19 athletic activities with a total of 4,778 participants in the metropolitan area, including employees and their families.
- 164 athletes from the BBVA Bancomer Group participated in this year’s *Juegos Bancarios* (Banking Games), earning 179 gold medals, 162 silver medals, and 116 bronze medals.
- With 8 gold medals, 7 silver medals, and 4 bronze medals, we were the champions of the 2012 *Juegos Bancarios Culturales* (Cultural Banking Games).
- Professional Soccer League: During the summer, 15 children had the opportunity to participate in a soccer clinic in Barcelona, Spain.
- Cultural Workshops: 16 workshops on dance, photography, poetry, and other pursuits, with 1,150 participants including employees and their families.
- Seniority Recognition given to 5,210 employees.

Corporate Volunteering

Interested employees were allowed the opportunity to participate in initiatives where their technical knowledge and personal skills were especially valuable.

Our volunteering plan is implemented as part of the educational programs managed by the BBVA Bancomer Foundation, primarily through the *“Por los que se quedan”* (For those left behind) scholarship program, and the *Olimpiada del conocimiento infantil* (Children’s Knowledge Olympics). Branch office executives serve as “sponsors” for students awarded scholarships by the bank, providing tutoring and support.

2012 Developments

- With the *“Por los que se quedan”* (For those left behind) scholarship program, 796 employees served as volunteers.
- With the *Olimpiada del conocimiento infantil*, 1,088 employees donated their time as volunteers.
- Some of our employees make voluntary contributions through payroll deductions to support Hogar y Futuro A.C., an institution which promotes legal adoption to help abandoned children 6 years of age and younger to find the care and warmth of a home, meals, medical care, and education.

Responsible Purchasing

The relationships that BBVA Bancomer maintains with its suppliers are determined by the Code of Conduct and are based on compliance with the law and a commitment to integrity, competition, objectiveness, transparency, the creation of value, and confidentiality.

At BBVA Bancomer, **we require that our suppliers meet, at minimum, our own social and environmental standards**, and that they uphold all current legislation as well as the principles outlined in the United Nations Global Compact.

Global Policy on Responsible Purchasing

In 2012, the BBVA Group Responsible Purchasing Policy was approved. It was designed to integrate social and environmental factors in all procurement processes; the plan of action derived from said policy will begin implementation in 2013.

In Mexico, the Purchasing Department is already working on local modifications of the [Responsible Purchasing Policy](#) for approval and publication.

Supplier Certification System

We continue to make progress in the certification of our suppliers, which consists of verifying financial, operational, and regulatory factors, including elements related to Social Security and the Federal Law on the Protection of Information. This allows us to have a better understanding of the financial and operational quality of our suppliers, so as to determine whether business relationships with them will continue.

There is a certifying entity responsible for conducting annual audits of suppliers to verify that they meet the certification criteria.

Certification of Suppliers			
	2010	2011	2012
Number of suppliers	602	741	364 ⁽¹⁾
Number of authorized suppliers	111	126	250
Percentage of purchases made with suppliers that have participated in the certification process	32.44	86.30%	72.16%
Number of suppliers that have not undergone the certification process	5	52	80
Number of electronic negotiations	2,379	1,740	3,773

(1) This number corresponds to the total number of suppliers participating in the 2012 certification program, thus the change from previous years where the total number of suppliers was used.
Scope: BBVA Bancomer

Management and Procurement Tools

This year, 66.2% of BBVA Bancomer orders from suppliers were made through our electronic business platform, *Adquira*. Quote requests, automatic purchase orders, and other operations are made through this system, using an efficient and transparent framework that optimizes the negotiation process and improves the services offered to the internal client, while also encouraging transparency, as the system is fully auditable.

- We have a new means of communication with suppliers through our bancomer.com webpage, which allows us to receive informational requests and communicate directly with our existing suppliers.
- In order to improve the products and services provided to use by our suppliers, we have created a complaint and suggestion mailbox at the email account noconformidadesproveedoresmexico@bbvabancomer.com.

2012 Developments

- The percentage of purchases made from certified suppliers was 72%.
- In the satisfaction survey conducted by the BBVA Group every two years for suppliers from six countries, we obtained the highest rating.
- We continue working with local suppliers, which represent 97.60% of total suppliers, providing us with an opportunity to further develop our value chain.

2010-2012 BBVA Group Supplier Satisfaction Survey

	Country 1	Country 2	Country 3	México	Country 4	Country 5
Level of transparency	4.60	4.42	4.57	4.61	4.43	4.48
Friendliness in dealings	4.58	4.38	4.57	4.58	4.42	4.56
Professional respect	4.60	4.46	4.57	4.58	4.35	4.58
Knowledge of the market	4.32	4.09	4.19	4.41	4.07	4.21
Knowledge of the product	4.21	4.04	3.94	4.26	3.98	4.13
Support in resolving problems	4.38	4.08	4.14	4.34	4.10	4.41

1: Not pleased 5: Very pleased

Environment

Environmental Management and Climate Change

BBVA Bancomer's commitment to the environment is enshrined in its Environmental Policy, which is overseen and updated by an Eco-efficiency and Responsible Purchasing Committee and establishes the main objectives of improving management of the environmental risks of financial and investment operations, incorporating environmental variables in the development of financial products and services, and making a positive impact on the environmental behaviors of stakeholders.

In addition, the [Environmental Policy](#) includes the agreements signed by the BBVA Group with some of the primary international initiatives on this issue, such as the United National Global Compact, the Financial Initiative of the United Nations Environment Programme (UNED-FI), the Equator Principles, the Principles for Responsible Investment, and the Carbon Disclosure Project.

Global Eco-efficiency Plan

This year **we completed our Global Eco-efficiency Plan (PGE in Spanish) for the 2008-2012 period.** During these past five years we have worked, while undergoing quarterly assessment of key indicators by the Department of Property, on initiatives aimed at achieving the following objectives with regard to reducing direct environmental impacts:

- 20% decrease in CO₂ emissions (objective per employee)
- 10% reduction in paper consumption (objective per employee)
- 7% reduction in water consumption (objective per employee)
- 2% reduction in energy consumption (objective per employee)
- 20% increase in employees working at ISO 14001 buildings
- Gold LEED rating at the new corporate headquarters

2012 Developments

Atmospheric Emissions (t)	CO ₂ Emissions				
	2008	2009	2010	2011	2012
Total CO ₂ emitted (t)	115,675	108,236	110,019	120,213	132,666
Total CO ₂ per employee (t)	3.35	3.32	3.21	3.40	3.41
Direct CO ₂ Emissions (t)	2,386	2,695	2,284	1,580	2,892
Indirect CO ₂ Emissions (t)	113,288	105,541	107,735	117,053	129,772

(1) Total CO₂ emitted is calculated by adding direct emissions (fossil fuels) to indirect emissions (electricity and air travel).

(2) (t) = metric tons

Scope: Central buildings and bank offices

Paper Consumption					
Paper (t)	2008	2009	2010	2011	2012
Total paper consumed (t)	1,959,301	-	-	-	1,821,9021
Total paper consumed per employee (t)	-	-	55	61	46
Ecological paper consumed (t)	-	1,813,870	1,879,573	2,149,510	-

(1) From 2009 to 2011 all paper consumed was ecological.

(2) (t) = metric tons

Scope: Central buildings and bank offices

- We were forced to switch back from ecological paper to bond paper, due to damages to printers.
- The amount of paper consumed increased due to the new Transparency Law, which required that we increase the font size on contracts and other documents and that we include our entire product portfolio in the Framework Agreement.

Water Consumption					
Water Consumption (m³)	2008	2009	2010	2011	2012
Total annual water consumed (m³)	928,188	885,881	722,111	616,145	604,493
Water consumed annually per employee (m³)	26.9	27.2	21.18	17.43	15.55

(1) (m³) = cubic meters

Scope: Central buildings and bank offices

- Initiatives implemented to reduce water consumption include:
 - Change in flowmeters at corporate offices
 - Use of rainwater for watering gardens
 - Fixing of leaks in buildings.

Energy Consumption

Energy Consumption	2008	2009	2010	2011	2012
Total electricity consumed ⁽¹⁾	202,416 Mw/h (727.2 MJ)	196,944.16 Mw/h (705.6 MJ)	195,894.48 Mw/h (702 MJ)	226,215.86 Mw/h (813 MJ)	225,668.68 Mw/h (812 MJ)
Total electricity consumed per employee	5.86 Mw/h	3.11 Mw/h	2.94 Mw/h	3.29 Mw/h	3.19 Mw/h
Total natural gas consumed	147.81 m ³ 5,278 MJ	125.38 m ³ 4,477 MJ	119.217 m ³ 4,257 MJ	113.86 m ³ 4,066 MJ	112.90 m ³ 4,032 MJ
Total diesel consumed (gas oil)	472.91 m ³ 16,889 MJ	489.95 m ³ 17,498 MJ	452.470 m ³ 16,159 MJ	406.05 m ³ 14,501 MJ	425.45 m ³ 15,194 MJ

(1) The GJ measurement unit was used in the 2008 report. In order to facilitate understanding for all readers, it was decided to change the unit of measurement to MW/h in the 2009 to 2012 reports. In order to present comparable data, the figures from 2008 were converted into the new units.

(2) Mw/h = Megawatt hour

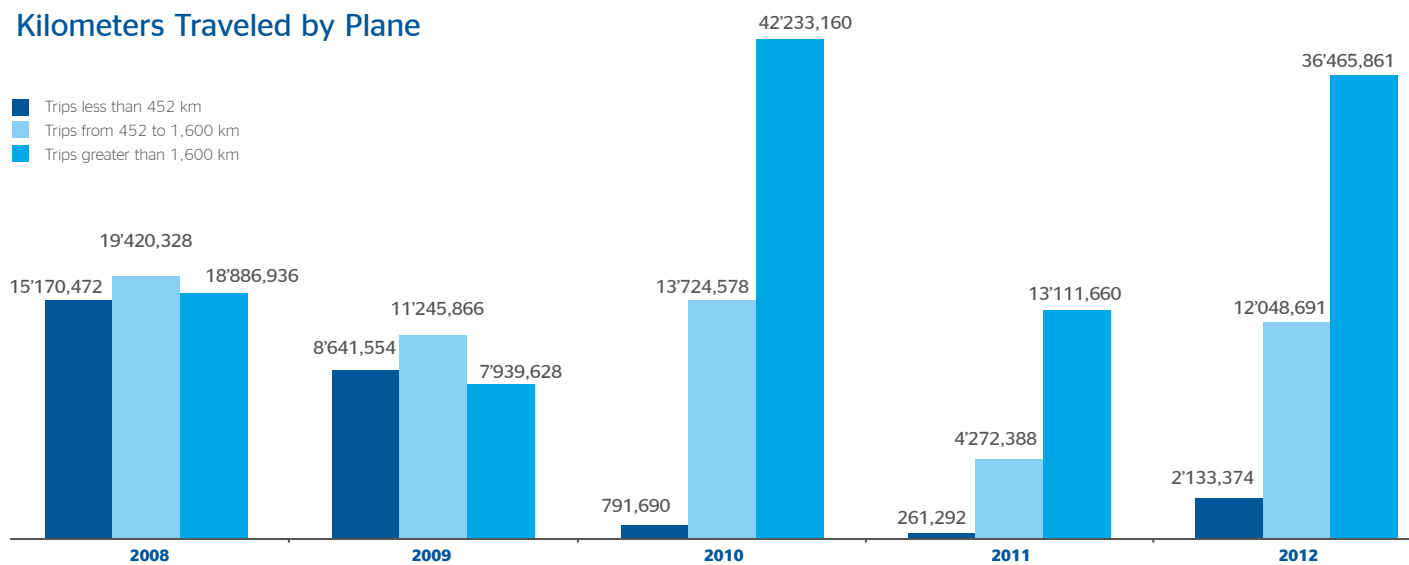
(3) MJ = Megajoule

Scope: Central buildings and bank offices

- Electricity saving measures at branch offices include: reorganization of existing lighting cabinets, updating of switches and main power units, and high light intensity at key points.

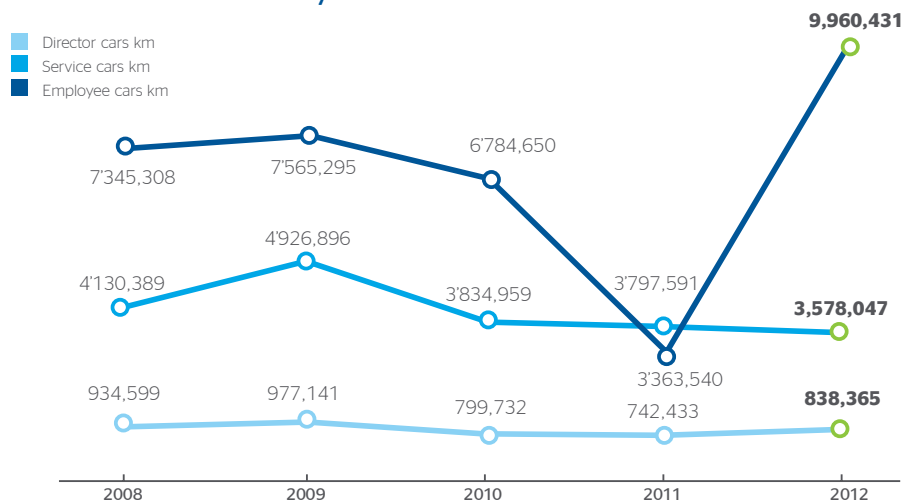
- As a part of the new identity of branch offices, we are still updating the lighting technology in order to contribute towards energy saving.
- Our new “lean” or energy-efficient signage allows us to reduce energy consumption by 82% per marquee, which equals 15% at each branch office.
- Also, this technology allows us a reduction by 95% in heat emission.

Kilometers Traveled by Plane



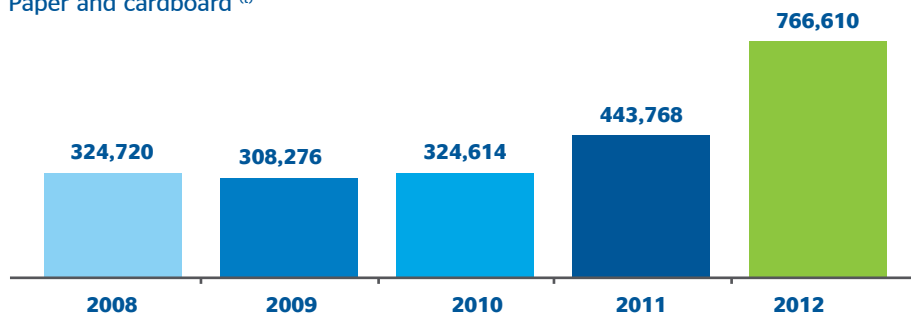
Scope: Central buildings and bank offices

Kilometers Traveled by Car

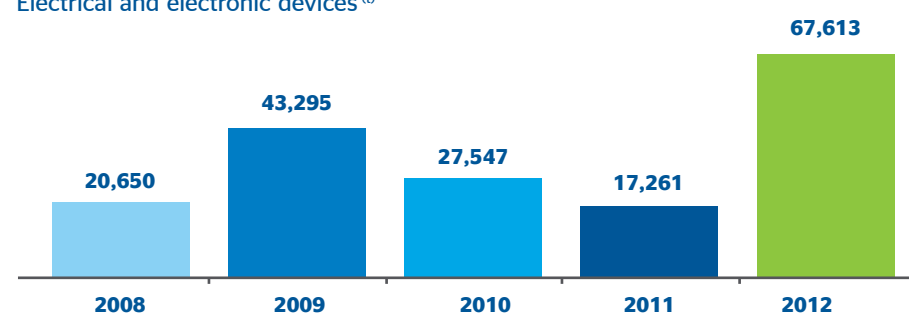


Scope: Central buildings and bank offices

Waste Generated

Paper and cardboard ^(b)

Scope: Central buildings and bank offices

Electrical and electronic devices ^(b)

Scope: Central buildings and bank offices

- In addition to electronic devices managed through an outsourcer, 135,226 tons were recycled and 268,319 tons of equipment were donated.

Videoconferencing					
	2008	2009	2010	2011	2012
Videoconferences	1,502	1,541	1,508	1,815	2,851
Rooms equipped for videoconferencing	37	741	60	71	428
Audioconferences	-	13,700	23,641	27,687	32,449
Telepresence	-	226	139	144	169

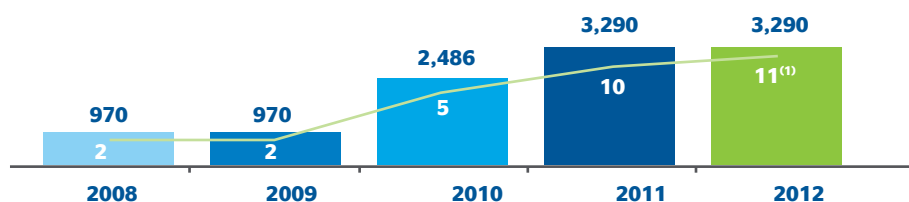
(1) For Audioconferencing and Telepresence there is no data from 2008, as these are recent initiatives.

(2) The number of rooms equipped for videoconferencing in 2009 includes all rooms on a national level.

Scope: Central buildings and bank offices

- We increased the number of rooms equipped for videoconferencing from 71 in 2011 to 428 in 2012.

ISO: 14001 Building Certifications



— Buildings certified pursuant to environmental standard ISO: 14001

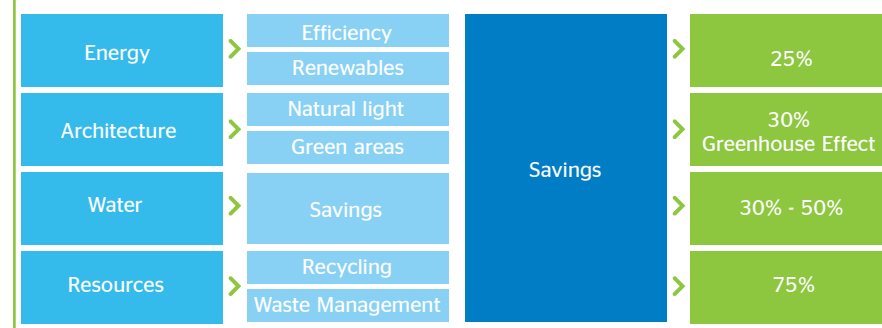
(1) The certified buildings are: Montes Urales 424 and Montes Urales 620 in Mexico City; Terranova and Chapultepec in Jalisco; Plaza Financiera in Tijuana; 5 de Mayo in Puebla; Centro Financiero León in Guanajuato; Sede Culiacán in Sinaloa; Edificio Colón in Yucatán; and Edificio Valle Sena in Nuevo León.

Scope: Central buildings and bank offices

LEED Corporate Headquarters

In 2010 we began construction for our new corporate headquarters, which will be completed in 2014. The BBVA Bancomer Tower will have a capacity of 4,500 people, while the BBVA Bancomer Operational Center will house another 4,200. Both headquarters will have LEED (Leadership in Energy and Environmental Design) certification, which implies considerable savings in energy, water, recycling, and resource management, while also ensuring that our employees are working in a healthy environment.

LEED Certification Commitments:



Climate Change

At a Group level, we have been working on assessing our role in combating climate change together with an industry specialist, so as to develop a comprehensive strategy for climate change.

2012 Developments

- In keeping with the commitment of the BBVA Group to supporting initiatives to combat and prevent climate change, we continue to endorse the primary international commitments on this issue.
- **We have joined the CDP Carbon Action initiative**, through which institutional investors ask companies to assume an effective and measurable commitment regarding their carbon emissions.
- We remain committed to the Investor CDP, CDP Water Disclosure, and CDP Carbon Action programs, through which we have strengthened our commitment and strategy on climate change; currently we are among the highest rated companies according to our carbon performance band.

Environmental Training and Awareness

We provided courses and developed activities and awareness campaigns to contribute toward creating a culture of environmental conservation among our stakeholders.

Canal Verde (Green Channel)

Our *Canal Verde* is a means of electronic communication whereby we publish information regarding BBVA Bancomer environmental initiatives, respond to concerns, and provide advisory to those who request such services.

We channel awareness activities regarding the importance of environmental protection toward other stakeholders through the Bancomer in Education area of the BBVA Bancomer Foundation. This area works in collaboration with organizations that specialize on this issue, such as Pronatura, the Ministry of the Environment and Natural Resources (SEMARNAT, in Spanish), the National Commission for the Knowledge and Use of Biodiversity (CONABIO, in Spanish), the North American Environmental Information and Communication Center (CICEANA, in Spanish), and the San Miguel de Allende Environmental Education Project (PEASMA, in Spanish).

2012 Developments

- We have trained seven company employees through the Analysis of Environmental and Social Risks course (abbreviated to ARAS in Spanish).
- **We again participated in the international “Earth Hour”**, held on March 31, in order to reduce the use of electricity and as a measure to raise awareness of global warming. Measures taken included shutting off outdoor lighting and signs at 64 buildings and 364 branch offices throughout Mexico, saving a total of 6,214 Kw/H.
- We published several articles in the Canal Verde (Green Channel) related to monthly topics such as waste generation and energy consumption during the holiday season.

Commitment to Society

We maintain our commitment to allocating 1% of our profits to social programs that support the development of our country, especially to those related to the issue of education.

Social Entrepreneurship

Momentum Project

This year, the [Momentum Project](#), a global BBVA Group initiative, was launched in Mexico to support social entrepreneurship. In partnership with New Ventures Mexico, and the EGADE Business School of the Tecnológico de Monterrey, we supported companies that have the mission of generating social or environmental change in the country.

A multidisciplinary group of experts selected 10 enterprises from 112 applications, which met certain criteria such as a significant social impact, economic sustainability, a basis of innovation, and the possibility for growth. The activities and industries considered for this social entrepreneurship program were: housing and urban development, nutrition and consumption, transportation and mobility, social/occupational inclusion and the fight against poverty, citizen participation and citizen movements, education and access to knowledge, energy and the environment, health and wellbeing, communication and social networks, transparency in markets, and disintermediation in supply chains.

The selected companies were: Amarantla, café Ruta de la Seda, Casa para ensamblar, CINSJP, Crea, Échale, Ecole, Los Danzantes, Tiendas del MAP, and Unidos.

The Momentum Project will offer these ten companies an intensive 40-hour educational process at the EGADE Business School, as well as strategic advisory from BBVA Bancomer directors and retirees and from the network of mentors at New Ventures Mexico. In addition, the participants may receive financing to grow their businesses and motivate more companies, and will receive advisory from participating experts for subsequent review and evaluation of their endeavors.

Young Social Entrepreneurs

In partnership with Ashoka, the BBVA Group launched a program called the 1st Ibero-American "Change Your World/Young Social Entrepreneurs" Competition, in order to support young entrepreneurs that present a project to create a **positive impact** in their communities.

Of the 359 applications received (more than 50% of which were from Mexico), the 20 best projects were selected. Four were selected from Mexico: *Huertos integrales comunitarios autosustentables* (Self-sustainable community gardens, HICA in Spanish), *Fomento de la cultura* (Promotion of Culture), *Cero límites* (Zero Limits), and *Producción de gas metano* (Production of Methane Gas). Likewise, HICA was also awarded with a trip to Spain to share experiences with young social entrepreneurs from other countries.

The winners received seed funding of up to 400 euros to implement their project, as well as advisory, supervision, and dissemination of the projects.

BBVA Bancomer Foundation

In 2012 we allocated 245'642,829 pesos to programs in the four strategic areas of the Foundation: Bancomer Educational and Production Centers, Cultural Promotion, Bancomer in Education, and Social Development Programs, benefiting some 600,000 people with the collaboration of 1,884 volunteers.

For 12 years we have operated a non-profit organization responsible for implementing programs that reflect our commitment to society: the [BBVA Bancomer Foundation](#).

2012 BBVA Bancomer Foundation Budget

Strategic Area	Total Contribution (in pesos)
Bancomer in Education	24'263,059
Bancomer Educational and Production Centers	9'402,076
Cultural Promotion	9'899,355
Social Development Programs	180'623,489
Other (natural disasters, administration and publicity, etc.)	21'454,847
TOTAL	245'642,829

Bancomer Educational and Production Centers Cultural Promotion

The Bancomer Educational and Production Centers operate through a partnership with the **Social Incubators** program of the Technological Institute of Monterrey (ITESM) and continue to offer educational and production activities for people in low-income communities in Mexico.

2012 Developments

- At the Magdalena Contreras Educational and Production Center, which we established in partnership with the Cadavieco Foundation, INEA, Manpower, CDI, and Proempleo, a total of 1,500 people have received training.
- At the 17 centers opened over the past four years under the social incubator model, we are now offering new educational and production activities to the benefit of communities across Mexico in Pachuca, Torreón, Aguascalientes, Guadalajara, San Luis Potosí, León, Irapuato, Tuxtla Gutiérrez, Tampico, Cuernavaca, Hermosillo, Ciudad Obregón, Toluca, Culiacán, Tampico, La Paz, and Zamora.
- Thanks to the educational offerings of the centers, this year more than 16,000 people were benefited, generating more than 970 companies with the support of more than 2,000 student mentors from the ITESM, who completed their social service requirement at the centers.

We continue to conduct artistic, educational, and cultural activities, either directly or through economic assistance offered to artists, academics, managers, and organizations, to support the development, conservation, and dissemination of culture in Mexico.

2012 Developments

- With the established intent of decentralizing its activities and developing new audiences, this year the exposition program arrived at different spaces in the country, as in the case of the “Plastic Parallelisms in Mexico: Four Decades in the BBVA Bancomer Collection (1960 - 1990)”, which was presented in Aguascalientes, Querétaro, Puebla, and Mérida.
- Through the Bancomer/MACG program, *Arte Actual* (Current Art), ten established Mexican artists were awarded grants, together with parallel activities such as training sessions, conferences, and workshops. These activities were brought for the first time to Ciudad Juárez and Nogales.
- The 5th “*Hazlo en cortometraje*” (Make it in a short film) University Competition was conducted with the participation of 310 young people with 112 short films from 54 universities in 21 different Mexican states.
- The *Fondo de Apoyo a las Artes* (Arts Support Fund) program awarded 50 donations to independent institutions and artists to create their artistic and cultural projects in Mexico, with total donations of 5.5 million pesos.
- The book “La casa de Luis Barragán, un valor universal”, published by BBVA Bancomer and the BBVA Bancomer Foundation, was presented in Guadalajara (Casa ITESO Clavijero) and Monterrey (MARCO Museum).
- The book “Migración humana y cambio climático” was published, with 13,000 copies, as part of an effort to contribute to the analysis and discussion of this important current issue.

Bancomer in Education

We continue our commitment to supporting formal instruction through academic excellence, developing initiative and creativity, and promoting awareness of and respect for nature, while contributing to the building of values for the strength and personal growth of Mexican children and young adults with limited resources who work hard to get ahead.

2012 Developments

- Through the *Olimpiada del Conocimiento Infantil* (Children's Knowledge Olympics) we have awarded scholarships to 3,150 children, 3,000 at secondary schools, and 150 at high school or equivalent level, all of whom are mentored by our 1,088 mentors.
- Through our *Becas Bicentenario* (Bicentennial Scholarships) program, we provided 1,000 permanent scholarships for students from 5th through 10th grade.
- Through the Prep@net program, 210 students completed their high school degree online with advisory and tutoring from the Tecnológico de Monterrey.
- We implemented an adult training program together with the organization called INCLÚYEME, benefiting some 52 young people with Down's syndrome.
- With our environmental education programs we conducted activities at special facilities, nurseries, and protected areas (as well as at the schools themselves) for students from preschool to high school age, achieving the following results: CICEANA: 5,000 students; PRONATURA: 7,000 students; PEASMA: 2,515 students; PCE BOSQUE DE CHAPULTEPEC: 527,294 visitors.
- Through our natural disaster assistance program, which consists of support with basic food items after natural disasters or food crises and/or assistance with educational infrastructure in affected areas, this year we achieved the following: food donations: 12,000 people benefited following extreme droughts in the State of Durango; 1,000 benefited through social assistance institutions in Puebla and the State of Mexico; with the *Alianza México por Haití* (Mexican Alliance for Haiti), conclusion of the *Centro de Apoyo Integral Mensajeros de la Paz* (Messengers of Peace Comprehensive Support Center), which already is benefiting 268 students and soon will benefit residents who will be able to access the medical clinic and adult workshops.

Social Development Programs

The main program from this area is the “*Por los que se quedan*” (For those left behind) scholarship program, which supports education for secondary school students in communities with significant out-migration. “*Por los que se quedan*” is the largest program at the Foundation, in terms of both human and economic resources. In 2012, 158 million pesos in scholarships were allocated to young people, implemented by 21 state supervisors and 159 community organizers.

The program is active in 20 states and 159 municipalities in the country, and since 2006 has benefited 31,400 young people.

2012 Developments

- 796 “mentors” participated actively in the program, providing support for 15,800 active secondary school recipients.
- In addition to “*Por los que se quedan*”, the Social Development Programs area developed related initiatives aimed at the scholarships recipients and/or young people living in the municipalities where the program is active, with the following results:
 - Project in partnership with the “*Ver Bien para Aprender Mejor*” (See Well to Learn Better) Foundation: specialized optometrists from the Ver Bien Foundation visited the schools of the “*Por los que se quedan*” scholarship recipients to identify secondary school students with vision problems. These students received eyeglasses appropriate for their needs, the cost of which was financed by the Ver Bien Foundation, the BBVA Bancomer Foundation, and state and/or municipal governments.

- Project in partnership with Impulsa, “*Ventajas de permanecer en la escuela*” (Benefits to staying in school): BBVA Bancomer employees participated as volunteers to provide a workshop for students at schools with “*Por los que se quedan*” scholarship recipients regarding the benefits of completing secondary school studies.
- “Escuelas sociodeportivas Por los que se quedan” (For those left behind Social/Athletic Schools) project, in partnership with the Real Madrid Foundation: the project consists of educational and recreational activities with 400 “*Por los que se quedan*” scholarship recipients. The social/athletic school seeks to encourage the comprehensive development of young people through sports and athletics. The project emphasizes the transmission of fundamental values such as respect, discipline, teamwork, and solidarity among young people from the same community.

Strategic Partnerships and Fundraising

Thanks to the generous collaboration of many people, **we were able to raise 70 million pesos**, which allows us to ensure the continuity of BBVA Bancomer Foundation projects.

2012 Fundraising	
Initiative	Amount Raised (in pesos)
Investment Funds	66'739,063.68
ATMs	6'056,420.00
BBVA Bancomer Race	657,560.00
Bécalos Program	3'845,000.00
Agreements with States	190,000.00
Total	77'488,043.68

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Appendices

Click to open the appendices



Awards Developments and Objectives



Reporting Criteria and Standards

Contact Information

This document including financial information and corporate responsibility information, the latter pursuant to the guidelines of the Global Reporting Initiative, version G3.1, obtaining the maximum application level (A+ GRI Checked), which is a symbol of the company's reporting transparency.

For any comments, questions or suggestions regarding the contents of this report, please contact:

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Additional Information:
This report was drafted with the advisory of
Promotora ACCSE, S.A. de C.V.



Glossary

AA 1000 SES: AA 1000 SES Accountability Standard

ABM: Asociación de Bancos de México (Mexican Bank Association)

ADI: Asociación de Desarrollos Inmobiliarios (Property Development Association)

AHM: Asociación Hipotecaria Mexicana (Mexican Mortgage Association)

Amafore: Asociación Mexicana de Afore (Mexican Afore Association)

AMIB: Asociación Mexicana de Intermediarios Bursátiles (Mexican Stock Broker Association)

Amipci: Asociación Mexicana de Internet (Mexican Internet Association)

AMIS: Asociación Mexicana de Instituciones de Seguros (Mexican Insurance Institution Association)

ATM: Automatic Teller Machine

IDB: Inter-American Development Bank

BMV: Bolsa Mexicana de Valores (Mexican Securities Market)

Cemefi: Centro Mexicano para la Filantropía (Mexican Center for Philanthropy)

IFC: International Financial Corporation

CNBV: Comisión Nacional Bancaria y de Valores (National Bank and Securities Commission)

CNSF: Comisión Nacional de Seguros y Fianzas (National Insurance and Bonding Commission)

Condusef: Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros (National Commission for the Protection and Defense of Financial Service Users)

Consar: Comisión Nacional del Sistema de Ahorro para el Retiro (National Retirement Savings System Commission)

ECORATING: Analysis and assessment tool

ESR: Empresa Socialmente Responsable (Socially Responsible Company)

GRI: Global Reporting Initiative

IARC: Informe Anual de Responsabilidad Corporativa (Annual Corporate Responsibility Report)

ICA: Ingenieros Civiles Asociados (Civil Engineers Associates)

ILCE: Instituto Latinoamericano de Comercio Electrónico (Latin American E-commerce Institute)

INEGI: Instituto Nacional de Estadística y Geografía (National Statistics and Geography Institute)

LEED: Leadership in Energy and Environmental Design

MACG: Museo de Arte Carrillo Gil (Carrillo Gil Art Museum)

MIDE: Museo Interactivo de Economía (Interactive Economy Museum)

ODM: Objetivos del Milenio (Millennium Development Goals)

OSC: Organizaciones de la Sociedad Civil (Civil Society Organizations)

PGE: Plan Global Ecoeficiencia (Global Ecoefficiency Plan)

RC: Responsabilidad Corporativa (Corporate Responsibility)

RR HH: Recursos Humanos (Human Resources)

RRC: Responsabilidad y Reputación Corporativas (Corporate Responsibility and Reputation)

SAC: Sistema Atención a Clientes (Customer Support System)

SHCP: Secretaría de Hacienda y Crédito Público (Secretariat of Finance and Public Credit)

SHF: Sociedad Hipotecaria Federal

SNAEBB: Sindicato Nacional de Empleados Bancarios (National Union of Bank Employees)

SNEF: Semana Nacional Educación Financiera (National Financial Literacy Week)

TDC: Tarjeta de Crédito (Credit Card)

UNE: Unidad Especializada (Specialist Unit)

UNEP-FI: United Nations Environmental Program - Financial Institutions

VALMER: Valuación Operativa y Referencias de Mercado (Operational Assessment and Market Benchmarks)