

The BBVA Group's foundations
Community Investment Plan for Latin America
Other leading lines of work
Other key projects by geographical area

COMMUNITY INVOLVEMENT

BBVA is deeply engaged with the development of the communities in which it operates.



Total resources allocated

69.0 millions of euros

Increase on 2006 of resources allocated

22%

Resources earmarked for the *BBVA Integración* Scholarship Scheme in Latin America

7.9 million euros

Children awarded with scholarships under the *BBVA Integración* Scholarship Scheme in Latin America

17,920

Key aspects and figures

One of the corporate principles that guide the BBVA Group is its commitment to the quality of life and development of the communities in which it operates. This commitment drives the company's actions in many different ways.

As this report makes clear, the BBVA Group's chief contribution to society comes through its regular business activities. It is exercised through the many products and services the group offers that have a positive impact on society in general and on certain under-protected groups in particular. Key schemes in this area include the *Préstamos Familiares* (Family Loans) line, part of the *Plan Familias BBVA* (BBVA Families Plan) in Spain and, very particularly, all the activities the Group undertakes to favour financial inclusion and thus help new segments of the population to have access to financial products and services. The company also has a beneficial impact on the communities in which it operates

creating jobs and catering for the needs of its stakeholders.

In addition, the Group channels its community involvement through an intense community support policy, with specific not-for-profit actions intended to directly contribute to public welfare and to satisfying basic needs.

Social projects are tailored to the specific needs and conditions of each country in which BBVA operates, through a close relationship with stakeholders (described in more detail in the chapter "Stakeholder Engagement"). The company also focuses its efforts on areas of action closest to its activities, always following group strategy and management.

The main areas of action of the community support policy are:

- Education.
- Support for underprivileged groups and sectors and those with special needs.
- Activities in humanitarian emergency situations.



In 2007, the BBVA Group was involved in the formation of London Benchmarking Group España working group. This model offers an instrument for measuring the impact of activities arising out of private sector community involvement.

In 2007, the Group began using the LBG model for measuring its contribution through community investment, apart from strictly economic aspects.

Community investment: Resources allocated by the BBVA Group and its foundations ⁽¹⁾

(Thousands of euros)	2007	2006	2005
By entity			
BBVA Group in Spain and rest of the world ⁽²⁾	29,083.67	24,648.91	21,080.57
BBVA group in the Americas ⁽²⁾	5,305.22	6,176.18	4,617.74
BBVA Foundation (Spain)	24,712.00	20,599.00	16,970.0
BBVA Microfinance Foundation (Spain)	914.00		
BBVA Bancomer Foundation (Mexico)	7,951.12	4,631.16	3,405.19
BBVA Banco Provincial Foundation (Venezuela)	228.58	114.49	225.31
BBVA Banco Francés Foundation (Argentina)	191.62	178.61	152.76
BBVA Banco Continental Foundation (Peru)	614.00	77.10	34.21
TOTAL	69,000.20	56,425.45	46,485.77
By theme area			
Social sciences	15,647.61	12,250.81	8,796.73
Education	15,432.91	8,218.43	7,223.04
Social welfare care	10,496.94	7,088.26	4,891.88
Culture	8,571.64	9,064.80	10,949.10
Health	7,968.08	5,275.23	4,883.03
Environment	3,204.23	7,957.76	5,814.25
Promotion of corporate responsibility	2,183.85	2,052.04	479.05
Other fields and structural expenses of the foundations	5,494.95	4,518.11	3,448.70
TOTAL	69,000.20	56,425.45	46,485.77
By type of investment			
Monetary	66,670.30		
In kind	1,993.37		
Time	336.53		
TOTAL	69,000.20		

(1) Funds allocated between 2005 and 2007 by the Group and its foundations include:

- In foundations, where the figures include expenses devoted by each entity to its own purposes and each foundation's administrative and structural costs.
- Regarding the BBVA Group, this includes the financial contributions made, plus a variation of the amount of work-time staff have dedicated to activities of a social nature, the premises used and contributions in kind.
- Assessment of *Préstamos Familiares* (Family Loans) which includes direct costs (operating expenses, financing costs and dissemination expenses).
- In no case do the figures include any social benefits stipulated by collective agreements intended for company employees or their families, or grants and work placement within the Group.
- Finally, the average euro exchange rate for the corresponding years has been used in converting local-currency contributions in Latin American countries.

(2) Does not include foundations.

Community support: funds allocated by the BBVA Group and its foundations ⁽¹⁾ (Million euros)



The quantitative variation seen between 2006 and 2007 was mainly the result of the following items and projects

Areas/Entities	€ Million	Projects and items
BBVA Foundation (Spain)	4.0	Increase of the activity for the promotion of scientific and social research programmes and its communication.
Compass Bank (USA)	3.9	Incorporation into the BBVA Group in 2007.
Latin America	3.1	Community Investment Plan.
Spain	1.7	Increase of direct spending on <i>Préstamos Familiares</i> (Family Loans).
Group	1.2	Catering for needs resulting from natural catastrophes: Peru earthquake and floods in Mexico.

The BBVA Group's foundations

The BBVA's six foundations are not-for profit organisations, created with the specific goal of contributing to the comprehensive development of society.

BBVA Group Foundations	Basic axes of action
BBVA Foundation (Spain) (www.fbbva.es)	Social sciences Biomedicine, health and healthcare system Environmental sciences
BBVA Banco Continental Foundation (Peru) (www.bbvacontinental.com)	Education Art and culture Social welfare care
BBVA Banco Francés Foundation (Argentina) (www.bancofrances.com)	Education Art and culture Social welfare care Promotion of entrepreneurial activity and corporate responsibility
BBVA Bancomer Foundation (Mexico) (www.bancomer.com.mx/fundacion)	Education Social welfare care Art and culture Environment
BBVA Banco Provincial Foundation (Venezuela) (www.provincial.com/fundacion)	Education Social welfare care Art and culture
BBVA Microfinance Foundation	Promotion of microfinance

BBVA Foundation: basic indicators of activity		
	2007	2006
Number of collaborators	946	2,108
Number of research projects	141	184
Number of specialist meetings and seminars	39	31
Number of general lectures	24	56
Number of publications (including co-publications)	91	59
Number of hits on the BBVA Foundation portal	16,279,556	17,937,644
Number of people attending the different activities	6,693	8,985
Number of libraries receiving publications	819	819
Dissemination of published material (brochures, handbooks, etc.)	428,500	208,700
Number of user sessions on the website	171,708	164,699
Scope: Spain		

Community Investment Plan for Latin America

BBVA contribution	€13.8 m invested in 2007
Focus	Basic education for children from underprivileged backgrounds
Main Programme	BBVA <i>Integración</i> Scholarships Scholarships to nearly 18,000 underprivileged families in 2007

The Community Investment Plan for Latin America is a symbol of the Group's increased commitment to Latin America.

The basic lines of the plan are as follows:

- Definition of a general framework of action for all the Group's banks and foundations in Latin America.
- In general terms, the plan centres on support for education (infant, primary and secondary) to help favour social inclusion of families from the most underprivileged sectors of society. 63 % of the plan's activities address this priority area, with the remaining 37 % targeting culture and social welfare care.



- The star programme of the Community Investment Plan Latin America in all countries is the *BBVA Integración* Scholarships Plan, which promotes infant, primary and secondary education for children from the most needy sectors of society. The programme is tailored to the individual circumstances and needs detected in each country.

The criterion used for allocating resources is a commitment to earmark at least 0.7% of the BBVA Group's local profit in Latin America to community support projects. These resources are assigned to the Community Investment Plan, the Economic Research Department in the region and projects implemented from Spain, the BBVA Foundation and the BBVA Microfinance Foundation, having a direct impact in Latin America.

Other leading lines of work

PROGRAMME OF CULTURAL ACTIVITIES SPAIN

BBVA contribution	€5.7m in 2007
Focus	<ul style="list-style-type: none"> Arts Conservation of Spanish historical and artistic heritage Encouragement of music creation
Number of exhibitions	17 (Spain, Latin America and China)
Number of visitors	2.4 million people

The BBVA's Programme of Cultural Activities have become a benchmark for international art patronage. A number of special events were organised in 2007 to mark the BBVA Group's 150th anniversary. The cultural programme essentially revolves around three areas:



Manuel Arango. Honorary Chairman, CEMEFI Mexico.

«BBVA's social responsibility and its commitment to education in Mexico can be clearly seen in its policy of dedicating 0.7% of profits to the BBVA Bancomer Foundation, which goes to supporting projects such as "*Por los que se quedan*" (For those left behind). I am proud to sit on the boards of both organisations, which, with dedication and generosity share their resources, their time and their talent for the wellbeing and development of the country».

- BBVA-organised exhibitions to display the BBVA Collection and actions in collaboration with leading museums and foundations.
- Support for preservation of Spain's historical and artistic heritage.
- Concert programmes.

RUTA QUETZAL BBVA

BBVA contribution	€1.5m in 2007
Focus	Education
Essays submitted	1,500
Participants	350
Hits on the website	250,000 (5 million pages viewed)

Since 1993, the BBVA Group has organised and sponsored the *Ruta Quetzal* [Quetzal Route], an educational programme named by UNESCO as a project of global interest. Altogether 7,700 young people have participated. In 2007, the twenty-second edition of the BBVA Quetzal Route, «The Legacy of Chinese Ships in Mexico», travelled up the Pacific Coast of Mexico and ended up in Bilbao, where the expedition joined in the celebrations of the BBVA Group's 150th anniversary. This year 350 young people from 55 countries took part.

Miguel de la Quadra-Salcedo

Director of the *Ruta Quetzal BBVA*

«For me, the Route is the only act, the only specific action that Spain and Latin America have done together, for our common Ibero-American community of nations. Thanks to the backing of the King of Spain, thousands of young people have had a chance to take part in this

extraordinary project since 1979. It is a great joy to share experiences and talk to young people from 55 countries; participating in adventures together in the Americas and in Spain. And it is all made possible by the BBVA's patronage».



BBVA FOUNDATION FRONTERAS DEL CONOCIMIENTO (FRONTIERS OF KNOWLEDGE) AWARDS

BBVA contribution	€3.2m per year
Categories	Basic sciences (physics, chemistry, mathematics)
	Bio-medicine ecology and conservation biology
	Information and communication technology
	Economics, finance and company management
	Arts (music, painting, sculpture, architecture)
	Climate change
	Development co-operation

Starting in 2008, these awards will recognise excellence in research and creation, with particular emphasis on projects for the future that have had an impact on the great challenges facing global society in the twenty-first century: climate change and development co-operation. This initiative is backed by the Spanish Higher Council of Scientific Research.

There are eight categories, each with €400,000 in prize money, intended to publicly honour work by scientists, researchers, organisations and professionals in encouraging the development of knowledge for the improvement of society. In terms of the prize money and the disciplines covered, the BBVA Foundation's *Fronteras del Conocimiento* Awards will be the second most important awards of their kind in the world after the Nobel Prizes.

ECONOMIC RESEARCH DEPARTMENT

BBVA contribution	€1.3m
Organizational areas	Geographical
	· Europe and financial scenarios
	· Mexico and the United States
	· Emerging countries
	Themes
	· Global trends
	· Modelling and quantitative analysis
	· Analysis of social provision systems
Presence (9 countries)	Spain, Argentina, Colombia, Chile, Mexico, Peru, Venezuela, United States and China
Staff	78 professionals

Main activities

Seminars and meetings for deliberation and debate	The economists from the department publicise their findings at forums, in the media and in specialist publications. In 2007 they took part in 82 seminars and meetings.
Accessible website (http://serviciodeestudios.bbva.com)	239,106 publications were downloaded from the site, and the site receives 2.3 million unique visitors (people who connect at least once) per year.

The Economic Research Department was set up to adapt economic analysis to the needs of the BBVA Group and to meet the challenge of assessing increasingly globalised economic developments. It is structured into six large units and operates in all the main geographical areas in which the Group has a presence. In this way, by keeping close touch with the situation on the ground, the organisation can make prompt

analyses and take the right economic decisions at any given time.

The BBVA Economic Research Department's reports are of great use to society and their global coverage and reliability give them an important place in economic analysis and evaluation.

Other relevant projects by geographical area

Relevant projects

Spain BBVA	<ul style="list-style-type: none"> • <i>Acción Magistral</i> Prizes for teaching actions in collaboration with the <i>Fundación de Ayuda contra la Drogadicción</i> (Foundation for Aid against Drug Addiction). • Programme to increase awareness on corporate responsibility among SMEs, in collaboration with the Red Cross. • Support for humanitarian emergencies (Peru earthquake and floods in Mexico). • Programme of Environmental Patronage run by Anida (BBVA's real estate subsidiary) to which it allocates 0.7% of net profits. • BBVA Foundation – Carolina Foundation Programme for training Latin American specialists in Medicine, the Environment and Economics.
Argentina (AFJP Consolidar, BBVA Banco Francés, BBVA Banco Francés Foundation)	<ul style="list-style-type: none"> • Prizes for entrepreneurs showing a spirit of solidarity (in collaboration with the Ecumenical and Social Forum) and for agricultural entrepreneurs. • <i>ConsolidAR</i>, aid project for tackling poverty. • Permanent exhibition of the Libero Badii Museum.
Bolivia (AFP Previsión)	<ul style="list-style-type: none"> • National Novel Prize, in collaboration with the Ministry of Culture.
Chile (AFJP Chile, BBVA Chile)	<ul style="list-style-type: none"> • <i>Auspicio Magister Periodismo</i> (Journalism Sponsorship) (<i>El Mercurio-Universidad Católica</i> alliance). • Christmas Solidarity Concert.
Colombia (AFJP Horizonte Colombia, BBVA Colombia)	<ul style="list-style-type: none"> • BBVA Art Gallery: exhibition of representative Colombian paintings and sculptures.
Mexico (BBVA Bancomer, Fundación BBVA Bancomer)	<ul style="list-style-type: none"> • BBVA Bancomer in Education: programme of support for education (Office of the President of the Republic and Office of the Secretary of Public Education). • Children's Knowledge Olympics.

Relevant projects

Panama (BBVA Panama)	<ul style="list-style-type: none"> • Sponsorship of the TV programme "<i>¿Qué tal si te digo?</i>", targeted at supporting social and pro-solidarity causes.
Paraguay (BBVA Paraguay)	<ul style="list-style-type: none"> • Solidarity marathon.
Peru (AFP Horizonte, BBVA Banco Continental, Fundación BBVA Banco Continental)	<ul style="list-style-type: none"> • Travelling exhibition <i>Pasión por las Personas</i> (Passion for People). • Sponsorship of festival combining reading, theatre and music. • Sponsorship of the Cuzco Museum of Pre-Columbian Art.
Puerto Rico (BBVA Puerto Rico)	<ul style="list-style-type: none"> • Collaboration with the Muscular Dystrophy Association.
Uruguay (BBVA Uruguay)	<ul style="list-style-type: none"> • Support for Pereira Rosell Children's Hospital, which looks after children from underprivileged backgrounds.
Venezuela (BBVA Banco Provincial, Fundación BBVA Banco Provincial)	<ul style="list-style-type: none"> • Training programme for micro-enterprises • <i>Papagayo</i> Project, for promoting values education through reading and creative writing
Portugal	<ul style="list-style-type: none"> • <i>Porto Vivo</i> project for rehabilitating homes in poorer districts of Porto.
United States	<ul style="list-style-type: none"> • Support for the United Way organisation. Compass Bank and its employees together donated \$2.2m to meet the needs of the most underprivileged social groups.