



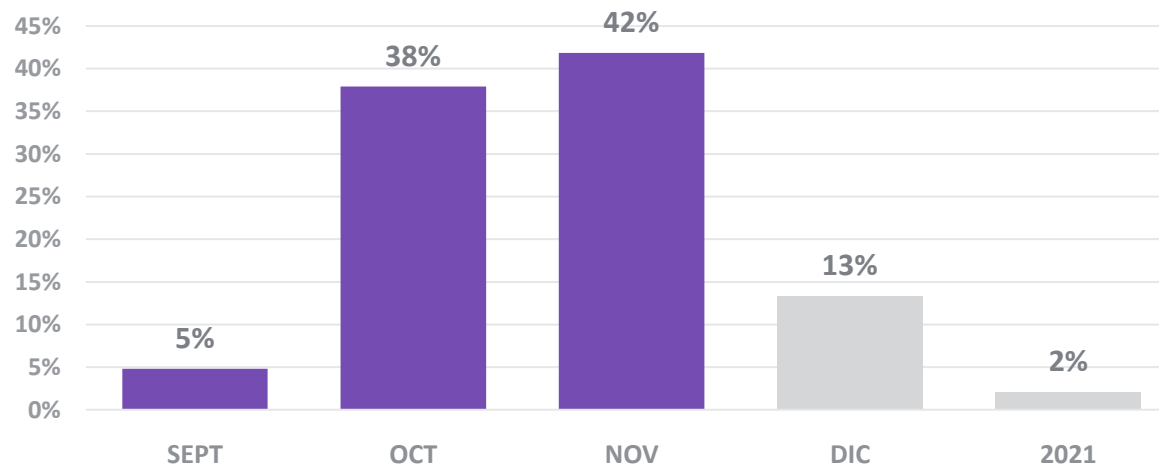
BanBajío Strategic Pillars

December | 2020

UPDATE OF **RELIEF PROGRAM**

▶ Status of Relief Program as of November 30, 2020

As of September 30, 2020, the amount adhered to the relief program reached **MXN 47,116 million, or 26.4% of the total portfolio**, which will resume their **normal payment schedules** according to the following timeline:



Relief Program Update				
▪ Adhered portfolio as of Sep2020, million pesos	\$ 47,116			
▪ % of portfolio that resumed pmt as of Nov 30 th	84.5 %			
Behavior of payments from Sep to Nov	TOTAL	COMPANY LOANS*	CONSUMER	MORTGAGES
▪ Payment in full and partial	94.7 %	95.3 %	92.3 %	90.2 %
▪ No payment	5.3 %	4.7 %	7.7 %	9.8 %

* Includes Companies, SMEs, Financial Entities.

BANBAJIO STRATEGY

2020 - 2025

“To be the best **Bank for Small, Medium and Large Companies** in Mexico, with highly competitive **Consumer Banking** products to give clients **full service satisfaction**, through the use of market intelligence and technology to generate **maximum efficiency.**”



Strategic Pillars

- I. Maintain and Increase our Leadership in Small, Medium and Large Companies.**
- II. Moving forward with the Digital Transformation.**
- III. Data Science and Analytics**
- IV. Stimulus to Consumer Banking and SMEs**
- V. Growing Clients Base and Cross-selling Opportunities**
- VI. Best in Class Asset Quality**

▶ **Maintain and Increase our Leadership in Companies**

- Since our beginnings we have been a bank with **focus on Companies** and we have positioned ourselves as a leading bank in specialized business lines such as **Agrobusiness and SMEs**. The acquired know-how and the differentiated service proposition have led us to grow significantly, placing us as the **8th largest lender** in the corporate sector, yet we continue to **gain market share** with an **asset quality that is best in class**.
- In the **following 5 years** we will continue to increase our position in this sector, giving continuity to what we have achieved so far, while strengthening some segments that we have identify, such as: **Agrobusiness, Structured Loans, Construction, SMEs, Trusts, International, Leasing and Factoring**. The focus will be on a commercial standpoint and complemented with a strategic sector risk analysis and our business analytics and data science capabilities.

▶ Moving forward with the Digital Transformation

- **During 2020-2021**, as part of our **Digital Transformation Process**, we intend to create a new platform with the latest technology available in the market, making use of our analytical capabilities, with data intelligence and algorithms, with the main goal of improving the experience of our clients on our digital platforms. Our goal is that by 2021 all clients, both **individuals and companies**, have modern electronic banking that is fully adaptable to their needs.
- In **Personal Banking**, in the fourth quarter, we will release 100% **internet and mobile banking access, completely redesigned**, offering efficient **digital solutions**:



Bajionet | Bajionet Mobile | Bajionet Mobile Express

▶ Moving forward with the Digital Transformation

- For **Businesses**, in the **first half of 2021** we will launch the **Bajonet and Bajonet Mobile** platforms; and in the **second half** we will provide differentiated services from our competitors through end-to-end digital products such as:



- ✓ Ability to open **Checking Accounts**
- ✓ Obtain **Business Debit Cards**
- ✓ **Payroll Services**
- ✓ Access to **Revolving Credit Lines**
- ✓ **On-line Payment to Suppliers**

In order to maximize the relationship between **Personal and Companies Accounts**, we are establishing the framework through the integration of two specialized areas: **Data and Analytics and Consumer Credit**, which, coupled with the strategy to strengthen digital banking, will enable us to generate additional revenue streams, thus having greater equilibrium and stability in our future results.

For Data Analytics the first project that is in the implementation phase is:
Companies Engagement Index

In order to improve the **profitability** of our relation with **Companies and SMEs**, we have developed an internal tool that will allow our employees to better identify and quantify the client needs on an ex ante basis. Furthermore, it will allow the RMs of the bank to exploit business relations opportunities with tailored solutions, and focus on the service provided. The rollout will occur during the 1st quarter of 2021.

Future Projects

March 2021

▶ Digital Onboarding and opening accounts

- Increase the engagement of our clients with the acquisition of our products in any channel (Mobile, Web, Branches, Telephone) and with an origination process that is both user friendly and efficient.
- Ability to start, continue or conclude the process on any channel.

▶ Cross-selling “Always On”

- Tailored offerings always available to our clients.
- Continuous assessment of eligibility and pre authorization of product offerings, services, and loans timely with the client’ needs.

▶ Investments; Investor profile. Funds, Benchmark Pricing

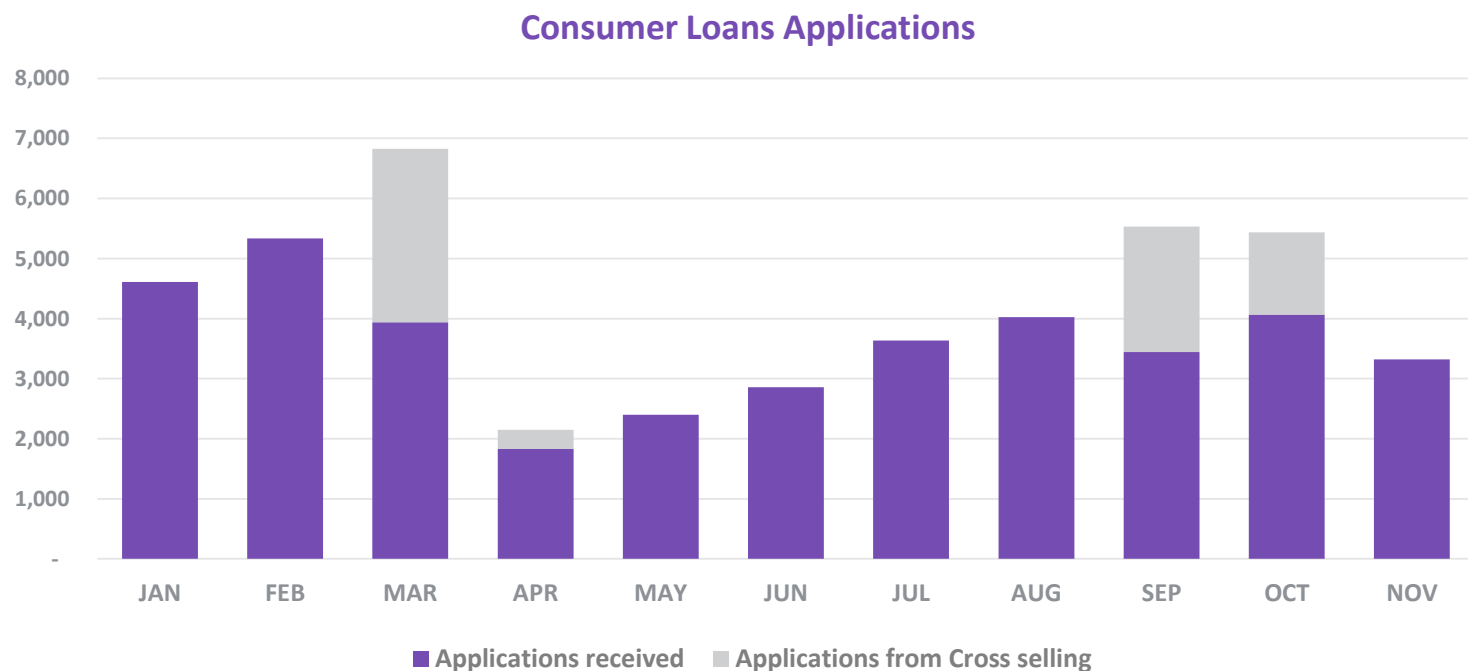
- Identify the best investment offering for each client given their investment profile.
- Built investment simulators (Client and RM).
- Propose optimal blends of time deposits by client aligned with the treasury department.

Historically, **BanBajío** has been outstanding in **Small, Medium and Large Companies**; currently we are also envisioning a sizable opportunity in the **Consumer and SMEs segments**, for which we have formed an alliance with **FICO** (Fair Isaac Corporation), a leading software company in credit decision and predictive modeling engines.

FICO will provide the strategic and operating intelligence with parametrical decision engines and origination models, including multichannel processes for immediate action and a risk management platform for existing customers.

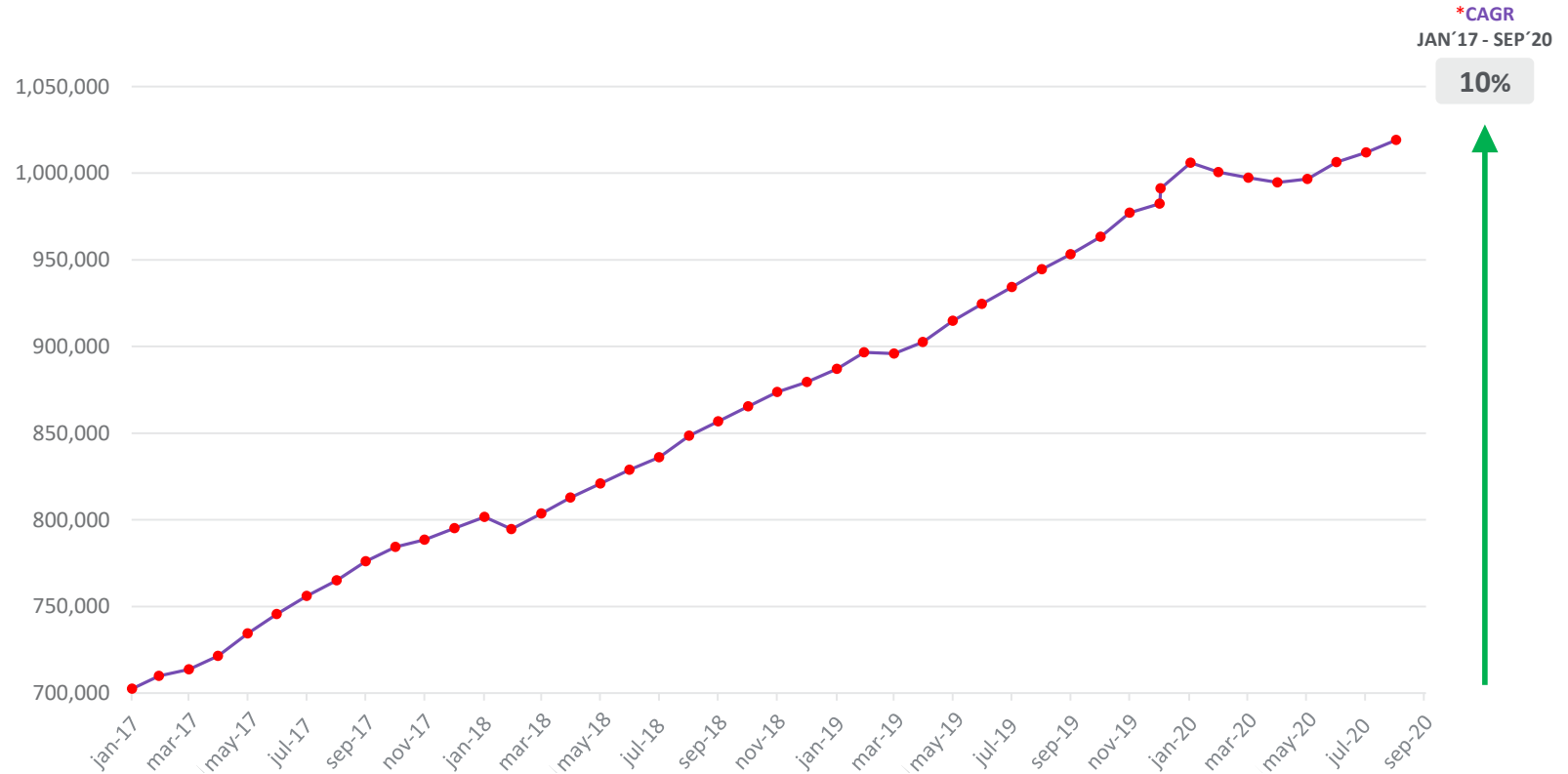
▶ Stimulus to Consumer Banking and SMEs

We have begun implementing this strategy, and in 2020 we carried out **2 cross-selling campaigns** with customers identified through the analytical capabilities of the bank, and in 2021 we will carry out **5 more campaigns** for the **TDC, payroll, personal, auto and mortgage products**; furthermore we will already have in place the ability to originate loans based on parametric modeling.



▶ Growing Clients Base

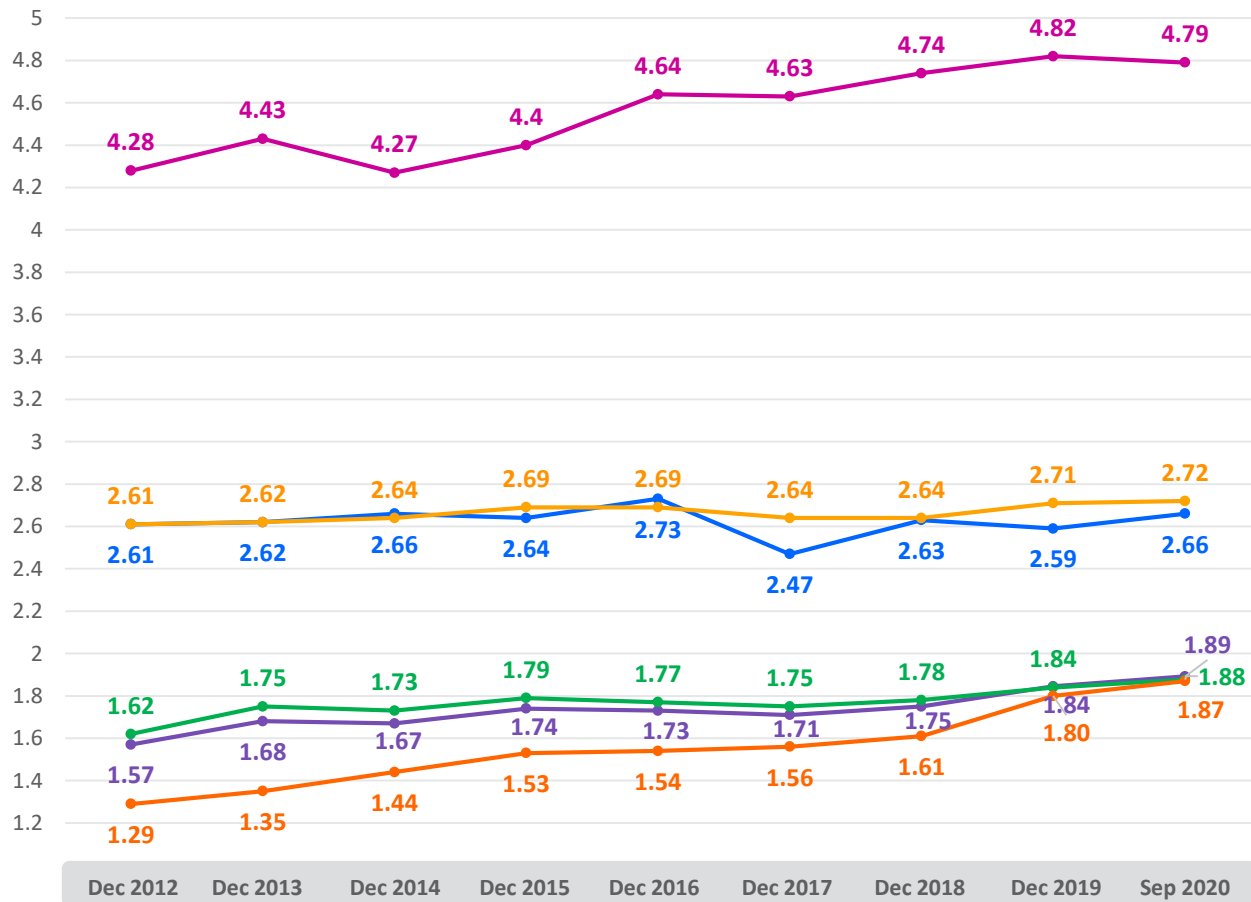
▼ TOTAL CLIENTS



* CAGR = Compound Annual Growth Rate

▶ Cross-selling Opportunities

2012 - 2020



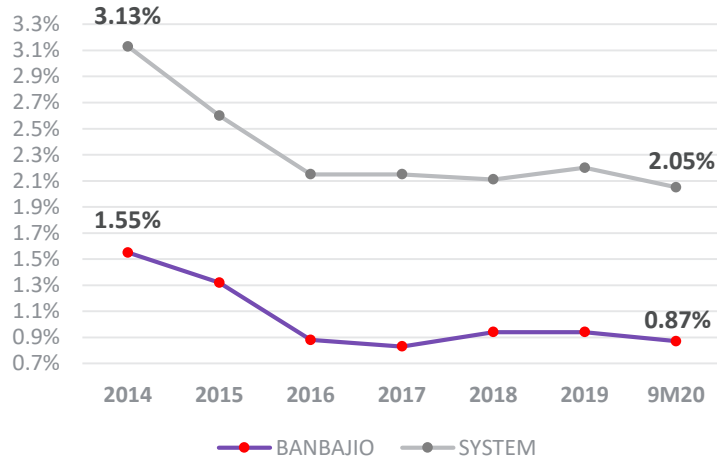
Only **5%** of our **SME Clients** have a **Loan Product** with us.

An **SME borrower** generates **10x more** revenue than a non-borrower.

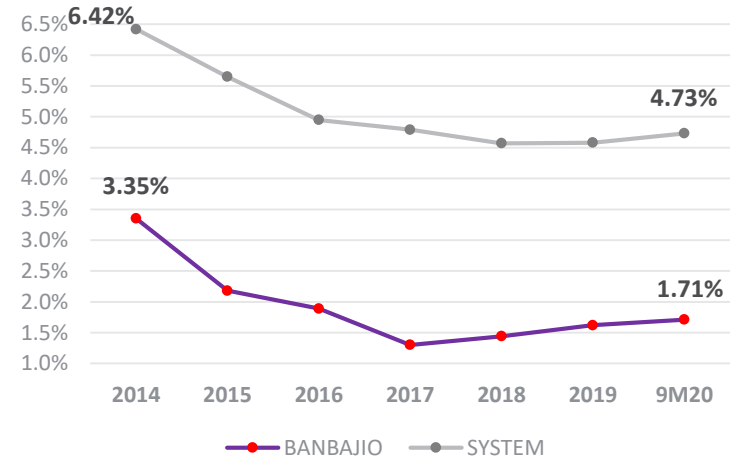
—●— CSI Total
—●— CSI Retail Banking
—●— CSI Companies
—●— CSI SME Borrower
—●— CSI with Payroll
—●— CSI Total SME

▶ Best in Class Asset Quality

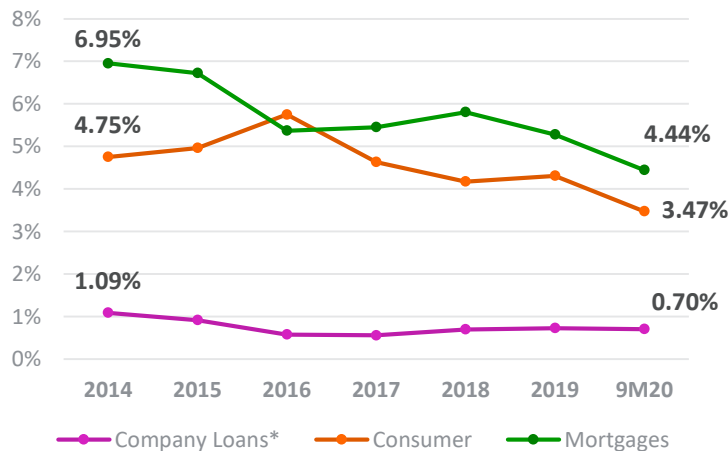
▼ NPL | %



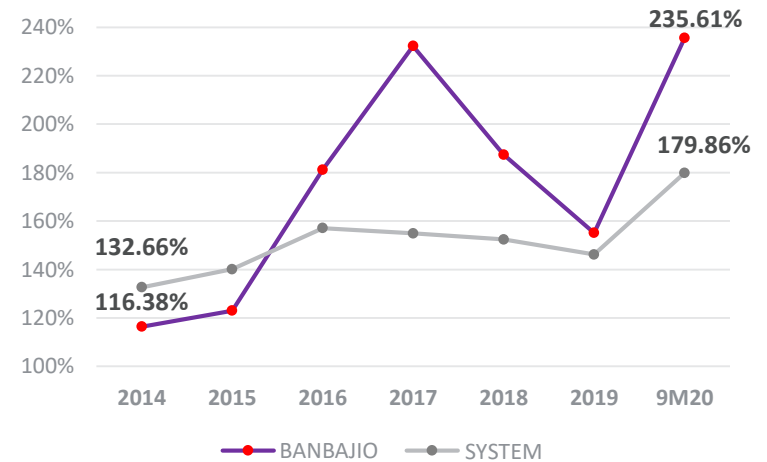
▼ NPL Adjusted | %



▼ NPL by Segment | %



▼ Coverage Ratio | %



* Includes Companies, SMEs, Financial Entities and Government.

- I. Maintain **excellence in service** to our clients, offering competitive products through an **omnichannel** experience.
- II. Improve **NIM** and decrease sensitivity to Interest Rates.
- III. Strengthening and diversification of **non-interest income**.
- IV. Higher organic growth, **with growing** client base and cross-selling strategies.
- V. Maintain **best in class asset quality**, penetrating new segments with data intelligence.
- VI. Improvements to **bank efficiency**, providing facilities for Customer Service via web and mobile channels.