



Digital Banking and omnichannel banking

Launch in Q1 17 of a new individual retail banking website.

In the month of December 2017, Bankinter launched, as part of the COINC ecosystem, the first 100% digital mortgage with no tying whatsoever.



Digital banking

Customer service technology

This Bankinter division, created in 2016 to provide better service and greater efficiency to the digital processes that the Bank is developing, last year had four key lines of work.

Digital transformation

Focused on the digitalisation of the traditional business and with the aim of providing support to sales and customer acquisition, and to allow customers to be able to carry out transactions in a user-friendly and simple way, when and where they want to. Of note within this line of work were:

- The launch of a new individual retail banking website in the first quarter of 2017, which is customer-centric and has an essentially commercial focus. The new website has a public area aimed at potential customers which contains ample information on the Bank's products, along with simulators, search engines and other value-added tools which help create sales and customer acquisition opportunities. In addition, the product range that is available fully digitally has been broadened and has a much improved user experience. Integration with CRM in real time has taken place, which allows a greater personalisation of the offers we can make to our customers and a corresponding improvement in commercial success rates.
- Likewise, the Bankinter broker service was substantially improved and now

has its own public website aimed at non-customers on which stock market information can be obtained, along with financial training services and Bankinter's Research department's market valuations. To increase the capacity of the website to attract new customers, the broker account was launched, which allows users who are not customers of the Bank can trade without having to change bank. Finally, the tools were adapted to the different customer profiles, opening up the possibility of trading directly from the interactive charts, among other options.

- With regard to legal entities, improvements have been made to the Companies website with the intention of making its functionalities more user-friendly, including direct debit payments, queries, downloads of information and so on. Another of the Bank's objectives is to facilitate the mobility of this type of customer and, within this framework, an app aimed at company finance directors and authorised representatives was launched in the first quarter of 2017, which enables them to do things like check the position of and movements in their accounts, authorise transactions and make simple payments. Finally, in the last quarter of the year, the

first pre-authorised loan for companies was introduced. This allows them to get one-click financing for tax and social security payments on the website.

- Major advances have also been made in the world of mobile payments, with the launch in February 2017 of the Wallet app. It is a free, easy to use service and offers complete security.
- Finally, notable progress was made in omnichannel banking. An example is the remote signature, which allows the customer to start the process of contracting a product in branch and to sign the contract digitally wherever and whenever they want from their phone or computer. This functionality is currently available for all transactions relating to investment funds, pension funds, deposits, current accounts, brokerage accounts and direct debits.

New digital businesses

- The aim of this line of work is to develop financial services verticals on the internet that can compete with fintech and the Bank itself. Within this group of initiatives, the launch of Popcoin in the fourth quarter of 2017 stands out. Popcoin is an automated investment manager designed for savers with a digital profile and for investments from 100 euros to 100,000 euros.
- In the month of December 2017, Bankinter launched, as part of the COINC ecosystem, the first 100% digital mortgage with no tying whatsoever.

Process transformation

With this initiative, the Bank aims to reduce processing times to improve the quality perceived by the customer and reduce operating costs. The 2017 projects programme consisted of:

- Change of the operations portal in branches and central services and redesign of operational processes. With this project here has been a move from a task view to a process view orchestrated in a fully automated way. As a result, processing times, errors and returns were reduced; monitoring information on ongoing operations radically improved; better management of workloads became possible and, finally, management information was made available on basic processes to preserve the culture of continuous improvement. At the end of 2017, 40% of operational requests between branches and central services had been migrated.

- Design of an omnichannel and universal customer activation process that will be different from anything else in the sector. The new process is being successfully piloted and it is planned to roll it out in the first quarter of 2018.
- Lastly, work is taking place on the redesign of the processes of manual approval of risk in legal entities, where it is hoped to achieve very substantial reductions in processing time and resource use.

Technological transformation

Technological transformation has twin objectives. On one hand, to provide the necessary technological support to the digital and process transformation projects and on the other, to make the current platform more efficient to reduce response and development times, and costs.

In 2017, a thorough review was carried out of the channel and host architecture, after they incorporated new technologies that enable the platform to perform better and a substantially improved user experience, both for employees and customers.

- One of the lines of work undertaken to increase systems efficiency is the modularisation, parameterisation and deletion of obsolete items. The latter aspect was completed in 2017 and has permitted the size of the platform to be reduced by 25%.

Other projects that were started in 2017 in relation to technological transformation and which will extend over a number of years, are:

- The integration of corporate modules on the Portuguese platform and the modernisation and update of the platform's local modules.
- Update of infrastructures and substitution of parts of the platform in Luxembourg.
- Redesign and update of the products catalogue and workshop in order to improve response times and reduce development costs of new products and services.
- Redesign of central modules of the platform to facilitate omnichannel banking and the digitalisation of operations.
- Redesign of the corporate information architecture to bring it into line with the latest regulations and to allow a more efficient exploitation of data.

91% of our customers use digital and traditional 'in-person' channels interchangeably

Distribution of customers by relationship channel with the Bank.

