

Remuneration for the distribution of products and other services

As part of its commercial operations, BBVA (Suiza) SA (hereafter the "Bank") may receive financial incentives from third parties for the distribution of products.

Such financial incentives constitute due remuneration for the services provided by the Bank for the distribution and management of investment funds and structured products, and are not a remuneration for the client. Other incentives may consist of the receipt of market analyses and/or training for Bank staff.

According to the European Directive Mifid II (Directive 2014/65), clients residing in the European Union are informed, that BBVA (Suiza) SA provides non-independent advisory service, which implies the following:

- The Bank will make a wide range of products that are on the market available to you, which will be sufficiently diversified regarding types and issuers or providers.
- The Bank shall receive retrocessions or incentives from third entities resulting from the placement of products described under 1. and 2. in order to enhance the quality of the service rendered, which may materialise for example in an annual appraisal monitoring of the suitability of your portfolio or other value-added services such as optimal asset allocation or in tools to assist the client in their decision-making, such as the comparability of products or the provision of periodic reports to clients concerning yields, costs and expenses.
- The Bank will inform you annually on the amount received in incentives.

The extent of all the financial incentives that the Bank may receive depending on the products involved is detailed below as information for Clients, in fulfilment of current regulations for transparency. The Bank receives such financial incentives for the distribution, independently of the type of bank account.

Potential financial incentives are in general covered by the agreements reached between the Bank and the provider of the product, independently of the Bank's business relationship with its Clients. These agreements include the following activities among others: implementation of Corporate Actions, Marketing, etc.

The Client is aware, that the receipt of compensations by the Bank may give rise to a Conflict of Interest and could be an incentive to recommend or chose certain products. The Bank will take suitable measures in order to prevent and reduce such potential Conflicts of Interests.

1. Investment Funds

The management fees applied to third-party investment funds form the basis on which the remuneration due to the Bank for the distribution of those funds is calculated.

Management fees are paid periodically as a percentage of the annualised investment volume of the product, and are usually (though this depends on each fund) between the following bandwidths: for monetary funds, 0-1% of the funds managed; for fixed-income funds, 0-2%; for equity funds, 0-2.5%; for alternative investment funds, 0-3%. The remuneration received by the Bank for distributing third-party investment funds is equivalent to up to 60% of the handling fees of foreign fund managers and 85% of the handling fees in the case of BBVA Asset Management funds.

2. Structured Products

In structured products the remuneration provided for distribution may take various forms. It may be a discount on the issue price, it may be remuneration as part of the issue price or it may be applied via the costs of the structuring fee. Such remuneration generally amounts to between 0 and 3% on an annualised basis of the investment volume, calculated as an average over the entire term of the structured product.