

BBVA BANCOMER GESTION

Overall score 23/100

ISIN CODE: VIGEIRIS0338

Sector: ALAS20 investors

Information rate: 37% (Sector average: 34%)
Company cooperation level: Not responsive *

Companies in sector panel: 34

General information

BBVA Bancomer Gestión S.A. de C.V (BBVA Bancomer Gestión) operates investment companies assets and manages investment portfolios. The company is a subsidiary of Grupo Financiero BBVA Bancomer and is part of BBVA Asset Management, the global asset management division of BBVA Group. BBVA Bancomer Gestión is based in Mexico.

Main Economic Segment**

Turnover

CORPORATE GOVERNANCE		
	2016	2017
Score		23
Allegations		No
Rating		=
Risk management		Weak

■ Sector performance
■ Company performance
 Rating: min -- / max ++

Key issues

Corporate governance is critical to ensuring that a well-functioning system of checks and balances protects the interests of all of the company's stakeholders. The effectiveness of the Board of Directors (CGV1.1) is a key issue to be addressed: this can be gleaned from information on Board composition (independence and competencies) and its way of functioning (regularity of Board meetings, evaluation of performance). Other important corporate governance factors include the effectiveness of the Audit and Internal control system (CGV2.1), the protection of Shareholders Rights (CGV3.1) and the establishment of Executive Remunerations (CGV4.1) which align executives' and company's interests.

Company performance

- BBVA Bancomer Gestion's performance in the Corporate Governance domain is weak.
 - The company has formalized a Corporate Governance framework, covering most of the relevant features. The company has a ESG department which reports directly to the board and the CEO, and some ESG topics are reviewed at board meetings. However, there is no information as to whereas the Board's members are independent, due to the lack of biographical information. . An Audit Committee is reportedly in place, but only has a limited role, and there is no information on its members. The internal control system covers some ESG risks such as SRI policies and Corruption and money laundering. The company is completely silent on the rules guiding its Executive Remuneration.

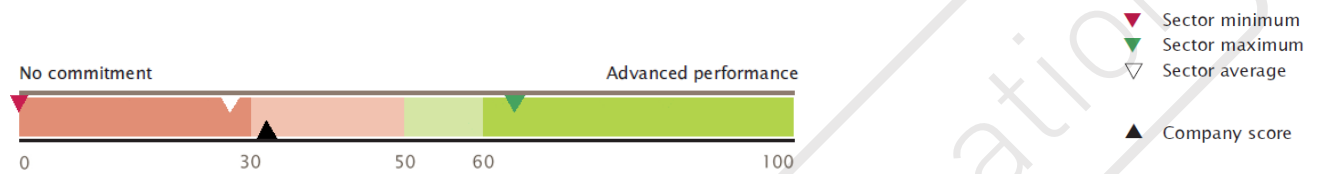
* On a 4-level scale: proactive, responsive, partially responsive, not responsive
 ** See detailed economic indicators in Selected financial data section
 *** Based on the most recent Index at the date of publication

Corporate Governance

Score : 23

CGV1.1 Board of Directors

(score: 32, weight: 3)



[UNLISTED COMPANIES] Existence and independence of Nomination Committee

Information disclosed on this subject is insufficient or not relevant.

Independence of board Chairman

The roles of Chairman and CEO are separated, but the chairman is not considered independent.

Responsibility allocated over CSR issues

The Head of CSR department/functions reports directly to the CEO/Board.

[UNLISTED COMPANIES] Corporate governance strategy

The company has formalized a corporate governance framework, covering most of the relevant features:

- Interaction between shareholders and board (conflict of interests)
- Organization of the Board and its functioning
- Definition of the company's risk profile (risks mapping and management)

Share of independent shareholder-elected Board members

Information obtained from company and public sources regarding detailed biographical information for all members of the Board of Directors is insufficient.

Diversity of the skills and backgrounds of the Board

The Board of Directors diversity appears to be partial:

- Board members with demonstrated professional experience in the company's sector of activities
- Some of the board members have worked in financial institutions.

Training and expertise provided to board members

Information obtained from company and public sources regarding training provided to board members is insufficient.

Regular election of Board members

Board members are elected at least every 3 years.
Board members are eligible for re-election following one-year terms

Evaluation of board functioning and performance

Information obtained from company and public sources regarding the evaluation of board functioning and performance is insufficient.

Review of CSR issues at Board meeting

Only few of the relevant CSR issues appear to be discussed at Board level.
The company displays multiple scholarships for students, immigrants and the community to improve cultural, educational and life quality.

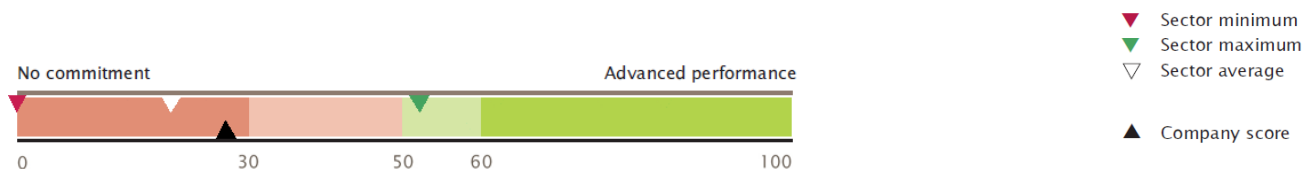
Regularity of and attendance at Board meetings

Regular meetings are held, but no attendance rates are disclosed.
At least four Board meetings are held during the last fiscal year.

Non-independent board members (excl. employee representatives)	Role	Current or Former Executive	More than 9 years on board	Stock options or warrants	Paid >1/2 executive salary	Owens or represents >3% company's shares	Other
Luis Robles Miaja	Chairman		X			X	
Eduardo Osuna	Vicepresident and CEO	X	X			X	
Vicente Maria rodero						X	
Jorge Saenz-Azcunaga						X	
Carlos Salazar Lomellin						X	
Carlos Torres Vila						X	
Alberto Bailleres Gonzalez						X	
Arturo Manuel Fernandez Perez						X	
Jose Francisco Gil						X	
Francisco Gonzalez Rodriguez						X	
Fernando Gutierrez Junquera						X	
Andres Alejandro Aymes Blanchet							
Fernando Gerardo Chico							
Ricardo Guajardo Touche							
Enrique Medina Fernandez							
Alejandro Ramirez Magaña							

CGV2.1 Audit & Internal Controls

(score: 27, weight: 3)



Operational and CSR risks covered by the company's internal controls system

The internal control system covers the standard issues related to financial, operational, and legal risks. In addition, the system covers some of the CSR risks inherent to the company's business operations.

- *ESG/ SRI policies: BBVA Bancomer manages the ESG risk factors by considering them in the internal control. The bank has an Ecorating in which the risks are seeing from a environmental perspective.*
- *Corruption and money laundering (Business ethics): The bank has norms againts money laundering and antiterrorists laws applying fines or sanctions.*

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

[UNLISTED COMPANIES] Existence and independence of Audit Committee

Information disclosed on this subject is insufficient or not relevant.

Skills and backgrounds of Audit Committee members

Information disclosed on this subject is insufficient or not relevant.

Governance of risks

Information disclosed on this subject is insufficient or not relevant.

- No executive is part of the Board Risk Committee*
- The Board Risk Committee is composed by a majority of independent members*
- The Chairman of the Audit Committee is a member of the Risk Committee*
- The Chief Risk Officer (CRO) is at par level of Chief Financial Officer (CFO)*
- The CRO has direct access to the Board Risk Committee (including attending committee meetings)*

Role of the Audit Committee in overseeing internal and external controls

The Audit Committee has a limited role that includes:

- *Oversee internal audit and internal controls*
- *Review accounting policies and be responsible for updates*
- *Nominate the statutory auditor*
- *Oversee the work of the external auditor*

Management of the CSR risks

Limited processes dedicated to management of CSR risks appear to be in place:

- *Risk mapping/materiality assessment*

Independence of the firm's external auditors

Information obtained from company and public sources regarding the independence of the firm's external auditors is insufficient.

Supervision of risk-taking staff

Information disclosed on this subject is insufficient or not relevant.

Inclusion of CSR issues in company reporting

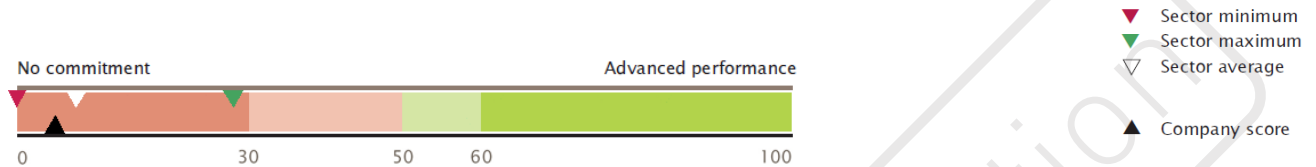
The company publishes significant CSR reporting on key material issues, with an independent third party assessment of the reliability of key performance indicators, with limited level of the assurance.

CGV3.1 Shareholders

(deactivated)

CGV4.1 Executive Remuneration

(score: 5, weight: 2)



[UNLISTED COMPANIES] Existence and independence of Remuneration Committee

Information disclosed on this subject is insufficient or not relevant.

Disclosure of senior executives' individual remuneration

Disclosure of executive remuneration data for senior executives is insufficient.

[UNLISTED COMPANIES] Link between variable remuneration and the economic and CSR performance of the company

There is no disclosure on what rules guide the company in allocating variable remuneration to senior executives.

Severance pay for senior executives

Information obtained from company and public sources regarding severance pay for senior executives is insufficient.

Risk alignment of remuneration of top senior executives

Information on risk adjustments of remuneration is insufficient or not relevant.

Evolution of CEO-to-employee compensation ratio

Information obtained from company and public sources regarding the compensation of CEO and the average employee salary is insufficient.
Neither the CEO nor the personnel expenses are disclosed.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

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Contacts

Analyst : Cynthia Guzman • cynthia.guzman@vigeo.com
Sector Lead: Céline Bonnenfant • celine.bonnenfant@vigeo.com

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