



REMUNERATION POLICY FOR MEMBERS OF THE MANAGEMENT
AND SUPERVISORY BODIES OF DIF BROKER SOCIEDADE
FINANCEIRA DE CORRETAGEM, SA



I. FRAMEWORK

The purpose of this Remuneration Policy (hereinafter the "Policy") of DIF BROKER - Sociedade Financeira de Corretagem, SA ("DIF BROKER" or the "Company") is to ensure that the remuneration of the members of the management body, senior management and other Company employees covered by this Policy is fair and equitable, determined through transparent processes, according to uniform, objective, balanced and consistent criteria and appropriate to the size of the Company and its sustained growth objectives, without neglecting the duty to act in accordance with the best interests of customers.

Recognising the importance of human capital to the success of any institution, DIF BROKER aims to attract and retain staff with the appropriate academic and professional qualifications and high ethical standards in order to ensure the growth and development of the company while ensuring that its customers' interests are satisfied.

This Policy complies with the legal requirements in force, including (without limitation) the provisions of the General Regime of Credit Institutions and Financial Companies (RGICSF), in line with the guidelines of the European Banking Authority and the European Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 ("MiFID II") and other legislation that is part of the MiFID II legislative package.

II. SCOPE OF APPLICATION

2.1 This Policy is applicable to:

- a) members of the management and supervisory bodies;
- b) the senior management;
- c) those responsible for internal control functions;

- d) employees whose total remuneration places them in the same remuneration bracket as that envisaged for the categories referred to in subparagraphs a), b) or c), provided that their professional activities have a material impact on the Company's risk profile;
- e) the other employees of the Company.

III. OBJECTIVES AND UNDERLYING PRINCIPLES

- 3.1 This Policy is based on a remuneration model and practices that promote sound and prudent risk management in order to avoid excessive risk-taking and that are compatible with DIF BROKER's medium and long term interests, with a view to its sustainability and satisfying the interests of its customers.
- 3.2 Accordingly, remuneration is structured so as to (i) align the interests of members of the management and supervisory bodies, senior managers and other employees with the company's long-term interests, (ii) depend on an assessment of individual and team performance, (iii) discourage excessive risk-taking, (iv) encourage actions that pursue customer objectives/goals, (v) reward behaviour that effectively implements a culture of control and respect for the rules in force.
- 3.3 By means of this document, DIF BROKER intends to (i) ensure compliance with applicable legislation and (ii) award remuneration in a transparent and equitable manner, taking into account the performance assessment; (iii) adjust the ratio between the fixed and variable components of remuneration, where applicable; (iv) prevent conflicts of interest; and (v) serve the interests of its customers. In this way, the Company will promote a feeling of justice, ensuring internal coherence and clarity in the attribution of remuneration packages, as well as adjustment in light of the content/responsibilities of the functions and the continuous individual performance of each element covered by this policy, with a view to continuous improvement and sustained growth of the Company, taking into account the following guiding principles:

- a) Definition of a simple, clear, transparent policy that is aligned with the company's culture and consistent across the financial group;
- b) Definition of a policy consistent with effective risk management and control to avoid excessive exposure to risk and conflicts of interest, and definition of objectives, values and long-term interests of the Company, its employees, and its customers and investors;
- c) Definition of a competitive and equitable policy, taking into account market practices, based on uniform, consistent, fair and balanced criteria;
- d) Alignment of the remuneration policy with the best practices and recent trends in the financial sector, at national and international level, with the ultimate goal of discouraging exposure to excessive risks and promoting the continuity and sustainability of positive performances and results, namely:
 - i) the creation of ceilings for the components of remuneration that must be balanced;
 - ii) the deferral over time of a portion of the variable remuneration;
 - iii) the payment of part of the variable remuneration in financial instruments;
- e) Determination of individual variable remuneration considering the assessment of the respective performance, measurable in quantitative or qualitative terms, in written form and with objectives, in accordance with the functions and level of responsibility, as well as the Company's results when applicable.

IV. REMUNERATION: GENERAL RULES

Without prejudice to the specific rules provided below for each of the categories of recipients of this policy, the following general rules apply to all:

4.1 REMUNERATION COMPONENTS:

- a) The remuneration is composed of a fixed component and a variable component, the allocation of which is not guaranteed.

Fixed Remuneration:

- The Fixed Remuneration should be adjusted to the functions and responsibility exercised.

- With the exception of the Non-Executive Directors and the Members of the Supervisory Board, the Fixed Remuneration consists of a fixed amount paid monthly, 14 times a year.

Variable remuneration:

- The attribution of the Variable Remuneration, of non-guaranteed attribution, shall take into account the rules regarding the distribution of results and the reserve and conservation of own funds and other rules to which the company is subject;
- The Variable Remuneration may only be awarded after approval of the accounts for each financial year and after the performance assessment for the year in progress if it depends on the overall results of the Company. There may be other types of Variable Remuneration with lower calculation periods (monthly, semestral, trimestral) to which, in each case, the correspondent performance assessments are not waived;
- The attribution of Variable Remuneration follows the principles contained in this Policy and depends on (i) performance assessment (ii) the beneficiary's contribution to the achievement of the Company's annual and multi-annual objectives, taking into account the achievement of the objectives of the respective team, when applicable;
- Performance assessment shall be based on criteria which are (i) diversified, (ii) not primarily financial and (iii) not exclusively individual, in order to promote alignment with the long-term interests of the Company, to promote performance and to discourage excessive risk-taking.
- The attribution of Variable Remuneration will contemplate systems of reduction or reversal in cases where the beneficiary has participated in or was responsible for a negligent or culpable act that resulted or may result in losses to the Company;
- The proportion between the fixed and variable components of the remuneration shall comply with the applicable regulations with regard to the balance between the two, with the fixed component representing a sufficiently high proportion of the total remuneration to allow the flexible application of the variable component, including the possibility of its non-payment;
- The attribution of the Variable Remuneration shall under no circumstances constitute an incentive to act in a manner that is not in the best interest of the customers.

Non-Pecuniary Benefits:

- Non-Pecuniary Benefits may be envisaged, namely health and/or life insurances and assignment of a private use vehicle, and they must be approved annually by the Board of Directors, taking into account the overall results of the Company, the rules regarding the distribution of results and the reserve and conservation of own funds, and other rules to which the company is subject.
- The award of Non-Pecuniary Benefits should not be an incentive to act contrary to the best interests of customers;
- On the date of approval of this policy, the Members of the Board of Directors and all Employees of the Company have the right to health insurance for themselves and their household.

4.2 PROHIBITED INCENTIVES:

In accordance with applicable legislation, the granting of any incentives that may influence customers to act in a manner different from that which meets their needs is prohibited. Therefore, in accordance with applicable legislation, DIF BROKER ensures that the interests of customers will always be served and, accordingly, without prejudice to other relevant limitations, does not set sales targets or any other form of promotion, recommendation or sale of a financial instrument when another instrument is more appropriate to the customer's needs.

4.3 PAYMENTS BY OTHER ENTITIES IN A GROUP RELATIONSHIP:

No remuneration may be paid to the Members of the Board of Directors or Employees of the Company by companies in a group or control relationship, except in the case of specific services provided by them to the said companies.

4.4 RETIREMENT BENEFITS AND RISK COVERAGE MECHANISMS:

This Remuneration Policy does not include any component of a retirement benefit system, or of a similar nature, in favour of the Members of the Board of Directors, Supervisory Board or Employees of the Company. The use of remuneration insurance, or any other risk coverage mechanisms, is forbidden.

V. SPECIFIC RULES ON REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

5.1 Directors should receive compensation that adequately compensates the responsibility assumed, the availability and the competence placed at the service of the Company and that guarantees:

- o A performance aligned with the long-term interests of the company and shareholders, taking into account the best interests of customers;
- o That rewards their performance;
- o That discourages excessive risk-taking.

Approval process

The annual remuneration of the members of the Board of Directors shall be set by the General Meeting, based on a proposal from the Board of Directors and a prior opinion from the Supervisory Board.

Termination of the Management Contract

With regard to the termination of management contracts, the remuneration policy does not take into account the awarding of a compensatory amount.

No provision is made for the payment of compensation for dismissal with just cause or in the event of termination of office by agreement, if such termination is the result of the inadequate performance of the member of the Board of Directors, since this circumstance constitutes just cause for dismissal, which, under the terms of the law, does not imply the payment of any compensation.

With regard to the variable remuneration, as a rule, its payment requires the full exercise of the term of office for which the beneficiary was appointed, whenever the award is foreseen for the end of the term of office.

However, in situations of departure by agreement or with just cause invoked by the member of the Board of Directors, retirement, death, disability or in any other case of early termination of the term of office, for reasons not attributable to the director, namely change in control of the Company or another fact unconnected to the director, the award of any component of pro rata variable remuneration of the effective duration of the term of office may be decided.

5.2 EXECUTIVE DIRECTORS

Components and method of payment

Fixed remuneration

The fixed remuneration of the directors shall have the limits established annually by the General Meeting, and shall not represent less than 30% of the total annual remuneration.

Variable Remuneration

The attribution of variable remuneration to Executive Directors will take into account their assessment, based on the assessment by the Chairman of the Board of Directors, taking into account the self-assessment carried out by each Executive Director, as well as the collegiate assessment by the remaining Directors, which must occur at least annually including:

- o Compliance with the company's strategic plan and budget, risk management, its internal functioning and the contribution of each director to the same, as well as the respective capacity to relate to the other corporate bodies;
- o Qualitative indicators, namely:
 - Management and leadership skills;
 - Real qualitative growth of the institution;
 - Protection of customer and investor interests;
 - Long-term sustainability and the risks taken;
 - Compliance with the rules applicable to the institution's activity;
 - Contribution to the internal control environment and dissemination of an appropriate culture.

Unless otherwise resolved by the General Meeting, the maximum limit set for the variable remuneration shall be EUR 100,000 per Director, or the equivalent in shares, without prejudice to the following:

- The Annual Variable Remuneration of the directors is determined taking into account the results of the Company, performance assessment and market references, safeguarding the different specificities and sizes;
- The annual Variable Remuneration attributable to Executive Directors is capped at 200% of the annual fixed remuneration and may be awarded in the form of DIF BROKER shares, for which purpose the Board of Directors of DIF BROKER shall exercise one of the following:
 - a) Secure the purchase of shares from its shareholders in order to be able to exercise this obligation or provide its own shares;

- b) If no sale is available, propose a capital increase in the total amount of the variable remuneration to be distributed in the form of shares;
- c) Allocate "Stock Options" for payment of variable remuneration.

The directors shall hold the shares until the end of the term for which they were appointed.

- DIF BROKER has currently approved the award of variable remuneration to Executive Directors whenever the company achieves more than EUR 100,000 of net profits, after which it may distribute up to 10% of profits among its employees and directors.
- In the event of shareholders or third parties accusing the Company of management acts, the Variable Remuneration may, by decision of the General Meeting, be suspended until such claims are settled and, in the event that such claims are deemed well founded, the respective remuneration shall not be awarded until such time as the damages are settled.

5.3 NON-EXECUTIVE DIRECTORS

DIF BROKER has no Non-Executive Directors.

The remuneration of Non-Executive Directors, in any case, shall exclusively consist of a fixed annual remuneration, by reference to the services rendered to the Company, the amount(s) and method(s) of payment of which shall be defined annually at a General Meeting, taking into consideration the complexity and responsibility associated with the duties to be performed, and may not include any variable remuneration or remuneration value of which depends on their performance or the performance of the Company itself, pursuant to article 43 of Notice 3/2020.

Non-executive directors may not receive any remuneration in company shares.

5.4 MEMBERS OF THE SUPERVISORY BOARD

The members of the Supervisory Board shall receive a fixed annual remuneration, by reference to the services rendered to the company, the amount(s) and method(s) of payment of which shall be defined annually at a meeting of the General Meeting, upon proposal of the Board of Directors taking into consideration the complexity and responsibility associated with the functions performed or to be performed, and may not include any variable remuneration or remuneration value of which depends on their performance or the performance of the Company itself, pursuant to Article 43 of Notice 3/2020.

The defined remuneration will take into account market practices and will include the amounts payable to the Chairman and other members of the Supervisory Board due for their presence at the periodic meetings held by this body during the respective term.

VI. SPECIFIC REMUNERATION RULES FOR COMPANY EMPLOYEES

Components:

- The remuneration of DIF BROKER Employees referred to in this section consists of a fixed component (basic salary) and may also include a variable component, which, where applicable, does not, and shall not, constitute an incentive for Employees to act in a manner inconsistent with the interests of DIF BROKER's customers.
- Without prejudice to the principle of autonomy in the treatment of the two components, the definition of the fixed component of the remuneration takes into account the possibility of non-payment of the variable component (if the necessary preconditions are not met) and is determined on the basis of the professional category and department to which each Employee is allocated.
- The variable component of the remuneration shall be awarded, independently of the financial performance of the business areas, according to the performance assessment of each employee, based on the fulfilment of goals established according to predominantly qualitative indicators, weighted according to the nature of the functions exercised. The assessment indicators are, essentially, as follows:

a. Quantitative indicators:

Essentially the fulfilment of the following shall be assessed:

- Measurable objectives determined at the beginning of each year, based on criteria specific to the area's activity and not on company or area results;
- Shared (team) goals and individual goals.

b. Qualitative indicators:

The following behavioural skills are assessed on a proficiency scale:

- Degree of identification with the society and its culture;
- Capacity to Adapt to Change;
- Teamwork and Cooperation;
- Degree of Initiative;
- Customer orientation (internal and external);
- Relationship with the customer;
- Knowledge of the Function.

In addition to behavioural skills, the following indicators are also assessed:

- Compliance with the rules, including legal standards, and procedures applicable to the activity developed;
- Compliance with pre-contractual information duties;
- Techniques of risk analysis and assessment;
- Development of stakeholder relations;
- Institutional and legal (national and international).

The variable component of the remuneration shall be paid according to the periodicity (monthly, quarterly and annually, as applicable) established by the Board of Directors.

6.2 EMPLOYEES PERFORMING INTERNAL CONTROL FUNCTIONS

a) Under the terms of Bank of Portugal Notice no. 3/2020, the staff members performing Internal Control functions in the Company are those working in the Compliance, Internal Audit and Risk areas.

b) The Remuneration of the Employees who perform Internal Control functions in the Company must guarantee the appropriate independence, knowledge and experience to perform their assignments.

Approval process

The Board of Directors is responsible for defining and approving the remuneration of the employees who perform Internal Control functions for the Company, subject to supervision by the Supervisory Board.

Components

Fixed Remuneration

The remuneration of the Employees who perform Internal Control functions consists of a fixed remuneration paid monthly, 14 times a year.

Variable Remuneration

The Board of Directors may provide for the award of Variable Remuneration to Employees who exercise control functions under the general terms foreseen in this Policy, ensuring, however, that the variable remuneration to be awarded to these Employees does not compromise their objectivity and independence, and must be based on a performance assessment, based predominantly on criteria related to the implementation of the company's internal control system.

6.3 EMPLOYEES WHOSE TOTAL REMUNERATION PLACES THEM IN THE SAME REMUNERATION BRACKET AS THE BOARD OF DIRECTORS, SUPERVISORY BOARD OR EMPLOYEES OF THE INTERNAL CONTROL FUNCTIONS, WHOSE PROFESSIONAL ACTIVITIES HAVE A MATERIAL IMPACT ON THE DIF BROKER'S RISK PROFILE.

Approval process

It is the competence of the Board of Directors to:

- Annually define which employees fall into this category;
- Approve their remuneration so as to prevent such remuneration from providing an incentive for such employees to take excessive risks or to act in a manner inconsistent with the interests of DIF BROKER's customers.

Components:

Fixed Remuneration

The remuneration of the Employees referred to in this section shall consist of a fixed remuneration paid monthly, 14 times a year.

Variable Remuneration

The Board of Directors defines and approves the Variable Remuneration to be awarded to Employees who perform duties with responsibilities in the assumption of risks with a potentially material impact under the general terms of this Policy, ensuring that the remuneration awarded does not constitute an incentive to take on excessive risk in the light of the risk profile defined at each moment for the Company.

6.4 SENIOR MANAGEMENT AND OTHER EMPLOYEES

Approval process

The Board of Directors is responsible for defining and approving the remuneration of the Senior Management and other Company Employees in accordance with the general principles and rules set out in this Policy.

Components:

Fixed Remuneration

The remuneration of the Employees referred to in this section shall consist of a fixed remuneration paid monthly, 14 times a year.

Variable Remuneration

The Board of Directors defines and approves the Variable Remuneration to be awarded to the Employees of the Senior Management and other Employees under the general terms established in this Policy.

7. GROUP REMUNERATION POLICY

7.1 As the parent company of a financial group subject to supervision on a consolidated basis, DIF BROKER ensures that all its subsidiaries, including foreign subsidiaries, adopt and ensure consistent remuneration policies among themselves.

7.2 The risk management and compliance functions, jointly, evaluate annually the impact of the remuneration practices of the subsidiaries and their effect on risk management, capital and liquidity of the institution and prepare a report that must be submitted to the Board of Directors, Supervisory Board and General Meeting of the Parent Company, highlighting if there are measures required to correct the deficiencies detected.

8. FINAL PROVISIONS - APPROVAL, REVIEW, MONITORING AND DISCLOSURE OF THE REMUNERATION POLICY

- a) This policy has been prepared and approved by the Board of Directors of DIF BROKER, which is responsible for its day-to-day implementation, and is subject to approval by the Company's General Meeting.
- b) The implementation of this Policy is subject to a centralised and independent internal review, at least annually, to be performed by the Supervisory Board, with the objective of verifying compliance with the remuneration policies and procedures adopted and including measures to correct any deficiencies detected, which is the subject of a written report, pursuant to article 44 of Notice 3/2020.
- c) The Company annually evaluates and reviews the terms and conditions of this Policy and its effectiveness with a view to identifying and, as the case may be, implementing any necessary improvements. Accordingly, the Company reserves the right to amend or add to it at any time.
- d) This Policy is available on the Company's website;
- e) DIF BROKER takes steps to ensure that all information regarding Remuneration is kept in a legally binding format for 5 years.
