

(I) FRAMEWORK AND SCOPE

The Investment Company Act (hereinafter "REI"), approved by Decree-Law no. 109-H/2021 of 10 of December, enshrines the essential legal regime governing access to the activity, the audit framework and the prudential rules applicable to investment companies, as defined in Article 1 of that diploma. Pursuant to article 52 et seq. of the REI, investment firms adopt, apply and periodically review a Remuneration Policy (the Policy) applicable to certain categories of employees.

Article 51 of Regulation (EU) 2019/20331 of the European Parliament and of the Council of 27 of November of 2019 on prudential requirements for investment firms regulates the disclosure of information relating to the Policy.

The Policy must also comply with the provisions of Chapter 4 of the European Banking Authority (EBA) Guidelines on sound remuneration policies, revised on 2 of July of 2021 (EBA/GL/2021/04)² (hereinafter the "Guidelines").

Additionally, in light of Article 5 of Regulation (EU) 2019/2088³ of the European Parliament and of the Council of 27 of November of 2019, information should be included in the Policy on how it integrates environmental, social and governance (ESG) sustainability risks.

It is therefore, considering the regulatory framework set out above, that this Policy sets out the rules applicable to the employee remuneration practices of DIF BROKER - Empresa de Inversión, S.A. (DIF BROKER or the Company).

This Policy in accordance with the above laws and regulations is prepared on a proportionate basis, adopting those measures deemed appropriate and necessary for compliance with this regulatory framework and excluding those which, in view of the size of DIF BROKER, particularly with regard to scale, internal organisation and nature, as well as the scope and complexity of DIF BROKER's activities, are not applicable or whose application is not justified in view of DIF BROKER's risk profile.

The Policy is applicable to DIF BROKER employees, including those in the following categories:

¹ Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 of November of 2019 on prudential requirements for investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014.

² EBA guidelines on sound remuneration policies under Directive 2013/36/EU - EBA/GL/2021/04, which can be found at the following link: https://www.eba.europa.eu/sites/default/documents/files/document_library/Publications/Guidelines/2021/EBA-GL-202104%20Guidelines%20on%20sound%20remuneration%20policies/Translations/1023120/GL%20on%20remuneration%20policies%20under%20CRD_EN.pdf

³ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 of November of 2019 on disclosure of sustainability-related information in the financial services sector.

- To employees exercising top management duties;
- To employees responsible for risk-taking and internal control duties; and
- To employees whose global remuneration is at least equal to the lowest remuneration received by senior management or risk takers and whose professional activities have a material impact on the risk profile of the investment firm or of the assets it manages (hereinafter the "identified employees").

It is incumbent on DIF BROKER to identify employees whose professional activities have a significant impact on DIF BROKER's risk profile (hereinafter the "Identification Process").

The Identification Process should be clear, consistent, properly documented⁴, and DIF BROKER should keep a record of the results obtained, in respect of identified employees and in respect of those staff members who have been identified in accordance with the quantitative criteria, but whose professional activities have been assessed as not having a material impact on the institution's risk profile, documentation for a period of time adequate to allow for review by competent authorities.

The Identification Process should be based on:

- On the criteria set out in Article 92(3)(b)⁵, of Directive 2013/36/EU of the European Parliament and of the Council of 26 of June of 2013⁶; and
- On the qualitative criteria established in the regulatory technical standards relating to the identified employees.

There are currently no employees in DIF BROKER identified under the terms defined in Article 52(d) of the REI.

In accordance with article 53 of the Banco de Portugal Notice no. 3/2020, of 15 of July (hereinafter the "Notice"), and given that DIF BROKER is part of the financial group subject to auditing on a consolidated basis of Banco de Investimento Global, S.A. (hereinafter "BiG"), this Policy applies to and should be read in accordance with the Remuneration Policy for Employees of BiG, as parent company of the group, which is available on its website.

⁴ The following information should be included in the documentation of the self-assessment carried out for the purpose of identifying employees whose professional activities have a significant impact on DIF BROKER's risk profile:

- a) The rationale behind self-assessment and the scope of its application;
- b) The method used to assess risks emerging from the institution's strategy and business activities, including in different geographical locations;
- c) The way staff working in institutions and other entities included in the consolidation scope, subsidiaries and branches, including those located in third countries, are evaluated;
- d) The role and responsibilities of the different internal company bodies and duties involved in the definition, auditing, review and application of the self-assessment process;
- e) The result of the identification; and
- f) Number of employees identified, their area of activity, their responsibilities and activities, names or other unique identifier and comparison with the previous year's self-assessment results.

⁵ "The members of staff with management responsibilities for the control duties or significant business units of the institution"

⁶ Directive 2013/36/EU of the European Parliament and of the Council of 26 of June of 2013 on the access to the activity of credit institutions and the prudential auditing of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

(II) REMUNERATION: GENERAL RULES

1. General Principles

This Policy meets the following requirements under Article 53 of the REI:

- It is proportionate⁷ in relation to the scale, internal organisation and the nature, scope and complexity of DIF BROKER's activities;
- It is gender-neutral, being based on the principle of equal pay for equal work;
- It is consistent with and promotes sound and effective risk management;
- It is aligned with DIF BROKER's business strategy and objectives, considering the long-term effects of investment decisions taken; and
- It contains measures to avoid conflicts of interest, encourage responsible business conduct and promote risk awareness and prudent risk taking.

The employees identified are forbidden to use personal hedging strategies or to take out remuneration or liability insurance, as well as to adopt or implement any other mechanism that gives rise to the receipt of variable remuneration in an amount higher than that resulting from the application of this Policy.

DIF BROKER also meets, in terms of remuneration, risk objectives relating to environmental, social and governance risks (ESG risks).

This Policy is also applicable, as to its principles and frameworks, to other persons acting on behalf of DIF Broker, namely, tied agents, in order to ensure that payments made do not constitute an incentive for excessive risk-taking or mis-selling of products.

2. Remuneration and Competences Committee for each Duty, Body and Area of DIF BROKER

In view of the value of its property assets, DIF BROKER is required to have a Remuneration Committee (RC), and the duties of this body, as defined under Article 54 of the REI, are assigned to the Audit Board and, therefore, in this Policy, any references to the RC and its powers shall be construed as references to DIF BROKER's Audit Board.

The RC exercises the following powers, provided for in Article 55(4) of the REI, in relation to the remuneration of employees and identified employees of DIF BROKER:

- It makes informed and independent judgements on remuneration policies and practices, including on matters of potential conflicts of interest, as well as on the incentives created for risk management, capital and liquidity purposes, also considering the ESG risk objectives;
- Prepares remuneration decisions, including those with implications for risk and risk management, to be taken by the Board of Directors, considering the long-term interests of shareholders, investors and other interests that may be affected by DIF BROKER's activities.

⁷ In terms of proportionality, DIF BROKER complies with Section 4 of Part I of the Guidelines

Without prejudice to the powers of the RC, the Audit Board shall periodically review this Policy and monitor its application.

As part of the internal review of the Policy, the RC should assess whether the Company's overall remuneration processes, policies and practices:

- (i) duty as intended (in particular, whether approved policies, internal rules and procedures are complied with, whether remuneration payments are appropriate to the business strategy, and whether the risk profile, long-term goals and other objectives of the Company are adequately reflected);
- (ii) comply with national and international regulations, principles and standards; and
- (iii) are defined on a consistent basis across the BiG Group, comply with Article 141 of Directive 2013/36/EU and do not limit DIF BROKER's ability to maintain or restore a sound capital base.

The application of the Policy is subject, at least annually, to central and independent internal review performed by Internal Control duties, which shall include an analysis of whether the Policy is gender neutral.

Where periodic reviews reveal that the Policy is not having the intended or anticipated effect, the necessary recommendations are communicated by the Internal Control duties to the RC, which, taking into consideration such recommendations, ensures the timely proposal, approval and implementation of an action plan of corrective measures.

The compliance duty shall review how the Policy affects DIF BROKER's compliance with legislation, regulations, internal policies and risk culture and shall report all compliance risks and non-compliance issues identified to the Management and Audit Boards and the RC. The findings of the compliance duty should be considered by the Audit Board during the remuneration policy approval, review and auditing procedures.

The internal audit duty is also responsible for defining and implementing the Policy. However, DIF BROKER does not have an autonomous internal audit duty, but it is assumed by the internal audit duty of BiG, as the parent company of the Group, in accordance with Article 16(3) of the Notice. The internal audit duty is performed by the internal audit duty of BiG, as the parent company of the Group, in accordance with Article 16(3) of the Notice, taking into consideration that: (i) DIF BROKER is not qualified to receive deposits, (ii) the number of employees, excluding directors, is less than thirty and the operating revenues in the last financial year were less than €20,000,000, and (iii) DIF BROKER adopts additional monitoring procedures to mitigate the absence of such duty.

The Risk Committee, whose powers are vested in DIF BROKER's Audit Board, should examine whether the incentives provided by remuneration policies and practices consider the risk, own capital and liquidity

of the institution, as well as the likelihood and timing of outcomes. Within the scope of this Policy, any references to the Risk Committee and its powers shall be construed as references to the Audit Committee of DIF BROKER.

3. Remuneration of Employees with Internal Control Duties

Employees who perform internal control duties are independent from the business units they supervise, have adequate powers and are remunerated in accordance with the achievement of the objectives associated with their duties, regardless of the performance of the business areas under their control.

The remuneration of senior staff performing risk management and compliance control duties is directly supervised by the RC and should be predominantly fixed to reflect the nature of their responsibilities and to enable DIF BROKER to hire qualified and experienced staff to perform these duties.

4. Composition of the Fixed and Variable Component of Remuneration

The remuneration of DIF BROKER employees may consist of a fixed component and a variable component.

The present Policy, considering the specific labour regime, makes a clear distinction between the criteria applied to determine:

- The fixed basic remuneration awarded, which mainly reflects the relevant professional experience and organisational responsibility set out in the employee's job description as part of their working conditions; and
- The variable remuneration awarded, which reflects the sustainable and risk-adjusted performance of the employee, according to performance indicators that exceed the employee's duties.

The fixed component represents a sufficiently high proportion of the total remuneration to allow the application of a flexible policy of variable remuneration components, including the possibility of non-payment of any variable remuneration component.

Compensation paid to employees should provide incentives so that their actions are in line with DIF BROKER's long-term interests and do not encourage excessive risk-taking, thus not creating incentives that may further promote their own or the Company's interests, to the possible detriment of the interests of clients.

Remuneration components are set at appropriate ratios between the fixed and variable components of total remuneration, considering the activities performed by DIF BROKER's employees and the risks associated with them, as well as the impact that the different categories of employees covered by the Policy have in the respective risk profile.

The fixed remuneration is established on the basis of this Policy and of market references, safeguarding the different technical specificities and professional experience.

At DIF BROKER, this component covers base salary (paid 14 times a year, including holiday and Christmas subsidy, as provided for by law) and other pecuniary benefits payable under contractual or legal terms that are not dependent on the performance of the employee, the department to which he/she belongs, or DIF BROKER.

The remuneration awarded to employees, whether fixed or variable, as well as any type of incentive award, is approved by the Board of Directors, and the RC is responsible for making proposals and recommendations, where appropriate, with a view to preparing decisions regarding remuneration, including decisions with implications for DIF BROKER's risk and risk management that are to be taken by the Board of Directors.

Payments made by DIF BROKER to tied agents acting on its behalf in prospecting for clients and, in general, in the exercise of its financial intermediation activities, may not encourage excessive risk-taking or mis-selling of products, and incentives that may compromise the tied agents' duty to act in the best interest of the client, under the terms of the law, are prohibited.

5. Variable Remuneration

The variable remuneration awarded and paid by DIF BROKER, where applicable, is appropriate to its scale and internal organisation and the nature, scope and complexity of its activities.

The decision to award variable remuneration may not affect DIF BROKER's ability to maintain a sound capital base (Article 58(4) of the REI).

There is no guaranteed variable remuneration, except for the hiring of new employees in their first year of employment, in which case it is a requirement that DIF BROKER has a strong capital base.

Where the variable component of remuneration depends on the individual performance of each employee, the total amount of variable remuneration is based on a combination of the assessment of individual performance, the business unit concerned and DIF BROKER's overall results, except in the case of employees performing internal control duties, where the variable component depends only on the individual assessment.

The assessment of individual performance integrates criteria of financial and non-financial nature, according to a multi-year framework, considering the business cycle of the investment company and the respective business risks.

The measurement of performance used to calculate the variable component of remuneration, if any,

considers all types of current and future risks inherent in DIF BROKER's business, as well as the cost of capital and liquidity required under European Union legislation on prudential requirements for investment firms.

Variable remuneration is not paid through financial vehicles or any mechanism or method which avoids the application of national legal provisions or EU legislation on prudential requirements for investment firms.

The remuneration of employees who exercise control duties tends to be fixed, to reflect the nature of their responsibilities. Where remuneration includes a variable component, this will depend solely on the assessment of the individual employee's performance, considering the specific objectives related to the duties performed by him/her, and may to some extent also be based on the overall performance of DIF BROKER.

The remuneration of risk-taking employees, internal control duties and other identified employees is directly supervised by the RC in order to verify its adequacy and compliance with the requirements of the inherent regulations. The RC provides a mandatory opinion on the variable remuneration awarded to these employees, including DIF BROKER's risk takers.

The incentives granted to the sales team, whether in cash or capital instruments referred to above, will consider whenever applicable the provisions of this policy regarding employees involved in the retail marketing of financial products and instruments.

Remuneration decisions regarding employees involved in the retail marketing of products and financial instruments must not create incentives that may compromise the duty of these employees to act in the best interest of the client.

To that extent, no remuneration of any kind or assessment based on any incentive for the retail marketing of specific products or financial instruments is allowed.

The variable component of each employee identified may not exceed the value of the fixed component.

a) Payment in Financial Instruments

The rules on the payment of variable remuneration, provided for in Article 61(1) of the REI, do not apply to DIF BROKER since, in view of the size and structure of DIF BROKER, such variable remuneration does not exceed the minimum thresholds provided for therein.

b) Deferral of Variable Remuneration

The rules on deferred variable remuneration set out in Article 62(1) of the REI do not apply to DIF BROKER since, in view of DIF BROKER's size and structure, such variable remuneration does not exceed the minimum thresholds set out therein.

c) Reduction and Reversal

Variable remuneration may be fully reduced in the event of reduced or negative performance of DIF BROKER.

DIF BROKER defines criteria for applying reduction ("malus"⁸) or reversion ("clawback"⁹) mechanisms to the variable remuneration component as a whole, including, namely, situations in which the employee

- Participated in or was responsible for conduct that resulted in significant losses to DIF BROKER;
- No longer considered suitable for the performance of any duties at DIF BROKER.

For the purposes of reduction or reversal of variable remuneration, the following situations are also considered, in addition to those referred to in the previous paragraph

- a) When the employee concerned no longer meets the suitability and reliability criteria;
- b) Where the employee concerned has engaged in or been responsible for the marketing to retail investors of financial products or instruments that have caused material losses to those investors;
- a) When the employee in question ceases to be an employee of DIF BROKER, terminating his/her employment contract on his/her own initiative or being dismissed with just cause;
- b) When the employee in question has committed acts or has been in a situation that constitutes grounds for disciplinary proceedings;
- c) When the decision to award a variable remuneration component has been based on assumptions that were not verified or when it is proven that these assumptions were not correct and/or adequate on the date of the decision.

6. Severance Bonus

Any payments related to early termination of employment reflect individual performance during the period of employment, and do not reward failure or inappropriate behaviour.

Remuneration mechanisms relating to compensation or termination of prior employment are compatible with the long-term interests of DIF BROKER.

7. Discretionary Pension Benefits

The rules relating to the payment of discretionary pension benefits, set out in Articles 60(1) and 60(2) of the REI, are not applicable to DIF BROKER, since in view of the size and structure of DIF BROKER no discretionary pension benefits are awarded.

8. Conflicts of Interest

Conflicts of interest regarding remuneration policy and the remuneration awarded should be identified and adequately mitigated, notably by defining objective award criteria, based on the internal information system, adequate controls and the four-eyes principle.

The remuneration policy shall ensure that no significant conflicts of interest arise for the staff

⁸ Scheme allowing the institution to reduce the value of all or part of the variable remuneration deferred on the basis of ex-post risk adjustments before it vests.

⁹ Scheme under which the employee is obliged to return ownership of an amount of variable remuneration already paid or which he has already acquired from the institution under certain conditions.



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members, particularly in relation to staff members with control duties.

To the extent not expressly provided for herein with respect to conflicts of interest, DIF BROKER's Policy on the Prevention of Conflicts of Interest, as currently in force, shall apply.

(III) THE COMPANY'S EMPLOYEE REMUNERATION POLICY

1. General Rules

Remuneration of DIF BROKER employees referred to in this section will consist of a fixed component (base 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 clients.

Without prejudice to the principle of autonomy in the treatment of the two components, the definition of the fixed component of the remuneration considers 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 attributed according to the performance assessment of each employee, based on the fulfilment of goals established in accordance with indicators that are predominantly qualitative, weighted according to the nature of the duties performed.

Notwithstanding the above regarding the internal control duties, the evaluation indicators are essentially as follows:

- **Quantitative indicators:**

You will be assessed primarily on your compliance with:

- Measurable objectives determined at the beginning of each year, based on the business unit's own criteria;
- Measurable and determined objectives at the beginning of each Society year; and
- Shared (team) goals and individual goals.

- **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;
- Client orientation (internal and external);
- Relationship with the client;
- Knowledge of the Duty.

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.

(IV) APPROVAL OF THE REMUNERATION POLICY AND ITS DISCLOSURE

This Policy and subsequent amendments are submitted to the Board of Directors for approval.

This Policy will be disclosed to all members of the Management and Audit Boards and will be made available, once approved, on DIF BROKER's website, available at www.difbroker.com.