

REMUNERATION POLICY

1. INTRODUCTION AND SCOPE OF APPLICATION

1.1. INTRODUCTION

This remuneration policy (hereinafter, the "Policy") aims to establish the remuneration models and schemes of EUROAMERICAN FINANCIAL ADVISORS 2021, EAF, S.L. (hereinafter, the "EAF", the "Entity" or "EF Advisors 2021"), for its employees and The Management Board, in relation with the provision of the investment and/or auxiliary services listed in Article 63 of Law 24/1988, of July 28, on the Securities Market (hereinafter, the "LMV") to retail clients, and in the extent relevant, to professional clients.

This Policy has been developed in compliance with the provisions on remuneration in the applicable regulations of the Directive 2014/65/EU (hereinafter, MiFID II) and in its implementing regulations, Regulation 2017/565 and in accordance with the criteria set out by the European Securities Markets Authority ("ESMA") and the Spanish National Securities Market Commission and may be reviewed and adapted in the future as necessary to deal with possible regulatory changes.

The purpose of the Policy is to clarify with total transparency the main aspects of remuneration, in such a way that the interests of EF Advisors 2021 and its employees on the one hand, and those of EAF clients on the other, are always aligned. The implementation of this policy will allow an effective management of any conflicts of interest that may arise in terms of remuneration, as well as clarify our risk management in terms of standards of conduct, in order to ensure that the interests of clients are not harmed by the employee remuneration practices adopted by the Entity.

1.2. SCOPE OF APPLICATION

This policy shall apply to any remuneration received by the Staff of the Entity, with remuneration being understood as all forms of payment or benefits paid by EF Advisors 2021.

This Remuneration includes both fixed and variable components (the specific operation of which will be described below). These two components include, in turn, both monetary and non-monetary payments, including health insurance, daycare checks or supplementary pension plans.

The provisions contained in this Policy,

- i. Shall apply, in the temporary scope, to all types of remuneration paid after the approval of the same by the Entity's Management Board, and to the remunerations granted and not yet paid prior to this date.

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ii. They will apply to all EF Advisors 2021 staff, without prejudice of the fact that certain principles apply only to the so-called Staff with an impact on the Risk Profile of the Entity. For the purposes of applying this Policy, "Persons with an impact on the risk profile of the Entity" are all the employees who participate, directly or indirectly, in the provision of investment services and auxiliary services and, in particular, those who can significantly influence the service provided and the risk of compliance with standards of conduct, as well as in the behavior of EF Advisors 2021 in this area. The definition also includes, in addition to employees, the members of the Management Board.

Members of the following bodies, departments or areas have been identified as Persons with an impact on the Risk Profile of the Entity:

- Management Body
- Head and advisers of the Investment Department
- Head of the Customer Service Department

Regarding the members of the controlling functions, they shall not be subject to the extent that such functions are outsourced, as is the case at the date of drafting of this Policy.

2. GENERAL PRINCIPLES OF THE REMUNERATION POLICY

2.1. Inspiring Principles of Remuneration

The Policy is compatible with adequate and effective risk management, promotes this type of management and does not offer incentives to assume risks that exceed the level of risk tolerated by the Entity. It is also consistent with the business strategy, goals, values and long-term interests and avoids potential conflicts of interest that may be detrimental to clients.

This Policy should be implemented on the basis of the following principles:

- Is based on the role/job title and incorporates measures to prevent conflicts of interest that may arise;
- Takes into account **merit**, technical knowledge, professional skills and performance;
- Guarantees **equality**, without meeting criteria of sex, race and ideology;
- **Transparency**, which must be known by all its recipients;
- **Flexibility** in the structure and adaptability to different groups and circumstances; and,
- **Competitiveness** with respect to the market.
- **Full compliance** with current regulations

As seen above, the remuneration scheme of the Entity is based on the principle of proportionality between fixed components and variable components, which must be properly balanced. The fixed component shall constitute a sufficiently high part of the total remuneration, so that a fully flexible

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policy can be applied as regards the variable part of the remuneration, to the extent that it is possible not to pay such variable remuneration. These components shall be determined as follows:

- The fixed part of the remuneration should mainly reflect the relevant professional experience and responsibility in the organization as stipulated in the job as part of the working conditions; and
- The variable part of remuneration should reflect a sustainable and risk-adapted performance, as well as a higher return than is required to comply with the job description as part of the working conditions.

Variable remuneration will be set according to the assessment of their personal performance and the evolution of the results of the area or the overall results of the Entity. The evaluation of the employee's performance shall take into account both, quantitative and qualitative criteria.

2.2. Principle of proportionality

The measures established by the Entity in matters of remuneration should be consistent with the promotion of a solid and effective risk management, under conditions proportionate to the size, internal organization and nature, scale and complexity of its activities. This implies that not all entities have to meet remuneration requirements in the same way and to the same extent, with some of them having to implement more sophisticated policies and practices while others will be able to meet them more easily. In addition, the application of the principle of proportionality could justify the non-application of certain obligations for a particular entity (neutralizing effect of the principle of proportionality).

In this sense, the Entity is characterized by:

- Small size:
 - The workforce is reduced and is not expected to exceed 50 employees on a medium term.
- Simple internal organization:
 - This is an unlisted company.
 - The Entity does not have branches.
- Lack of complexity of the activities it carries out:
 - As it is a financial advisory company, it does not carry out activities on its own.
 - The financial instruments on which it provides investment services are considered non-complex.

Therefore, as a consequence of its small size, its internal organization and the nature, scope and low complexity of its activities, the neutralizing effect of the principle of proportionality is applicable in the case of the Entity.

3. SPECIFIC PRINCIPLES FOR SETTING OF VARIABLE REMUNERATION

Performance assessment is the specific fundamental principle for setting the variable remuneration of all employees (including Staff with an impact on the on the Entity's risk profile). For the eventual variable component, the performance of their functions and tasks will be taken into account in accordance to the level of responsibility of each person and according to the capacity of the Entity to proceed with the payment of such amounts.

In the evaluation of such performance shall be considered both, quantitative and qualitative criteria, as well as the compliance with internal rules and procedures that encourage staff with an impact on the Entity's risk profile to in benefit of the interests of clients.

The Ef Advisors 2021's profit-sharing scheme is flexible, which means that there may be no participation in case of non-compliance with the employee's performance assessment criteria or in the event that the performance and business responsibility indicates that it would be unwise to assume their payment at that time as it could jeopardize the financial status of EF Advisors 2021.

3.1. Quantitative criteria

EF Advisors 2021's remuneration policy takes into account the following quantitative factors:

- Annual variable remuneration may not exceed 20% of the total remuneration earned in that period.
- Achievement of the long-term objectives set for the Entity.
- Financial capacity of the Entity to deal with the payment based on own resource estimates during the three years following accrual.
- Achievement of the objectives set at the individual level.

Under no circumstances shall remuneration be fixed on the basis of quantitative criteria consisting in that, as a result of the recommendations made, a certain volume of sale or a certain type of product acquired by clients from third parties. Practices that include, for example, a requirement to achieve a quota of minimum levels of recommendations on certain products to earn any bonus that is inconsistent with the duty to act on the client's best interests. Also, unless otherwise expressly agreed, EF Advisors 2021 employees work exclusively for EF Advisors 2021, and cannot receive any remuneration from any third party person or legal entity.

3.2. Qualitative criteria

EF Advisors 2021's remuneration policy also takes into account qualitative criteria that encourage employees and staff with an impact on the Risk Profile of the Entity to act in the best interests of the client:

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- Performance evaluation according to their position and the tasks associated with the services provided and quality of the service.
- Compliance with the Internal Policies of the Entity and, specially, compliance with the rules of conduct.
- Result of the Control Unit Reports (including, where applicable, the impact of client complaints and claims).
- Results of the review of the suitability of the instruments recommended by staff with an impact on the risk profile of the Entity.

On an annual basis, an employee evaluation will be carried out by personal interview, where on the one hand the remuneration scheme will be shared with employees, which will be set according to each category, experience and training, without any type of discrimination; and on the other hand, both qualitative and quantitative criteria, as well as the skills, attitudes and results achieved in the previous year and the short-term (one year) and medium-term (three-year) objectives for each employee will be agreed.

4. POLICY COMPLIANCE AND SUPERVISION

The Management Body will be responsible for setting the remuneration of employees and staff with an impact on the risk profile of the Entity under its responsibility based on the performance assessment criteria set out in this Policy, with the particularities that may arise in each case, while respecting in any case the general principles contained in this Policy. Following the principle of proportionality, the Management Body may partially delegate this work to the Human Resources department or the Financial Department.

The Internal Control role will verify the existence and compliance with the remuneration policy. The periodicity for the completion of this verification shall be established in accordance with the principle of proportionality.

5. POLICY APPROVAL AND REVIEW

The Policy has been approved by the Board of Directors of the Entity. Any amendments to this Policy will require the approval of the Entity's Board of Directors.

The Policy shall be updated and/or amended, at least, in the following cases:

- (i) When legal or regulatory changes take place affecting the established policy.
- (ii) On a proposal from those responsible for the internal control functions of the Entity (Internal Audit - outsourced, Compliance, Risk Management), when it is understood that

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there are sections likely to improve for the achievement of the proposed objectives or to adapt conveniently to the situation and business of the Entity at all times

(iii) On a proposal from the supervisory bodies.

6. VERSION CONTROL

Version	Update date	Details/motives of update	Date of approval by the Board of Directors
v.01	04/13/2021	Drafting of Policy.	