

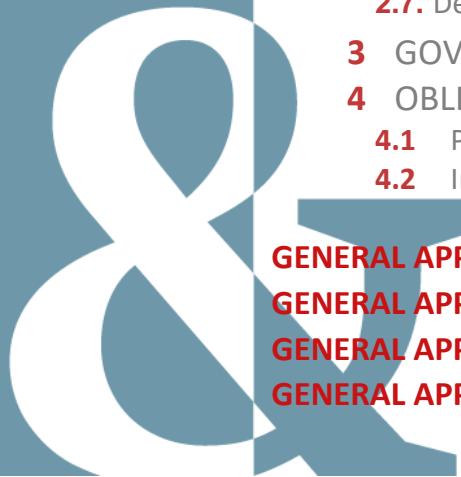


A&G GROUP REMUNERATION POLICY

December 2023

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Policy Owner general part	Asesores y Gestores Financieros, S.A.	
Policy Owner special part	The affected company	
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1. INTRODUCTION

1.1. Background and purpose.

The purpose of this document (the "**Policy**" or "**Remuneration Policy**") is to establish the basic remuneration principles applicable to the A&G Group, as defined below. It provides the group with a set of remuneration practices and internal procedures that ensure appropriate and proportional application of the requirements established by the regulatory framework on remuneration, alignment between the interests of its employees, shareholders, and customers, as well as prudent risk management. It defines a remuneration system that is competitive in the market and compatible with the business strategy, objectives, values, and interests of A&G Group companies, as defined below, its shareholders and its customers, and the collective investment undertakings managed by them (hereinafter, "**CIUs**"), as well as of the investors in said CIUs.

In addition, the A&G Group hereby defines a number of identified groups, the composition of which is reviewed each year and approved by the respective Boards of Directors of the Group's companies. Their remuneration may include specific rules not detailed in this Policy.

For these purposes, the A&G group is made up of a group of financial and non-financial institutions (hereinafter, the "**Group**", the "**A&G Group**", the "**Entities**" and, individually, the "**Entity**"), including:

- Several that are subject to supervision (the "**Regulated Entities**"):
 - the parent company Asesores y Gestores Financieros, S.A. (hereinafter, the "**Parent Company of the A&G Group**").
 - the credit institution A&G Banco, S.A.U. (hereinafter, the "**Bank**"), supervised by the Bank of Spain and the Spanish Securities and Exchange Commission (the "**CNMV**") with regard to the provision of investment services and activities,
 - the investment fund management company A&G Fondos, S.G.I.I.C., S.A., (hereinafter, "**SGIIC**"), which is in turn supervised by the Spanish Securities and Exchange Commission, and
 - the investment fund management company A&G Luxembourg AM, S.A. (hereinafter, "**A&G Lux**"), supervised by the Commission de Surveillance du Secteur Financier (CSSF).

And others that are not subject to supervision or come under the umbrella of one of the Regulated Entities (the "**A&G subsidiaries**", and individually, the "**A&G subsidiary**"), which are:

- the subsidiary AIGA Advisory S.L.¹ (hereinafter, "**AIGA**"), which carries out real estate brokerage, issues commercial reports, advises companies on capital structure, industrial strategy and related matters, and also provides advice and services in the field of mergers and acquisitions.
- the subsidiary Customer Relationship Officer AYG SL (hereinafter, "**CRO**"), which is a tied agent of the Bank.
- The company Private Equity, S.L., which is currently reduced to a shell company with

¹ A subsidiary that is not a regulated entity and therefore is not subject to Directive 2013/36/EU on an individual basis but is subject to the remuneration requirements of Directive (EU) 2019/878 in order to avoid any arbitrage when it provides specific advice services or, when in view of its professional activities as a whole, its employees are considered to undertake significant risks at Group level.

no employees.

1.2. Applicable regulations.

This Policy has been prepared in accordance with the risk profile of the A&G Group and the applicable regulations in force, as listed in Appendix I (the "**Applicable Regulations**"). It is also subject to the articles of association of the Group entities and the general principles set out in section 1.5 below.

1.3. Scope.

The General Part of the Remuneration Policy applies to all Entities, directors and employees who, at any time, make up the A&G Group (hereinafter, and as defined in the next section, the "**Staff**").

Notwithstanding the foregoing, it should be noted that:

- a) The Regulated Entities are subject to specific regulations and procedures or additional specific rules may apply to them.
- b) Some of the Group's professionals may be part of one or more identified groups of regulated entities subject to specific rules concerning their remuneration policy.
- c) A&G Lux, as a company based in Luxembourg, is subject to the specific regulations of its country of origin.

If the specific policies or regulations detailed in paragraphs (a) to (c) do not fully match those included in the General Part of this Remuneration Policy, any specific aspects included in such specific differentiated regulations must be taken into account. The Bank's Appointments and Remuneration Committee or the Board of Directors of the other Regulated Entities and A&G subsidiaries will determine the priority of the policies or regulations applicable to the respective identified groups for which there may be a conflict in the application of the specific rules.

1.4. Definitions.

In this Policy, the defined terms below will have the following meanings:

- **Group, the A&G Group or the Entities:** The parent company and its subsidiaries to which this Policy applies: Asesores y Gestores Financieros, SA, A&G Banco SAU, A&G Fondos SGIIC, SA, A&G Lux AM SA, AIGA Advisory, SL, Customer Relationship Officer AYG SL, Private Equity, S.L.
- **Identified Group:** the categories of Staff whose professional activities have a significant impact on the Bank's risk profile, in accordance with the applicable legislation, as well as the control functions delegated to third-party entities of the A&G Group and the categories of employees of the A&G Group Entities who, when applicable, assist the Entities or otherwise have a material impact on the risk profiles of the Entities or its group.

The Identified Group is defined on the basis of the provisions of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 ("**CRD V**") amending Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 ("**CRD IV**") on

access to the activity of credit institutions and the prudential supervision of credit institutions, as implemented in Spanish law mainly through Act 10/2014.

Further details regarding the persons belonging to the Identified Group are included in General Appendix II of this Policy.

A list of persons included in this group in each Company will be defined and updated on an annual basis.

- **Commercial Group:** all Group employees who may have a significant effect on the investment service or activity or on the corporate conduct of the A&G Group, including persons who have a direct relationship with the customer whose remuneration could provide incentives to act against the customer's interests.

The Commercial Group is defined on the basis of the provisions of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("MiFID II"), as implemented in Spain mainly through the Law 6/2023, of 17 March, on the Stock Market and Investment Services Act, which is different from that included in the definition of the Identified Group.

Further details in relation to persons belonging to the Commercial Group are included in General Appendix III of this Policy.

A list of persons included in this group in each Company will be defined and updated on an annual basis.

- **Fund Managers Group:** categories equivalent to the Identified Group, detailed for management companies of an undertaking for collective investment in transferable securities ("UCITS"), such as SGIIC, or of an alternative investment fund ("AIF"), such as A&G Lux.

Further details in relation to persons belonging to the Managers Group are included in General Appendix IV of this Policy.

A list of persons included in this group in each Company will be defined and updated on an annual basis.

(Hereinafter, referred to jointly as the "**Groups**" and individually as the "**Group**")

- **Staff:** all individuals subject to this Policy, including all employees, regardless of their employment status, and all directors of the Entities.
- **Control function:** a function independent of the business units that controls and is responsible for providing an objective assessment of the entity's risks, analysing or reporting on them, such as but not limited to the risk management function, the compliance verification function, the anti-money laundering function and the internal auditing function.
- **Directors:** the directors who are members of the Entities' management bodies, as applicable.
- **Board of Directors:** Entities' management body, as applicable.

- **Management Team:** natural persons who perform executive roles in the respective Entity and who are responsible for the day-to-day management of that Entity and are accountable to the relevant management body.
- **Collective Bargaining Agreement:** trade union agreement of each Entity to establish salaries, work schedules and other working conditions, among others.
- **General Part:** the general part of this Remuneration Policy of the A&G Group consists of sections 1 to 4 and the General Appendixes to the General Part.
- **Special Part:** the special part of this Remuneration Policy for the A&G Group consists of the specific sections of the Entities, as defined in this section 1.4.
- **Detailed standards and procedures:** remuneration standards, rules and procedures that adapt the specific nature of the activity, the business model or that identify the Personnel of the relevant Group within the Entities or A&G subsidiaries concerned by this policy, which the Entities may develop, within the framework of its application and in strict compliance with this policy. The Board of Directors of each A&G Entity or subsidiary shall be responsible for their approval subject to the consultation with the Bank's Appointments and Remuneration Committee.

1.5. General principles.

In view of the foregoing, and taking into account the Applicable Regulations, the objectives sought by this Policy are as detailed below:

- **Prudent and effective risk management:** The Remuneration Policy shall be in accordance with sound and effective risk management and shall not provide incentives for excessive risk-taking in relation to the level of risk tolerated by the Group.
- **Alignment with long-term interests:** The Remuneration Policy shall be consistent with the business strategy, objectives, values and long-term interests of the A&G Group, and shall include measures to prevent conflicts of interest.
- **Independence and avoidance of conflicts of interest:** The professionals involved in risk management or who perform control functions shall be independent of the business units they supervise. They shall have the necessary authority to perform their duties and shall be compensated on the basis of achieving the objectives linked to their functions, irrespective of the earnings of the business areas they control.
- **Multiplicity of items:** The total remuneration shall be made up of a set of instruments that, in terms of content (monetary and non-monetary), security (fixed and variable) and time horizon, as well as their purpose, allow the remuneration to be adjusted to the needs of the A&G Group and its professionals.

In designing remuneration policies and practices, the Group takes into account all relevant factors, such as the role of the person concerned, the type of products offered, and the investment service provided in relation to distribution (e.g. advice v. marketing, direct contact with the customer v. online banking), in order to prevent potential risks that could affect the customer's interests, those of the CIU it manages in the case of management companies, or those of the CIU's investors, and to ensure that the Entities adequately

manage any minor risks.

- **Appropriate ratio between fixed and variable components:** Entities must ensure that the ratio between fixed and variable remuneration is appropriate to be able to take the customer's interest into account.
- **Flexibility and transparency:** The principles and conditions of the Remuneration Policy for each group and category shall be explicit and known to the professionals of the respective Entity, with transparency in terms of remuneration always taking priority.
- **Supervision and effectiveness:** The General Part of the Remuneration Policy will be reviewed periodically, at least once a year, in order to assess compliance with the remuneration guidelines and procedures by the Bank's Appointments and Remuneration Committee (a cardinal Group Entity supervised by the Bank of Spain) and subsequently approved by the Entities' respective boards of directors.

Subject to that stipulated below in the "*Supervision of certain remuneration*" section, each Entity's Board of Directors will be responsible for adapting and supervising this Policy with regard to their specific regulatory and business aspects, ensuring its effective and correct application. In this task, they will be supported by those responsible for the control function of the A&G Group or each Entity, as applicable, whose level of remuneration shall be adequate to employ qualified and experienced professionals.

- **Alignment of incentives:** Payment in instruments is subject to an appropriate withholding policy aimed at aligning incentives with the interests of the A&G Group and its shareholders, in order to ensure that there is no pay incentive encouraging the responsible persons within the Entity to sell certain financial instruments that favour their own interests or those of the Group to the possible detriment of its customers.

- **Internal and external equity and non-discrimination:** The Remuneration Policy will reward the level of responsibility and career path of A&G Group employees, ensuring internal fairness and external competitiveness.

Accordingly, it shall be non-discriminatory in terms of gender, meaning it is based on equal pay between workers for equal work or work of equal value. Remuneration will be aligned with best market practice, ensuring that the overall remuneration and remuneration structure is competitive to aid the attraction and retention of talent.

A further purpose is to ensure that customers are treated fairly by the employees of the Group Entities and that their interests are not adversely affected by the remuneration practices implemented by the Entities.

- **Consistency with strategy:** the Remuneration Policy shall be consistent with the business risk and strategy objectives, including objectives related to capitalisation, credit, liquidity, environmental, social, and governance risks, corporate culture and values, as set out, when applicable, in the specific policies (concerning creditworthiness and integration of sustainability risks, among others) in force at any time.
- **Proportionality:** the Remuneration Policy and the general principles described in this section must be applied in a manner and to an extent in accordance with the size of the Entity, its internal organisation, and the nature, scope, and complexity of its activities.

Accordingly, the Institutions, in strict application of the applicable regulations in force and in accordance with their purpose, common market practice, and the supervisors' interpretive criteria, shall decide at any time who should be included in the aforementioned groups, as appropriate, in accordance with qualitative and quantitative criteria, as well as the specific manner in which each of the aspects regulated herein should be applied in each specific case.

Moreover, the Remuneration Policy and the remuneration practices derived from it must take into account the following aspects, to the extent that they are applicable to the Entities:

- **Supervision of certain remuneration:** The remuneration of those responsible for risk management and compliance functions shall be supervised directly by the Bank's appointments and remuneration committee or by the competent body in each Entity, which, by default, will be the Board of Directors.

In addition, the remuneration policy for the members of the Bank's Board of Directors, drawn up in a separate document and available on the Bank's website, will be submitted for the approval of the general shareholders meeting, in accordance with the provisions of the Applicable Regulations.

In particular, the variable remuneration of the Entities' Staff shall take into consideration, in addition to traditional financial risks, the integration of sustainability risks by the relevant Regulated Entity or subsidiary (and the employee or member of the affected group), in accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"), which shall be reflected in the setting of objectives and the individual performance appraisal determined on an annual basis.

In particular, and in accordance with MiFID II, regulated Entities and subsidiaries within the Group shall ensure that they do not remunerate or evaluate the performance of their staff in a manner that conflicts with their obligation to act in the best interests of their customers, taking into account environmental, social and governance ("**ESG**") risks, and the transparency obligations in the SFDR.

With regard to ESG, the Group will incorporate (as regulatory development is completed and commonly accepted standards are established by the industry) sustainability-related metrics in the generation of variable remuneration for Staff, linked to the Group's strategic priority of its commitment to the transition to a sustainable future, which are directly related to the activity developed by the Group to comply with the commitments undertaken in the market concerning climate change.

- **Alignment of new products with the Policy:** Entities must, when applicable, ensure that organisational measures adopted for the launch of new products or services adequately take into account the criteria of this Policy and the risks that such new products or services may pose for their proper implementation.
- **Corporate Governance and additional regulations:** the Entities have sound corporate governance that allows the appropriate bodies and departments to intervene in the Remuneration Policy and aids its supervision. They also have internal policies or regulations complementary to this Policy, which must also be followed. Accordingly, breach of corporate governance rules or other internal policies or regulations may have a negative

impact on the remuneration of the staff who breach them, either through the corresponding ex-ante adjustments, or, as stated in section 2.5.2.1 below in relation to the Identified Group of any A&G Group Entity, through the corresponding ex-post adjustments. Where non-compliance has positively or negatively affected non-compliant parties, staff who may have been affected by the misapplication of the policy must be compensated or must refund what they unduly received by means of the aforementioned adjustments.

- **Alignment with the market:** The Entities' remuneration practices come within the framework of the financial sector, whose remuneration model at national and international level gives certain relevance to variable remuneration. The importance of this remuneration component is in accordance with the type of activities carried out and the turnover generated by them. Thus, notwithstanding the fact that the respective Regulated Entity or A&G subsidiary must at all times follow the rules set out herein, its remuneration practices must also take into account market standards and the effects that their implementation may have on its ability to attract and retain talent in a competitive environment.
- **Integration within the Group:** The Entities are part of the A&G Group, made up of a set of financial and non-financial entities that offer services to their customers, thus aiding the generation of synergies and, therefore, business that is to some extent cross-sector.

Notwithstanding the foregoing, the profitability of each of the Entities may vary significantly, and it may be the case that although Entities are loss-making from an individual point of view, they contribute to the generation of business at a global level and to the implementation of the strategy.

This concept must also be taken into account when allocating amounts to the different business units, as not all of them are revenue generating and, moreover, the employees of a given business unit may contribute value to other units or to the Entities as a whole, without this necessarily being among their primary functions.

Remuneration and, in particular, variable remuneration, must be paid through instruments or methods that do not prevent compliance with the requirements stipulated in the Policy and the regulations on which it is based.

2. REMUNERATION STRUCTURE AND ITEMS

2.1. Remuneration structure.

Irrespective of the specific aspects determined for each A&G Group Entity, the compensation system for Staff in general is made up of fixed and variable items, depending on the professional category, the functions performed, responsibility, and performance.

Staff may also receive other remuneration, which may vary depending on the Entity to which they belong and the specific circumstances applicable.

In addition, the A&G Group periodically reviews its global remuneration positioning in the market, taking into account the specific characteristics of its activity, its size, and the market conditions in which it operates.

2.2. Fixed remuneration.

2.2.1. General principles.

Fixed remuneration constitutes the basic element of the A&G Group's remuneration policy.

This concept is linked to the specific characteristics of the positions performed, such as the organisational relevance of the Staff, the impact on the Group's earnings and the scope of responsibility undertaken by the Staff, among others.

The following principles should be followed in setting the Staff's fixed remuneration:

- (i) In the total remuneration, fixed and variable components must be appropriately balanced.
- (ii) The fixed component shall constitute a sufficiently high proportion of the total remuneration so that the policy concerning the variable components of remuneration can be fully flexible, to the extent that it is possible to pay no variable remuneration component at all.
- (iii) The fixed remuneration shall be impartial as to the gender of the Staff. It shall reflect their professional experience and responsibility in the A&G Group, taking into account the minimum salary set in the applicable Collective Bargaining Agreement, the level of training, the degree of responsibility, the level of experience and knowledge, limitations and work experience, the relevant business activity and the level of remuneration in the geographical location.
- (iv) Fixed remuneration will take into account the competitive positioning required by the Group in comparison with comparable market practices, both at the level of general Group policy and outsourced coverage of key functions.

The fixed remuneration of the Group's Staff shall consist of the basic salary and other remuneration items that are not part of the basic salary, such as benefits in the form of goods or services, which may be agreed taking into account regional or local market practices.

All variable and fixed remuneration amounts shall be gross and calculated on a full-time equivalent basis.

2.2.2. Allocation methodology.

The total amount dedicated to fixed salary increases (excluding variations in the consumer price index—CPI—or equivalent index) for the A&G Group will be determined year by year based on the A&G Group's earnings and business plans, distributed among its various entities in accordance with their needs and requests, and taking into account the following:

- (i) Increases in fixed remuneration will only be approved if they are justified and sustainable in view of the financial situation of each individual Entity and the A&G Group.
- (ii) The level of the fixed component of the Staff's remuneration shall be in accordance with the level of education, level of expertise and the qualifications required, work experience, and relevant market standards.

Accordingly, if deemed necessary or appropriate, the review process may consider reports and statistics issued by human resource consultancy companies. A comparative analysis of

each employee's salary may even be carried out, which may inform the annual salary review process.

- (iii) Another relevant aspect when reviewing the fixed component of remuneration is each employee's annual performance appraisal.
- (iv) Lastly, the fixed remuneration review shall also take into account certain specific circumstances that may affect the remunerated individual, such as relocation, the convenience of having employees hired by third-party entities or of attracting talent, a change in activity or undertaking greater responsibilities within each Entity or the A&G Group, an increase in qualifications, the risk of an employee leaving, the need to retain talent and replacement costs, or the years during which the individual's remuneration has not been increased.

The human resources department at the A&G Group level will be responsible for managing the appraisal system as well as for implementing the resulting remuneration finally allocated.

2.3. Variable remuneration.

2.3.1. General principles.

The remuneration package for certain professional categories in the A&G Group includes the possibility of receiving variable remuneration items on an annual or multi-annual basis.

Variable remuneration refers to payments or benefits based on results, or other quantitative or qualitative targets set by the Group, as well as any sales commission.

This rewards the creation of value for the A&G Group and compensates employees for their identification with the A&G Group's objectives and strategies, willingness to perform the assigned work properly and alignment with the A&G Group's business philosophy and long-term interests. It also promotes robust and effective risk management that prevents variable remuneration from creating incentives for excessive risk-taking by individuals, which will cover both traditional financial risks and ESG risks.

Annually, in addition to the Group-level targets, minimum performance indicators will be set as a prerequisite for triggering the variable remuneration system. The indicators may be set at business unit, Entity/A&G subsidiary or Group level taking into consideration variables that ensure that the variable remuneration system does not limit the Group's ability to reinforce the strength of its capital base.

2.3.2. Determining the overall amount.

The overall amount of variable remuneration from which the variable remuneration of the Groups will be drawn will be determined annually as a percentage of the A&G Group's consolidated earnings before tax.

Unless otherwise expressly decided by the management body of the A&G Group's Parent Company, the overall amount of variable remuneration shall be 25% of earnings before taxes ("EBT"), subject to the following limitations:

- (i) EBT must reach at least 50% of the overall budget for the financial year.
- (ii) The aforementioned overall amount of variable remuneration shall be a maximum of

60% of the total salary bill.

- (iii) EBT should remain positive after paying the variable remuneration.

The aforementioned calculation basis is intended to prevent excessive variable remuneration payments from being inappropriate for the maintenance of a robust level of capital and proper liquidity planning for the A&G Group and, therefore, for each of the Entities, including the Bank.

2.3.2. Allocation methodology.

The calculation of this variable remuneration must comply with the limits imposed by the applicable regulations, as specified, when applicable, in the respective application procedures for each of the Entities. The reference year and the basis for determining the variable remuneration to be taken into account for the calculation shall be the total remuneration awarded for the previous financial year, including the fixed remuneration paid for that financial year and the variable remuneration awarded in the current financial year. The Entities may apply the same logic to multi-year periods.

If the targets defined by the Group are not met on an annual basis, it is up to the discretion of the respective Boards of Directors whether or not to trigger the variable remuneration scheme or to partially trigger it; trigger percentages below 100% or combined formulas may also be established.

Objectives may be set at the level of the individual employee, non-achievement of which prevents the awarding of variable remuneration to the employee, e.g. completion of individual training as set out in the training plan or the like.

In accordance with the Remuneration Policy, the process of evaluating objectives and awarding variable remuneration is carried out within the framework of a performance appraisal process.

Under no circumstances shall such variable remuneration become consolidated in fixed pay. Therefore, receiving it in a given financial year shall not entail that person acquiring any salary rights in this regard. That amount will not be considered automatically replicable in the following financial years.

2.3.3. Guaranteed variable remuneration.

Variable remuneration may only be guaranteed in very exceptional cases, within the context of recruitment of new Group staff, and limited to the first year.

The reason for applying variable remuneration at the time of recruitment will normally be to replace variable remuneration lost by the individual upon leaving their former employment. It is not the general policy of A&G Group to use guaranteed variable remuneration merely as a recruitment incentive.

2.4. Other remuneration items

Staff may receive other remuneration items, which may vary depending on the Entity to which they belong and the specific circumstances that apply. This will be described, if applicable, in each of the remuneration policies applicable that applies to each Entity.

2.5. Special remuneration arrangements

2.5.1. Board of Directors

The remuneration of the Board of Directors of any or all of the A&G Group Entities may be regulated by their specific remuneration policy.

In particular, and in accordance with the Applicable Regulations, the remuneration of the Board of Directors of the Entities² shall be governed by the Bank's Directors' Remuneration Policy, which is available in a separate document on the Bank's website.

2.5.2. Members of certain groups

Certain employees of the A&G Group's Staff may be part of one or more identified groups of regulated entities subject to specific rules for their remuneration system. In that case, any specific aspects included in such specific differentiated regulations must be taken into account. This may include the existence of variable remuneration deferral clauses, or the payment of variable remuneration in financial instruments or ex-post adjustments.

In accordance with the Guidelines³ of the European Securities and Markets Authority ("ESMA") in accordance with Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (the "**UCITS Directive**") and the Guidelines⁴ in accordance with Directive 2011/61/EC of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the "**AIFM Directive**"), when persons in the Identified Group provide services at the Bank and SGIIC or A&G Lux, and their remuneration is determined in accordance with CRD V, such remuneration shall also be deemed to meet the requirements under the UCITS Directive and the AIFM Directive, except with regard to aspects that conflict with the requirements of the UCITS Directive and the AIFM Directive, as the case may be.

2.5.2.1. Members of the Identified Group

In addition to the general rules described in this Remuneration Policy, the Identified Group⁴ is subject to certain specific rules that have been defined in accordance with the regulations and recommendations applicable to this group's remuneration schemes and, in particular, in accordance with the provisions of the Applicable Regulations described in Appendix I. In the event of a conflict between the general rules and the specific rules, the specific rules shall apply.

The purpose of these rules is to further align the A&G Group's remuneration practices with the applicable regulations, good governance recommendations, and best market practices.

The result is an incentive scheme specifically geared towards aligning the remuneration of members of the Identified Group with the Group's long-term objectives, values, and interests, with value creation and prudent risk management based on the following key characteristics among others.

Accordingly, and as stipulated in the applicable regulations, the individual variable remuneration must not exceed the individual fixed remuneration (limit of one year's remuneration in a 1:1 ratio of fixed versus variable remuneration). Notwithstanding the foregoing, the Group may decide to increase this ratio in accordance with the procedure required by the aforementioned regulations.

² Notwithstanding the fact that the members of the Bank's Board of Directors are themselves members of the Identified Group under the applicable regulations, their remuneration is regulated by a specific remuneration policy.

³ Guidelines on sound remuneration policies under the UCITS Directive of 14 October 2016 (ESMA/2016/575-EN).

⁴ Guidelines on sound remuneration policies under the AIFM Directive of 3 July 2013 (ESMA/2013/232).

In any case, the individual variable

remuneration must not exceed twice the individual fixed remuneration (1:2 ratio of fixed versus variable remuneration).

2.5.2.1.1. Deferral, payment in instruments and ex-post adjustments.

Any employee considered to be a member of the Identified Group for the current year will be governed by the rules described in this section.

A. Exclusions due to the application of the principle of proportionality for entities that do not qualify as a "large entity"⁵.

The Bank's Board of Directors, at the proposal of its Appointments and Remuneration Committee, and the Boards of Directors of the other Entities acting freely, may make an exemption to the application of the risk mitigation criteria set out in points 2.5.2.1.1.B. *Deferral of variable remuneration* and 2.5.2.1.1.C. *Payment of variable remuneration in instruments*, for those who are not members of the Management Team but are members of the Identified Group, whose variable remuneration is equal to or less than 50,000 euros and does not represent more than one third of their total annual remuneration.

B. Deferral of variable remuneration

In consideration of the various principles governing these matters, the A&G Group Entities have decided to apply the following to the members of the Identified Group, with the exception provided for in point 2.5.2.1.1.A above:

- (i) Deferral of a uniform amount of 40%.
- (ii) A single deferral period of 4 years.

Over the 4-year deferral period, the deferred 40% will be released and made available to the Identified Group of any of the Entities in equal parts in each of the years comprising the deferral period.

As stated below, the deferral described above applies to all amounts accrued as variable remuneration for the members of the Identified Group of any A&G Group Entity, regardless of the nature of the instrument chosen for its valuation and final payment, i.e. whether in cash or instruments representing the value of the company.

C. Payment of variable remuneration in instruments

In consideration of the various principles governing these matters and the principle of proportionality, the A&G Group Entities have decided the following:

- (i) The members of the Identified Group will be paid 50% of their variable remuneration accrued after the valuation and quantification process in synthetic shares whose value will be based on the fair value of the A&G Group to which the Bank belongs.

⁵ A "large entity" is defined in accordance with Article 4(1)(146) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 as one whose asset value is, on average and individually, in accordance with this law and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013, equal to or less than 5,000 million Euro during the four-year period immediately preceding the current financial year, or since its creation if less than four years old.

- (ii) Amounts payable in such instruments will be withheld for a period of one year from the time of payment, i.e. at the time of the appraisal for payments in non-deferred instruments and once the applicable deferral period has elapsed with the corresponding release, in proportion to their vesting, for amounts payable in deferred instruments.

In any case, this 50% of the amount of variable remuneration payable in instruments with a one-year withholding period shall apply to amounts that are deferred or not deferred, such that, in any case, the stated limit indicated is respected for the total amount.

The instruments to be used by the Bank for this purpose shall be synthetic shares, the value of which, each year, will correspond to the underlying book value of the A&G Group, in accordance with the following formula:

Capital and Reserves of the A&G Group / Number of Shares in the A&G Group's Parent Company. In this formula:

- (i) The "Capital and Reserves of the A&G Group" are the consolidated capital and reserves at the close of the corresponding annual period and contained in the latest financial information on a consolidated basis (Finrep⁶) sent to the Bank of Spain prior to the payment date in question, after adjusting for the effects of any financial or corporate transactions (such as but not limited to increases and decreases in capital or payment of dividends).
- (ii) The "Number of Shares in the A&G Group's Parent Company" shall be as reflected in the shareholder register book of said parent company at the close of the relevant annual period.

D. Ex-post adjustments

The Bank envisages that, for the valuation and disbursement of the final amounts to be paid in relation to the variable remuneration, there will be two types of clauses that will apply to the quantification and possible correction of the final amount for risk or earnings. These ex-post adjustments take the form of clauses reducing remuneration (the "**Malus Clauses**") or claw-back clauses (the "**Claw-Back Clauses**").

These ex-post adjustment clauses will apply to the entire variable remuneration, but in different ways in each case. The *Malus* Clauses will operate such that, for risk- or earnings-related reasons, the amount of variable remuneration that has not yet been paid may be reduced, while Claw-Back Clauses will operate such that, for risk- or earnings-related reasons, amounts of variable remuneration already paid can be recovered.

In addition, these ex-post adjustment clauses will apply to the full amount of variable remuneration, regardless of whether it is paid in cash or in instruments, and the period of application of these clauses will cover at least the withholding and deferral periods.

The criteria for the application of Malus or Claw-Back Clauses may be linked to variables apart from earnings or risk, such as misconduct or error attributable to the employee, specific business indicators, variations in the capital base or penalties of any kind. By way of example and without limitation, the Bank may apply Malus Clauses to remuneration pending payment or Claw-Back Clauses to amounts already paid in the following cases, and in each case, it must identify the person or persons to whom the application of the aforementioned clauses applies and expressly

⁶ In accordance with Regulation (EU) 2015/534 of the European Central Bank of 17 March 2015 on reporting of supervisory financial information

notify them:

- (i) If the Bank or the Parent Company of the A&G Group restate the individual financial statements of the Bank or the consolidated financial statements of the A&G Group and, as a result of such restatement, the variable remuneration is lower than that calculated and pending payment or already paid, or if the financial profits of the Bank or the A&G Group or the business unit to which the employee belongs subsequently undergo a significant fall.
- (ii) Facts justifying fair dismissal, irrespective of whether or not the dismissal ultimately takes place or, in the case of a member of the Management Team, facts implying a breach of their duties, whether or not this ultimately leads to dismissal or liability action.
- (iii) Facts justifying the imposition of a regulatory penalty or serious disciplinary action, confirmed after the financial year for which the variable remuneration was calculated, and irrespective of whether or not such disciplinary action leads to dismissal.
- (iv) Participation by a member of the Bank's Identified Group in criminal offences that have been ratified by a court in a final judgment.
- (v) The member of the Identified Group of any of the Entities causes serious damage to the Bank or the Group or significant losses, through wilful misconduct, fault, or negligence.
- (vi) Misconduct or a serious error, for example, through manifest breach of the corporate governance regulations, the rules governing the organisation and discipline of credit institutions or other legislation applicable to the activity carried out by the member of the Identified Group of any of the Entities, when such breach becomes known or is definitively confirmed after the financial year for which the variable remuneration was calculated, and irrespective of whether or not it gives rise to a penalty for the person or the A&G Group entities.
- (vii) Manifest breach of the principles or rules contained in the code of conduct or in the other internal rules and procedures established by the Bank or the A&G Group, when such breach becomes known or is definitively confirmed after the financial year for which the variable remuneration was calculated, and irrespective of whether or not it gives rise to a penalty for the person or the A&G Group entities. Likewise, the commission of a major risk management failure by the entity or business unit in which the member of the Identified Group works.
- (viii) Infringement of risk limits, significant negative changes to the risk profile of any Entity as a result of actions performed outside the approved risk policies and limits, or inadequate management of prudent risk principles in the positions and responsibilities that each of the members of the Identified Group of any of the Entities has, when these have not been sufficiently taken into account in the corresponding ex ante adjustment, because they materialised (or because their potential became apparent) at a later date.
- (ix) Very significant losses in the business units or areas for which a member of the Identified Group of any of the Entities may be responsible and which were not definitively known or confirmed in the financial year for which the variable remuneration was calculated, but only subsequently.
- (x) Significant negative variations resulting from corporate decisions that may jeopardise the continuity of the business, and which are known or definitively confirmed after the financial year for which the variable remuneration was calculated:

- (a) In the capital base of the Bank or the A&G Group.
- (b) In the Bank's liquidity ratios.
- (c) In the profits of the Bank or the A&G Group.

(xi) In the case of members of the Identified Group who are also members of the Commercial Group, serious detriment to the interests of customers in carrying out the regulated activity for the benefit of their own interests.

(xii) Notwithstanding the provisions in this section, the cases of application of Malus or Claw-Back Clauses may be extended or adapted to take into account future legislative developments or changes to the supervisor's interpretative criteria.

E. Additional Clauses

Payments for early termination of an Identified Group contract will be based on results obtained over time and will not compensate for poor results or misconduct.

Remuneration packages related to compensation or termination payments from previous employment contracts will be adapted to the long-term interests of the Group entities, including withholding, deferral, performance, and clawback provisions.

When allocating and assessing results for the purpose of calculating the variable components of remuneration, an adjustment will be made for all types of current and future risks, and the cost of the required capital and liquidity will be taken into account.

2.5.2.2. Commercial Group

Notwithstanding the provisions of this Remuneration Policy, the remuneration of members of the Commercial Group shall be subject to the following principles:

1. The remuneration policy of the Commercial Group aims to encourage responsible business conduct, fair treatment of customers and avoidance of conflicts of interest in relations with them.
2. The Group shall not establish any system of variable remuneration, in terms of sales targets or otherwise, that may provide an incentive, for example, for staff to recommend a particular financial instrument to a retail customer if a different financial instrument can be offered that better meets the customer's needs.
3. A balance between the fixed and variable components of remuneration shall be maintained at all times so that the structure of remuneration does not favour the interests of the Group Entities or relevant persons within them to the detriment of customers' interests.

When assessing performance for the purpose of determining variable remuneration, A&G Group entities must not only take into account sales volumes, since that option may lead to conflicts of interest that could ultimately be detrimental to the customer. In addition, when determining variable remuneration, Group Entities shall take into account qualitative criteria that encourage the Commercial Group to act in the customer's best interests, such as compliance with regulatory requirements (especially conduct of business rules, and in particular, for example, review of the suitability of

instruments sold by the Commercial Group to customers), compliance with internal procedures, equitable treatment of customers and the level of customer satisfaction. Accordingly, the Commercial Group must be clearly informed, from the beginning, of the criteria that the Entities will use to determine the amount of their remuneration, as well as the steps and deadlines for performance reviews.

4. The Group will also maintain a balance between the weighting of the qualitative and quantitative criteria that determine the Commercial Group's remuneration, reflecting compliance with applicable rules, fair treatment of customers, and the quality of the services provided.
5. Conflicts of interest or risks with regard to customer transactions must be avoided.

The measures described above will also apply to a natural person who is directly involved in the provision of services to the Regulated Entity or its tied agent under an outsourcing or delegation agreement for the purpose of the Regulated Entity providing investment services and activities, or a natural person whose services are made available to and under the control of the Regulated Entity or a tied agent and who is involved in the provision of services by the Regulated Entity or agent.

2.5.2.3. Managers Group

To the legally required extent, the rules detailed in section 2.5.2.1 concerning the Identified Group will also apply to the Manager Group, as specified in the specific appendixes applicable to asset management companies.

2.6. Remuneration of Control Functions⁷

The level of remuneration of Staff who perform control functions must allow for the recruitment of qualified and experienced staff.

The remuneration structure of the Staff exercising Control Functions must not compromise their independence or:

- (i) Create conflicts of interest with their role as advisors to the management body.
- (ii) Raise conflicts of interest if other business areas have undue influence on their remuneration.

Staff involved in risk management, including all control units (compliance, risk, anti-money laundering/terrorist financing, and internal auditing) shall be compensated on the basis of achieving the objectives linked to their functions, irrespective of the earnings of the business areas they control. Their remuneration shall not be determined solely on the basis of the earnings of the respective A&G Entity/subsidiary or the A&G Group.

2.7. Delegation of management

In addition, when Entities delegate discretionary portfolio management, CIU management, or risk management activities, they must ensure that the entities to which the activities are delegated are subject to regulatory remuneration requirements that are equally as effective as those

⁷ Notwithstanding that stated in this section 2.6, to the extent that the staff performing Control Functions are also members of the Identified Group under the applicable regulations, their remuneration will also be governed by the provisions of this Policy in relation to that group.

applicable under this Remuneration Policy.

Appropriate contractual mechanisms must be put in place to ensure that the rules contained in this Remuneration Policy are not circumvented (such mechanisms must cover any payments made to the Identified Group of the companies to which the activities have been delegated as compensation for the performance of the activities on behalf of the respective Entity).

3. GOVERNANCE SYSTEM

The Remuneration Policy shall be subject to the provisions in the articles of association of each Entity or subsidiary, the applicable regulations, and shall take into consideration the provisions of the guidelines, directives, and recommendations of the European Banking Authority (EBA), ESMA, the Bank of Spain, the CNMV and the CSSF that apply at any time.

The Board of Directors of the Regulated Entity, which has an Appointments and Remuneration Committee, shall approve the Remuneration Policy, as well as any subsequent amendments thereto, and shall be responsible for supervising its application in accordance with the applicable regulations.

Any amendment to the "General Part" of this Policy will require the approval of the Appointments and Remuneration Committee of the Regulated Entity whose supervision is considered preferential by the Banco de España.

Subsequently, the Remuneration Policy will be approved by the Board of Directors of the relevant A&G Entity or subsidiary.

For all purposes, this policy constitutes a single document for all of the Entities, notwithstanding the specific aspects that, for regulatory, business, territorial, or any other reason, each Board of Directors may decide to incorporate in the Special Part, the procedures or supplementary documents, with the particular effects for the A&G Entity or subsidiary specified therein.

In designing the Remuneration Policy, the management body must take into account the contributions of all relevant functions in the Group (i.e. Compliance, human resources, legal, corporate, etc.), and subsequently, for supervisory purposes, it must take into account the contributions from the risk management and internal auditing functions.

The Appointments and Remuneration Committee's duties include assisting the Board of Directors in matters related to making decisions regarding the Remuneration Policy, periodically reviewing the remuneration programmes, ensuring their transparency and compliance with the remuneration policy, and also reporting on transactions that involve or may involve conflicts of interest. In addition, on an annual basis, it shall determine the number of staff in the Bank's Groups and any other changes to the Special Part of this Policy corresponding to the Bank.

In the absence of an Appointments and Remuneration Committee, the respective Boards of Directors of the regulated entities or A&G subsidiaries shall perform its functions.

At least once a year (or earlier if there are relevant legislative changes, modifications are made, or they are proposed by compliance or internal auditing or advisable according to external advisors), a central and independent internal assessment shall be performed to verify compliance with the remuneration policies and procedures adopted by the management body, as well as to verify that the Remuneration Policy is in accordance with applicable national and international regulations.

Notwithstanding the foregoing, when it is consistent with the application of the principle of proportionality and when so decided, a review, in part or in whole, may be commissioned from an external service (in any case, the management body retains ultimate responsibility).

If such periodic reviews reveal that the remuneration system is not functioning as intended or does not correspond to the applicable regulations, the management body shall ensure that a corresponding rectification plan is implemented.

4. OBLIGATION TO INFORM

Notwithstanding the duty of confidentiality and the legislation on the protection of personal data, the Group shall disclose information on its remuneration policies and practices.

For this purpose, the Group shall apply the principle of proportionality, adjusting the aforementioned information to the applicable regulations, the size of each Entity, its internal organisation and the nature, scope, and complexity of its activities.

4.1. Public information and information for supervisors.

The Group shall make public the information required by the applicable regulations within the legally required deadlines.

In addition, the Group shall at all times comply with the reporting obligations to the relevant supervisor, as required by the regulations in force.

Likewise, the Group shall publish information on corporate governance and remuneration on its website (<https://www.ayg.es/home>), or on the website of each Entity, if applicable, as required by the applicable regulations.

4.2. Internal transparency.

Persons subject to this Remuneration Policy will have access to this Remuneration Policy. Accordingly, adequate, clear, and easily understandable documentation must be provided in relation to the processes of determining the affected staff, evaluation, and decision-making, so that:

- (i) Staff are informed in advance of the criteria that will be used to determine their remuneration.
- (ii) The evaluation process is appropriately documented and is accessible to each staff member concerned.

Under no circumstances shall confidential quantitative aspects of staff remuneration be disclosed internally.

GENERAL APPENDIX I. APPLICABLE REGULATIONS

The following regulatory sources and legal texts, as well as any others that may be applicable at any time and those that develop or replace them, shall be considered the applicable regulations ("Applicable Regulations") and shall be automatically deemed to be incorporated for the purposes of this Policy:

(i) EUROPEAN REGULATIONS

- **Regulation (EU) No 575/2013** of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.
- **Regulation (EU) 2019/2088** of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR).
- **Commission Delegated Regulation (EU) 2017/565** of 25 April 2016 supplementing Directive 2014/65/EU.
- **Commission Delegated Regulation (EU) 2021/923** of 25 March 2021 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards setting out the criteria to define managerial responsibility, control functions, material business units and a significant impact on a material business unit's risk profile, and setting out criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution's risk profile that is comparably as material as that of staff members or categories of staff referred to in Article 92(3) of that Directive ("Regulation 2021/923").

(ii) NATIONAL REGULATIONS

- **Act 35/2003** of 4 November on Collective Investment Undertakings.
- **Act 2/2011** of 4 March on the Sustainable Economy.
- **Act 6/2011** of 11 April amending Act 13/1985 of 25 May on investment ratios, equity and information obligations of financial intermediaries, Act 24/1988 of 28 July on the Stock Market and Legislative Royal Decree 1298/1986 of 28 June on the adaptation of the current law on credit institutions to that of the European Communities.
- **Act 10/2014** of 26 June on the regulation, supervision and creditworthiness of credit institutions in accordance with the wording established in Royal Decree Law 7/2021 of 27 April, which amends, among other regulations, articles 32 to 34 of Act 10/2014 of 26 June on the regulation, supervision and creditworthiness of credit institutions.
- **Legislative Royal Decree 1/2010** of 2 July, approving the consolidated text of the Spanish Joint Stock Companies Act.

- **Law 6/2023**, of the 17 of March, on the Stock Market and Investment Services Act.
- **Royal Decree 217/2008** of 15 February on the legal framework for investment services companies and other entities providing investment services and partially amending the Regulations of Act 35/2003 of 4 November on collective investment undertakings, approved by Royal Decree 1309/2005 of 4 November.
- **Royal Decree 1082/2012** of 13 July, approving the implementing regulations of Act 35/2003 of 4 November on collective investment undertakings.
- **Royal Decree 84/2015** of 13 February, implementing Act 10/2014 of 26 June on the regulation, supervision and creditworthiness of credit institutions.
- **Bank of Spain Circular 2/2016** of 2 February 2016 to credit institutions on supervision and creditworthiness, which completes the adaptation of the Spanish legal system of Directive 2013/36/EU and Regulation (EU) No 575/2013.

(iii) ADDITIONAL RULES, GUIDELINES AND DIRECTIVES

The following rules are not directly applicable to the Spanish legal system and are cited for interpretation purposes:

- **Directive 2014/65/EU** of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("MiFID II").
- **Directive 2013/36/EU** of the European Parliament and of the Council of 26 June 2013 ("CRD IV")
- **Directive 2009/65/EC** of the European Parliament and of the Council of 13 July 2009 (UCITS Directive).
- **Directive 2011/61/EC** of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (AIFM Directive).
- **Directive (EU) 2019/878** of the European Parliament and of the Council of 20 May 2019 (CRD V) amending Directive 2013/36/EU.

In addition, the following guidelines and directives have been taken into consideration in drafting this Policy:

- Guidelines on sound remuneration policies under the AIFM Directive of 3 July 2013 (ESMA/2013/232).
- EBA Guidelines on the remuneration benchmarking exercise of 16 July 2014 (EBA/GL/2014/08).
- EBA Guidelines on the data collection exercise regarding high earners of 16 July 2014 (EBA/GL/2014/07).
- EBA Guidelines on sound remuneration policies under Directive 2013/36/EU of 2 July 2021 (EBA/GL/2021/04).

- Guidelines on Internal Governance (EBA/GL/2021/05).
- ESMA Guidelines under the UCITS Directive of 14 October 2016 (ESMA/2016/575-EN).
- ESMA Guidelines on certain aspects of the MiFID II of 3 April 2023 (ESMA35-43-3565).
- ESMA Guidelines on remuneration policies and practices of 3 June 2012 (ESMA/2013/606).

GENERAL APPENDIX II

IDENTIFIED GROUP

The Identified Group is defined in accordance with the respective applicable regulations:

- (i) In any case:
 - (a) The members of the boards of directors or management bodies of the Group⁸.
 - (b) The members of the Group's Management Team.
 - (c) The persons responsible for Control Functions or material business units⁹:
 - The Regulatory Compliance Officer of each of the Regulated Entities.
 - The person responsible for Risk Management in each of the Regulated Entities.
 - The representative to the Financial Intelligence Unit (SEPBLAC) and, when applicable, the member of the management body responsible for AML/TF.
 - The person responsible for Internal Auditing at each of the Regulated Entities.
 - (d) Members of Staff who have received significant total remuneration¹⁰ in the previous financial year, including sales commission, provided the following conditions are met:
 - i) the remuneration of the staff member is equal to or greater than 500,000 euros or equal to or greater than the average remuneration paid to the members of the management team of the entity referred to in points (a) and (b) above,
 - ii) the staff member has a professional activity in a material business unit, and, by its nature, this activity has a material impact on the business unit's risk profile.
- (ii) Qualitative criteria:

In addition to the members of staff determined in accordance with the criteria set out in points (a), (b), (c) and (d) of point (i) above, members of staff shall be considered to have a material impact on the risk profile when one or more of the following qualitative criteria are met:

 - a) the staff member has ultimate decision-making and managerial responsibilities for:
 - i) legal affairs,
 - ii) the soundness of accounting policies and procedures,
 - iii) finance, including taxation and budgeting,
 - iv) performing economic analyses,

⁸ Notwithstanding the fact that the members of the Bank's Board of Directors are, in turn, members of the Identified Group under the applicable regulations, the remuneration of the Bank's Board of Directors is regulated by its own specific remuneration policy, as detailed in section 2.5.1 of this Policy.

⁹ In accordance with Regulation 2021/923, a material business unit is a business unit, as defined in Article 142(1)(3) of Regulation (EU) No 575/2013—any separate organisational or legal entities, business lines, geographical locations—which meets one of the following criteria:

a) it has allocated internal capital amounting to at least 2 per cent of the entity's internal capital as referred to in Article 73 of Directive 2013/36/EU, or the entity considers, for other reasons, that it has a material impact on its internal capital; or

b) it is a core business line, i.e. a business line and associated services which represent a material source of revenue, profit or franchise value for the entity or the group it is part of.

¹⁰ The total remuneration shall include sales commission.

- v) the prevention of money laundering and terrorist financing,
- vi) human resources
- vii) the development or implementation of the remuneration policy,
- viii) information technology,
- ix) information security,
- x) managing outsourcing arrangements of critical or important functions as referred to in Article 30(1) of Commission Delegated Regulation (EU) 2017/565;

b) the staff member has managerial responsibilities for any of the risk categories set out in articles 79 to 87 of Directive 2013/36/EU, or is a voting member of a committee responsible for the management of any of the risk categories set out in those articles;

c) with regard to credit risk exposures of a nominal amount per transaction, representing 0.5% of the institution's Common Equity Tier 1 capital and which is at least EUR 5 million, the staff member meets one of the following criteria:

- i) the staff member has the authority to take, approve or veto decisions on such credit risk exposures,
- ii) the staff member is a voting or veto member of a committee which has the authority to take the decisions as referred to in point (i) of this point (c);

d) in relation to an institution for which the derogation for small trading book businesses set out in Article 94 of Regulation (EU) No 575/2013 does not apply, the staff member meets one of the following criteria:

- i) the staff member has the authority to take, approve or veto decisions on transactions on the trading book that in aggregate represent one of the following thresholds:
 - where the standardised approach is used, an own funds requirement for market risks that represents 0.5% or more of the institution's Common Equity Tier 1 capital;
 - where an internal model-based approach is approved for regulatory purposes, 5% or more of the institution's internal value-at-risk limit for trading book exposures at a 99th percentile (one-tailed confidence interval level); (ii) the staff member is a voting member of a committee that has the authority to take the decisions mentioned in point (i) of this point;

e) the staff member heads a group of staff members who have individual authority to commit the institution to transactions and either of the following conditions is met:

- i) the sum of those authorities equals or exceeds the threshold referred to in point (c)(i) or in point (d)(i), the first indent;
- ii) where an internal model-based approach is approved for regulatory purposes, those authorities amount to 5 % or more of the institution's internal value-at-risk limit for trading book exposures at a 99th percentile (one-tailed confidence interval level); where the institution does not calculate a value-at-risk at the level of that staff member, the value-at-risk limits of staff under the management of this staff member shall be added up;

f) the staff member meets either of the following criteria with regard to decision on approving or vetoing the introduction of new products:

- i) the staff member has authority to take such decisions,
- ii) the staff member is a voting member of a committee that has authority to take such decisions.

(iii) Quantitative criteria:

1. In addition to staff members identified under the criteria set out in points (a), (b) and (c) of point (i) above, staff members shall be deemed to have a material impact on an institution's risk profile where any of the following quantitative criteria are met:

– the staff members, including staff members as referred to in Article 92(3), point (c), of Directive 2013/36/EU, have been awarded in or for the preceding financial year a total remuneration that is equal to or greater than 750,000 euros;

2. The criteria laid down in paragraph 1 shall not apply where the institution determines that the professional activities of the staff member do not have a material impact on the institution's risk profile, because the staff member, or the category of staff to which the staff member belongs, meet any of the following conditions:

a) the staff member or categories of staff only carry out professional activities and has authorities in a business unit that is not a material business unit;

b) the professional activities of the staff member or category of staff have no significant impact on the risk profile of a material business unit having regard to the criteria set out in article 3 of Regulation 2021/923.

3. The application of paragraph 2 by an institution shall be subject to the prior approval of the competent authority responsible for prudential supervision of that institution. The competent authority shall only give its prior approval where the institution can demonstrate that one of the conditions set out in paragraph 2 are satisfied.

4. Where the staff member was awarded a total remuneration of 1,000,000 or more in or for the preceding financial year, the competent authority shall only give its prior approval under paragraph 3 in exceptional circumstances. In order to ensure the consistent application of this paragraph, the competent authority shall inform the EBA before giving its approval in respect of such a staff member.

The existence of exceptional circumstances shall be demonstrated by the institution and assessed by the competent authority. Exceptional circumstances shall be situations that are unusual and very infrequent or far beyond what is usual. The exceptional circumstances shall be related to the staff member.

On an annual basis, a self-assessment will be carried out in which a list of persons included in this group will be defined and updated.

The Board of Directors of each Entity/A&G subsidiary is ultimately responsible for the identification process and the respective policy.

GENERAL APPENDIX III **COMMERCIAL GROUP**

The Commercial Group, i.e. providers of investment services and activities, is made up of people (irrespective of being directors, partners, directives or employees) who, directly or indirectly, take part on the investment or ancillary services provided by the A&G Group, regardless of the type of client, when the remuneration or similar incentives of said people may create a conflict of interest that could make them act against the interests of any of the company's clients.

In particular, investment services and activities shall be those determined at any time by the applicable law, currently set out in article 125 and 126 of the Law 6/2023, of the 17 of March, on the Stock Market and Investment Services Act.

Investment services:

- (i) receiving and transmitting customer orders in relation to one or more financial instruments,
- (ii) the execution of orders on behalf of customers,
- (iii) self-trading,
- (iv) portfolio management,
- (v) the placement of financial instruments without a firm commitment basis,
- (vi) the underwriting of financial instruments or placement of financial instruments on the basis of a firm commitment,
- (vii) investment advice,
- (viii) management of multilateral trading facilities, and
- (ix) management of organised procurement systems. In addition, acts that are preparatory to the provision of an investment service shall be considered an integral part of the service.

Ancillary services:

- (i) The custody and administration of financial instruments on behalf of clients.
- (ii) The granting of credits or loans to investors, so that they may carry out a transaction on one or more of the financial instruments.
- (iii) Advising companies on capital structure, industrial strategy and related matters, as well as advising and other related matters, as well as advice and other services in connection with mergers and acquisitions of companies.
- (iv) Underwriting related services.
- (v) The preparation of investment reports and financial analysis or other forms of general advice relating to transactions in financial instruments.
- (vi) Foreign currency exchange services, when related to the provision of investment services and activities.
- (vii) Investment services and activities as well as ancillary services relating to the non-financial underlying of derivative financial instruments, such as options, futures, swaps, forward rate agreements and other derivative contracts relating to financial instruments, currencies, financial variables, commodities or emission allowances, when they are linked to the provision of investment services and activities or ancillary services. are linked to the provision of investment or ancillary services and activities.

In particular, the following areas and responsibilities of the respective Entities will be subject:

- i. Bankers and Customers Commercial Area.
- ii. Business area sales staff.
- iii. Staff involved in the design and development of financial products.
- iv. Tied agents of Group Entities.
- v. Those employed by the tied agent belonging to the Group (“**CRO**”).

A list of persons included in this group shall be defined and updated on an annual basis.

GENERAL APPENDIX IV. MANAGERS GROUP

This is a category equivalent to the Identified Group, as defined in section 1.4 and Appendix II of this Policy, but for collective investment management companies, or in a UCITS management company or AIFM.

In accordance with the UCITS Directive and the AIFM Directive, the Identified Staff at the SGIIC and A&G Lux includes the following categories of employees:

- Staff in charge of investment management; Other risk takers whose professional activities—whether individual or collective—may have a material impact on the risk profile of the management company or the UCITS or AIF it manages.

AGF Special Part

APPENDIX I

**SPECIAL RULES OF THE COMPANY ASESORES Y
GESTORES FINANCIEROS SA**

APPENDIX II

**SPECIAL RULES FOR THE IDENTIFIED GROUP OF ASESORES
Y GESTORES FINANCIEROS SA**

Bank Special Part

APPENDIX I

SPECIAL RULES OF THE COMPANY A&G BANCO SAU

APPENDIX II

SPECIAL RULES FOR THE IDENTIFIED GROUP OF A&G BANCO SAU

APPENDIX III

SPECIAL RULES FOR THE COMMERCIAL GROUP OF A&G BANCO SAU

APPENDIX IV

SPECIAL RULES FOR THE MANAGERS GROUP OF A&G BANCO SAU

SGIIC Special Part

APPENDIX I

SPECIAL RULES OF THE COMPANY A&G FONDOS SGIIC SA

APPENDIX II

SPECIAL RULES FOR THE IDENTIFIED GROUP OF A&G FONDOS SGIIC SA

APPENDIX IV

SPECIAL RULES FOR THE MANAGERS GROUP OF A&G FONDOS SGIIC SA

A&G LUX Special Part

APPENDIX I

SPECIAL RULES OF THE COMPANY A&G LUX AM SA

APPENDIX II

SPECIAL RULES FOR THE IDENTIFIED GROUP OF A&G LUX AM SA

APPENDIX IV

SPECIAL RULES FOR THE MANAGERS GROUP OF A&G LUX AM SA

AIGA Special Part

APPENDIX I

SPECIAL RULES OF THE COMPANY AIGA ADVISORY SL

APPENDIX II

SPECIAL RULES FOR THE IDENTIFIED GROUP OF AIGA ADVISORY SL

APPENDIX III

SPECIAL RULES FOR THE COMMERCIAL GROUP OF AIGA ADVISORY SL

CRO Special Part

APPENDIX I

**SPECIAL RULES OF THE COMPANY CLIENT
RELATIONSHIP OFFICER AYG SL**

APPENDIX II

**SPECIAL RULES FOR THE IDENTIFIED GROUP OF CLIENT
RELATIONSHIP OFFICER AYG SL**

APPENDIX III

**SPECIAL RULES FOR THE COMMERCIAL GROUP OF CLIENT
RELATIONSHIP OFFICER AYG SL**

CERTIFICATE OF ADHERENCE TO THE REMUNERATION POLICY
FOR MEMBERS OF THE IDENTIFIED GROUP OR MANAGERS GROUP

The undersigned declares that he/she is aware of and accepts:

- the Remuneration Policy of [company name] and, in particular, its chapter on risk management measures for the Identified Group/Manager; and
- the applicable Group policies, and in particular, the Policy on the application of Malus and Claw-back clauses for the variable remuneration of the A&G Group;

he/she has a copy of these documents in his/her possession, and has read, understood and accepted them in full.

Executed in Madrid, on [*] [*] [*]

Signature of the employee, a member of the Identified Group, as a sign of acceptance:

