

(I) FRAMEWORK AND SCOPE

This document sets out the Sustainability Policy of DIF BROKER - Empresa de Inversión, S.A., (hereinafter the "Policy"), under the terms provided for in Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 of November of 2019 on the disclosure of sustainability-related information in the financial services sector and Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 of June of 2020 on establishing a regime for the promotion of sustainable investment, taking into account the provisions of Article 41 of the Investment Company Regime, approved by the annex to Decree-Law no. 109-H/2021. This is in line with Article 41 of the Investment Company Regime, approved in annex to Decree-Law 109-H/2021, of 10 of December, and also considering ESMA¹'s general objectives in terms of sustainability.

Through this Policy, DIF BROKER intends to disclose its commitments and approach to responsible investment, in terms of promoting sustainable investment, its approach to sustainability risks and its intention to develop an efficient and responsible business model, as well as describing how it integrates environmental, social and governance factors ("ESG factors") in its investment decision-making process and in the scope of providing investment advice, bearing in mind the existing regulatory framework and the size, nature and organisational structure of DIF BROKER (proportionality principle).

This Policy also aims to ensure transparency in the integration of risks relating to ESG factors with regard to DIF BROKER's corporate bodies, employees, subcontractors and tied agents (where applicable) (hereinafter jointly referred to as "Employees"), as well as with regard to its clients.

For the purposes of this Policy, the ESG factors (environmental, social and governance) include the following content:

Environmental Factors - Factors related to the quality and proper functioning of the environment and natural systems, such as air, water and soil quality, carbon and climate, ecology and biodiversity, CO2 emissions and climate change, energy efficiency, scarcity of natural resources and waste management.

Social Factors - Factors related to the rights, welfare and interests of individuals and communities, such as human rights, working conditions and habits, education, gender equality, and the prohibition of child and forced labour.

Governance Factors - Factors related to good corporate governance practices, such as the independence and oversight of boards of directors, good practices and transparency, director remuneration, employee rights, management structure, and measures applied to combat corruption and illegal use of insider information.

¹ *Sustainable Finance Roadmap 2022-2024*. It can be consulted at the following link https://www.esma.europa.eu/sites/default/files/library/esma30-379-1051_sustainable_finance_roadmap.pdf

(II) ESG PRINCIPLES

DIF BROKER's management is based on socially responsible and economically efficient actions aimed at the development of individuals and the community.

All employees are subject to the principles, values and rules of professional ethics and conduct that reflect the fundamental principles guiding DIF BROKER's business.

In order to prevent and mitigate risks relating to sustainability factors, DIF BROKER's Employees adhere to the following aspects in particular:

- Compliance with legal and regulatory provisions and satisfaction of ethical commitments undertaken;
- Principles of integrity and transparency, safeguarding the due duties of confidentiality and prohibiting criminal practices;
- Respect for human rights, preventing discrimination and differentiated treatment;
- Protection of the environment;
- Contribute to the affirmation of an institutional image of excellence, rigour, responsibility, quality and efficiency.

In addition to the compliance of these duties by its employees, DIF BROKER's conduct in this field is guided by compliance with the following guidelines:

- Acting with integrity, responsibility and sustainability;
- Economic efficiency;
- Adoption of a business model with a long-term perspective in order to implement appropriate strategies whose viability will not compromise the institution's profitability;
- Implementation of appropriate decisions and strategies that do not compromise the sustainability of the institution in the medium and long term;
- Permanent innovation, with the objective of contributing to the sustainable development of the communities where it carries out its activities.

The following are environmental objectives:

- Mitigation of climate change;
- Adaptation to climate change;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;

- Prevention and control of pollution;
- Protection and restoration of biodiversity and ecosystems.

In line with European and international objectives, DIF BROKER has identified and defined the following priorities with regard to the main negative impacts and sustainability indicators:

- Within the scope of social sustainability:
 - Prohibition of gender-based discrimination, child labour, slavery;
 - Health and safety at work;
 - Freedom of association and expression;
 - Human capital management and labour relations;
 - Diversity;
 - Relations with local communities;
 - Health and access to medicines;
 - Consumer protection;
 - Employee turnover;
 - Employee salaries and compensation;
 - Reputational issues;
 - Relationship with public sector/government;
 - Supply chain.
- Within the scope of environmental sustainability:
 - Mitigation of climate change;
 - Adaptation to climate change;
 - Pollution prevention and control;
 - Sustainable use and protection of water and marine resources;
 - Transition towards a circular economy;
 - Protection and restoration of biodiversity and ecosystems;
 - Waste management;
 - Deforestation;
 - Degradation of exploited land.
- Within the scope of governance:
 - Remuneration structure;
 - Composition of the management and audit bodies;
 - Independence of the members and effectiveness of the audit body;
 - Compliance with tax obligations;
 - Average duration of independent directors in office;
 - Recent departures of directors;

- Quality of the report and ESG;
- Participation of the CEO or CIO in third party entities;
- Conflict of interests.

(III) STRATEGY

DIF BROKER incorporates, in its risk assessment, the ESG risks, adopting a transparent, effective and thorough procedure in the investment decision-making process and in the context of the provision of investment advice and portfolio management services, in order to ensure the provision of a service with a high level and standard of transparency in the commitment undertaken with its clients. In this way, and although without limiting:

- The incorporation of ESG factors in the mechanisms of analysis and strategy selection is a practice incorporated in DIF BROKER's investment philosophy and should be progressively considered as a pillar of management and selection of assets that make up the portfolios;
- The management strategy implemented aims to ensure that, in the investment selection process, traditional financial criteria are combined with ESG aspects in an attempt to promote market sustainability in the medium/long term;
- The employees responsible for the portfolio management service will also be responsible for managing the exposure of these portfolios to risks and ESG factors;
- The teams responsible for defining investment strategies will be able to provide information on how the ESG criteria underpin the investment decisions taken;
- In the selection of investment strategies that make up each portfolio allocation, the use of ESG information to generate added value will be assessed and attention will be paid to the integration processes of ESG factors and to the practices in the use of positions held (voting and commitment) in their investment process and decision-making process;
- It is also considered that the ESG factors will be integrated by managers in the investment process due to the fact that they can have an impact on revenue, operating costs, competitive advantage and costs for the portfolio.

In order to define the most appropriate investment policy for each client and at each point in time, taking into consideration the ESG criteria, DIF BROKER's staff will seek to access specialised and up-to-date information sources on these matters as well as information made available by the issuers of the products.

DIF BROKER incorporates sustainability criteria, limits and risks that may have a significant impact on several areas of its business activities and, for this reason, this Policy must be coordinated with the provisions of other DIF BROKER internal regulations.

(IV) DISSEMINATION OF INFORMATION

DIF BROKER values the reconciliation of environmental, sustainability and governance factors with factors inherent to the achievement of its financial and strategic objectives, and is aware of the growing importance and relevance of weighing these factors for informed decision-making by its clients. In order to meet these expectations, DIF BROKER makes every effort to ensure that it is prepared to provide clear, express and unambiguous information on the incorporation of ESG criteria in its investment strategies at all times.

In disclosing information to its clients, DIF BROKER includes descriptions of how sustainability risks are integrated into its investment decisions and of the results of the assessment of the potential impacts of sustainability risks on DIF BROKER's strategy.

Where a financial instrument marketed by DIF BROKER promotes, among others, environmental or social features, or a combination of such features, DIF BROKER will, consistent with good governance practices, disclose to its clients information on how such features are achieved. Where a benchmark has been designated, it is also disclosed how this benchmark meets those characteristics.

Where a financial product promotes, inter alia, environmental or social characteristics, or a combination of these characteristics, DIF BROKER also includes in its periodic reports reference to how the environmental or social characteristics are achieved, the overall sustainability impact of the financial product and, where a benchmark has been designated, a comparison of the overall sustainability impact of the financial product with the impacts of the designated index and an overall index using sustainability indicators.

(V) APPROVAL OF THE POLICY AND ITS DISSEMINATION

This Policy is approved by the Board of Directors.

This Policy will be effectively communicated throughout DIF BROKER and will be available and accessible at all times to all employees on an internal basis.

This Policy will be made available to the general public via DIF BROKER's website.