

# Remuneration disclosures for UI efa S.A.

UI efa S.A. (the "Company") is a professional of the financial sector ("PSF") operating in Luxembourg under the supervision of the Commission de Surveillance du Secteur Financier ("CSSF").

The Company has designed a remuneration policy to ensure that it complies with all applicable laws, specifically Circular CSSF 10/437 (Guidelines concerning the remuneration policies in the financial sector). The policy and practices established in the policy applies to the Company and its branches and subsidiaries, in Luxembourg and abroad.

The remuneration policy is owned and approved by the Company's Supervisory Board, who reviews it periodically and amends it as necessary to comply with applicable laws. As part of its supervisory mission, the Supervisory Board ensures on a regular basis that the Company's remuneration policies and procedures are appropriate.

The Supervisory Board ensures that the remuneration policy is consistent with and promotes sound and effective risk management and does not induce excessive risk taking. The Supervisory Board ensures that the remuneration policy is defined in line with the Company's business strategy, objectives, values and long-term interests, risk appetite, the nature and scale of the Company's activities, and be consistent with the principles relating to the protection of clients and investors in the course of the services provided.

The Supervisory Board appoints a Remuneration Committee that meets at least annually in November or December and at other times upon the request of the Supervisory Board or the Chairman of the Committee. The Remuneration Committee shall comprise at least two members of the Supervisory Board. The Committee may also include other members who need not be members of the Supervisory Board. Members of the Management Board and representatives of the Company's employees shall not be members of the Remuneration Committee. The Remuneration Committee's responsibilities are described within the remuneration policy. The position of Chairperson of the Remuneration Committee is entrusted to a non-executive and independent director (iNED). It should be noted that the iNED also holds an independent mandate at the level of the UI Group. Such mandate shall however not prejudice or otherwise impair the individual's independence within the meaning of the Annex I of Circular 12/552 (as amended) on Central administration, internal governance and risk management. It is also understood that the Chairperson does not hold any executive duty within the entity, thus ensuring a complete independence.

The Committee shall provide the General Manager and Human Resources with a written record of its decisions.

The Management Board ensures that decisions taken by the Supervisory Board in respect of fixed and variable remuneration and benefits in kind and all aspects of this remuneration policy are faithfully implemented. The Remuneration Committee review the salaries of UI efa employees in terms of market practice, seniority and performance as part of the UIL Group's annual merit review.

The Company may grant annual cash awards to permanent employees. The aggregate value, if any, of all such awards in respect of each performance year is determined by the Supervisory Board. The annual discretionary award is determined based on a combination

of the assessment of the performance of (i) the individual, (ii) the business unit concerned and (iii) the overall results of the Company. The assessment of the performance-based components of the remuneration is based on longer-term performance and takes into account the outstanding risks associated with the performance. To this end, the performance evaluation is done, on an annual basis, but takes into account the performance over a multi-year framework appropriate to the life cycle of the Company. The multi-year assessment is also reflected by the ex-post follow-up review of target achievement regarding the deferral components for variable remuneration as well as clawback review for the respective year.

The performance evaluation covers the period from 1 October to 30 September (financial year). The assessment of the performance of the staff member is based on financial (quantitative) and non-financial (enterprise competencies) criteria. All these criteria are included in the appraisal form and set by the appraiser at the beginning of the performance year. As far as possible, the objectives must be formulated to meet the requirements of the SMART method.

Annual cash awards shall not be significant in the meaning of Circular CSSF 10/437 and shall be paid without deferment. An annual cash award shall not exceed the limits and caps set by the Supervisory Board.

The Company may grant deferred awards to key employees. The terms of any such awards are determined by the Supervisory Board in compliance with Circular CSSF 10/437. The nominal value of a deferred award shall not exceed the limits and caps set by the Supervisory Board. The variable remuneration granted to employee identified as "Risk Taker" can amount to a maximum of the fixed remuneration and should follow disbursement rules. The non-deferred portion of the variable remuneration as well as the portion of the accrued remuneration may be reduced or eliminated ("reduction to zero"). In exceptional cases, and based on exceptional performance achievements, members of staff falling under the category of "All other employees" may be awarded a variable remuneration in excess of the threshold, without however being able to exceed the threshold provided for the "Higher ranking employees" (i.e., 50%). Such exceptions will be submitted for review and approval to the Remuneration Committee.

The Company may grant binding incentives to Sales and Client Relationship Managers upon certain conditions of achievements, and as part of a defined incentive plan. The Company has the right to claw back from employees all or some performance-based variable remuneration in the event that the performance was based on data that are subsequently proven to be fraudulent.

Within its corporate culture and values, the Company puts strong emphasis on the principles of equality. This means, that irrespective of gender the Company aims at ensuring equal pay and equal opportunities for equal work or work of equal value, as further described herein.

Based on the principle of meritocracy, the Company has structured its policy while ensuring an equal treatment for all its employees, irrespective of gender. To this end, the Company operates a compensation philosophy, and underlying practices and procedures governed by sound governance, the latter ensuring to maintain and safeguard the principles of equal pay and equal opportunities for equal work or work of equal value.

### Contact

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