



TAM Europe Asset Management A.V., S.A.

SOLVENCY INFORMATION

2025

TAM Europe Asset Management A.V., S.A.

TAM Europe Asset Management A.V., S.A. is authorised and regulated by the Comision Nacional del Mercado de Valores (CNMV), No. 295.

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Introduction

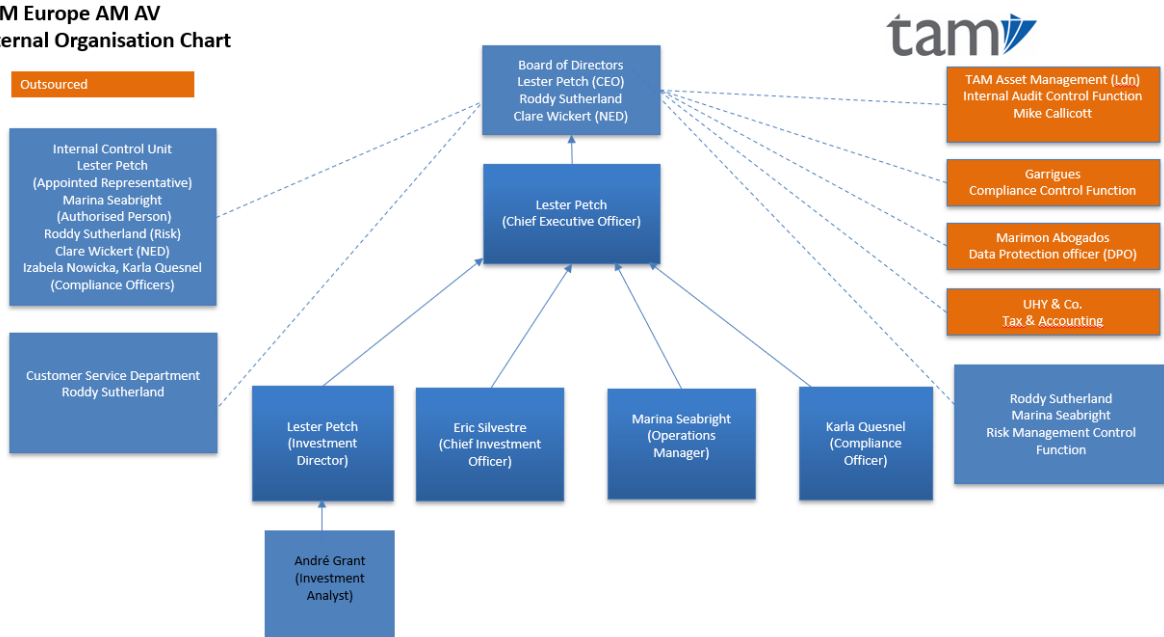
In accordance with Article 191 of the Consolidated Text of the Securities Market Law and the applicable disclosure requirements under the Investment Firms Regulation (EU) 2019/2033 (IFR) and Investment Firms Directive (EU) 2019/2034 (IFD), investment firms are required to publish information relating to governance arrangements, risk management, own funds, capital adequacy, liquidity and remuneration.

This report relates to the financial year ending 31 December 2025 and was approved by the Board of Directors on 30 March 2026.

1. Administration and Corporate Governance

The Board of Directors is the highest governing body of the Company and consists of three members with extensive knowledge and management experience in the financial services sector. The Board meets at least quarterly and is responsible for the overall direction, management and regulatory oversight of the Company.

**TAM Europe AM AV
Internal Organisation Chart**



2. Risk Management Policy

As a broker agency, the Company may not take its own positions, except those that result from errors in the execution of orders by clients' portfolio managers. As a result, the Company's resources are held in low-risk assets necessary to support its business and demand deposits at banking institutions.

In order to control and reduce risk to a reasonable level, the Board of Directors has designed and implemented a risk control and monitoring system, which we consider provides a high level of assurance.

The monitoring system constitutes the basis for dealing with existing and potential risks that may arise in the development of financial activity and, consequently, its scope goes beyond the merely accounting, covering the control of the entire administrative organization of the Company.

The Company's policy regarding internal control systems is, in addition to assigning functions to qualified personnel, to make the best use of the accounting and management information contained in its computer applications to periodically and adequately verify compliance with legal and risk limits. At the same time, the goal is to maximize the flow of information between departments to resolve any incidents detected as quickly as possible.

Considering the structure, size and activity of the Company and the fact that it does not operate on its own account, we have identified the following areas of risk:

Market Risk

Market risk is the risk of markets collapse or that the Company's investment management performance will be consistently poor – resulting in a decrease in revenue and loss of profitability. The Company's exposure to market risk arises from the fact that its only source of income is investment management and the possibility of a fall in the financial markets, either rapid (plummeting) or as a result of a slow pullback, having a negative impact on the Company.

The Company accepts risks in this area. In the case of market risk, risk is assessed by calculating the Company's revenue forecasts to address a variety of possible scenarios and then assessing the impact on the Company's capital needs for each of the possible scenarios.

Market risk also includes interest rate risk and exchange rate risk. Interest rate risk is the risk that arises from changes in interest rates. The Company maintains a liquidity surplus position and has no significant exposure to this type of risk.

Exchange rate risk is the risk that arises from variations in the exchange rate between currencies. The Company is exposed to foreign exchange risk because most of the portfolios it manages are denominated in pounds sterling while its operating expenditure is in euros. Risk is mitigated by converting investment management income (which is carried out on a monthly basis) into euros as soon as they are carried out. Exchange rate exposure is small as a proportion of total revenues.

Credit Risk

Credit risk is the risk that clients or financial counterparties will fail to meet their contractual obligations, by insolvency or otherwise, causing a financial loss to the Company. The Company has no credit or counterparty risk in the orthodox sense. For its investment business, it deals with major fund management firms from which it buys or sells mutual funds (on a delivery versus payment basis) for a variety of client portfolios. It is not possible to make purchases for client portfolios unless the client's account has the necessary funds. The settlement of investment transactions and their custody is outsourced to Pershing Ltd.—a subsidiary of BNY Mellon, a major financial institution that is the world's largest custodian and has an AA rating from S&P.

Credit risk exposure arises from balances owed from the Company's bank (where capital is held on deposit) and from Pershing which holds accrued income up to the time it is paid to the Company. The Company does not provide financing to clients, so exposure to this risk only arises from deposits made in credit institutions.

The Company identifies Bankinter as a key counterparty since it is the Company's main banker, and its capital is deposited there. The board has considered the risk posed by Bankinter in this regard and given its status as an institution regulated by the CNMV and its rating of A2 with a stable outlook from Moodys (as of 19th March 2024) this is considered a low risk.

Liquidity Risk

This is the risk of difficulties that prevent the Company from fulfilling its payment commitments to third parties. The firm is categorized as a Class 3 firm under Part V of Regulation (EU) 2019/2033 and the 2019/2034 Directive (the IFR and IFD respectively) which sets out the risk-based framework that applies to liquidity issues for investment firms. The framework ensures that firms are able to function in an orderly manner and do not need to set aside specific funds to meet liquidity requirements during times of financial stress. Firms subject to these rules are required to ensure that a minimum of one third of their fixed overhead requirement is held in liquid assets at all times.

The firm has appropriate liquidity systems and controls in place and it is confirmed that the Company's liquid assets are placed in low-risk and highly liquid deposits.

Operational Risk

Operational risk is defined as the risk incurred as a result of potential failures or errors in procedures or personnel arising from failed or inadequate internal or external processes, people and/or systems.

A structure of operational and management controls is in place to minimize this risk.

The total risk exposure calculated for solvency purposes amounts to 150.000 €

Prudential Solvency and Liquidity Position

Own Funds

Description	Amount (€)
Share Capital	525,000.00
Shareholder Contributions	299,951.65
Gross CET1 Capital	824,951.65
Less: Accumulated Losses	-349,403.80
Net CET1 / Total Own Funds	475,547.85

Regulatory Capital Requirement

Description	Amount (€)
Permanent Minimum Capital Requirement (PMR)	150,000.00
Fixed Overheads Requirement (FOR)	144,514.00
Applicable Own Funds Requirement	150,000.00
Excess Own Funds	325,547.85
Own Funds Coverage Ratio	317.03%

Liquidity Position

Description	Amount (€)
Liquid Assets Held	232,595.64
Liquidity Requirement (1/3 FOR)	48,171.33
Liquidity Surplus	184,424.31
Liquidity Coverage Ratio	482.87%

Prudential Summary

Requirement	Required (€)	Available (€)
Own Funds	150,000.00	475,547.85
Liquidity	48,171.33	232,595.64

4 Risk Exposure and Quantification of Required Capital

As at 31 December 2025, TAM Europe Asset Management, A.V., S.A. maintained a strong capital and liquidity position and remained fully compliant with the prudential requirements applicable to a Class 3 investment firm regulated by the CNMV.

The Company reported total eligible own funds of €475,547.85. The applicable Own Funds Requirement amounted to €150,000, being the higher of the PMR of €150,000 and the FOR of €144,514. Consequently, the Company maintained excess own funds of €325,547.85 and an Own Funds Coverage Ratio of 317.03%.

In accordance with Article 43 of Regulation (EU) 2019/2033, the liquidity requirement amounted to €48,171.33, representing one-third of the Fixed Overheads Requirement. Liquid assets held at year-end totalled €232,595.64.

Requirement	Required (€)	Available (€)	Surplus (€)	Coverage
Own Funds	150,000.00	475,547.85	325,547.85	317.03%
Liquidity	48,171.33	232,595.64	184,424.31	482.87%

Overall, the Company maintained substantial capital and liquidity buffers above its regulatory requirements throughout the financial year, demonstrating a sound financial position and continued compliance with the IFR/IFD prudential framework.

5. Remuneration Policy

The Board of Directors determines the aspects on which the general remuneration policy will be based, weighing and assessing its effectiveness in generating and maintaining a climate of incentives that facilitates the achievement of business objectives and the control of the risks assumed by the Company.

The objective is to develop remuneration practices whose purpose is:

1. Support a performance culture that is based on personal performance and that values and rewards individual contribution, both in the short and long term.
2. Attract and retain employees, motivating them to deliver results with complete integrity and objectivity.
3. Provide the right balance of fixed and variable remuneration to accurately reflect the values and responsibility of the position held and to influence appropriate individual behaviours and actions.
4. Promote the efficient management of risk policies, as well as internal control and compliance standards.
5. Support teamwork and collaboration between different areas.

The achievement of these aspects allows the Company to ensure that its remuneration system contributes to the achievement of global objectives, without favouring excessive risk-taking.

The Board of Directors is responsible for the remuneration policy, as the size and scale of the Company do not justify the creation of a separate Remuneration Committee.

Remuneration Policy 2025

Members of the Board of Directors

The members of the Board of Directors shall receive a nominal amount as remuneration in their capacity as directors.

Directors and similar positions

They will also receive a fixed salary determined by their employment relationship with the Company, reflecting professional experience and responsibility.

In addition, they can receive a bonus linked to the following principles:

- Level of commitment
- Achievement of the objectives set
- Adequacy of effective management of risk levels

The payment of any bonus is conditional on the Company's financial situation, and its payment may not have a negative impact on the Company's financial strength.

The payment of the directors' remuneration shall be subject to the approval of the General Shareholders' Meeting.

Other workers

All other employees not included in the previous section receive a fixed salary. The personnel responsible for Compliance and Internal Audit do not fall into this category as these functions are outsourced. Therefore, they are independent of the business units they supervise, have the necessary authority and remuneration is set by the Board and are independent of the performance of the business areas they supervise or control.

The quantitative aspects of the remuneration policy in 2025 are shown in the following table:

Employee Compensation	Board of Directors	High Managers and Employees	Commercial Areas	Other Employees	Total
Fixed remuneration	23.7	142.3	0	0	166.0
Variable Remuneration			0		0
For payment					
Immediate	-	-	-	-	-
Deferred payment	-	-	-	-	-
Other Type	-	0	0	0	0
For immediate payment	-	-	-	-	-
Deferred payment	-	-	-	-	-

In 2025 no variable remuneration payments were made in shares, share-linked instruments or otherwise.

No employee of the Company received a total remuneration exceeding €1,000,000 in 2025.