

## **INFORMATION UNDER DIRECTIVE 3/2017, CNMV**

### **Corretaje e Información Monetaria de Divisas, SV, SA**

For the purposes of compliance and in accordance with the governing rules as established in Directive 3/2017 of 29 November from the National Securities Market Commission (CNMV), the reader will find available, either directly herein this document or through the indicated links, the mandatory information that Corretaje e Información Monetaria de Divisas, SV, SA (hereinafter, CIMD, SV, SA) has published in compliance with Corporate Governance and Remuneration Policy.

#### **STATUTES**

To access the statutes governing CIMD, SV, SA click [here](#).

#### **GOVERNING BODIES AND GOVERNING COUNCIL COMMISSIONS**

The rules governing the constitution and functioning of governing bodies are set out in Title III of the statutes.

As can be seen in the organigram represented in the [Organisational Structure](#), CIMD, SV, SA does not have, apart from the Shareholders Annual General Meeting and the Board of Directors, any other Governing Body, (with the exception of the management of an organised subscription system, as of January 3, 2018). Neither are there any commissions established within the Company.

#### **RISK MANAGEMENT**

To identify, measure, manage, control and carry out internal communications within the domain of the risks to which the Company is, or may be exposed, CIMD, SV, SA follows the same procedures and criteria as its parent company, CIMD, SA and whose details can be found in headings 5 to 10 of the [Solvency Report](#). Note that the figures in the report are aggregated (at Group level).

#### **INTERNAL CONTROL MECHANISMS**

As indicated in heading 12 of the [Solvency Report](#), the CIMD Group has a Unit that performs the regulatory compliance and risk management functions of the Group's investment companies (hereinafter ICs) with geographic location in the European Union. It also has a Unit that performs internal audit functions at Group level.

In accordance with paragraph 2 of Article 9 of the CNMV's Directive 1/2014 dated 26 February, the internal audit functions required of the Ics will be performed by CIMD, SA, the Group's parent company; for its part, CIMD, SA has appointed CIMD SV, SA. to undertake the roles of compliance and risk management functions.

The subordination of the aforementioned Unit lies beyond the governance of CIMD, SV, SA which will guarantee a greater degree of independence in the undertaking of the associated duties.

With regard to administrative and accounting procedures, it can be observed in the organigram found in the [Organizational Structure](#) that the Group has a *Department of Finance and Administration* which is responsible for carrying out all of the accounting functions of the Company.

This area is subordinate to the governing council of the Group. However, in order to undertake its functions, it is subject to the guidelines and procedures implemented by the Department of Finance and Administration of CIMD, SA; the principal reason for this structure is to maintain homogeneous accounting criteria and procedures (monthly statements are remitted to the CNMV in accordance with the normative) together with the rest of the companies that make up the Group.

CIMD, SV, SA, in coherency with its independent status, with respect to the execution of its activities and in consistency with the other companies of the Group, the associated personnel of the area hitherto referred, will report directly to the Department of Finance and Administration of CIMD, SA, being determined their sole function to meet the administrative and accounting management needs of the entity itself.

The functions they develop can be divided into two large blocks:

- Administration. The functions of this area are performed by the Department of Finance and Administration of CIMD, SA:
  - Invoice management (collections and payments).
  - Accounting records.
- Middle/Back Office. Main functions are:
  - Confirmation and registration of all operations.
  - Settlement of transactions.
  - Resolution of incidents.

## **BOARD OF DIRECTORS**

To view information regarding the Board of Directors of the Company click [here](#).

### **APPOINTMENTS AND REMUNERATION COMMITTEE**

CIMD, SA, the Group's parent company, as in all respects, observes the principle of proportionality according to size, internal structure, nature and scope of the activities performed by the various regulated companies of the Group, has constituted a Committee on Appointments and Remuneration, which carries out the functions as indicated in Articles 37 and 38 of Decree 2017/2008 dated 15 February.

The Committee is currently composed of three non-executive directors from CIMD, SA and a non-executive secretary.

### **AUDIT COMMITTEE AND RISK COMMITTEE**

CIMD, SA, the Group's parent company, has an Audit Committee that meets at least four times a year and is currently made up of four non-executive directors from CIMD, SA, not involved in the day-to-day management of the business.

Its main role is to supervise the internal audit activities of the Group with reference to the component companies (particularly of those which are supervised by the CNMV), encircling the correct functioning of the information and internal control systems.

Other functions:

- a) Propose the appointment of the external auditor, and to ensure the independence of such an appointment.
- b) With regard to internal audit: to review the Group's annual internal audit plan and the annual report, to ensure the independence and effectiveness of the internal audit and to verify that senior management takes into account the conclusions and recommendations of the reports issued on the various companies.

In addition, this Commission has assumed the functions assigned to the Risk Committee in Article 31a of Decree 2017/2008.