ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING POLICY

February 2024

A. Purpose and Framework

This policy was prepared in accordance with current legislation, regulations, recommendations and guidelines on Anti-Money Laundering and Combating the Counter-Terrorism Financing (AML), of the following Entities, with the aim of providing **Plural Markets – Empresa de Investimento, SA** (Plural Markets) with mandatory guidelines, standards and procedures in relation to this matter:

- Bank of Portugal (BdP);
- Securities Market Commission (CMVM);
- European Central Bank (ECB);
- European Banking Authority (EBA);
- European Securities and Markets Authority (ESMA);
- Financial Action Task Force (FATF).

Plural Markets, aware of its duties and responsibilities, complies with legal and regulatory requirements regarding AML. This document presents the controls and procedures designed to detect and manage money laundering and financing of terrorism (ML/FT), as well as the internal communication channels to ensure that reports of non-compliant operations and of violations of law are properly received and treated, in order to mitigate the risks inherent to Plural Markets business and its Customers.

All Plural Markets employees are reminded that omissions or failures in AML may be sanctioned administratively or even criminally, depending on the breach of the applicable AML framework and in accordance with the Plural Markets Code of Conduct and the applicable laws and regulations.

This document must be known to all employees and read in conjunction with the AML Procedures Manual and other documentation related to AML, as well as the laws and regulations applicable to Plural Markets.

B. General Principles and Framework

Financial Institutions are likely to be used to conceal, convert, transfer, or invest funds of illicit origin, resulting from activities classified as criminal.

For the purposes of Law 83/2017, which establishes measures to combat ML/FT, the CMVM is responsible for supervising financial entities, in which Plural Markets is included, namely investment companies, investment fund management companies, and securities investment companies, in accordance with their article 87.

The set of legal provisions is not limited to criminalizing certain behaviors, namely those that translate into “laundering money from illicit activities”, it also establishes a set of preventive measures, especially aimed at the financial system.

These preventive measures are essentially contained in the aforementioned Law 83/2017, which determines that the financial institutions, the boards of directors, as well as employees who exercise, or not, positions of direction, leadership, management, or other people who act on their behalf, legally or voluntarily, on a permanent or occasional basis, are obliged to fulfill special duties with regard to collaboration in prevention actions, as well as in criminal investigation, establishing, in this case, an exemption from the duty to professional secrecy.

It is important to highlight the existence of sanctions imposed by the Office of Foreign Assets Control – OFAC (United States), by the Common Foreign and Security Policy – CFSP (European Union) as well as by the United Nations Security Council. Restrictive measures imposed by the EU may target governments of non-EU countries or non-state bodies and Individuals (such as individuals and terrorist groups) and may include arms embargoes, other trade restrictions of a specific or general nature (import and export bans), financial restrictions, admission restrictions (visa or travel bans).

In view of the above, there is a need to exercise maximum prudence/caution when conducting any and all financial flows originating from or destined for one of these countries/entities.

C. AML preventive duties

The following AML preventive duties stand out and must be observed by Plural Markets and its employees.

Duty of control

Plural Markets defines and ensures the effective application of policies and procedures and controls that are deemed appropriate:

- The effective management of ML/FT risks to which Plural Markets is or will be exposed;
- Plural Markets' compliance with legal and regulatory standards regarding AML.

The policies, procedures and controls are made up (considering in proportion to the nature, size and complexity of Plural Markets' activity) by:

- Effective risk management model.
- Criteria for accepting and maintaining Customers.
- Continuous employee training programs.
- Designation of a Regulatory Compliance Officer (RCN).
- Creation of formal processes for capturing, processing, and archiving relevant information relating to AML.
- Disclosure of updated information in terms of AML to employees whose duties are relevant.
- Procedures for hiring employees whose functions are exposed to ML/FT risks.
- Updated information systems.

- Definition of procedures for reporting violations of Law 83/2017, by employees, guaranteeing their independence and anonymity.
- Development of data protection policies.

Duty of identification and due diligence

In addition to identification, through the practices used in KYC – Know Your Customer, it is necessary to obtain information about the purpose and intended nature of the business relationship (KYB – Know Your Business), as well as the Customer's risk profile or the characteristics of the transactions, on the origin and destination of the funds moved and make sure that such transactions are consistent with the existing knowledge of the Customer's activities and risk profile, whether the Customer is new to Plural Markets or not.

Knowledge of the Customer's organizational structure, when it is a legal entity, is of primary importance, as well as the identification of the beneficial owner.

This duty applies to all Customers and counterparties and is conducted prior to the establishment of a business relationship.

Without prejudice to previous due diligence, the application of enhanced due diligence measures is determined internally in accordance with the risk analysis.

Plural Markets does not delegate the performance of the identification and due diligence duties to third parties.

Duty to report

The Plural Markets Regulatory Compliance Officer (RCO) must immediately inform the Central Department of Investigation and Criminal Action of the Attorney General's Office (DCIAP) and the Financial Information Unit (UIP), whenever he knows or suspects that a money laundering or terrorist financing transaction has taken place, is ongoing or has been attempted.

Duty to abstain

Plural Markets must refrain from performing any transaction that may be associated with a criminal activity, money laundering or terrorist financing, and immediately inform the authorities mentioned above.

Duty to refuse

Plural Markets must refuse to conduct any transaction when there are lack or insufficiency of identification elements and the respective means of proof provided for by law or information about the nature and purpose of the deal and the source and destination of the funds or securities.

Duty to preserve

Documents proving compliance with the duty of due diligence and customer identification must be kept for a period of 10 years.

Duty to examine

Whenever the existence of any conduct, activities or transactions whose characterizing elements make them likely to be related to funds or other assets that come from criminal activities or are related to the financing of terrorism is detected, Plural Markets will perform enhanced due diligence procedures, intensifying the degree and nature of monitoring.

Duty to cooperate

Plural Markets must provide all assistance required by the competent authorities, namely, providing information and presenting all requested documents.

Duty to not disclose

Plural Markets, as well as its officers, managers or directors, employees, agents and other people who provide services on a permanent, temporary or occasional basis, must not disclose to Customers, or third parties, any information regarding suspicious transaction reports or ongoing criminal investigation, in compliance with the duties of communication, abstention, and collaboration.

"Whoever, even through mere negligence, discloses or facilitates the discovery of whom provided information" is punished with a prison sentence of up to 3 years or a fine.

Duty to train

Plural Markets adopts the necessary and proportionate measures to the respective risks, nature, and size of its activity so that its employees whose duties are relevant for the purposes of AML have adequate knowledge of the obligations arising from the law and regulatory regulations relating to AML.

D. ML/FT Risk Assessment and Internal Control

Plural Markets, given its size, identifies, assesses, and mitigates the ML/FT risk of all its activities to which it is exposed, paying particular attention to:

- Customer and its activity, geographic location and jurisdiction, business relationships, as well as products, services and distribution channels used;
- Activities and business areas developed by Plural Markets and its employees;

- Operations and counterparties of transactions conducted by the Customer.

Plural Markets' BC/FT risk management model is based on:
- The identification, as complete as possible, of the parts involved in the transactions (e.g. account holders, payers or beneficiaries of international transfers), as well as their respective activity;
- The Customers with the highest volume of transactions and consequent impact on the company's intermediation commissions are institutional Customers, whose settlement results directly in national financial institutions subject to supervision;
- The characteristics of the transaction (e.g. total and partial amounts, time period covered, justification presented, currency used, reasons for uninhabitability, payment methods and instruments used); and
- Systematic dissemination of updated regulatory information on AML/FT and control issues received by Plural Markets from Supervisory Bodies.

The procedures followed by Plural Markets have been based on the analysis by its RCO of all information that is issued, amended, or clarified on this subject, whether in national terms by the Bank of Portugal and/or CMVM, or in international terms by the FATF, which after being filtered is disseminated by all Plural Markets employees.

Once again, the size of Plural Markets should be emphasized, whereby the assessment of the effectiveness of the internal control system is evaluated daily, and any adjustment that proves to be urgent is immediately made.

Plural Markets only has one central establishment, and does not have any agencies, branches, or subsidiaries, in Portugal or abroad, and any of its employees who come across potentially suspicious ML/FT situations, transactions or Customers must immediately report in writing to the company's internal officer, who in turn will report to management.

Plural Markets' major concern is the application of its customer acceptance policy to mitigate potential risks.

The internal control system developed is appropriate to the degree of complexity of Plural Markets' organizational structure, as well as the size, nature and degree of risk of the activities conducted.

Telephone service

Whenever a telephone call is answered, all Plural Markets employees must mention the name of the company and clearly identify themselves to the Customer. As a way of recognition of the Customer, the Customer's name and their account number are requested.

Voice recording system

All stock exchange orders and other instructions transmitted and/or received by telephone are automatically recorded by the recording system, as a security mechanism for the instructions received. In this sense, whenever questions arise regarding the Customer's instructions, the trader must resort to telephone recording. Recordings must be kept on file for a period of no less than 5 years.

Account opening

The Customer must enter account opening and securities deposit contracts, collecting the necessary documents, in accordance with the models internally approved at Plural Markets, for each of the areas of activity (trading for third parties, discretionary management of portfolios for others or investment advisory).

Internally, all Customers must be allocated to a Customer officer, who will become the privileged contact with Plural Markets.

Once all the documentation has been gathered, the account will be opened in the internal system and characterized according to the established parameters.

Plural Markets keeps all information relating to Customer accounts for the legally required period.

Approval of principals and counterparties

Need for prior approval by the Management of the risks of principals (in the case of institutional and corporate Customers) and counterparties (foreign brokers with whom Plural Markets conducts transactions on behalf of Customers and who ensure access to the main international markets).

Mandatory contractualization of relationships maintained with each of these counterparties, through the execution of the respective service agreements, which must receive prior approval from the Management.

Investment risk information for Customers

During the account opening process, the Customer must be clearly and objectively informed of the risks associated with investing in the stock market; the Customer's risk profile must be identified (if they opt for the discretionary portfolio management or investment advisory service) and the Customer's monetary dependence on the amounts invested on the stock market must be identified.

This rule is only applicable to non-professional investors, namely individuals and non-institutional companies.

The officer must also inform the Customer of the exchange rate risk inherent in conducting transactions on the international market and check whether the Customer wishes to conduct the respective exchange rate coverage simultaneously with the transaction.

Minimum financial conditions for approval of individual Customers are not defined.

Placement of stock orders

Orders and other instructions from Customers can be sent to Plural Markets, either verbally (in which case the procedures are observed) or in written form by sending them via normal means of communication: letter, e-mail or computer file. In case of questions regarding the origin of the respective document or written support, the trader must check the Customer's file to validate the Customer's signature.

E. Responsibilities

Board of Directors

a) Apply AML policies, procedures, and controls;
b) Approve the policies, procedures, and controls referred to in the previous article, as well as update them;
c) Establish and periodically review Plural Markets' risk tolerance level;
d) Monitor and periodically evaluate the effectiveness and compliance of policies, procedures, and controls, within the defined risk tolerance level;
e) Promote an AML culture that encompasses all Plural Markets' employees;
f) Proceed with the designation of the Regulatory Compliance Officer;
g) Refrain from any interference in the exercise of the duty of communication, whenever, in performing the duty of examination that precedes it, it is concluded that there are potential suspicions;
h) Ensure critical review of decisions not to exercise the aforementioned duty of communication, whenever, in compliance with the duty of examination that precedes it, it is concluded that there are no potential suspicions.

Regulatory Compliance Officer

a) Participate in the definition and issuance of a prior opinion on policies and procedures and controls aimed at preventing ML/FT;
b) Permanently monitor the adequacy, sufficiency, and currentness of policies, procedures, and controls in matters of AML, proposing the necessary updates;
c) Participate in the definition, monitoring, and evaluation of the internal training policy for Plural Markets' employees;
d) Ensure the centralization of all relevant information that comes from the different business areas of Plural Markets;
e) Play the role of interlocutor for the judicial, police, and supervisory and inspection authorities, namely fulfilling the duty of communication.

February 2024.

Version Control:

Version	Date	Description of changes
1	12/2022	• Initial version.
2	02/2024	• Includes recommendations from the evaluation conducted by Ernst & Young, together with the preparation of the AML Procedures Manual. • Adds a description of the responsibilities of the Board of Directors and the Regulatory Compliance Officer.