

**Conflict of Interest Policy of
Banco Finantia, S.A.**

Index

1	Introduction	4
2	Subjective Scope	4
3	Scope of Application.....	4
4	Policy Objectives	4
5	General Principles	5
6	Internal documents relevant to Conflicts of Interest	5
7	Activities potentially generating conflicts of interest	6
7.1	Institutional Conflicts of Interest	6
7.2	Conflicts of Interest relating to employees.....	7
8	Adopted standards and procedures.....	8
8.1	Measures applicable to Institutional Conflicts of Interest	8
8.1.1	Measures for the prevention and control of simultaneous or sequential involvement of employees in different financial intermediation activities	8
8.1.2	Measures to prevent the occurrence of conflicts of interest in the placement and purchase / sale of financial instruments	9
8.1.3	Transparency measures that aim to ensure that customers provide authorisation in advance, in particular for the purchase of financial instruments issued by the Bank or by companies of the Banco Finantia Group	10
8.1.4	Procedures in relation to inducements	10
8.1.5	Procedures to ensure best execution	10
8.1.6	Procedures to prevent or control the exchange and circulation of Privileged Information	10
8.1.7	Establishment of appropriate procedures for transactions with Related Parties including shareholders.....	12
8.1.8	Procedures relating to Personal Transactions.....	12
8.1.9	Different procedures for the supervision of employees involved in financial intermediation activities which involve a risk of conflict of interest, whenever that may be detrimental to the interests of customers.....	14
8.2	Applicable measures to conflicts of interest relating to employees	14
8.2.1	Measures to prevent or limit the exercise of improper influence on how an employee carries out his activity.....	14
8.2.2	Measures to ensure that the board of directors does not vote on any matters that have or may have a conflict of interest, or in relation to which their objectivity or capacity to adequately fulfill their obligations to the institution may be compromised	14
8.2.3	Procedures relating to gifts	14
8.2.4	Procedures for the communication of positions previously held and procedures to be followed prior to the acceptance of a position to be exercised in combination with the position exercised at the Bank	15

8.2.5 Measures to eliminate any direct relationship between the remuneration of Relevant Persons principally engaged in an activity and the remuneration or revenues generated by, different Relevant Persons principally engaged in another activity, to the extent that may arise a conflict of interests in relation to these activities	16
9 Obligation of communication	16
10 Processing and recording of situations of conflict of interests	17
11 Assessment of materiality	18
12 Register	18
13 Communication of conflicts of interest to customers	19
14 Conservation and filing	19
15 Responsibilities on the subject of conflicts of interest	19
16 The consequences of non-compliance	20
Annex I - Declaration of knowledge of the Conflict of Interest Policy	21
Annex II - Declaration of significant connections	22

1 Introduction

"Banco Finantia, S.A." (hereinafter referred to as "the Bank"), is majority-held by the company Finantipar, S.A. (together with its subsidiaries, hereinafter referred to as "Group" or "Finantia Group").

The Bank, under the terms and for the purposes of the Securities Code ("CVM"), under the General Scheme of Credit Institutions and Financial Companies (RGICSF) and the Guidelines on Internal Governance under Directive 2013/36/EU (EBA/GL/2017/11), and considering the requirements applicable to financial intermediation activity, in accordance with the provisions laid down in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 ("MIFID II"), and Delegated Regulation (EU) 2017/565 of the Commission, of 5 April 2016 ("MIFID Delegated Regulation"), adopts this Conflict of Interest Policy (hereinafter referred to as "Policy") appropriate to its size, organisation, nature and complexity of its activities.

This policy reflects the organisational and control measures adopted by the Bank, with a view to ensuring the identification, management and control of conflict of interest situations, and should be considered complementary to the other specific procedures established on this subject.

2 Subjective Scope

This Policy applies to members of the administrative and supervisory bodies, the holders of key functions and other employees of the institution regardless of the nature of their labour relationship and the function they perform, and covers conflicts arising from personal interests directly or indirectly related to them, via a close relationship or a relationship of control.

For the purposes of this Policy and in particular the provisions in point 8.1.8, the following are considered to be "Relevant Persons":

- a members of the administrative and supervisory bodies;
- b employees involved in financial intermediation activities or operational functions that are fundamental for performance of financial intermediation activities.

Employees must sign a declaration stating that they are aware of this Policy and its respective annexes, by which they undertake to observe and ensure compliance with the same, in accordance with Annex I.

A specific folder including the declarations signed by all employees of Banco Finantia for this purpose, shall be held by the Human Resources Department.

3 Scope of Application

The Bank, in line with the provisions in point 3.4 of the Compliance Function Policy, shall promote at its branches the adoption of the guidelines set out in this Policy, by means of articulation with the Compliance Department.

4 Policy Objectives

The main objectives of this policy are to:

- a Adopt, approve, supervise the implementation and maintenance of effective procedures to identify, evaluate, manage and mitigate or prevent real and potential conflicts of interest either at institutional level or between the interests of the institution and the private interests of the Employees;
- b Establish principles and internal procedures which identify, evaluate, manage and mitigate or prevent real and potential conflicts of interest which are potentially detrimental to a customer;
- c Ensure compliance with legal rules and regulations in force in relation to the prevention and management of conflicts of interest;
- d Define the appropriate form of management of conflicts of interest that cannot be avoided, and recording the same;
- e Increase the degree of knowledge and awareness of employees on the subject of conflicts of interest;
- f Promote a culture of identification and proper management of conflicts of interest among employees;
- g Ensure the proper documentation of procedures and controls in relation to conflicts of interest.

5 General Principles

This Policy is based on the following principles:

- a In the performance of their functions, Employees shall comply with the applicable legislation, regulations and internal rules, and shall not sacrifice such compliance to the unlawful satisfaction of their own interests or those of third parties;
- b Employees shall not participate in any matter in which they have a private interest, whether direct or indirect, and shall inform the Compliance Department if such a situation arises;
- c Each area shall organise itself and define its processes so as to respect the principle of separation of functions, in order to prevent situations of conflict of interest and contribute so that these are performed correctly;
- d In relations with customers priority shall be given to the interests of customers, both over the Bank's own interests or those of the companies with which it is in a control or group relationship, and over the interests of its governing bodies and employees, including those resulting from the acceptance of benefits from third parties or from its own remuneration and other incentive structures.

6 Internal documents relevant to Conflicts of Interest

This Policy is drafted and implemented in conjunction with all the other internal documents of the Bank on the subject of conflicts of interest, in particular the following:

- i Code of Conduct of Banco Finantia Group;
- ii Policy for Selection and Assessment of Suitability of Members of the Management and Supervisory Bodies and Key Function Holders;
- iii Policy on Prevention, Communication and Rectification of Conflicts of Interest involving Related Parties.

7 Activities potentially generating conflicts of interest

7.1 Institutional Conflicts of Interest

7.1.1 Institutional conflicts of interest include those that result from the various activities and different roles of the Bank and the various institutions within the same perimeter of prudential consolidation and the various business lines or different units of the institution or conflicts of interest between the institution and its external stakeholders, including, specifically, the following conflicts of interest:

- a between the institution and its shareholders with a participation of over 2%;
- b between the institution and its customers, as a result of its business model and/or of the various services and activities carried out by the institution;
- c between customers of the institution;
- d between the institution and its parent company, its subsidiaries and any other entities of the Banco Finantia Group;
- e in the context of intra-group transactions.

7.1.2 In this context, the following situations may potentially generate conflicts of interest:

- i Decision making of the referred shareholders against the Bank interests or negotiation of transactions outside the market with incurring losses for the Bank
- ii Provision of financial intermediation services to different customers that act in the same sector;
- iii Provision of financial intermediation services to issuers of financial instruments that may be the subject of customer transactions;
- iv Provision of assistance and placement in public and private offerings related to financial instruments that may be the subject of customer transactions, and may underwrite issues which may be subscribed by customers;
- v Inclusion by employees or members of the board of directors of the entities in the Finantia Group, in the management bodies of other issuers of financial instruments that

may be the subject of transactions by customers or about which investment recommendations are produced or disclosed;

- vi Acting as a counterpart of the customer or through the execution of orders concerning financial instruments on behalf of or representing the customer;
- vii Financial instruments transactions between customers and the Bank or other customers;
- viii Placing financial instruments issued by the Bank or entities of the Group with customers;
- ix Simultaneous execution of financial instruments transactions for the Bank and for customers;
- x Receipt of pecuniary or non-pecuniary incentives, which may influence the behaviour in the provision or acquisition of a certain service;
- xi Composition of the remuneration of employees linked to the activities of marketing financial instruments or the provision of other financial intermediation services, for example investment advice or the provision of underwriting services or placements or consulting on the structure of capital or merger or acquisition of companies;
- xii Negotiation of intragroup transactions at out of the market prices.

7.2 Conflicts of Interest relating to employees

There is a conflict of interest situation at employee level when there is an actual or potential conflict of interest between the interests of the Bank and the private interests of the employees, which may negatively influence the performance of their duties and responsibilities.

This Policy distinguishes between the following sources of conflicts of interest with regard to employees:

a Financial conflicts of interest:

The following are considered to be financial conflicts of interest: relationships between Employees or Related Persons where there is a close personal relationship, and any individual or legal entity which has a financial interest or a relevant financial obligation toward the Bank, including, without limit, related to shares, property rights, financial holdings and other economic interests in commercial customers, intellectual property, loans granted by the Bank to a company owned by members of staff, participation or ownership of an organism or entity with conflicting interests.

b Professional conflicts of interest:

The following are considered to be professional conflicts of interest:

- Employees simultaneously exercising with the Bank, and with any other competitor, a management or supervisory role, or being the holder of a key function;
- Employees who have or have had during the last five years, a commercial or professional relationship with an entity competing with the Bank.

The existence of activities being performed in combination with those performed in the institution or previous employment in the recent past (in the last 5 years), professional relationships with holders of qualifying participations in the Bank, with Employees of the Bank or of entities included within the scope of prudential consolidation.

c Personal conflicts of interest:

There is considered to be a personal conflict of interest, for example, where a person:

- Has a close personal relationship with a Relevant Person;
- Is a party to legal proceedings against the Bank;
- Has, or has had during the past 5 years, significant business, whether privately or through a company, with the Bank.

Included in this category are personal relationships with the holders of qualifying participations and personal relationships with relevant external stakeholders.

d Political conflicts of interest:

The following are considered to be political conflicts of interest:

- Someone who is or has been in a close personal relationship with a person who holds, or has held during the last 5 years, a role as a Politically Exposed Person or that occupies political or public roles.

For the purposes of identifying types of conflicts of interest that arise in the course of the provision of services and whose existence may damage the interests of a customer or the Bank, the Bank takes into account whether the Bank itself, a Relevant Person or a Related Person is in a situation liable to give rise to a conflict of interests.

8 Adopted standards and procedures

With a view to ensuring respect for the principles and to prevent conflicts of interest occurring, this policy establishes the organisational measures, procedures and monitoring mechanisms set out below and highlights measures to prevent, manage and/or mitigate typical conflicts of interest.

8.1 Measures applicable to Institutional Conflicts of Interest

8.1.1 Measures for the prevention and control of simultaneous or sequential involvement of employees in different financial intermediation activities

The Bank's financial intermediation activities must be carried out, to the extent possible, by employees of the Bank, although there may be specific situations of agreements with companies in the Banco Finantia Group providing financial intermediation auxiliary services. The simultaneous and sequential involvement of employees in different financial intermediation activities does not always mean that there will be an obstacle to proper management of conflicts of interest.

8.1.2 Measures to prevent the occurrence of conflicts of interest in the placement and purchase / sale of financial instruments

8.1.2.1 When the Bank is involved in consultancy on corporate financial strategies and subscription services or placing of financial instruments, it shall ensure that there is a centralised procedure to identify underwriting and placement transactions, and record that information, including: the date on which the Bank was informed of potential transactions of this nature; any commissions, fees or monetary or non-monetary benefits received, which must comply with the legal rules and regulations applicable to the receipt of third-party incentives and internal procedures; the content and timing of instructions received from customers; allocation decisions taken for each transaction to ensure a complete audit trail between the movements recorded in the customer accounts and the instructions received by the Bank, and in particular the final allocation to each investment account must be clearly justified and recorded.

8.1.2.2 Those responsible for the teams that provide placement services must ensure that the fixing of prices does not promote the interests of other customers, or the own interests of the Bank, in a way likely to generate a conflict with the interests of the issuer, and that there is adequate segregation between employees who provide services to issuers and those who provide services to investors in the scope of offerings.

8.1.2.3 Any agreements which aim to benefit the interests of the Bank contrary to the interests of a customer issuing securities or the interests of one investor ahead of another investor in the offer are prohibited.

The Bank shall identify, in particular, all potential conflicts of interests arising from:

- a Other activities and services provided by the Bank or the respective group;
- b Services for execution of customer orders and underwriting or placement services;
- c Provision of investment services for customers to participate in a new issue, when the Bank receives commissions, fees or any monetary or non-monetary benefits by reference to the organisation of this same issue;
- d Placing with customers financial instruments issued by it or by entities in the same group or, if applicable, collective investment undertakings managed by entities in the same group;
- e Prior loans or credit granted by the Bank (or entity of the same group) to the customer as issuer, which may be repaid with the results of the issue.

8.1.2.4 The Bank shall identify potential conflicts of interest arising from other activities and apply appropriate management procedures. In cases in which the Bank cannot manage a conflict of interest through appropriate procedures, it must refrain from participating in the transaction or disclose the conflict of interest in accordance with the provisions of paragraph 10, below.

8.1.2.5 The Bank shall, whenever it performs transactions to meet customer orders, put at the disposal of such customers the financial instruments at the same price for which it acquired them.

8.1.3 Transparency measures that aim to ensure that customers provide authorisation in advance, in particular for the purchase of financial instruments issued by the Bank or by companies of the Banco Finantia Group

Since this is a situation in which it is not possible to prevent a conflict of interest arising, professionals and non-professional customers are specifically informed that the financial instruments in question are issued by companies of the Group Banco Finantia, and must give prior authorisation to their purchase. The communication procedure is set out in point 9 below.

8.1.4 Procedures in relation to inducements

The Bank may not pay or receive any remuneration, charges, fees, commissions, or any other pecuniary or non-pecuniary benefits or allocate costs in relation to the provision of an investment service or ancillary service to a customer (an "inducement"), unless such payment or receipt:

- i Is intended to improve the quality of service provided to the customer; and,
- ii Does not interfere with the obligation of the Bank or of its employees to act honestly, fairly and professionally in order to better serve the interests of customers.

The identification of Inducements and their communication to customers, before the provision of the service, is the responsibility of the Director Responsible for each business area of the Bank.

8.1.5 Procedures to ensure best execution

The orders of professional and non-professional customers benefit from the principle of best execution. The Order Execution Policy defines procedures intended to ensure that customer orders are implemented in accordance with the criteria established for best execution.

8.1.6 Procedures to prevent or control the exchange and circulation of Privileged Information

8.1.6.1 Privileged Information means all information which is "specific, precise and able to sensitively influence the price" of securities or other financial instruments, known due to the exclusive performance of a professional role and that, if made public, could influence market value, and all data or information that is not in the public domain, which Employees know as a consequence of the performance of their duties, whether arising from or referring to customers, to the Bank to other Employees or third parties and that can be used with the purpose of gaining profit or advantage in the market, for themselves or another. With the aim of preventing or controlling the exchange and circulation of Privileged Information between employees involved in activities involving a risk of conflict of interests, the following procedures are established:

- a Mechanisms for the prevention of misuse of privileged information when such information risks damaging the interests of one or more customers;

- b Establishment of an organic structure that separates the different financial intermediation activities and ancillary services, by appropriate segregation of duties by areas, taking into account the specific risk of each function.
 - i Receipt, transmission and execution of orders on behalf of others;
 - ii Trading of financial instruments on own account;
 - iii Financial instrument investment advice;
 - iv Advice on capital structure, industrial strategy and related issues, as well as on the merger and acquisition of companies;
 - v Registration and deposit of financial instruments, as well as services related with holding them, such as the management of cash or guarantees;
 - vi Currency exchange and safe hire services, linked to the provision of investment services;
 - vii Assistance and placement in public offering relating to financial instruments.

8.1.6.2 The measures and procedures designed to prevent the circulation of information between Employees belonging to different areas are as follows:

- a The establishment of barriers between the areas, whether physical barriers, by physical separation of areas, or logical, at the level of computer systems – personal and non-transferrable computer access credentials to access the applications, files, databases, email, as set by more senior management, as well as through access registration;
- b Procedures for monitoring and periodic control, with the aim of demonstrating the effectiveness of these barriers.

8.1.6.3 Measures and specific procedures to adequately control the transfer of information, avoiding circulation between areas and not being accessible to people unfamiliar with the activity carried out, include:

- a Standard procedures for transfer of information between the separate areas;
- b Drawing up lists of the Employees who had access to privileged information through participation in transactions where, by their nature, privileged information was obtained. The lists referred to shall be made available to the Head of Compliance by the Director Responsible for the area, indicating the characteristics of the information, the date on which they were aware of the information and, if applicable, the affected values which must be regularly updated;
- c In the event of information becoming known by a group of people due to carrying out a transaction or the provision of a service, the head of the team having that information shall inform such persons of the type of information that they will receive and shall inform the Responsible Department Director of the identity of all persons having knowledge of the information, the characteristics thereof, the date on which each one of them knew, and if applicable, the values affected, so that the Responsible Director communicates promptly to the Head of Compliance under the terms set out in the Term Sheets Drafting Manual;

- d These employees must also be informed of the legal consequences arising from the disclosure or misuse of privileged information;
- e Possibility of transfer of privileged information to third parties, only where strictly necessary and subject to a confidentiality written declaration.

8.1.7 Establishment of appropriate procedures for transactions with Related Parties including shareholders

The Bank has in force a "Policy on prevention, communication and rectification of conflicts of interest involving Related Parties". Under the terms provided for in that policy, the Bank conducts transactions with "Related Parties" in market conditions. "Relevant Business" with Related Parties is subject to prior notification of the relevant business to the board of directors and supervisory board, which are responsible for assessing and pronouncing on the proposed Relevant Business. Holders of qualifying participations and members of the administrative and supervisory bodies are Related Parties and may not participate in decisions when they are in a conflict of interest situation.

8.1.8 Procedures relating to Personal Transactions

"Personal transactions" are transactions on financial instruments concluded by Relevant Persons or on their behalf, provided that:

- a The Relevant Persons are acting outside the scope of the functions they perform;
- b The transactions are performed on behalf of:
 - i The spouse or partner living with the Relevant Person under this policy, descendants and other family members who live with him or her for more than a year;
 - ii Any entity that is directly or indirectly controlled by the Relevant Person, formed for his/her benefit or of which he/she is the manager;
 - iii A company in which the Relevant Person holds, directly or indirectly, at least 20% of the voting rights or share capital;
 - iv A company in a group relationship with a company controlled by it;
 - v A person whose relationship with the Relevant Person is such that they have a direct or indirect material interest in the result of the transaction, in addition to the remuneration or commission charged for the execution of the same.

8.1.8.1 Prohibited Personal Transactions

8.1.8.1.1 Personal transactions are specifically prohibited if they are incompatible with, or likely to be incompatible with, any obligation of the Bank to act honestly, fairly and professionally, in the interests of customers.

Relevant Persons involved in activities likely to give rise to a conflict of interest or that have access to privileged information or confidential information, are prohibited from carrying out personal transactions, or advising or asking others to carry them out:

- a Involving the misuse or improper disclosure of privileged or confidential information;
- b That violate any laws, regulations or ethics;
- c Which generate situations of conflict of interest with Banco Finantia or with its customers, without prior authorisation;
- d Relating to financial instruments issued by customers in relation to which the Bank is providing consultancy services on capital structure, industrial strategy and related issues, as well as on the merger and acquisition of companies or ancillary services in a public offering relating to securities.

8.1.8.1.2 Relevant Persons, when they are involved in the preparation of marketing communications, may not perform personal transactions contrary to those laid down in the marketing communications on financial instruments covered by the marketing recommendations or financial instruments related thereto, unless exceptional circumstances occur and are duly authorised by the Compliance Department.

8.1.8.1.3 In the event of doubt as to the existence of conflicts of interests or risk of violation of any legal, regulatory or ethical provision, the Relevant Persons must, before performing any personal transaction, inform the Compliance Department in writing of the transaction which they intend to perform, which is dependent upon prior written authorisation.

8.1.8.2 Specific Communication Procedures

- a The Relevant Persons must keep an updated declaration with Banco Finantia with their significant economic connections, whether family or otherwise. (Annex II).
- b The Relevant Persons, whenever they carry out personal transactions shall notify the Compliance Department, in writing, within 24 hours, of the transactions performed.
- c The Relevant Persons undertake to deliver an extract or any other information about their portfolio of financial instruments, with a detailed description of the transactions carried out in a specific period and of all financial instruments which are held, whenever requested by the Compliance Department.
- d In order to reinforce the need for timely compliance with the duty to provide information relating to personal transactions, employees are advised twice before the deadline for response, and the Compliance Department, in the second notice, must also alert the line manager. If this is not enough, the Department of Human Resources must be informed so that the non-compliance of the employee is noted.
- e Without prejudice to the provisions of the previous paragraph, the Relevant Persons are exempt from the duty of communication for transactions relating to bonds and other debt instruments, participation units or those that have been carried out within the scope of a discretionary portfolio management contract (except those which correspond to binding orders transmitted to the manager), as well as the acquisition of shares in the context of privatisation processes.

- f The Compliance Department may prohibit any transaction if it considers that this is contrary to the interests of the Bank or to the applicable ethical principles, in particular related to market transparency.

8.1.9 Different procedures for the supervision of employees involved in financial intermediation activities which involve a risk of conflict of interest, whenever that may be detrimental to the interests of customers

The controls implemented ensure that employees involved with the different financial intermediation activities which involve a risk of conflict of interests with possible damage to the interests of customers, report hierarchically to different persons, in particular those involved with trading activities on their own account or on behalf of customers, and those involved with the activity of producing investment recommendations, if this service is provided.

8.2 Applicable measures to conflicts of interest relating to employees

8.2.1 Measures to prevent or limit the exercise of improper influence on how an employee carries out his activity

The physical, functional and hierarchical separation of employees implemented by the Bank, duly adjusted to its size, allows for effective prevention of these situations.

Information about customers is held with due confidentiality, keeping access to data documents restricted to employees responsible for their processing, making access to this information by other employees conditional on approval, upon request.

Employees involved in different activities involving a conflict of interest carry out their activities with an appropriate degree of independence given the scale and the activity of the Bank and the importance of the risk of damage to the interests of customers.

8.2.2 Measures to ensure that the board of directors does not vote on any matters that have or may have a conflict of interest, or in relation to which their objectivity or capacity to adequately fulfill their obligations to the institution may be compromised

The members of the board of directors shall abstain from participating in the vote on any matter in which they have, or might have, conflicts of interest, or in relation to which their objectivity or ability to comply properly with their obligations to the institution may be compromised. In addition, the members of the board of directors are prevented from participating in the discussions that precede the resolution and from receiving the respective documentation.

8.2.3 Procedures relating to gifts

Employees may not accept, for their own benefit or that of third parties, gifts and other benefits or rewards related with the functions they perform.

Notwithstanding the above, employees may accept gifts and other benefits or rewards of mere hospitality in line with social customs, provided that the patrimonial or non-patrimonial advantage does not exceed a purely symbolic value.

Purely symbolic value means alternatively:

- > An annual accumulated value less than €100.00;
- > Marketing objects of little value;
- > Occasional gifts due to festive situations (Christmas, wedding), provided that such gifts are not provided in cash and their value is deemed reasonable for the social uses depending on the occasion.

If it exceeds the purely symbolic value defined above, the employees must follow one of the following procedures:

- i Return to the offeror the gifts received;
- ii Donate the gifts to a charitable institution, provided that this is not related to the offeror or the Employee.

In any case, employees shall immediately inform the Compliance Department in writing of any gifts and other benefits or rewards they receive, for an analysis and decision on how to act and so the situation may be registered.

8.2.4 Procedures for the communication of positions previously held and procedures to be followed prior to the acceptance of a position to be exercised in combination with the position exercised at the Bank

- a When admitted to a position, all employees shall communicate any other positions/activities and professional and personal relationships that they have had in the 5 years prior to joining the Bank, and which could potentially give rise to a conflict of interest situation.
- b Employees shall notify the Head of Compliance in advance of their intention to perform other positions/activities in combination with the position performed at the institution.
- c The Compliance Department shall be responsible for determining the potential existence of incompatibilities or restrictions in terms of complying with the rules due to the combination of functions, and shall inform the hierarchical superior of the Relevant Person of the result of its analysis. The hierarchical superior, together with the responsible board member, will decide on whether the combination of functions is feasible, taking into account the legal framework and contractual obligations.
- d In the case of members of the governing bodies, notification of the intention to simultaneously combine other positions/activities with the position/activity performed in the institution shall be sent to the Chairman of the respective body and to the supervisory body, as the body responsible for guaranteeing the application of the Policy on the Selection and Assessment of Suitability of the Holders of Positions with Key Functions, for their appreciation of the possibility of such combination, and these bodies will then inform the Head of Compliance. The notification addressed to the Chairman shall contain the information listed in the Policy on the Selection and Assessment of Suitability of Members of the Administrative and Supervisory Bodies and Holders of Positions with Key Functions, and at least:

- > Part 7, 8 and 9 of the Questionnaire on suitability, professional qualifications, availability, independence and conflicts, which constitutes Annex 1 of Instruction No. 23/2018 of Banco de Portugal;
- > Statement of Commitment, signed by the member in question.

8.2.5 Measures to eliminate any direct relationship between the remuneration of Relevant Persons principally engaged in an activity and the remuneration or revenues generated by, different Relevant Persons principally engaged in another activity, to the extent that may arise a conflict of interests in relation to these activities

The Employee Remuneration Policy is approved by the board of directors and aims to encourage responsible business conduct, to align the interests of employees with those of the Bank and avoid conflicts of interest in relationships with customers. Accordingly, there may not be a direct relationship between the remuneration of Relevant Persons principally engaged in an activity and the remuneration or revenues generated by different Relevant Persons principally engaged in another activity, where in relation to these activities a conflict of interest may arise.

The Employee Remuneration Policy in force is based, in general terms, on the payment of a fixed component of remuneration appropriate to the functions performed, and a variable component of remuneration may be added based on quantitative and qualitative criteria previously defined and contained in the Employee Manual. In this context, it is important to highlight that the fixed component of the remuneration must, in any situation, represent the highest proportion of total remuneration, the policy is fully flexible as to variable remuneration and non-payment of any variable remuneration is possible. The institution has established an internal process for annual performance appraisal of each of its employees.

9 Obligation of communication

All Employees have a duty to avoid situations that may give rise to conflicts of interest.

However, if a conflict of interest situation (actual or potential) is identified, the Compliance Department must be informed immediately:

- i by any employee, in the exercise of their functions and regarding any transactions in relation to which a conflict of interest situation is found or in which a person or entity that is a Related Party of the Bank by virtue of the relationship that it has with such an employee;
- ii by the head of department in the event of a conflict of interest of the department;
- iii by any employee, as soon as he becomes aware of a potential or actual conflict of interest situation, even without observance of the chain of command;
- iv The Chairman of the board of directors or the supervisory board, in the case of the conflict of interest situations described below.

Any identified direct or indirect, actual or potential conflict of interest, of an individual or collective nature, that involves members of the board of directors or supervisory board, or members of the committees which support these bodies, on their own behalf or on behalf of third parties, in possible conflict with the interests of the Bank, must be properly documented

(including, where applicable, the information set out in point 12 below) and communicated to the Chairman of the board. After the communication, the conflicts of interest are discussed, decided and properly managed by the administrative or supervisory body and subsequently communicated to the Compliance Department for registration purposes.

Other conflict of interest situations identified and communicated shall be put in writing, whenever possible within three days, and sent to the following address: compliance@finantia.com. The communication must be substantiated, complete and include, where applicable, the information set out in point 12.

10 Processing and recording of situations of conflict of interests

10.1 The Compliance Department shall objectively identify and analyse each conflict of interest situation, and may, at any time, request additional information and clarifications about the specific situation, the measures already adopted and other information deemed relevant to the management of the conflict of interest under consideration, in order to conclude one of the following:

- a No Conflict of Interest - Conclusion that the situation in question is not a conflict of interest situation. In this case, the Compliance Department shall record the identification of the situation, the conclusion reached and file the case.
- b Confirmation of Conflict of Interest (actual or potential) - In this case, it must evaluate the specific situation, with all available evidence, deciding:
 - i that there is a potential conflict, and therefore it may still be avoided or mitigated:
 - a. if the conflict is categorised, by the control mechanisms in force and the application of the respective mitigation measures; or
 - b. if it is an uncategorised potential conflict, by new control mechanisms to be implemented.
 - ii that the conflict is actual and effective, and it cannot therefore be avoided, since there are no measures or it is not possible to define any measures that are appropriate to solve it, in which case the Compliance Department will communicate the situation in the terms of point 13 below.

10.2 Once the analyses have been carried out, the conclusions and recommendations to be adopted are duly documented and recorded by the Compliance Department. The Compliance Department shall inform the employee and head of department of its conclusions and recommendations, as well as other departments or hierarchies, as applicable, within a reasonable period of time.

10.3 The Compliance Department continually follows up on the measures implemented or to be implemented to manage or mitigate/correct the identified and accepted conflict of interest situation, documents these measures and reports them to the administrative and supervisory bodies as part of the quarterly report of deficiencies.

11 Assessment of materiality

In consideration of the significant/material nature of conflicts of interest, it will be necessary to assess the impact that the conflict of interest may have on the ability of the Employee to carry out their functions and on the damage that this may cause to customers of the Bank and the Bank itself.

Conflicts of interest that meet one of the following qualitative and/or quantitative limits are considered material:

Qualitative criteria:

- a Conflict of interest by a member of a company body or by holders of key functions;
- b Conflict of interest by employees who provide services related to the marketing of products and/or provision of services.

Quantitative criteria:

- a Conflicts of interest whose frequency exceeds 4 (four) times;
- b The conflict situation falls within the applicable legislation in the list of very serious administrative offences;
- c The situation may involve a benefit / loss to the Bank greater € 2,000,000.

12 Register

The Compliance Department is responsible for ensuring that a central and up-to-date register is kept of all conflicts of interested identified and communicated, and also the measures implemented or to be implemented to manage them, so as to enable them to be continually monitored and assessed.

The Register shall include the following information, as applicable:

- a Conflict of interest situation identified;
- b Distinction between conflicts of interest that persist and conflicts of interest that relate to a single event, which can be mitigated with only one measure;
- c Identification of the entity/individual or structural unit involved;
- d Date or period in which the conflict of interest took place;
- e Processing and conclusion;
- f Mitigation measures established;
- g If the conflict is resolved, an indication of the date of completion of the situation identified;
- h Reference to communications made in the terms of point 13 a) and location of the files of these;

- i Materiality assessment.

13 Communication of conflicts of interest to customers

The Bank shall avoid conflict of interest situations; however, if the measures it adopts are not sufficient to ensure, with a reasonable level of certainty, that risks of causing harm to customers' interests can be avoided, the Bank, via the Compliance Department, shall select one of the following solutions:

- a Inform the customer of the existence, origin and nature of the conflict of interest prior to the provision of the service, in order to obtain his consent; or,
- b Refuse to provide the service.

The dissemination of information to the customer in terms of item a) above, shall include:

- i a specific description of the conflicts of interest that arise in the provision of investment services and/or ancillary services, taking into account the nature of the customer;
- ii the nature and origins of the conflicts of interest;
- iii the risks that may arise for the customer;
- iv the measures taken to reduce those risks;
- v a sufficient level of detail to enable the customer to make an informed decision regarding the investment service or ancillary service in which the conflicts of interest arise.

The communication shall be made by the Compliance Department, on durable medium.

14 Conservation and filing

Conflicts of interest communicated under this policy, as well as the records and communications related to them, are stored on a durable medium, to enable the information to be reproduced in full and unchanged, for a period of five years and are made permanently available to the supervisory entities.

15 Responsibilities on the subject of conflicts of interest

The administrative body is responsible, after receiving a prior opinion from the supervisory body, for approving policies the objective of which is the prevention, communication and rectifying of conflicts of interest, and which define standards of behaviour that employees must observe in the performance of their functions.

On the subject of conflicts of interests, the Compliance Department has the following responsibilities, in addition to the responsibilities expressly mentioned in this Policy:

- a Submit for the approval by the board of directors (or whoever it delegates, in accordance with the legislation in force) the Conflict of Interest Policy;
- b Periodically assess, at least every two years, the Conflict of Interest Policy and the other policies, rules and internal procedures on the subject of conflicts of interest, and, where justified, propose the measures needed to improve these;

- c Clarify any doubts of Employees on this Policy and other detailed rules for conflicts of interest;
- d Keep the necessary records to document management and implementation of this policy, including the criteria used to resolve certain types of conflict of interest, allowing uniform resolution of specific situations;
- e Promote the adequate training of employees, in matters related to internal policies in the field of prevention of conflicts of interest;
- f Establish procedures to ensure the identification, monitoring and control and evaluation of the rules on conflicts of interest provided for in the Policy.

Employees are responsible for identifying and reporting any possible conflicts of interest, potential or actual, and are required to know and comply with this Policy, and other applicable policies and procedures, related to the prevention, identification, documentation, redirection and management of conflicts of interest.

16 The consequences of non-compliance

Non-compliance with the rules laid down in this Policy may be considered a serious breach of conduct, and, in consequence, give rise to the application of disciplinary measures, under a disciplinary procedure, pursuant to general labour law, with the immediate suspension of the worker or the application of other immediate preventive measures, in accordance with applicable law.

In the event of a non-compliance with the rules laid down in this Policy, the Compliance Department will assess the materiality of the conflict in question by applying the criteria established in Clause 11.

In the case of non-compliance where the underlying conflict is classified as material, the Compliance Department shall inform the Human Resources Department, to initiate the necessary and appropriate measures for each case.

In addition to disciplinary sanctions, the practice of acts that violate this Policy or the principles enshrined in it, in particular making any personal transactions in violation of the provisions of this Policy, will create civil liability under the general terms of law.

17 Approval, updating and dissemination

The Conflict of Interest Policy shall be revised periodically, at least every two years, following a proposal from the Compliance Department and whenever there are changes to the legislation and regulations justifying this.

This Policy and its successive revisions are approved by the administrative body, following prior consultation with the supervisory body.

The Conflict of Interest Policy is disseminated internally to Employees via the intranet and shall be published on the Bank's internet site.

Annex I - Declaration of knowledge of the Conflict of Interest Policy

Declaration of Knowledge of the Conflict of Interest Policy

I, [name], in the capacity of [position/function], hereby declare that I have full knowledge of, and accept and respect the Conflict of Interest Policy and its Annexes (having been provided with a copy of the same, as approved by the Board of Directors of Banco Finantia, S.A. on [dd/mm/yyyy] and I undertake to respect and comply with its rules.

[Place and Date]

[Signature]

Annex II - Declaration of significant connections

Declaration of Significant Connections

(in accordance with point 8.1.8 II) of the Conflict of Interest Policy)

Holder _____

Spouse/Partner _____

Dependent children _____

Other relatives in household (more than 1 year) _____

Companies in which the holder holds at least 20% of the voting rights (indicating those controlled by the holder) _____

Other persons whose relationship is such that they have a direct or indirect material interest in the result of the transaction, other than the fee charged for the execution of the same _____

There are no connections

The data collected is processed automatically and is intended for the exclusive use of Banco Finantia, S.A. for control purposes for personal transactions by its employees. All interested parties may access the information that concerns them and request its correction, addition or deletion by contacting the Bank.

[Place and Date]

[Signature]