



NAVIGATOR GROUP COMPLIANCE POLICIES

- INTERNATIONAL SANCTIONS COMPLIANCE POLICY

- POLICY FOR VERIFICATION OF THE INTEGRITY OF THIRD PARTIES

**- POLICY FOR THE PREVENTION OF MONEY LAUNDERING AND FINANCING OF
TERRORISM**



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I. VERSION HISTORY

VERSION	ELABORATION	APPROVAL DATE	APPROVAL	OBSERVATION
1	Compliance Area	10/05/2023	CA	Initial Issue



II. FRAMEWORK AND OBJECTIVES

Within the scope of its business, The Navigator Company, S.A. (hereinafter referred to as "Navigator") establishes and develops relationships with investors, employees, suppliers, customers, business partners and other external entities of different natures, jurisdictions and business sectors. These relationships may involve Navigator risks of different natures, namely of association with third parties potentially involved in money laundering practices, financing of terrorism or sanctioned by international organizations.

In order to prevent and mitigate these risks, and also to comply with the legal obligations to which it is subject in these matters, Navigator has approved the Policies set out in this document: Policy on Compliance with International Sanctions, Policy on Verification of the Integrity of Third Parties and Policy on Prevention of Money Laundering and the Financing of Terrorism ("**BCFT**").

These Policies establish the general principles of action of Navigator in its relations with third parties and the conduct that is expressly prohibited in the context of the relations established by it within the scope of its business.

These Policies shall be applied in conjunction with the other compliance policies in force in the Navigator Company Group.

III. SCOPE OF APPLICATION

These Policies apply to the entire Navigator Company Group and all of its employees and members of corporate bodies.

IV. DEFINITIONS

For the purposes of these Policies, the following definitions shall apply

Beneficial owners of collective investment undertakings and corporate entities, when they are not companies with shares admitted to trading on a regulated market subject to disclosure requirements consistent with European Union law/subject to equivalent international standards that ensure sufficient transparency of ownership information:

- a) the natural person(s) who ultimately (i) owns or controls, directly or indirectly, a sufficient proportion of the outstanding units or securitization in that collective investment undertaking; or/and (ii) owns or controls, directly or indirectly, a sufficient proportion of the shares, voting rights or capital of a legal person;



- b) the natural person(s) who exercises control by other means over such collective investment undertaking or entity
- c) the natural person(s) who has the senior management where, after having exhausted all possible means and provided that there are no grounds for suspicion, (i) no person has been identified in accordance with the above criteria or (ii) there are doubts that the person(s) identified is (are) the beneficial owner(s).

For this purpose it is considered as an indication of ownership:

Direct: The ownership by a natural person of interests representing more than 25% of the share capital or outstanding units or securitization units of the client;

Indirect: The holding of interests representing more than 25% of the share capital of the relevant corporate entity or outstanding securitization of the client by: (i) Corporate entity that is under the control of one or several natural persons; or (ii) Several corporate entities that are under the control of the same person or the same natural persons.

Beneficial owners of trusts:

- a) Settlor;
- b) The trustee or trustees of trusts;
- c) The curator, if applicable;
- d) the beneficiaries or, if not already determined, the class of persons in whose main interest the trust is created or operates;
- e) any other natural person ultimately controlling the trust by direct or indirect participation or by other means.

Beneficial owners of legal entities of a non-corporate nature, such as foundations, and of legal arrangements of a nature similar to trusts: the natural person(s) with equivalent or similar positions to those mentioned above for trusts.

Money laundering: (i) the conduct provided for and punishable under article 368-A of the Criminal Code - conversion or transfer of advantages originated from the commission of crimes (such as drug trafficking, arms trafficking, tax fraud, corruption, harmful administration, among others). A of the Penal Code - conversion or transfer of advantages originating from the commission of crimes (such as drug trafficking, arms trafficking, tax fraud, corruption, mismanagement, among others), in order to conceal their illicit origin, usually by means of successive operations, by one or more natural or legal persons; and (ii) participation in, association to commit, attempt to commit, aiding and abetting the commission of any of the above acts, as well as facilitating or advising someone to commit them.



Collaborator: any person who, regardless of his position in Navigator, has a permanent or temporary employment relationship with the Company, as well as any person with employment and/or regular contractual relationship with companies subcontracted by Navigator that, directly or indirectly, perform functions for the Company (board members, employees, service providers, agents, auditors and consultants).

Counterparty: potential or current investors, business partners, suppliers or customers of the Navigator Company Group.

Terrorist financing: supplying, collecting or holding funds, goods, products or rights that may be transformed into funds for terrorist activities, as provided for in article 5-A of Law No. 52/2003, of August 22.

Navigator Company Group: The Navigator Company Group is composed of all legal entities over which Navigator Company directly or indirectly exercises a dominant influence, including, but not limited to, all companies with which it is in a controlling or group relationship.

Politically Exposed Persons: those natural persons who perform, or have performed in the last 12 months, in any country or jurisdiction, the following prominent public functions of a high level:

- i) Heads of State, heads of government and members of the government, namely ministers, secretaries and undersecretaries of state or equivalent;
- ii) Members of Parliament or other members of parliamentary chambers
- iii) Members of the Constitutional Court, the Supreme Court of Justice, the Supreme Administrative Court, the Court of Auditors, and members of supreme courts, constitutional courts, courts of auditors, and other high-level judicial bodies of other States and international organizations
- iv) Representatives of the Republic and members of the organs of self-government of autonomous regions
- v) Ombudsman, Counselors of State, and members of the National Data Protection Commission, the Supreme Judicial Council, the Supreme Council of the Administrative and Fiscal Courts, the Attorney General's Office, the Supreme Council of the Public Prosecutor's Office, the Supreme Council of National Defense, the Economic and Social Council, and the Regulatory Entity for the Media
- vi) Heads of diplomatic missions and consular posts;



- vii) General Officers of the Armed Forces and the National Republican Guard (GNR) in active service, as well as the Chief Superintendents of the Public Security Police (PSP);
- viii) Mayors and councilors with executive functions of municipal councils;
- ix) Members of management and supervisory boards of central banks, including the European Central Bank;
- x) Members of administrative and supervisory bodies of public institutes, public foundations, public establishments and independent administrative entities, whatever the manner of their designation;
- xi) Members of the administrative and supervisory bodies of entities belonging to the corporate public sector, including the corporate, regional and local sectors
- xii) Members of the executive management bodies of political parties of national or regional scope;
- xiii) Directors, deputy directors and members of the board of directors or persons performing equivalent functions in an international organization.

Business relationship: any relationship of a business, professional or commercial nature established between Navigator and its counterparties.

Holders of Other Public Offices: the holders of offices identified as political offices, senior public offices and equivalent, pursuant to the provisions of articles 2 and 3 of Law no. 52/2019, of July 31.

International Sanctions: a multilateral instrument of a political and diplomatic nature, of a non-punitive nature, which consists of the temporary restriction of the exercise of a given right, through the imposition of a prohibition or an obligation, and may be aimed at third country governments, non-State bodies (groups or organizations) and natural and legal persons.

Restrictive Measure: according to article 2 of Law No. 97/2017 of 23 August, a restrictive measure is a temporary restriction on the exercise of a given right, through the imposition of a prohibition or an obligation, approved by the UN or the EU, which aims at least one of the following objectives:

- Maintenance or restoration of international peace and security;
- Protection of human rights;



- Democracy and the rule of law;
- The preservation of national sovereignty and independence and other fundamental interests of the State;
- The prevention and suppression of terrorism and the proliferation of weapons of mass destruction.

V. LISTA DE ABREVIATURAS

Without prejudice to others that may appear throughout this document, for the purposes of reading these Policies, the following abbreviations should be taken into consideration:

Abbreviation	Designation
BCFT	Money Laundering and Terrorist Financing
KYC	Know your Counterparty
ONU	United Nations
PBCFT	Prevention of Money Laundering and Terrorist Financing
PPE	Politically Exposed Persons, Close Family Members and Persons Recognized as Closely Associated
TOCP	Holders of Other Public Positions
UE	European Union

VI. LIABILITY

Failure to comply with the procedures and internal rules set forth in these Policies constitutes a disciplinary infraction, which may lead to the initiation of the appropriate disciplinary procedure and application of the sanctions provided for in the labor legislation, as long as the conditions for its application are verified.

VII. GENERIC DUTIES AND PROHIBITIONS

Navigator shall ensure that its counterparties conduct themselves according to compliance policies and practices in line with these Policies, that they have appropriate procedures for this purpose and that they conduct their respective activities in compliance with these policies.



To this end, Navigator seeks to identify and know its counterparties and, weighing the relevant factors, assesses the risk underlying the business relationship in question. In situations where the level of risk of the counterparty or of the business relationship so warrants, the process of establishing or maintaining that business relationship may involve the Compliance Area and, when deemed necessary, Navigator's Executive Committee.

These Policies are based on a risk-based approach, with verification and assessment of Navigator's counterparties playing a central role in protecting the company and its stakeholders against the risks inherent in its operations, namely those covered by these Policies.

Without prejudice to this risk-based approach, there are certain situations in respect of which, either by legal imperative or by virtue of the principles governing its operations, Navigator adopts a zero tolerance policy. Thus, it is expressly forbidden:

- The establishment of any type of relationship with third parties or the practice of any act that constitutes a violation of Restrictive Measures;
- The establishment of any type of relationship with third parties or the practice of any act that constitutes or in any way aims at facilitating the practice of money laundering or terrorism financing acts.

Employees who detect situations of this nature should immediately inform the Compliance Area, which will determine the procedure to be adopted.

Navigator shall cooperate, to the best of its abilities and in compliance with the legal duties to **which it is obliged, with the regulatory authorities and public entities with supervisory or investigative powers in** matters covered by these Policies, namely in the context of any requests for information addressed to it by these authorities.

VIII. DOCUMENTATION PRESERVATION

All documentation obtained and produced in compliance with these Policies shall be kept in accordance with Navigator's internal policies.

IX. REVIEW AND UPDATE

These Policies are subject to review and update every three years with special focus on their timeliness, quality, adequacy and effectiveness of the procedures implemented, taking into consideration the following factors in particular:

- Adequacy of policies, procedures and control in relation to the activities developed in the period since the last evaluation;
- Eventual changes to the business model;



- Eventual changes in the risks to which its activity is subject, derived from external involving circumstances;
- Any recommendations issued by national or international bodies;
- Results of the evaluation of the effectiveness of the implemented system.

Without prejudice to the defined periodicity, the review and updating of these Policies is also ensured in the event of their inadequacy in relation to the activities developed and the risks verified, as well as if required by legislative change or any other factor that determines it.

X. TRAINING

Navigator will promote initiatives to disseminate, raise awareness and provide training on these Policies, as often as deemed appropriate.

Such training sessions shall be directed to the target audience identified by Navigator, in accordance with the functions performed by the employees, and shall be aimed at providing knowledge and understanding of the procedures defined and implemented.

XI. ISSUES

In case of doubts or questions about the subjects included in these Policies, the Compliance Area may be consulted through the e-mail address.

compliance@thenavigatorcompany.com



POLICY OF COMPLIANCE WITH INTERNATIONAL SANCTIONS AND RESTRICTIVE MEASURES

I. SUBJECT MATTER AND SCOPE OF APPLICATION

This Policy defines the principles and rules that should be adopted for the purpose of verifying whether Navigator's counterparties are subject to international sanctions and/or restrictive measures, as well as those that should be observed whenever a situation of potential violation of an international sanction or restrictive measure is detected.

II. GENERAL PRINCIPLES AND RULES FOR VERIFICATION OF INTERNATIONAL SANCTIONS AND RESTRICTIVE MEASURES

Navigator shall cross-reference the information on its counterparties with the lists of persons and entities subject to international sanctions and restrictive measures.

Navigator's counterparties shall, whenever justified, namely on the basis of materiality or the degree of risk involved, be made aware of the existence of this Policy and be informed that, if they are subject to international sanctions or restrictive measures, Navigator may refuse to enter into or may terminate any business relationship with the counterparty in question.

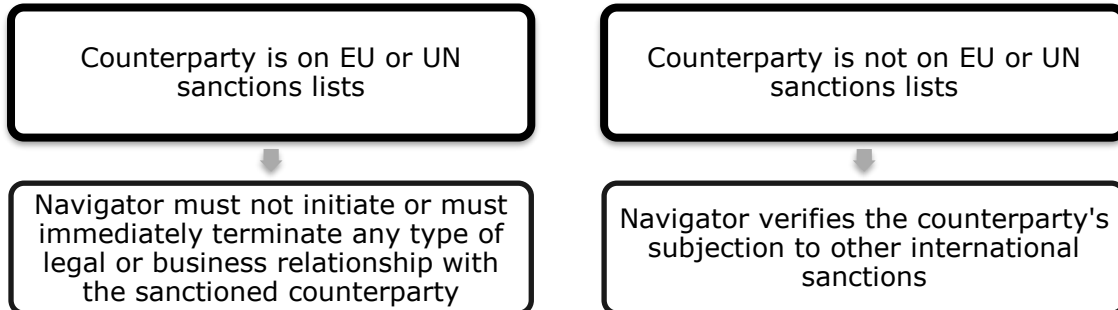
III. PRINCIPLES AND RULES TO BE OBSERVED REGARDING SANCTIONED ENTITIES

A. Entities subject to restrictive measures

In case it is detected that a potential counterparty is subject to a restrictive measure, for the purposes of the provisions of Law no. 97/2017 (i.e. an international sanction applied by the EU or by the UN), Navigator shall refrain from entering into any kind of legal or business relationship with such counterparty, as well as from making available, directly or indirectly, any funds or economic resources to such counterparty. If it is detected that a counterparty with which Navigator has a legal or business relationship is subject to a restrictive measure, the necessary measures will be taken to ensure that no funds or economic resources are made



available to that counterparty, directly or indirectly, as well as the termination of the existing relationship with that counterparty.



B. Entities subject to other international sanctions

If it is detected that a potential or current counterparty of Navigator is subject to other international sanctions (i.e., international sanctions that have not been applied by the EU or by the UN), or that such counterparty comes from a country subject to international sanctions, the necessary measures should be taken, preventively, to ensure that no funds or economic resources are made available, directly or indirectly, to the counterparty.

Subsequently, the Compliance Area will proceed to an analysis of the international sanctions in question, in order to assess if the legal or business relationship that Navigator has or intends to establish with the counterparty in question configures, or not, a violation of those international sanctions.

If so, Navigator should refrain from entering into any relationship with such counterparty or, if it is a counterparty with which Navigator already has a relationship, measures should be taken to terminate such relationship. Measures previously adopted for the purpose of not making available any funds or economic resources to the counterparty shall also be adopted or consolidated.

In case the international sanctions in question do not prevent the establishment of a legal or business relationship with the counterparty, Navigator shall perform a risk analysis, considering, namely, the impacts that such relationship may represent to its activity and the reputational damage that may arise from it.

The establishment or maintenance of a legal or business relationship with a sanctioned entity is always subject to the approval of Navigator's Executive Committee, with the advice of the Compliance Department.



IV. MONITORING OF COUNTERPARTIES

The verification of whether counterparties are subject to restrictive measures and international sanctions must be periodically updated in relation to counterparties with which Navigator maintains legal or business relations.

Should any counterparty be included in a list of sanctions or restrictive measures, the procedures described in the previous chapter of this Policy shall be adopted.

V. CRIMINAL LIABILITY

Under the provisions of Article 28 of Law No. 97/2017, of August 23, the violation of restrictive measures may constitute the practice of a crime punishable by imprisonment from one to five years. This crime is imputable to both natural and legal persons.



THIRD-PARTY INTEGRITY VERIFICATION POLICY

I. OBJECT AND SCOPE

The purpose of this Policy is to ensure that Navigator establishes business relations with entities that, to its knowledge, pursue legitimate activities, whose sources of income are lawful and that do not represent a risk, direct or indirect, of criminal practices.

To this end, this Policy sets out the general principles and rules, based on a risk-based and materiality approach, for identifying and verifying the integrity of counterparties with which Navigator intends to establish a business relationship or conduct an occasional transaction.

II. GENERAL PRINCIPLES AND RULES FOR THE IDENTIFICATION AND INTEGRITY VERIFICATION OF COUNTERPARTIES

Navigator shall, whenever justified, namely on the basis of materiality or the degree of risk involved, collect information on its counterparties that enables an evaluation of their integrity.

For the purposes of the provisions of the preceding paragraph, the procedures for identifying and checking the integrity of counterparties, described below, shall be carried out whenever:

- a) The business relationship or occasional transaction to be established with the counterparty represents a value greater than 5% of EBITDA with reference to the previous year;
- b) The counterparty and/or the transaction is associated with countries identified by credible sources as having significant levels of corruption or other criminal activities, including money laundering and terrorist financing or support, or has terrorist organizations operating within those countries ⁽¹⁾.

The referred procedures may also be performed whenever justified by the risk of the counterparty or of the operation in question, taking into consideration, namely, the following factors:

- Type of business or activity performed by the counterparty;
- Geographical location of the counterparty;

⁽¹⁾ <http://www.fatf-gafi.org/countries/#high-risk>.



- Means of payment used;
- Reputation of the counterparty and its representatives..

i. Collection of information and counterparty assessment

If the identified counterparty is a legal person, namely companies, foundations, associations, funds, among others, the information that may be requested is related to:

- The counterparty's identification (name, nature and legal entity number; type of activity carried out; geographical location of the counterparty; identification of the places where it primarily carries out its activity; contact details);
- The identification of the beneficial owners (full name; nationality; identification document number, issuing entity and expiration date; tax identification number; identification as a PPE, if applicable);
- The identification of their representative (full name, identification document number, issuing entity and expiry date).

If the identified counterparty is a natural person, the information that may be requested is related to the identification of the counterparty and may include, namely: full name; nationality; residence; identification document number; issuing entity and expiration date; tax identification number; identification as a PEP, if applicable.

ii. Documentation to be requested from the counterparty

In order to validate the information provided, Navigator may also request additional documentation from the counterparty.

Thus, legal entities may be requested the following elements:

- Copy of the Commercial Registry Certificate or other equivalent document;
- Access code to the Central Counterparty Beneficiary Registry ("RCBE Code").

Individuals may be asked to provide a copy of their citizen card or equivalent identification document.

iii. Risk assessment

A Assessment of the risk underlying a given counterparty or business relationship shall be carried out taking into consideration, namely, the following factors:



- Type of business or activity performed by the counterparty;
- Geographic location of the counterparty;
- Materiality of the business relationship;
- Means of payment used;
- Registration of politically exposed persons in the counterparty's organization or among its beneficial owners;
- Reputation of the counterparty and its beneficial owners.

For the purpose of the assessment, the following factors should be considered as indicators of increased risk:

- For the assessment of the following factors it should be considered as indicators of increased risk
- Records of sanctions imposed on the counterparty, ongoing investigations or conviction in criminal proceedings, as well as on its management bodies or beneficial owners;
- Refusal of the counterparty to provide the requested information;
- Refusal of the counterparty to include - in whole or in part - anti-corruption, bribery or anti-money laundering and terrorist financing clauses in contracts to be signed with Navigator;
- Counterparty associated to countries identified by credible sources () as having significant levels of corruption or other criminal activities;
- Counterparty associated to countries or geographic areas identified by credible sources as having financing or support for terrorist activities, or that have terrorist organizations operating within those countries.

iv. Counterpart Monitoring

For the purpose of monitoring its business relationships and counterparties, Navigator should, whenever justified, namely on the basis of materiality or the degree of risk involved, carry out the following actions:

Analysis of the evolution occurred in the business relationship;

- Updating the identification elements of counterparties and their beneficial owners;
- Reassessment of the risk profile.

These actions must be carried out with an intensity and frequency proportional to the level of risk identified for each business relationship and counterparty.



POLICY FOR THE PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

I. OBJECT AND SCOPE OF APPLICATION

Navigator has a policy of zero tolerance to money laundering and terrorist financing, so although it is not an obliged entity for the purposes of Law No. 83/2017, of 18 August, it approves and implements the general principles and rules appropriate to prevent the risks associated with those practices.

Navigator's subsidiaries that are covered by the scope of application of Law no. 83/2017, of 18 August, shall approve and adopt their own policies to prevent money laundering and terrorism financing, under the terms of the legislation applicable to them.

II. REFERENCE LEGAL DIPLOMAS

- International Guides on Combating Money Laundering and Terrorist Financing;
- Law No. 83/2017, August 18, on Combating Money Laundering and Terrorist Financing;
- Law No. 52/2003, of August 22, establishing measures to combat terrorism;
- Law No. 5/2002, January 11, establishing measures to combat organized and economic-financial crime;
- Law No. 89/2017, of August 21, which approves the Legal Regime of the Central Registry of the Effective Beneficiary ("RCBE").

Navigator should also bear in mind the compliance with any additional duties that may be enshrined in the legislation of each of the markets in which it operates, with regard to combating money laundering and the financing of terrorism.

III. GENERAL PRINCIPLES AND RULES FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

Navigator shall, whenever justified, namely due to the materiality or degree of risk involved and based on the information collected under the Third Party Integrity Verification Policy, conduct a BCFT risk assessment of its counterparties and respective beneficial owners.

The assessment of the BCFT risk associated with a business relationship and a counterparty shall be performed taking into account the relevant risk factors detailed below. These factors may contribute, separately or in combination, to an increase or decrease of the associated risk.

For the purpose of preventing BCFT, Navigator considers relevant factors and characteristics with regard to the overall risk identification and assessment exercise:

- The nature, complexity and size of the business relationship;
- The nature of the counterparties;
- The business area and sector of activity of the counterparties;
- The geographical location of the counterparties;
- The distribution and communication channels used.

Indications of low risk	Indications of increased risk
<ul style="list-style-type: none"> — Public Administration and Public Companies; — Counterparties resident or registered in Member States of the European Union; — Counterparties resident or registered in third countries that have effective systems in place to prevent and combat money laundering and the financing of terrorism; — Counterparties resident or registered in countries identified by credible sources as having a low level of corruption or other criminal activities; — Counterparties that are companies with shares admitted to trading on a regulated market subject to disclosure requirements consistent with European Union law or subject to equivalent international standards that ensure sufficient transparency of ownership information. 	<ul style="list-style-type: none"> — Counterparties resident or operating in geographically high-risk areas and countries or jurisdictions subject to UN or EU embargoes, sanctions or restrictive measures; — Beneficiaries and/or legal representatives based in countries with high levels of organizational crime or corruption; — Counterparties with a complex business and structures with the potential to hide underlying beneficiaries; — Failure to present valid identification documents, in good condition, with letters and numbers clearly visible and clear; — Reluctance of counterparties to provide information and supporting documents regarding their identification and/or that of the beneficial owner; — Concealment of the purpose of the business; — Attempting to carry out the deal, with the promise to make the information available at a later time; — Payments received from third parties that are unknown or not associated with the counterparty or its activity; — Counterparties and their representatives or beneficial owners who are PEPs and TOCPs.



Depending on the degree of risk identified and the materiality of the business relationship in question, Navigator may perform reinforced due diligence measures, proportional to the level of risk identified, regarding the specific transaction and the counterparty and its beneficial owners.

To this end, Navigator may request additional information from the counterparty, namely for the following purposes:

- Fully understand the counterparty's structure (for example, the group organization chart may be requested);
- verify the information provided on the identification of the beneficial owner (for example, additional information may be requested on how the company is obligated, the ownership/control structure, any documents granting special powers to obligate the company);
- know the origin of the funds (for example, income statements, financial reports, business information or other documents that allow understanding the financial availability for the operation may be requested).

Cash Transactions

It is forbidden to conclude any deal resulting in a cash receipt in excess of €3,000.00 (three thousand euros), or the equivalent amount in local currency.

No cash payments in excess of €3,000.00 (three thousand euros), or the equivalent amount in local currency, are permitted.

The limits set out in the preceding paragraphs apply regardless of whether the transaction in question is carried out through a single transaction or several related transactions.

Cash payments are also considered to be all payments or receipts made using a means of payment that does not allow the recipient to be identified, including, in particular, payment by bearer cheques or cheques endorsed by third parties.

IV. RESPONSIBILITY

The practice of activities related to money laundering and terrorist financing or the mere facilitation of such practices constitute a criminal offense punishable by imprisonment of up to 12 years.