

TDM

METALWORKING

SUMMARY

TDM BUSINESS ETHICS AND CONDUCT CODE	2
COMPANY PRESENTATION	4
MESSAGE FROM THE CEO	5
TDM VALUES	6
RESPECT AND DIVERSITY	7
ANTI-CORRUPTION	8
LEGAL COMPLIANCE	10
HEALTH AND SAFETY OF WORKERS	11
COMPANY ASSET PROTECTION	14
SOCIAL RESPONSIBILITY	15
ENVIRONMENTAL SUSTAINABILITY	16
LABOR RIGHTS	17
INNOVATION	18
COMPLIANCE AND IMPLEMENTATION	19
LOCAL ENTITY PARTNERSHIPS	20
COMPETITION LAWS	21
MARKETING AND SOCIAL MEDIA	22
INSTITUTIONAL GIFTS	24
GENERAL DATA PROTECTION REGULATION (GDPR)	25
WHISTLEBLOWING CHANNELS	27

FALUAL BUSINESS ETHICS AND CONDUCT CODE

At **TDM METALOMECÂNICA**, we firmly believe in the importance of conducting our business with the highest ethical standards and integrity. This Business Ethics and Conduct Code establishes the fundamental principles by which all employees, directors, and stakeholders must guide themselves when representing our company and conducting business on its behalf.

In this manual, we address the importance of sustainability, safety, mutual respect, transparency, innovation, and the recognition of each worker's efforts. With a clear focus on environmental, social, and corporate responsibility, it aims not only for economic success but also for the well-being of future generations and sustainable development.

This manual will be periodically reviewed to ensure its effectiveness. We encourage employees to provide feedback on the manual and policies to ensure their relevance.





TDM METALOMECÂNICA, founded in 2014, is a company specialized in the manufacturing of equipment and metal structures. With a 10,000m² facility in Trofa, we are dedicated to producing high-quality components for cranes, metal structures, railings, and machine parts, positioning ourselves as a strategic partner in the metalworking industry.

We strongly invest in innovation and technological development, internally equipped with state-of-the-art machinery such as laser, plasma, and oxy-fuel cutting machines, as well as bending, rolling, and painting processes. Our solid and qualified team is prepared to tackle the wide range of challenges in the projects entrusted to us.

Committed to excellence and customer satisfaction, we export our products to several European countries, including Spain, France, Belgium, Luxembourg, and Germany. This Code of Conduct reflects the values and principles that guide our operations and our commitment to ethics, integrity, and respect in all our activities.

MESSAGE FROM THE CEO

“ Our commitment to sustainability and the health and safety of our workers is unwavering. ”

As CEO of **TDM METALOMECÂNICA**, I want to highlight the pillars of our Institutional Conduct Code. Our commitment to sustainability and the health and safety of workers is unwavering, reflecting our effort to ensure sustainable growth and a safe working environment. Quality and excellence in our services, along with the constant pursuit of continuous improvement, are essential for the success of our mission.

Integrity is the foundation of all our actions. We encourage innovation to overcome challenges and maximize opportunities, always recognizing the value and contribution of our workers. The lasting partnerships we cultivate with all our stakeholders are fundamental to our success over the years.

This Code of Conduct is more than a guideline; it is a reflection of our values and commitment to excellence. I encourage everyone to apply these principles daily, strengthening our culture of ethics, responsibility, and progress.

Marco Carvalho
CEO
TDM METALOMECÂNICA



TDM VALUES

We are characterized by continuous investment in sustainable growth. Our conduct is committed to the highest ethical standards and guided by eight fundamental values:



SECURITY

For us, safety is paramount. We value both organizational culture and people, while maintaining sustainable and rigorous growth in terms of prevention processes and standards. We place the health and safety of our workers as a top priority.



SUSTAINABILITY

We recognize the vital importance of developing strategies and initiatives aimed at social well-being and environmental preservation. We consistently invest in energy efficiency systems to capture and store energy, thus promoting the necessary autonomy in this crucial sphere.



CONTINUAL IMPROVEMENT

We are committed to effectively promoting a high standard of quality, exceeding our clients' expectations and guaranteeing their total satisfaction through the consistent delivery of exceptional results.



AMBITION

We demonstrate an unequivocal commitment to excellence and the creation of value for our company, operating with professionalism and cultivating cordial and collaborative relationships with our clients and suppliers.



LOYALTY AND COOPERATION

We encourage solidarity within our internal teams and with our clients, basing our actions on friendship, transparency and efficiency. We recognize that these values are essential for developing lasting relationships and carrying out our work effectively.



UNITY AND TEAMWORK

We promote diversity and participation in an atmosphere of open dialogue, work and collaboration, where everyone values, honors and listens to each other's points of view, with the main and greatest goal being to achieve results as a team that could never be achieved alone.



CONTINUOUS LEARNING

We support an environment that encourages employees to develop, improve and share knowledge.



LEADERSHIP

This is established through good examples, valuing those who take care to train new leaders, consistently carrying out the functions of delegating responsibilities and demanding results, with these actions having the explicit function of instructing and teaching.

RESPECT AND DIVERSITY

We value diversity in our company and are committed to creating an inclusive, respectful work environment free from discrimination based on race, gender, religion, sexual orientation, nationality, age, disability, or any other characteristic protected by law.





We require all employees to act with integrity in all commercial and professional interactions. We do not tolerate dishonest practices, fraud, corruption, or any form of unethical behavior.



Violations of anti-corruption regulations will be treated with seriousness and may result in disciplinary measures, as provided for in the Labor Code. The sanctions described below may be applied, provided they are proportional to the severity of the violation and the culpability of the offender, without prejudice to other sanctions provided for in collective bargaining agreements:

- a) Warning;
- b) Recorded warning;
- c) Monetary penalty;
- d) Loss of vacation days;
- e) Suspension from work with loss of pay and seniority;
- f) Dismissal without compensation or severance pay.

Notwithstanding the above, when non-compliance constitutes a criminal offense, the perpetrator may incur criminal liability, with sanctions provided in Annex I of this Code of Conduct.

INTEGRITY AND ETHICS: We strictly comply with all anti-corruption laws and regulations in all our operations.

TRANSPARENCY: We maintain transparent practices in all our business transactions and relationships with clients, suppliers, and partners.

ANTI-MONEY LAUNDERING AND TERRORISM FINANCING LAW: We have established measures to prevent and combat money laundering and terrorism financing, including the obligation to report suspicious transactions.

BRIBERY AND CORRUPTION PROHIBITION: It is expressly prohibited to offer, promise, give, solicit, or accept any form of bribe or undue advantage in connection with the company's operations. This includes bribing public officials, business partners, clients, or any other person in exchange for business benefits.

CONFLICT OF INTEREST: All employees must avoid situations that may result in a conflict of interest between their personal interests and the company's interests. If a conflict of interest arises, employees must report the situation to their supervisor or the human resources department for proper evaluation and resolution.

FINANCIAL TRANSPARENCY: All financial records must be maintained accurately, completely, and transparently. Employees must comply with all policies and procedures related to the company's accounting and financial reporting and must refrain from participating in illicit financial activities, such as money laundering.

DUE DILIGENCE IN BUSINESS PARTNERS: Before entering into partnerships with suppliers, clients, agents, or other business partners, our employees must follow the due diligence procedure to assess the risk of involvement in corrupt activities. This may include background checks, reputation assessment, and review of the partner's compliance processes.

REPORTING IRREGULARITIES: The company encourages reporting any suspicious activity of corruption, bribery, or other violations of the Business Ethics and Conduct Code. Employees can report all types of concerns through the established reporting channels, with confidentiality and protection against possible retaliation guaranteed.

ANTI-CORRUPTION TRAINING: The company provides regular anti-corruption training for all employees, covering issues such as relevant anti-corruption laws and regulations, internal company policies, and procedures for reporting irregularities. All employees must participate in the training and be aware of their legal and ethical responsibilities.

COMPLIANCE AND MONITORING: The company has a compliance team to monitor the implementation and effectiveness of anti-corruption standards, and corrective measures should be taken when necessary. Compliance with anti-corruption standards will be regularly evaluated, and reports will be provided regularly to management.

CONSEQUENCES FOR VIOLATIONS: Violations of anti-corruption standards will be treated seriously and may result in disciplinary measures, including dismissal and, if necessary, legal action. The company is committed to ensuring accountability for inappropriate behavior and protecting its reputation and integrity.

REVIEW AND UPDATE: This manual will be periodically reviewed to ensure it is up-to-date and aligned with current anti-corruption laws and regulations. Updates will be communicated to all workers and incorporated into the company's training and policies as necessary.

The safety and well-being of our workers are of utmost importance. We are committed to providing a safe and healthy work environment and to promoting safe practices in all operations.

Well-being: We promote the physical and mental well-being of our workers by offering occupational health and safety programs, as well as access to support resources.

Safety standards to follow on the premises:

- **Safety Training:** All workers are properly trained in occupational safety, including emergency procedures, equipment handling and risk identification.
- **Use of Personal Protective Equipment (PPE):** It is essential that workers wear appropriate PPE, such as helmets, goggles, gloves, ear protectors and safety footwear, according to the specific risks of each task.
- **Preventive Maintenance of Machinery and Equipment:** Machinery and equipment is regularly inspected and maintained to ensure safe and efficient operation, this includes lubrication, cleaning and repairs as necessary.
- **Safety Signage:** Signage is used to alert workers to potential hazards, safety instructions and evacuation routes in the event of an emergency.
- **Control of Hazardous Substances:** Hazardous chemicals must be stored, managed and disposed of in accordance with occupational safety regulations. This includes the proper use of warning labels, material safety data sheets and adequate ventilation.
- **Fire Prevention:** Fire prevention measures - use of fire extinguishers, hoses distributed at strategic points, and emergency evacuation training.
- **Ergonomics:** Workstations have been ergonomically adjusted to minimize the risk of musculoskeletal injuries and work-related fatigue. This includes height adjustments for work tables, chairs and ergonomic tools.

We are committed to complying with all applicable laws, regulations, and standards in all commercial operations. All employees must familiarize themselves with and adhere to the laws and regulations relevant to their work.

HEALTH AND SAFETY OF WORKERS

- **Control of Hazardous Energies (Lockout/Tagout of Energy Sources):** Lockout/tagout procedures are strictly followed when performing maintenance or repairs on machinery to prevent the accidental triggering of energy.

- **Safety Communication:** Safety procedures are clearly communicated to all workers, and communication channels are open for reporting safety concerns or incidents.

- **Safety Culture:** We promote a safety culture in the workplace by encouraging employees to identify and report risks, participate in training and follow established safety procedures.



COMPANY ASSET PROTECTION

All employees are responsible for the protection and proper use of company assets, including intellectual property, confidential information, equipment, and financial resources.

SOCIAL RESPONSIBILITY

- **Community Integration:** We are committed to positively contributing to the communities in which we operate through social support initiatives and community investment. In our company, we uphold social responsibility by actively supporting local sports entities, promoting sports engagement, collaborating with Food Banks to combat hunger among the underprivileged, and regularly conducting blood donation drives on our premises, thus contributing to community well-being and solidarity.

- **Diversity and Inclusion:** We promote an inclusive work environment where all individuals are valued regardless of their origin, race, gender, sexual orientation, or abilities.

- **Corporate Volunteering:** We encourage and support our employees to participate in volunteer activities that benefit society.

ENVIRONMENTAL SUSTAINABILITY

- **Environmental Management:** We are committed to minimizing the environmental impact of our operations by adopting sustainable practices and using resources efficiently.
- **Eco-efficiency:** We constantly seek ways to improve our energy efficiency, reduce waste, and promote recycling in all areas of our company.
- **Sustainable Energy for the Future:** At the forefront of the energy revolution, our company offers innovative solutions to address contemporary supply and sustainability challenges. By combining the efficiency of solar panels with the storage capacity of batteries, we are shaping the future of energy responsibly and economically. Besides reducing long-term energy costs and promoting energy independence, solar energy systems with storage batteries offer greater energy security, especially in areas prone to power outages. Moreover, by adopting sustainable solutions, we contribute to environmental preservation and the construction of a greener, more sustainable future for future generations.

LABOR RIGHTS

- **Legal Compliance:** We respect and uphold the rights of workers as established by national and international laws and regulations.
- **Safe and Fair Working Conditions:** We provide a safe, healthy, and fair working environment for all our employees, free from discrimination or harassment of any kind.



INNOVATION

- **Culture of Innovation:** We foster an organizational culture that values creativity, evolution, and continuous learning.
- **Investment in Research and Development:** We invest in research and development to drive innovation in our equipment, processes, and services.

COMPLIANCE AND IMPLEMENTATION

- **Legal Compliance:** We are committed to complying with all relevant laws and regulations in all areas addressed in this manual.
- **Individual Responsibility:** Each employee is responsible for knowing and adhering to the policies and guidelines established in this manual.



LOCAL ENTITY PARTNERSHIPS

In our company, we establish strategic partnerships with local entities to ensure exclusive benefits for our employees, thereby promoting better working conditions and well-being within the organization.



COMPETITION LAWS

• **Fair and Ethical Competition:** We are committed to competing in the market fairly and ethically, fully respecting all applicable competition laws and regulations. We understand that fair competition is essential for innovation, quality, consumer choice, and the overall health of the economy.

• **Compliance with Competition Laws:** We recognize that adhering to competition laws is fundamental to protecting our company's integrity and reputation. Therefore, any behavior that may be interpreted as anti-competitive, including but not limited to price-fixing agreements, market division, supplier or client boycotts, and abuse of market dominance, is prohibited.

• **Employee Awareness:** We encourage all employees to familiarize themselves with relevant competition laws and act in compliance. Any doubts or concerns about the application of these laws in our daily activities should be immediately communicated to management or the legal department.

• **Continuous Monitoring:** We maintain continuous vigilance to ensure that our business practices comply with all competition laws, reinforcing our commitment to ethics, integrity, and transparency in all our operations.



MARKETING AND SOCIAL MEDIA

• Social Media Posts:

- Posts/Stories: We establish criteria for creating, approving, and scheduling posts. We define relevant themes aligned with the company's values and the target audience's interests.

- Interaction Management: We create guidelines for managing comments, direct messages, and mentions, including expected response times and communication language.

- Monitoring and Analysis: We implement routines to monitor social media to evaluate the performance of posts and public perception of the brand. We use this information to adjust strategies.

• Internal Communication:

- Communication Channels: We use the most effective internal communication channels for information about marketing campaigns, social media initiatives, partnerships, safety rules, etc. (email, internal communication centers, signage, among others).

- Employee Feedback: We encourage employees to participate in sharing relevant content and providing feedback on marketing and social media strategies.

• Use of Logo and Brand Name:

- Brand Guidelines: We provide clear guidelines on the correct use of the logo, brand name, color code, and typography in any communication material, ensuring brand image consistency.

- Prohibited Applications: We define what is prohibited regarding the use of brand assets to avoid dilution or misuse.

- Identity Manual: We have the manual available to ensure everyone follows the correct brand guidelines.

Employee Image Consent:

- Consent: We ensure formal consent from employees before using their images in marketing materials, including photos at company events or posts on social media.

- Image Rights: We respect the image rights of employees, offering options for refusal and removal of images if requested.

MARKETING AND SOCIAL MEDIA

• Advertising:

- Advertising Strategies: We define strategies for online and offline advertising, including channel selection, target audience, and key messages.

- Compliance and Ethics: We ensure that all advertising campaigns comply with local and international regulations, thereby promoting ethical advertising practices.

• Fairs:

- Preparation and Participation: We establish procedures for selecting, preparing, and participating in fairs, including stand design, promotional materials, and company representation.

- Post-Event: We implement follow-up strategies after events to maximize the contacts made during the fairs.

• Additional Guidelines:

- Legal Compliance: We ensure that all marketing activities and use of social media comply with data protection laws, copyright laws, and other applicable regulations.

- Social Responsibility: We integrate social responsibility principles into marketing campaigns, promoting sustainability and social integration.

- Open Communication Culture: We promote an open communication culture to receive feedback from employees and stakeholders, allowing continuous adjustments to marketing and social media strategies.



INSTITUTIONAL GIFTS

Our company offers gifts exclusively for marketing purposes, strictly adhering to the internal policy that expressly prohibits the sale of any type of gift. This measure reflects our commitment to ethical and transparent practices in all our commercial activities.



GENERAL DATA PROTECTION REGULATION (GDPR)

PERSONAL DATA: *TDM* maintains a database with the registration of its stakeholders composed only of the personal data provided by the data subject at the time of registration, which is collected and processed automatically. Under no circumstances will personal data be requested regarding racial or ethnic origin, religious or philosophical beliefs, political opinions or trade union membership, health or genetic data, sexual life or orientation, and biometric data.

• **DATA COLLECTION AND PROCESSING:** The personal data we use vary according to the product and/or service we are offering, strictly limited to what is necessary, not covering special category data.

• **TDM ensures:**

- That processing is carried out only within the purposes for which the data were collected;
- That collection, use, and retention are performed only on the minimum personal data necessary and sufficient for the respective purpose;
- That personal data retention is carried out only for the period necessary to fulfill the purpose of the processing;
- That there is no transmission of personal data for commercial or advertising purposes;
- That the processing of personal data is carried out for legally provided purposes;
- That the data subject is properly informed of the purpose to which their personal data will be subjected.

DATA TRANSFER: If data transfers to third countries outside the European Union or the European Economic Area may occur, *TDM* will comply with the law, particularly regarding the destination country's adequacy in terms of personal data protection and the requirements applicable to these transfers, with no personal data being transferred to jurisdictions that do not offer security and protection guarantees.

GENERAL DATA PROTECTION REGULATION (GDPR)

PERSONAL DATA RETENTION PERIOD: The period during which data is stored and retained varies according to the purpose for which the information is processed and according to applicable legal obligations and requirements, which may require retaining the data for a minimum period. Therefore, whenever there is no specific legal obligation, the data will be stored and retained only for the minimum period necessary for the purposes that motivated its collection or subsequent processing, after which it will be deleted.

DATA SUBJECT RIGHTS: The data subject may, at any time, exercise the following rights:

- Right of access – the right to request a copy of the information that TDM holds;
- Right of rectification – the right to correct data considered inaccurate or incomplete;
- Right to erasure – in certain circumstances, the user can request that the data we have about them be deleted from all our records;
- Right to restriction – when certain conditions apply to have the right to restrict processing;
- Right to data portability – the right to have your data transferred to another organization;
- Right to object – the right to object to certain types of processing.

SUPERVISORY AUTHORITY: According to the law, the data subject has the right to file a complaint regarding personal data protection with the competent supervisory authority, the National Data Protection Commission (CNPd) www.cnpd.pt.

WHISTLEBLOWING CHANNELS

The company provides internal channels for reporting acts of corruption and related offenses, in accordance with applicable legislation, that allow for the safe submission and follow-up of reports, ensuring the confidentiality of the whistleblower's identity or anonymity.

In the handling of reports, independence, impartiality, confidentiality, data protection, secrecy, and the absence of conflicts of interest are guaranteed. The whistleblower's identity, as well as information that could lead to their identification, is confidential and accessible only to those responsible for receiving or following up on the reports.

The whistleblower's identity is only disclosed due to a legal obligation or a court decision.

If there is any reason to believe that there have been violations of the law or this Code of Conduct, such concerns should be communicated through the mechanisms established for this purpose, specifically through the company's internal whistleblowing channels. The whistleblowing channels can be accessed through the dedicated online platform available at www.falualgroup.com.

Compliance Officer:

Marco Carvalho

Legal Classification of Crimes and Related Offenses and Corresponding Criminal Sanctions, in accordance with Articles 3 and 7 of the General Regime for the Prevention of Corruption (RGPC)

Corruption

Penal Code

Article 373
Passive Corruption

- 1 - A public official who, by themselves or through a third party with their consent or ratification, solicits or accepts, for themselves or a third party, any pecuniary or non-pecuniary advantage or its promise, in exchange for any act or omission contrary to the duties of their position, even if such solicitation or acceptance occurred after the act or omission, shall be punished with imprisonment for a term of one to eight years.
- 2 - If the act or omission is not contrary to the duties of the position and the advantage is not owed to the official, the offender shall be punished with imprisonment for a term of one to five years.

Article 374
Active Corruption

- 1 - Whoever, by themselves or through a third party with their consent or ratification, gives or promises to a public official, or to a third party by the official's indication or with their knowledge, any pecuniary or non-pecuniary advantage for the purpose indicated in Article 373(1), shall be punished with imprisonment for a term of one to five years.
- 2 - If the purpose is as indicated in Article 373(2), the offender shall be punished with imprisonment for up to three years or with a fine of up to 360 days.
- 3 - Attempted corruption is also punishable.

Military Justice Code

Article 37
Active Corruption

- 1 - Whoever, by themselves or through a third party with their consent or ratification, gives or promises to any person integrated into or serving the Armed Forces or other military forces, or to a third party with the person's knowledge, any undue pecuniary or non-pecuniary advantage for the purpose indicated in the previous article and which results in a danger to national security, shall be punished with imprisonment for a term of one to six years.

- 2 - If the offender of the crimes referred to in the previous paragraph is an officer of a higher rank than the military person they attempt to corrupt or exercises command or leadership functions over them, the minimum limit of the applicable penalty shall be doubled.

[Law 50/2007, of August 31](#) Regime of Criminal Liability for Behaviors Likely to Affect the Truth, Loyalty, and Fairness of Competition and Its Outcome in Sports Activities.

Article 8
Passive Corruption (Sports Sector)

A sports agent who, by themselves or through a third party with their consent or ratification, solicits or accepts, for themselves or a third party, any undue pecuniary or non-pecuniary advantage, or its promise, in exchange for any act or omission intended to alter or falsify the result of a sports competition, even if such solicitation or acceptance occurred after the act or omission, shall be punished with imprisonment for a term of one to eight years.

Article 9
Active Corruption (Sports Sector)

- 1 - Whoever, by themselves or through a third party with their consent or ratification, gives or promises to a sports agent, or to a third party with the agent's knowledge, any undue pecuniary or non-pecuniary advantage for the purpose indicated in the previous article, shall be punished with imprisonment for a term of one to five years.
- 2 - Attempted corruption is also punishable.

[Law 20/2008, of April 21](#) New Penal Regime for Corruption in International Trade and the Private Sector

Article 7
Active Corruption in International Trade

Whoever, by themselves or through a third party with their consent or ratification, gives or promises to a public official, national or foreign, or an official of an international organization, or a holder of a political office, national or foreign, or to a third party with their knowledge, any undue pecuniary or non-pecuniary advantage, to obtain or retain a business, contract, or any other undue advantage in international trade, shall be punished with imprisonment for a term of one to eight years.

Article 8
Passive Corruption in the Private Sector

- 1 - A private sector employee who, by themselves or through a third party with their consent or ratification, solicits or accepts, for themselves or a third party, any undue

pecuniary or non-pecuniary advantage, or its promise, in exchange for any act or omission that constitutes a violation of their functional duties, shall be punished with imprisonment for up to five years or with a fine of up to 600 days.

2 - If the act or omission referred to in the previous paragraph is capable of causing a distortion of competition or financial harm to third parties, the offender shall be punished with imprisonment for a term of one to eight years.

Article 9

Active Corruption in the Private Sector

1- Whoever, by themselves or through a third party with their consent or ratification, gives or promises to the person mentioned in the previous article, or to a third party with that person's knowledge, any undue pecuniary or non-pecuniary advantage to pursue the purpose indicated therein shall be punished with imprisonment for up to three years or with a fine.

2 - If the conduct referred to in the previous paragraph is aimed at obtaining or is likely to cause a distortion of competition or financial harm to third parties, the offender shall be punished with imprisonment for up to five years or with a fine of up to 600 days.

3 - Attempted corruption is also punishable.

Receipt and Offer of Undue Advantage

Penal Code

Article 372

Receipt or Offer of Undue Advantage

1 - A public official who, in the exercise of their functions or because of them, by themselves or through a third party with their consent or ratification, solicits or accepts, for themselves or a third party, any undue pecuniary or non-pecuniary advantage shall be punished with imprisonment for up to five years or with a fine of up to 600 days.

2 - Whoever, by themselves or through a third party with their consent or ratification, gives or promises to a public official, or to a third party by the official's indication or with their knowledge, any undue pecuniary or non-pecuniary advantage, in the exercise of their functions or because of them, shall be punished with imprisonment for up to three years or with a fine of up to 360 days.

3 - Socially appropriate conduct that conforms to customs and traditions is excluded from the provisions of the previous paragraphs.

Law No. 34/87, of July 16 Crimes of Responsibility of Political Office Holders

Article 16

Receipt or Offer of Undue Advantage

1 - A political office holder who, in the exercise of their functions or because of them, by

themselves or through a third party with their consent or ratification, solicits or accepts, for themselves or a third party, any undue pecuniary or non-pecuniary advantage shall be punished with imprisonment for a term of one to five years.

2 - Whoever, by themselves or through a third party with their consent or ratification, gives or promises to a political office holder, or to a third party by the office holder's indication or with their knowledge, any undue pecuniary or non-pecuniary advantage in the exercise of their functions or because of them, shall be punished with imprisonment for up to five years or with a fine of up to 600 days.

3 - A political office holder who, by themselves or through a third party with their consent or ratification, gives or promises to another political office holder, a high public office holder, or a public official, or to a third party with their knowledge, any undue pecuniary or non-pecuniary advantage, or its promise, in the exercise of their functions or because of them, shall be punished with the penalties provided in the previous paragraph.

4 - Socially appropriate conduct that conforms to customs and traditions is excluded from the provisions of the previous paragraphs.

Law 50/2007, of August 31 Regime of Criminal Liability for Behaviors Likely to Affect the Truth, Loyalty, and Fairness of Competition and Its Outcome in Sports Activities

Article 10-A

Undue Offer or Receipt of Advantage

1 - A sports agent who, by themselves or through a third party with their consent or ratification, directly or indirectly solicits or accepts, for themselves or a third party, in the exercise of their functions or because of them, any undue pecuniary or non-pecuniary advantage, or its promise, from an agent who has had, has, or may have a claim dependent on the exercise of those functions, shall be punished with imprisonment for up to 5 years or with a fine of up to 600 days.

2 - Whoever, by themselves or through a third party with their consent or ratification, gives or promises to a sports agent, or to a third party by the agent's indication or with their knowledge, any undue pecuniary or non-pecuniary advantage in the exercise of their functions or because of them, shall be punished with imprisonment for up to 3 years or with a fine of up to 360 days.

3 - Socially appropriate conduct that conforms to customs and traditions is excluded from the provisions of the previous paragraphs.

Embezzlement

Penal Code

Article 375

Embezzlement

1 - A public official who illegitimately appropriates, for their own benefit or that of another person, money, any movable or immovable thing, or an animal, whether public

or private, that was entrusted to them, is in their possession, or is accessible to them by virtue of their position, shall be punished with imprisonment for a term of 1 to 8 years, if no more severe penalty is applicable under another legal provision.

2 - If the amounts or objects referred to in the previous paragraph are of insignificant value, as defined in Article 202(c), the offender shall be punished with imprisonment for up to 3 years or with a fine.

3 - If the public official lends, pledges, or otherwise encumbers the values or objects referred to in paragraph 1, they shall be punished with imprisonment for up to 3 years or with a fine, if no more severe penalty is applicable under another legal provision.

Article 376 **Misuse of Public Funds**

1 - A public official who uses or allows another person to use, for purposes other than those intended, any immovable property, vehicles, other movable property, or animals of significant value, whether public or private, that were entrusted to them, are in their possession, or are accessible to them by virtue of their position, shall be punished with imprisonment for up to 1 year or with a fine of up to 120 days.

2 - If the public official, without special reasons of public interest, assigns public money to a public use different from that to which it is legally allocated, they shall be punished with imprisonment for up to 1 year or with a fine of up to 120 days.

[Law No. 34/87, of July 16](#) Crimes of Responsibility of Political Office Holders

Article 20 **Embezzlement**

1 - A political office holder who, in the exercise of their functions, illicitly appropriates, for their own benefit or that of another person, money, any movable or immovable thing, whether public or private, that was entrusted to them, is in their possession, or is accessible to them by virtue of their position, shall be punished with imprisonment for a term of 3 to 8 years and a fine of up to 150 days, if no more severe penalty is applicable under another legal provision.

2 - If the offender lends, pledges, or otherwise encumbers any objects referred to in the previous paragraph, with the awareness of harming or potentially harming the State or the owner, they shall be punished with imprisonment for a term of 1 to 4 years and a fine of up to 80 days.

Participation in Economic Transactions

Penal Code

Article 377 **Participation in Economic Transaction**

1 - A public official who, with the intent to obtain for themselves or a third party an

illicit economic gain, harms the financial interests that they are responsible for administering, overseeing, defending, or managing, in whole or in part, by reason of their office, through a legal transaction, shall be punished with imprisonment for up to 5 years.

2 - A public official who, in any way, receives for themselves or a third party a financial advantage as a result of a civil legal act concerning interests over which they had, by virtue of their functions, total or partial control, administration, or oversight at the time of the act, even if without causing harm, shall be punished with imprisonment for up to 6 months or with a fine of up to 60 days.

3 - The penalty provided in the previous paragraph is also applicable to a public official who, in any way, receives for themselves or a third party a financial advantage as a result of collection, receipt, settlement, or payment that they are responsible for ordering or executing, in whole or in part, by virtue of their functions, even if no harm is caused to the Public Treasury or the interests entrusted to them.

[Law No. 34/87, of July 16](#) Crimes of Responsibility of Political Office Holders

Article 23 **Participation in Economic Transaction**

1 - A political office holder who, with the intent to obtain for themselves or a third party an illicit economic gain, harms the financial interests that they are responsible for administering, overseeing, defending, or managing, in whole or in part, by reason of their office, through a legal transaction, shall be punished with imprisonment for up to 5 years.

2 - A political office holder who, in any way, receives a financial advantage as a result of a civil legal act concerning interests over which they had, by virtue of their functions, total or partial control, administration, or oversight at the time of the act, even if without causing harm, shall be punished with imprisonment for up to 6 months or with a fine of up to 150 days.

3 - The penalty provided in the previous paragraph is also applicable to a political office holder who, in any way, receives an economic advantage as a result of collection, receipt, settlement, or payment that they are responsible for ordering or executing, in whole or in part, by virtue of their functions, even if no economic harm is caused to the Public Treasury or the interests they are entrusted with.

Extortion

Penal Code

Article 379 **Extortion**

1 - A public official who, in the exercise of their functions or by virtue of powers derived from them, personally or through a third party with their consent or

ratification, receives for themselves, for the State, or for a third party, by misleading or taking advantage of the victim's mistake, any undue pecuniary advantage or one that exceeds what is due—such as a contribution, tax, fee, fine, or penalty—shall be punished with imprisonment for up to 2 years or with a fine of up to 240 days, if no more severe penalty is applicable under another legal provision.

2 - If the act is committed through violence or the threat of significant harm, the offender shall be punished with imprisonment for 1 to 8 years, if no more severe penalty is applicable under another legal provision.

Abuse of Power

Penal Code

Article 382 **Abuse of Power**

A public official who, outside the cases provided for in the preceding articles, abuses their powers or violates duties inherent to their functions with the intent to obtain an illegitimate benefit for themselves or a third party or to cause harm to another person shall be punished with imprisonment for up to 3 years or with a fine, if a more severe penalty is not applicable under another legal provision.

[Law No. 34/87, of July 16](#) Crimes of Responsibility of Political Office Holders

Article 26 **Abuse of Power**

1 - A political office holder who abuses their powers or violates duties inherent to their functions with the intention of obtaining an illegitimate benefit for themselves or a third party or causing harm to another shall be punished with imprisonment from six months to three years or a fine of 50 to 100 days, if a more severe penalty is not applicable under another legal provision.

2 - A political office holder who fraudulently grants concessions or enters into contracts benefiting a third party or harming the State shall incur the penalties specified in the previous paragraph.

Article 369 **Denial of Justice and Misfeasance**

1 - A public official who, in the context of a procedural inquiry, jurisdictional process, administrative or disciplinary action, knowingly and contrary to law, fails to promote or take action, make decisions, or perform acts within the powers of their office shall be punished with imprisonment for up to 2 years or a fine of up to 120 days.

2 - If the act is committed with the intent to harm or benefit someone, the official shall be punished with imprisonment for up to 5 years.

3 - If, in the case referred to in paragraph 2, the act results in the deprivation of liberty

of a person, the offender shall be punished with imprisonment from 1 to 8 years.

4 - The penalty referred to in the previous paragraph applies to the official who, being competent, orders or executes a measure of deprivation of liberty unlawfully or fails to order or execute it as required by law.

5 - If the act described in the previous paragraph is committed with gross negligence, the offender shall be punished with imprisonment for up to 2 years or with a fine.

Article 370 **Misfeasance by Lawyer or Solicitor**

1 - A lawyer or solicitor who intentionally harms a case entrusted to them shall be punished with imprisonment for up to 3 years or with a fine.

2 - A lawyer or solicitor who represents or provides legal services to parties with conflicting interests in the same case, with the intent to benefit or harm any of them, shall incur the same penalties.

[Law No. 34/87, of July 16](#) Crimes of Responsibility of Political Office Holders

Article 11 **Misfeasance**

1 - A political office holder who knowingly conducts or decides a case contrary to law in the exercise of their functions, with the intent to harm or benefit someone, shall be punished with imprisonment from 2 to 8 years.

2 - A lawyer or solicitor who represents or provides legal services to parties with conflicting interests in the same case, with the intent to benefit or harm any of them, shall incur the same penalties.

Article 10 **Influence Peddling**

1 - Anyone who, personally or through an intermediary with their consent or ratification, requests or accepts, for themselves or a third party, a financial or non-financial advantage, or its promise, in order to misuse their real or supposed influence with any sports agent to obtain a decision intended to alter or falsify the result of a sports competition, shall be punished with imprisonment from 1 to 5 years, if a more severe penalty is not applicable under another legal provision.

2 - Anyone who, personally or through an intermediary with their consent or ratification, gives or promises another person a financial or non-financial advantage for the purpose referred to in the previous paragraph shall be punished with imprisonment for up to 3 years or a fine, if a more severe penalty is not applicable under another legal provision.

3 - The provisions of Article 13 shall apply correspondingly.

Money Laundering or Fraud in the Obtaining or Diversion of Subsidies, Grants, or Credit.

Article 368.²-A
Money Laundering

1 - For the purposes of the following provisions, "advantages" include goods derived from the commission, in any form of participation, of criminal acts punishable by imprisonment for a minimum duration of more than six months or a maximum duration of more than five years, or, regardless of the penalties applicable, criminal acts related to:

- a) Prostitution, sexual abuse of children or dependent minors, or child pornography;
- b) Computer and communication fraud, extortion, abuse of credit cards or payment devices, counterfeiting of currency or similar instruments, depreciation of metallic currency or similar instruments, passing counterfeit money in collusion with the counterfeiter, passing counterfeit money or similar instruments, or acquiring counterfeit money for circulation;
- c) Computer falsification, counterfeiting of cards or other payment devices, using counterfeit cards or other payment devices, acquiring counterfeit cards or payment devices, preparatory acts for counterfeiting, acquiring cards or payment devices obtained through computer crime, damage to computer programs or data, computer sabotage, unauthorized access, interception, or reproduction of protected programs;
- d) Criminal associations;
- e) Terrorism;
- f) Drug trafficking and psychotropic substances;
- g) Arms trafficking;
- h) Trafficking in persons, assistance with illegal immigration, or trafficking in human organs or tissues;
- i) Environmental damage, pollution, dangerous activities to the environment, or risks to animals or plants;
- j) Tax fraud or fraud against social security;
- k) Influence peddling, undue receipt of advantages, corruption, embezzlement, economic participation in business, mismanagement in public sector economic units, fraud in obtaining or diverting subsidies, grants, or credit, or corruption with damage to international trade or in the private sector;
- l) Insider trading or market manipulation;
- m) Violation of patent exclusivity, utility model or semiconductor topography rights, infringement of exclusive rights related to designs or models, counterfeiting, imitation and illegal use of trademarks, sale or concealment of products or fraud concerning goods.

2 - Assets obtained through the advantages mentioned in the previous paragraph are also considered "advantages."

3 - Anyone who converts, transfers, aids, or facilitates any operation of conversion or transfer of advantages, obtained directly or indirectly by themselves or a third party, with the aim of disguising their illicit origin, or of preventing the perpetrator or participant of these crimes from being criminally prosecuted or subjected to criminal response, shall be punished with imprisonment for up to 12 years.

4 - The same penalty applies to anyone who conceals or disguises the true nature, origin, location, disposition, movement, or ownership of the advantages, or the rights related to them.

5 - The same penalty also applies to anyone who, not being the perpetrator of the criminal act from which the advantages derive, acquires, holds, or uses the advantages with knowledge, at the time of acquisition or initial holding or use, of this quality.

6 - Punishment for the crimes described in paragraphs 3 to 5 will occur even if the location of the criminal acts from which the advantages originate is unknown, or the identity of the perpetrators, or if such acts were committed outside the national territory, unless they are lawful under the law of the place where they were committed and Portuguese law does not apply under Article 5.

7 - The act is punishable even if the criminal procedure regarding the criminal acts from which the advantages derive is subject to a complaint and this has not been presented.

8 - The penalty described in paragraphs 3 to 5 is increased by one-third if the perpetrator commits the offenses habitually or if they are one of the entities referred to in Article 3 or Article 4 of Law No. 83/2017, of August 18, and the offense was committed in the exercise of their professional activities.

9 - When full compensation for the damage caused to the victim by the criminal act from which the advantages derive is made, without illegitimate damage to a third party, up to the start of the first-instance hearing, the penalty is especially mitigated.

10 - The penalty may also be specially mitigated if the compensation is partial, provided the requirements of the previous paragraph are met.

11 - The penalty may be specially mitigated if the perpetrator concretely assists in the collection of decisive evidence for the identification or capture of those responsible for the criminal acts from which the advantages derive.

12 - The penalty imposed under the preceding paragraphs cannot exceed the maximum penalty of the most severe penalty applicable to the criminal acts from which the advantages derive.

[Decree-Law No. 28/84 of January 20](#) Amends the Existing Regime Concerning Economic Offenses and Health-Related Crimes

Article 36
(Fraud in the Obtaining of Subsidies or Grants)

1 - Anyone who obtains a subsidy or grant by:

- a) Providing inaccurate or incomplete information to the competent authorities or entities about themselves or third parties, which is relevant for the granting of the subsidy or grant;
 - b) Omitting, contrary to the legal provisions governing the subsidy or grant, information about facts important for its granting;
 - c) Using a supporting document for the right to the subsidy or grant or for facts important for its granting, obtained through inaccurate or incomplete information;
- 2 - will be punished with imprisonment from 1 to 5 years and a fine from 50 to 150 days.

3 - In particularly serious cases, the penalty will be imprisonment from 2 to 8 years.
4 - If the acts described in this article are committed on behalf of and in the interest of a legal person or company, exclusively or predominantly set up for this purpose, the court, in addition to the pecuniary penalty, will order its dissolution.

5 - The judgment will be published.

a) For the purposes of paragraph 2, particularly serious cases are those in which the agent:

b) Obtains for themselves or for others a subsidy or grant of a considerably high amount or uses false documents;

b) Commits the act by abusing their functions or powers;

c) Obtains assistance from a public office holder who abuses their functions or powers.

6 - Anyone who commits the acts described in subparagraphs a) and b) of paragraph 1 with negligence will be punished with imprisonment up to 2 years or a fine up to 100 days.

7 - The agent will be exempt from punishment if:

a) They voluntarily prevent the granting of the subsidy or grant;

b) In cases where the grant is not given without their participation, they have made a serious and voluntary effort to prevent its granting.

8 - For the purpose of granting a subsidy or grant, facts considered important are:

a) Those declared important by the law or the entity granting the subsidy or grant;

b) Facts upon which the authorization, granting, reimbursement, renewal, or maintenance of a subsidy, grant, or resulting benefit legally depends.

Article 37

(Misuse of Subsidies, Grants, or Preferential Credit)

1 - Anyone who uses funds obtained as a subsidy or grant for purposes other than those for which they were legally intended will be punished with imprisonment up to 2 years or a fine not less than 100 days.

2 - The same penalty will apply to anyone who uses funds obtained as preferential credit for a purpose other than that provided for by the line of credit determined by the legally competent entity.

3 - The penalty will be imprisonment from 6 months to 6 years and a fine up to 200 days when the amounts or damages caused are considerably high.

4 - If the acts described in this article are repeatedly committed on behalf of and in the interest of a legal person or company, and the damage has not been voluntarily repaired, the court will order its dissolution.

5) The judgment will be published.

b) If, in the case where the benefit was not delivered without their involvement, they had previously made a serious and voluntary effort to prevent its delivery.

5 - The sentence will be published.



WELDING THE FUTURE