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# Newmark | Compliance and Anti-Financial Crime Program Policy Statement

Newmark Group, Inc. ("Newmark") has approved the following global policy with respect to Newmark and its subsidiaries.

The following policy reflects Newmark's commitment to its Compliance and Anti-Financial Crime Program and forms part of its supervisory controls framework and governance standards. It is adapted from Newmark's current Global Sanctions Policy and Know Your Customer ("KYC") Standards Policy.

## Introduction

Newmark is committed on a global basis to Anti-Money Laundering ("AML"), Anti-Financial Crime ("AFC"), Anti-Bribery and Corruption ("ABC"), Counter Terrorism Financing ("CTF"), Anti-Fraud, and Market Abuse initiatives.

- Newmark advocates the continuing development of internal controls, policies and procedures for AFC.
- Newmark has developed a set of policies and procedures outlining its general AML standards and principles to combat money laundering and terrorism financing.
- Newmark has developed a set of policies and procedures outlining its general ABC standards and is committed to complying with all applicable ABC laws, rules, and regulations.
- Newmark has identified prohibited and special risk countries as part of its compliance with sanctions rules.
- Newmark has implemented and maintains a program to provide regular AML and ABC education and training to its employees.

## Compliance and Anti-Financial Crime Program

Newmark examines its AML and AFC strategies, goals and objectives on an ongoing basis and strives to maintain an effective program that focuses on prevention, detection, and remediation as needed. The program includes:

- A clear set of written policies and procedures outlining AFC and AML standards and principles, including guidelines on acceptable business conduct for Newmark and its employees.
- An established operating guideline for reporting suspicious transactions (e.g., fraud, terrorist financing, and other illegal activities) to relevant authorities.
- Communication of regulatory changes and requirements to the relevant stakeholders alongside the appropriate training and education as needed.
- Customer and vendor screening for adequate identification, application of risk rating and regular reviews.
- Implementing changes to systems and/or processes as required, as well as updates to policies and/or procedures.
- Identification and management of potential and actual conflicts of interest.
- Detection, monitoring and surveillance of potential market abuse (e.g., front running, insider trading, market manipulation) and other financial crime activities.
- Relevant risk assessments and controls around charitable donations, client entertainment expenses, gifts, political contributions, and employee trading.
- Systems and controls to identify business relationships with politically exposed persons from the outset.

- Regularly reviewing the effectiveness of sanctions-related policies, procedures, systems, processes, and controls.

#### **Governance and Oversight**

Newmark's AML and AFC programs are maintained and overseen by its group Compliance department, which has wide discretionary authority over AML and AFC matters and has access to all information and data necessary to fulfill this governance and oversight function. Periodic reports are made to senior management and the Company's Board of Directors.

#### **Definitions**

Newmark's AML and AFC programs and other policies and procedures contain specific definitions of prohibited crimes, violations and actions based on law in applicable jurisdictions, which may be amended from time to time as applicable laws are revised. The Compliance department reviews and monitors changes in applicable law and revises the policies and procedures accordingly and provides notices to employees and management as warranted.