



# Summary of Policy of Prevention and Management of Conflicts of Interest

## **PRESENTATION**

The CACEIS Group is established inside and outside the European Union and in accordance with its authorisations, it provides its clients with investment services and related services through its investment service provider entities.

Accordingly, there could be a conflict between the interests of one of these entities and those of a client or a category of clients. This includes conflicts of interest that may occur between the CACEIS entity and its employees on the one hand and its clients on the other hand, as well as potential conflicts of interest between clients themselves. In order to protect and give priority to the clients' interests and comply with applicable regulations (MiFID II, AIFM and UCITS V Directives), the CACEIS Group has introduced a policy and procedures designed to prevent situations of conflict of interest and rectify them when they arise.

The purpose of this document is to set out the CACEIS Group's policy in terms of identifying, preventing and managing conflicts of interest that could occur in the course of its activities. On the other hand, its purpose is not to create, and it does not create, additional rights or obligations with respect to third parties that did not exist before this document was made available to them, and it has no contractual character between any of the CACEIS Group entities and its clients.

## **DEFINITION OF CONFLICTS OF INTEREST**

When carrying out investment service activities, there are many situations in which a conflict of interest can appear. Generally speaking, a conflict may exist when a situation can harm a client's interests.

The main categories of possible conflicts of interest are:

- ✓ Conflicts between several clients,
- ✓ Conflicts between the company or an employee and its clients,
- ✓ Conflicts between the company and its employees,
- ✓ Conflicts between companies in the Group.

## **IDENTIFICATION OF CONFLICTS OF INTEREST**

The CACEIS Group carries out appropriate internal control measures in order to identify situations that could give rise to a conflict of interest. It has also implemented procedures that enable the employees to report any potential or actual situation of conflicts of interest. According to CACEIS Group policy, a record is maintained of the types of services and activities in which a conflict of interest involving a significant risk of harm to the interests of one or several of its clients has occurred or is likely to occur.

## **CONFLICT PREVENTION AND MANAGEMENT SYSTEM**

Each entity of the CACEIS Group has established and maintains an effective policy for managing conflicts of interest appropriate to its scale, its organisation, and to the nature, importance and complexity of its business. The policy takes into account the circumstances that may cause a conflict of interest resulting from the structure and activities of other members of the Group.

The measures and the controls adopted by the CACEIS Group in terms of preventing and managing conflicts of interest include the following measures in particular:

- A training pathway for all the employees allowing to understand, to recognize and to prevent any conflict of interest which could arise,
- An internal policy of conflicts of interest management, including instructions that the employees must comply with in order to identify, prevent and manage conflicts of interest,



- Procedures relating to confidential information, which apply to all employees. These procedures aim to control or prohibit the exchange of confidential information,
- A policy relating to personal transactions by the employees, in order to ensure that the confidential information obtained as part of their professional activity is not used to their advantage,
- A compensation policy, aimed at ensuring that the compensation method for employees as well as their reporting line do not directly or indirectly give rise to potential conflicts,
- A policy relating to inducement, which applies to all employees and which prohibits receiving gifts of a value exceeding a given amount.
- A process of validation of the beginning of a relationship and its follow-up with the clients and the correspondents allowing to identify the situations of potential conflicts of interest and to take appropriate measures if necessary.

Besides, these principles are reminded in CACEIS's Code of conduct and Ethics Code which is notified to all employees.

If the organisational or administrative measures taken by a CACEIS Group entity to manage conflicts of interest are not sufficient to guarantee with reasonable certainty that the risk of harm to a client's interests will be prevented, it will clearly inform this client, before taking action on its behalf, of the general nature and/or the source of these conflicts of interest. This information will be provided to the client on a durable medium and will be detailed enough to enable the client to take an informed decision.

The conflict of interest policy is reviewed on an annual basis.