



caceis
INVESTOR SERVICES



Summary of Policy
of Prevention and
Management of
Conflicts of Interest

DESCRIPTION

CACEIS Group provides banking and financial activities, notably investment services, throughout its subsidiaries and branches, established within and outside of the European Union.

One of these entities is susceptible to be confronted to situations where the customers' preferences in matter of durability could not be respected (when relevant), or the customer's interests may conflict with those of another customer or those of CACEIS Group, or of an entity of the Group, or those of Crédit Agricole Group, or those of the group's employees.

To ensure the protection and primacy of the clients' interests and to respect applicable regulations (in particular those relating to Market Abuse ("MAR")), Financial Instruments Markets ("MiFID 2"), UCIs ("UCITs V and AIFM") as well as the fundamental principles related to the respect of the banking secrecy, market integrity, primacy of clients' interests and professional ethic, CACEIS Group has put in place a policy and procedures, aiming to ensure the respect of good professional practices, to prevent situations of conflicts of interests and to address proven cases of conflict.

This document presents the approach of CACEIS Group in matter of identification, prevention and management of conflicts of interest that could occur in the frame of these activities. However, it is not intended to create and does not create, additional rights and obligations towards third parties, that did not exist before this document is made available to them, and does not have any contractual nature between one of the CACEIS Group entity and their third parties with which a Group entity is in a business relationship (customers, service providers, suppliers, etc.).

DEFINITION OF CONFLICT OF INTEREST

There are many situations in which a conflict of interest may arise when CACEIS Group carries out activities. Generally speaking, a conflict may exist when a situation can harm, directly or indirectly, the client's interests or to go against of the preferences of the client in matter of durability.

The main categories of potential conflicts of interest are as follows:

- Conflicts between several customers,
- Conflicts between the Group, or a Group entity, and its customers,
- Conflicts between employees of an entity of the Group and the Group, or the interests of their clients,
- Conflicts between several entities of the Group.

IDENTIFICATION OF CONFLICT 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 as well a device and alert procedures enabling employees to report any potential or proven situation of conflict of interest.

According to CACEIS Group policy, a record is maintained of all 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.

In order to detect the types of conflicts of interest that may arise during the provision of a service, in particular of investment service and/or an auxiliary service, and that the existence can damage the interest of its clients, CACEIS Group takes into account, as minimum criteria, the following interests: benefit of any kind, material or immaterial, professional or commercial, financial, personal.

CONFLICT PREVENTION AND MANAGEMENT SYSTEM

Each entity of CACEIS Group implements and applies the conflicts of interest prevention and management policy and procedures defined by the Group. To this effect, it establishes and maintains operational effective organizational and administrative arrangements appropriate to its scale, its organisation, and to the nature, importance and complexity of its activities. They take into account the circumstances that may cause a conflict of interest 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:

- ✓ Rules and general principles defined in the policy and prevention and management of conflicts of interest procedure of the CACEIS Group defining instructions that employees must respect to identify, to prevent and to manage conflicts of interest ;
- ✓ A training pathway for all employees allowing to ensure that the staff possesses the knowledge and competences necessary to satisfy regulatory and legal requirements as well as ethical standards, including understanding, recognizing and preventing any conflict which could arise ;
- ✓ Procedures related to confidential information that apply to all employees. These procedures aim to control or to prohibit the exchange of confidential information ;
- ✓ A policy related to personal transactions of employees, in order to ensure that the confidential information obtained as part of their professional activity is not used to their advantage ;
- ✓ A policy related to gifts and benefits, which applies to all employees and which prohibits to receive gifts of a higher value exceeding a given amount,
- ✓ A validation system of new relationships and follow-up monitoring with clients allowing to identify situations of potential conflicts of interest and to take appropriate measures if applicable ;
- ✓ A selection process of service providers (sub-custodians, sub-compensators, brokers, suppliers, etc...) including operational, financial and compliance criteria aim to choose a service provider allowing to ensure the quality of the prepayments made in the interest of the clients and respect for the integrity of the market ;
- ✓ A validation system of all new service/new activity (or significant change) aiming, to identify potential conflicts of interest that may arise in the frame of the activity/service concerned and to take the appropriate measures if applicable ;
- ✓ A personal recruitment process based in particular on neutrality, objectivity and non-discriminatory principles, in order to avoid personal considerations and to ensure impartial and fair management of recruitment ;
- ✓ A compensation policy based on quantitative and qualitative criteria, aimed at ensuring that the method of remuneration of employees and their reporting and their line do not lead, directly or indirectly, to situations of potential conflicts of interest, distorting the provision of certain services.

These principles are also reminded in CACEIS's Code of Conduct and Ethics Code, which are brought to the attention of all the Group's employees.

Where a CACEIS entity considers that the organizational or administrative arrangements taken are not sufficient to ensure, with reasonable certainty, that the risk to prejudice the interests of a customer is avoided, it has to clearly inform the client, before acting on its behalf, of the general nature and/or source of such conflicts of interest. This information must be communicated to the client in a durable medium and be detailed enough to enable the customer to take an informed decision.

The procedure for prevention and management of conflicts of interest is reviewed regularly, at least once a year.