

Conflict of Interest Policy

D Conflicts of Interest Policy – Information on handling possible conflicts of interest

Our Bank's actions aim to ensure an alignment of interests among our clients, owners and employees. However, it is impossible to completely avoid all conflicts of interests at a bank that provides a large number of high-quality financial services for its clients.

Conflicts of interest may arise between the Bank and its clients, between clients, or between the Bank, its clients and its employees. They may also arise between the Bank and other financial service providers, including other members of the Bank's group. Conflicts of interest that may arise at the Bank include, without limitation:

- in investment consulting and asset management due to the Bank's interest in selling its group's financial products;
- in trading and financial services when (a) several client orders coincide, (b) client orders coincide with the Bank's own transactions or (c) the Bank has other interests of its own;
- in the preparation of financial analyses.

Conflicts of interest may result in the Bank not acting in the client's best interest, resulting in a financial detriment to the client. We have taken a number of measures to avoid possible conflicts of interest from the start.

Measures to avoid possible conflicts of interest

Organizational measures

We have structured our organization, processes and procedures in multiple tiers and allocated individual responsibilities in a way that prevents extraneous interests from influencing client services such as advising, order execution, asset management and financial analysis. The Bank and our employees are committed to upholding high ethical industry and professional standards. As an investment firm, we have an obligation to provide all investment and ancillary services honestly, fairly and professionally in our clients' best interest and to avoid conflicts of interests where possible.

We have met this obligation by establishing a compliance function that is free to perform its duties as it sees fit and reports directly to the Executive Board. It is responsible for identifying, avoiding and managing conflicts of interests and taking adequate measures.

Specific measures

The compliance function and the internal and external auditors verify constant compliance with the measures that have been taken, which include, without limitation:

1. Establishing organizational processes to safeguard clients' interests in investment consulting and asset management, e.g. approval processes for new products;
2. Establishing an "ethics screen" between business areas and simultaneously managing the flow of information between them;
3. Identifying employees who may face conflicts of interest in the course of a professional activity and disclosing any and all transactions in financial instruments;
4. Maintaining black lists and/or watch lists of financial instruments where conflicts of interest might occur;
5. Continuously monitoring all of our employees' dealings in financial instruments;
6. Executing orders in accordance with the Vontobel Best Execution Policy and/or the client's instructions;
7. Ensuring employee pay contains a large fixed pay component to prevent the Bank or our clients from being exposed to excessive risk;
8. Defining rules for the acceptance of gifts and other benefits by our employees;
9. Providing ongoing training to our employees.

Disclosure of inevitable conflicts of interest

If the above measures are insufficient to prevent conflicts of interest in a particular case, the Bank will disclose the conflicts of interest to the affected clients.

Other important information

We generally receive inducements (trailer fees) from fund management companies and securities issuers when we market securities. We may also be entitled to commissions such as front-end and back-end loads.

The client will be notified retroactively of the exact inducement amount. Since inducements are paid to the Bank on an ongoing basis, the client will be notified of the actual amount of the payments received at least once a year. Inducements are designed to improve the quality of the services provided to clients. They do not interfere with the Bank's duty to act in its client's best interests.

Finally, other investment firms give us minor non-monetary benefits in connection with our securities business, such

¹ Where the masculine form is used, this shall also be understood to include female Clients, as well as the possibility of more than one Client.

as generic information about financial instruments, free financial analyses, training courses, sales support and the like. We use these inducements to provide and constantly improve our services with the high quality you demand.

Since the Bank receives the benefits on an ongoing basis, the clients will be notified of the actual benefits received at least once yearly.

We may pay third parties performance-based commissions and fixed fees in exchange for referring individual transactions to us or referring clients to us in connection with a specific transaction or no specific transaction at all. These intermediaries use the commissions to improve the quality of the services they provide to clients.

The Bank does **not** accept or keep any inducements relating to asset management that may be offered by third parties or persons acting on behalf of third parties. Monetary inducements received by the Bank in connection with asset management are passed on to the client in full as soon as reasonably possible after receiving them. The Bank will inform the client about the monetary inducements that it has passed on.

Notwithstanding the foregoing, the Bank accepts the aforementioned minor non-monetary benefits provided by third parties that serve to enhance the quality of asset management for the client and are of a reasonable and proportionate type and extent.

Our General Terms and Conditions or other contract documents also contain information on the receipt or payment of inducements. We will disclose additional details to our clients on request in accordance with the terms of the aforesaid documents.

In asset management, you, the client, have delegated the management of financial instruments to us, including decisions about whether to buy or sell financial instruments. This means that we make purchase and sales decisions without obtaining your consent within the limits defined by the investment instructions that we have established with you. This arrangement may exacerbate an existing conflict of interest. We address the resulting risks through suitable organizational measures, including, without limitation, an investment selection process designed with the client's best interests in mind.

Note

We will provide you with more information on our conflict of interest policy on your request..