POLICY FOR MANAGING CONFLICTS OF INTERESTS

In accordance with the Directive, the present section provides you with information on our Bank's policy (hereinafter "Policy") on managing conflicts of interests. Additional information can be obtained from our Bank upon request.

Conflicts of interests

Based on our long experience in several financial professions, our Bank offers its clients a full and integrated range of services in personal asset management, corporate consulting, collective investment funds management, financial analysis, credit, stock market order execution and placing of transferable securities. Its clients are private investors, institutionals, listed and private companies and public investors.

The possibility of conflicts of interests between the Bank (its representatives, managers or other group companies) and its clients, or between clients of the Bank, is inherent in the fact that the Bank develops, in parallel, concurrent services directed towards a variety of clients having at times diverging interests.

For example, the Bank may find itself in the situation of granting loans to or advising companies whilst at the same time investing for the account of its private asset management clients in financial instruments (shares, bonds, etc.) issued by the same companies. In certain cases, the Bank could also advise its clients to invest in financial instruments issued by companies in which it has an interest, *inter alia* precisely because it itself has a shareholding in these companies, or because these companies are clients of the Bank or, in the case of Collective Investment Funds, because the assets of the latter are managed by the Bank or by other companies in its group. Our Bank's financial analysis department could also, in certain cases and where certain conditions are met, publish recommendations concerning companies that are being advised by our Bank, for example in the context of investment activities.

The development in parallel of such activities in favour of clients having at times diverging interests requires specific measures to be taken to prevent and, where applicable, manage potential conflicts of interests in a manner that respects equitably the interests of the parties in question.

Principal measures for preventing and, where applicable, managing conflicts of interests

The Bank's policy on conflicts of interests is based, in general, on a separation of any activities that could potentially generate mutual conflicts of interests.

To this end, the Bank's activities are exercised in different departments, and in certain cases in legally distinct entities.

For example, the specific "Private Banking Department", is specially tasked with advising private clients and managing their investments, whilst another department, the "Institutional Portfolio Management Department", has the exclusive mission of advising institutional clients and managing their assets.[1] Corporate consulting activities and Collective Investment Funds management are carried out through distinct entities.

[1] The Bank's trading (Dealing Room), financial analysis and credit activities are each carried out in distinct departments. The operations, compliance, audit, risk management and legal advice functions are also undertaken by specific departments.

This departmentalisation, or use of separate subsidiaries, is expressed in particular by the physical separation (different premises) of the persons exercising the activities in question, as well as strict rules governing the confidentiality, transmission and use of information between and within departments (or group entities).

The management of each department (or distinct subsidiary) lies with a member of the management team or, in certain cases, with a separate decision-making committee, allowing for autonomous decision-making[2]. In this way the “Private Banking” and “Institutional Portfolio Management” departments mentioned above, as well as the “Credit Department”, are each managed by specific representatives and each have their own decision-making committees, consisting of representatives of the department.

Where activities undertaken within a particular department can potentially generate mutual conflicts of interests, specific measures can also be introduced inside this department in order to manage to fence off specific activities or transactions. Our Bank’s Dealing Room, for example, is organised into specific desks, with clearly distinct activities in order to forestall any conflict.

Specific measures are also taken to ensure that the Bank's representatives (managers, employees, delegated agents) exercise their activities in the interest of clients. These representatives receive regular and specific training in business ethics, in particular on entering the Bank. Specific limits are imposed on transactions in financial instruments for the account of representatives of the Bank and their immediate families. Also, certain operations which can potentially jeopardize the independence of the Bank's representatives in exercising their function (for example due to benefits received from third parties) are forbidden.

Other measures may also be adapted at individual department level, in order to forestall or manage specific potential conflicts. This applies for example, to the financial analysis department, which is subject to special rules and its own code of ethics, aimed *inter alia* at ensuring the independence and objectivity of this department's members.

Our Bank's Policy is not opposed to the Bank receiving in certain cases remuneration or benefits from third parties, within the meaning of the Directive, in relation to the rendering of certain services to its clients. Our Bank may, more specifically, be remunerated by the issuer or distributors when placing financial instruments (primary market) or receive analysis reports when it entrusts orders for execution to third party intermediaries. The remuneration received for placing financial instruments will, where applicable, be spelled out in the Prospectus of the financial instruments in question. This remuneration corresponds generally, in the case of public operations (IPOs) to between 1 and 3% of the issue amount. Specific conditions can apply for certain financial instruments, in particular Collective Investment Funds (generally from 0.15% – monetary Collective Investment Funds – to 1% - equity Collective Investment Funds – a year). Our Bank may also remunerate, where applicable, third parties which have contributed to concluding or maintaining business relations between a client and the Bank.

[2] It being understood that any collegiate body assumes management at the highest level, this being inherent in the management of any company.