

SUMMARY OF THE POLICY PREVENTION AND MANAGEMENT OF CONFLICTS OF INTERESTS

PREAMBLE

Banque Delubac & Cie is authorised as a credit institution - Investment service provider.

Banque Delubac & Cie may be exposed to potential conflicts of interests that may arise when providing investment services and/or related services to one or more of its clients.

Assuming that such situations arise, Banque Delubac & Cie is under the obligation to prevent, detect and manage them, in compliance with the provisions of European Directive No. 2014/65 dated 15 May 2014 relating to Markets in Financial Instruments (known as MiFID Directive 2), transposed into French law by Order No. 2016-827 of 23 June 2016, which is to apply from 3rd January 2018.

For this purpose, Banque Delubac & Cie, as investment services provider, has established and maintains an effective conflict of interest management policy that is suited to its size, organisation, the nature, importance and complexity of its activities.

This document summarises the approach adopted by Banque Delubac & Cie in preventing and managing conflicts of interests that may arise in the course of its business or that of its subsidiaries. Additional information on this policy will be provided if requested by a client.

The purpose of this document is not to create, and does not create, additional rights or obligations with respect to third parties that did not exist before it was made available to them; it is merely for information purposes.

1. Definition of "conflict of interests"

A conflict of interests is a situation in which Banque Delubac & Cie or its managers or employees or related agents or subsidiaries or any person directly or indirectly linked to it by a controlling relationship has a material, professional, commercial, financial or personal interest that competes with the interests of clients, which must be prioritised over all others.

The situation arises during the provision of any investment service, any service related thereto or a combination thereof from the moment it is likely to constitute a prejudice for the client.

A conflict of interests may potentially arise between:

- two clients of Banque Delubac & Cie;
- Banque Delubac & Cie or its subsidiaries and clients;
- employees of Banque Delubac & Cie or its subsidiaries and their clients.

To characterise the existence of a conflict of interests, there is a need to assess whether Banque Delubac & Cie, one of its managers or one of its employees:

- is likely to make a financial gain or avoid a financial loss, at the client's expense;
- has an interest in the result of a service provided to clients or a transaction carried out on behalf of the client, which differs from that of the client in this result;
- is encouraged, for financial or other reasons, to favour the interests of another client or group of clients in relation to those of the relevant client;
- receives or will receive from a person other than the client an incentive in relation to the service provided to the latter, in the form of monetary or non-monetary benefits or services.

2. Identifying Conflicts of Interests

Banque Delubac & Cie has identified situations of potential or proven conflicts of interests and has set up adequate internal controls to identify situations that could lead to the appearance of a conflict of interests during the provision of its investment services and related services.

It also has notification procedures for potential and proven cases of conflict of interests.

Banque Delubac & Cie's policy also provides for keeping records of situations, types of investment services or related services and other activities for which a conflict of interests involving a significant risk of prejudice to the interests of one or more clients has occurred or is likely to occur.

3. Conflict of Interest Management System

Banque Delubac & Cie makes use of and applies effective organisational and administrative arrangements to manage identified conflicts of interests. It also monitors activities on an on-going basis to ensure that internal controls are appropriate.

The measures and controls adopted by Banque Delubac & Cie in managing conflicts of interests include the following:

- a procedure for the prevention and management of conflicts of interests (instructions for employees relating to the identification, prevention and management of conflicts of interests);
- procedures and policies relating to professional ethics, including the reporting of gifts and benefits received and/or offered and personal transactions in financial instruments of employees considered "sensitive" by virtue of the duties performed;
- remuneration management policy provisions which do not encourage Banque Delubac & Cie's employees to act in a way that would be contrary to the interests of clients;
- a control system for the exchange of information, in particular those relating to transactions and financial instruments deemed sensitive in consequence of an on-going market transaction (potentially a source of market abuse);

When Banque Delubac & Cie considers that the organisational or administrative arrangements made are not sufficient to guarantee, with reasonable certainty, that the risk of harming clients' interests will be avoided, it clearly notifies them, before acting on their behalf, of the general nature and/or the origin of these conflicts of interest (if this does not involve the transmission of non-public information, where appropriate) and the measures taken to reduce the risks so that they can make a well-informed decision.

Banque Delubac & Cie may in certain exceptional cases be required to refuse to carry out a transaction.