



Factsheet on the Policy on Conflicts of Interest Management at the Bank

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PREAMBLE

Intesa Sanpaolo Bank Luxembourg (hereinafter, the "Bank") as multifunctional intermediary, has a wide range of activities that can lead to the occurrence of conflicts of interest (or potential) between the Bank itself and among its customers or clients when providing investment services or ancillary services or a combination of these.

The Bank implements and maintains an effective policy on conflict of interests management (hereinafter the "Policy") that is designed to take into account the size and organization of the Bank itself and the nature, scale and complexity of its activities.

The Bank periodically reviews the effectiveness of the adopted Policy, to identify any gaps by providing, in this case, any corrections needed.

This document is a summary description of the Policy and aims to provide an overview of customer adopted rules and measures in the case of a conflict of interest.

Upon request from the customers, the Bank shall provide more details on the Policy and a copy of it if necessary.

All significant changes of the Policy shall be communicated to the client in good time before the entry into force of them.

DEFINITIONS

Conflict of interests : A conflict of interest is a situation in which, in the exercise of the Bank activities, interests and / or those of its customers and / or those of its employees a person is in a position to derive personal benefit from actions or decisions made in their official capacity, either directly or indirectly.

Abuse of conflict of interest : Abuse of conflict of interest is a situation in which the result of an operation performed by the Bank has a significant disadvantage to the interests of a customer and, in return, a significant advantage for the Bank, a collaborator, another customer or any third party.

To prevent this risk and strengthen the confidence of its customers, implementing policy at the Bank consists of a device that allows you to:

- prevent conflict situations the occurrence of interest that can lead to giving up an activity, a transaction or mandate;
- Exercise independent and permanent respect for the primacy of customer interests and confidentiality of information.

MAIN TYPES OF CONFLICT OF INTEREST

The Bank has identified the types of conflicts whose existence may damage the interests of a client.

The main conflicts of interests identified are:

- As part of the receiving activity and transmission of orders relating to one or more financial instruments service to hire a broker / broker with which, in respect of that service, there are agreements to earn fees commissions or non-monetary services (incentives), represents a conflict of interest, because the choice of broker / broker may be based on the above mentioned agreements rather than in the interest of the client.
- As part of the portfolio management service if the financial instruments included in assets under management are issued or managed by the Group, all this leads to a conflict of interest because the Bank could be required to include these instruments in assets under management for the Group's interests.
- As part of the investment advice provided on financial instruments, the existence of remuneration systems for personnel involved in the provision of the service in question, may cause a conflict of interest because these people could be encouraged, based the

remuneration received, to recommend specific financial instruments to clients, regardless of whether it might not be in the best interest of customers concerned.

- The customer loan granted for transactions in one or more financial instruments and simultaneous provision of other investment services and activities, causes a conflict of interest because the bank could complete the transaction in its own interest, the transaction whether or not in the client's interest.
- The receipt by the relevant persons gifts or other benefits of significant value results in a conflict of interest because it could affect the proper provision of investment services and ancillary services department.

ACTION TAKEN BY THE BANK TO PREVENT AND MANAGE SITUATIONS OF CONFLICT OF INTEREST IDENTIFIED

The Bank has implemented a set of procedures and organizational measures to manage conflicts of interest, including:

- **Integrity:** All members of the Bank's staff shall avoid any situation, real or apparent, where their obligations to the Bank conflict with their personal interests or obligations to others, including family members.
- **Policies and Procedures:** In all its entities and activities, the Bank has established policies and procedures to prevent and manage potential conflicts of interest. These policies and procedures are presented and applied to all employees and they are under constant control and updating process.
- **Separation of functions:** The Bank has established within its organization of segregation of duties principles and activities ("Chinese Walls") to prevent / limit conflicts of interest. Specific measures have been put in place to prevent or control the simultaneous or sequential involvement of staff to several services or activities where such involvement may impair the proper management of conflicts of interest.
- **Confidentiality of information:** Employees must strictly respect the confidentiality of client information and may not disclose it or use it inappropriately.
- **personal transactions:** To prevent conflicts of interest in the use of information obtained from clients and, in general, market abuse, the Bank has specific rules governing personal transactions by employees of the Bank.
- **Gifts:** All members of the Bank's staff may not accept any gifts other than those considered normal in their field. Gifts of immense value offered by customers can be a source of conflict of interest that the Bank is committed to avoid.
- **Compensation:** Bank's compensation and incentive systems are defined and applied consistently with the role, contribution and impact of staff on the risk profile of the Group and the Bank. In addition, the Bank has established a provision for which all pay the same Bank staff is established so as to not conflict with the duty of the Bank to act honestly, fairly and professionally and to serve the best interests of its clients.
- **System "Watch list":** The adoption of a registration mechanism (Watch List) and preliminary analysis of certain categories of transactions sent to sensitive transmitters (called sensitive situations) can detect ex ante situations operation could give rise to situations of conflict of interest and identify possible precautions or operating limits to mitigate such conflicts of interest.

When in the course of providing investment services and / or ancillary services, organizational and administrative measures to manage conflicts are not sufficient to ensure, with reasonable certainty, that the risk of infringing customer interest is avoided, the Bank clearly informs the customer of the nature and sources of conflicts and the resulting risks for him and the actions taken to mitigate them.