

## **PRINCIPLES GOVERNING THE IDENTIFICATION AND PREVENTION OF CONFLICT OF INTEREST SITUATIONS**

The operating principles followed in Evli Group (hereinafter Evli) in order to identify and prevent conflicts of interest are included in the guideline Evli Group's Conflict of Interest Policy approved by the Board of Directors of Evli Bank. The key content of the guideline is described in this document.

A conflict of interest situation refers to an exceptional situation that may arise during the offering of an investment service to a client, for instance, that may entail a potential risk to the interest of the client. A conflict of interest may also arise between Evli and its personnel or between two clients.

Evli offers its customers a broad selection of products and services. Conflicts of interest may emerge when providing investment and ancillary services. However, Evli will take all measures necessary prevent and manage any conflicts of interest that may include significant risk to clients' interests. We will primarily seek to prevent and manage conflicts of interest by taking various organizational and administrative measures. The purpose of these measures is to ensure that the management and employees of Evli carry out their duties with integrity and loyalty and conduct business operations with sufficient independence in order to protect clients' interests.

The measures vary according to the particular transaction or service. Conflict of interest situations are prevented by measures such as the following:

- The prevention and supervision of the exchange of information between persons and functions by means of various information systems and user rights, as well as the physical separation of functions (so-called Chinese walls)
- Ethical guidelines and principles
- Requirements concerning the appropriate management of conflicts of interest are observed in the development and distribution of financial instruments in accordance with internal guidelines.
- Separate operating principles are observed to prevent and manage conflicts of interest in the subscription and issue of financial instruments and in corporate advisory services
- Operating guidelines that are intended for situations where gifts and benefits are offered or received in the process of managing business relationships.
- By observing principles agreed in advance when executing orders
- Risk management policy
- By observing guidelines on the identification of clients and prevention of money laundering
- By observing principles concerning employees' secondary occupations and positions of trust
- By observing the trading rules for personnel and management and the rules for investment research
- By designing remuneration models so that they do not lead to action that is against clients' interests

Evli pays particular attention to preventing and managing conflicts of interest in investment advice, investment research, asset management, order brokering, organizing issues and other issue services.

If a conflict of interest cannot be prevented despite these measures, the client in question will be informed of the nature and causes of the conflict of interest before carrying out the transaction. The client will receive a notification in a permanent manner, electronically or by letter. The client will then independently decide whether the transaction should be carried out despite the notified conflict of interest. Evli may also decline to offer investment services in the case of a conflict of interest.

The operating principles concerning the identification and prevention of conflicts of interest will be reviewed annually to check the content and the up-to-date nature of information.