

# **CONFLICT OF INTEREST POLICY**

ABG Sundal Collier Group

5 June 2024



## 1 Purpose and scope

As a group of MIFID regulated investment firms, the ABG Sundal Collier Group is obligated to maintain and operate effective organisational and administrative arrangements to identify circumstances that constitute, or may be expected to cause, conflicts of interest and to prevent or manage such conflicts.

This Conflict of Interest Policy (“the Policy”) applies to all legal entities directly or indirectly controlled by ABG Sundal Collier Holding ASA, including tied agents, collectively referred to as “ABGSC” or “the Company”.

The Policy sets out the policy statement for ABGSC. Further details on implemented measures and internal procedures are outlined in the Conflict of Interest Procedure.

## 2 Responsibilities

The Board is responsible for approving and conducting a review of this Policy at least annually to ensure compliance with any relevant changes to rules, regulations and/or any other signals from regulators.

The Boards of each respective subsidiary are responsible for adopting the Policy as applicable by local legislation and regulations.

Each ABGSC business unit is responsible for implementing and enforcing this Policy together with any additional local policies. Local business managers are responsible for making the Policy known in their organization and promoting a culture of awareness and compliance. The Compliance department is responsible for guiding and supporting the business areas, and providing training to relevant staff throughout the Company, as well as assisting in identifying, managing, and monitoring any such conflicts.

All staff have an obligation to act with integrity and to ensure that they understand and comply with this Policy. All managers within ABGSC shall inform their staff of the contents of this Policy and how staff are affected.

Board members and employees should be aware of potential conflicts of interest with the purpose of identifying, addressing, and reporting them in accordance with this Policy. To identify potential conflicts of interest, Board members and employees shall be observant of circumstances and situations that may constitute, or give rise to, conflicts of interest and shall act in accordance with relevant established processes and procedures.

## 3 Policy statement

Conflicts of interest can arise between ABGSC and/or its managers and employees and its clients, between one client and another, their competing interests, and our duty to ABGSC’s clients and to contribute to stable and orderly markets and the general confidence in the securities market.

ABGSC will take all reasonable steps to prevent conflicts of interest arising, however, where such conflicts arise, ABGSC shall take all reasonable steps to prevent the conflict from adversely affecting the interests of its clients. ABGSC’s policy is to ensure fair treatment for all clients and investors by internal rules of confidentiality, by declining to act, or otherwise by disclosure if deemed appropriate. ABGSC will ensure that client’s interests take precedence over its own interests and will not unfairly place its own interests above those of its clients. Where a properly informed client would reasonably expect ABGSC to place their interests above its own, ABGSC will live up to that expectation.

## 4 Conflicts of Interest

### 4.1 Definition

A “conflict of interest” entails a situation or circumstance which, with regard to ABGSC’s products and services, may pose a significant risk that the interests of one or more clients or other stakeholders will be adversely affected.

## 4.2 Identification of conflicts of Interest

During the normal course of business, in relation to any transactions we arrange for a client, ABGSC may have an interest, relationship, arrangement or duty which is material (“material interest”) or which may give rise to a conflict with a client’s interest, including the client’s sustainability preferences, in relation to an investment or transaction. ABGSC will take all necessary steps to ensure fair treatment for the client in relation to any such transactions and will ensure that any conflict does not adversely affect the interests of the client.

In certain cases, ABGSC may be prevented from using or not be aware of information that is available within certain parts of the Company and which may be relevant to a client’s investment decisions.

It is the responsibility of the Company, its employees and board members to identify potential conflicts of interests. When identifying conflicts of interest that may arise between ABGSC or any person linked to ABGSC and a client, or between one client and another, ABGSC shall as a minimum consider if ABGSC or an ABGSC member of management, staff, tied agent or person directly or indirectly associated by control to ABGSC (“Relevant persons”):

- Is likely to make a financial gain or avoid a financial loss at the expense of the client;
- Has an interest in the outcome of the service provided to the client or of the transaction that is carried out on behalf of the client, which is different from the client’s interest;
- Has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- Conducts the same type of business as the client; or
- Receives or will receive from a person other than the client an inducement in the form of money, goods, or services other than the standard commission or fee for the service in question.

It is not possible to list all actual or potential conflicts of interest and this document does not serve as an exhaustive list of all conflicts of interest that may be encountered by ABGSC. Below are some examples of situations identified in ABGSC’s business that may give rise to conflict of interest between ABGSC and/or Relevant persons and clients.

A conflict of interest may inter alia arise in the following circumstances where ABGSC may:

- Deal as principal for its own account in a financial instrument by buying from or selling to a client or otherwise having a dealing position in the financial instrument concerned when trading for its own account;
- Provide a service to clients in a financial instrument in relation to which another person or client enters a transaction; Match a transaction with that of another person by acting on that person’s behalf as well as the client or acting or seeking to act as agent to both parties;
- Have business relationships, including investment banking relationships, with companies whose securities a client is entering into transactions; Receive or will receive monetary or non-monetary benefits or services from someone other than the client in connection with a service being provided to the client;
- Have a financial or other incentive to favour another client or group of clients before the interests of an other client or group of clients;
- Be involved as adviser, broker or otherwise in a new issue, takeover or similar transaction involving a financial instrument in which a client has an interest;
- Act in the capacity as listing advisor or equivalent role in a listing on a trading venue, and assist the issuer during the admission process and thereby contribute to a successful admissions process for the issuer, while at the same time having an obligation towards the trading venue in ensuring that sufficient financial and legal due diligence investigations are carried out and to contribute to orderly and efficient trading in the financial instruments;
- Provide investment research related to an entity or group to which it also provides investment advisory services;
- Have received ongoing client orders when employees wishing to trade on their own account;

- Advice or act as an arranger or manager of a public offering of financial instruments and allowing Relevant persons to attend such offering.
- Employ staff who have personal relationships with clients or with other ABGSC staff members .
- Executing orders on behalf of clients and prioritizing orders that will generate the most commission for ABGSC.
- Have interests other than those of the client with regards to the outcome of the performance of a service or transaction;
- Aggregate client orders and prioritizing orders that will generate the most commission for ABGSC at the expense of the client;
- Have employed remuneration structures that incentivize staff to take risks that could cause damage to clients' interest;

## 5 Prevention and management of conflicts

### 5.1 General

ABGSC may have a material interest or a conflict of interest in the services or transactions the Company carries out with or for a client. For each identified conflict of interest, ABGSC shall ensure that there is a MiFID compliant procedure in place to manage that conflict, with a view to taking all reasonable steps to prevent the risk of any conflict constituting or giving rise to material damage to the interests of clients . Furthermore, it is incumbent on all employees and Board members to take measures to prevent and manage conflicts of interest.

### 5.2 Management of conflicts

ABGSC is entitled to provide services to a client notwithstanding that the Company may have a material interest in or a potential conflict of interest in relation to the transaction or investment concerned. ABGSC may proceed to act where a conflict of interests exists in a manner which is appropriate to such circumstances. In some cases, ABGSC may not be able to provide advice for specific investments. In such cases, ABGSC may not be in a position to state why it cannot provide advice or carry out a specific order.

In order to manage conflicts of interest, ABGSC has in place internal procedures to ensure that its various business areas and companies operate independently of each other and restrict access by the particular employee(s) responsible for handling a client's affairs to certain areas of information.

The following arrangements are in place:

- Information barriers (Chinese Walls) to segregate confidential information;
- Independence of divisions and legal entities;
- Information flow is controlled, where relevant;
- Supervision of Relevant persons is designed to prevent or limit any person from exercising inappropriate influence;
- Relevant persons are prohibited from having outside business interests that may conflict with the interests of ABGSC's or the clients;
- Relevant information is recorded by Compliance and is stored securely ;
- Transaction-related conflicts are managed on an ongoing basis via the Company's conflicts register;
- Personal transactions are subject to strict internal rules;
- Existing conflicts and the management of them are documented;
- Relevant staff personal relationships are declared;
- Potential conflicts of interests connected to execution of orders on behalf of clients are handled through measures described in ABGSC's Execution policy;
- Potential conflicts of interests connected to aggregation of client orders are handled through measures described in ABGSC's Execution policy;
- Remuneration is set in accordance with ABGSC's Remuneration Policy, which shall ensure that the remuneration does not compromise the objectivity of the Relevant person. There shall be no direct link between the remuneration of staff principally engaged in one activity and the remuneration of, or revenues

generated by, persons principally engaged in another activity, in situations where this link results in a conflict of interest;

- Anti-corruption policy which ensures that neither ABGSC nor any of its employees offers or gives, solicits, or accepts, either in the course of regulated business or otherwise, any inducement which is likely to conflict with any duty the recipient (or the recipient's employer) owes to clients in relation to regulated business
- Systems & Controls of ABGSC are reviewed on an ongoing basis.
- Instructions are issued to relevant Staff to manage potential conflicts of interest relating to dual roles or roles shared between multiple legal entities.

Conflicts of interest faced by ABGSC shall be handled in an ethical manner and in compliance with applicable legislation. If a potentially damaging conflict of interest is identified, measures will be taken to protect the client's interests.

In certain circumstances, the following measures are necessary to ensure adequate management of a conflict of interest:

- Implementation of additional information segregation methods or other ad-hoc arrangements;
- Escalation to senior management of the Company (Group Executive Committee)
- Declining to clear personal staff requests for interests which involve a conflict
- Declining to Act for a client
- Certain staff may be asked to step aside from working on a specific transaction or participating in the management of a potential conflict of interest.

## **6 Disclosure to clients**

### **6.1 Internal disclosure obligation**

Any employee discovering a deviation, that is, inadequate compliance with this policy, shall inform the Compliance function of this. Board members shall inform the Chairman of the Board.

### **6.2 External disclosure obligation**

If a conflict of interest arises where ABGSC's internal rules are deemed insufficient to ensure with reasonable confidence that the risk of damage to client's interests will be prevented, ABGSC shall disclose the nature and source of the conflict of interest to the client, including the measures taken to mitigate the risk of damage to the interests of the client, in good time before undertaking the business on behalf of the client.

Furthermore, such disclosure shall be presented on a durable medium and clearly state that the organizational and administrative arrangements determined by the Company to prevent or address these conflicts of interest are insufficient to ensure that negative impacts on clients or stakeholder interests are prevented with a reasonable degree of certainty. This information shall include a detailed description of the conflicts of interest arising in providing the service or product and shall include whether the client is a professional or non-professional client. The description shall explain in detail the general nature and sources of conflicts of interest, as well as the risks to the client caused by those conflicts of interests and the measures taken to mitigate those risks, enabling the client to make a well-founded decision regarding the service or product.

Disclosure shall be used as a last resort and only in the situation where ABGSC considers that the procedures put in place to manage a particular conflict are not sufficient to ensure that the risk of material damage to client interests will be prevented.

## **7 Training**

All employees in ABGSC are covered by this Policy and shall attend and complete training on the subject, including ethics and conflicts of interest.

## 8 Annual assessment

ABGSC shall conduct an annual assessment of conflicts of interests in its operations. The assessment shall be conducted in order to assess and identify potential and real conflicts of interest that could arise, or have arisen, within the Company. The Compliance function shall facilitate an annual assessment.

## 9 Record keeping

ABGSC shall for a period of at least five years keep and regularly update a record of the services and activities in which a conflict of interest entailing a material risk of damage to the interests of one or more clients has arisen or may arise.

The Group Executive Committee shall receive on a regular basis, and at least annually, written reports on such situations.

## 10 Review and monitoring

The Conflict of Interest Policy shall be assessed and reviewed by the Board of ABGSC at least on an annual basis and in accordance with any relevant changes to local rules and/or regulations. The Board shall take all appropriate measures to address any deficiencies. Over-reliance on disclosure of conflicts of interest shall be considered a deficiency in the conflicts of interest policy.

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*The Conflict of Interest Policy was approved by the Board of ABG Sundal Collier Holding ASA and ABG Sundal Collier ASA on 5 June 2024 and will apply until the Board decides otherwise.*