


Summary Conflicts of Interest Policy



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1. Introduction

MUFG EMEA¹ provides a range of financial services globally. This may, from time to time, give rise to situations where MUFG EMEA or its group² has interests which conflict with the interest of its clients or counterparties, or where conflicts arise between MUFG EMEA's clients.

This document sets out MUFG EMEA's policies for identifying, preventing and managing conflicts of interest that may arise in the course of providing a service to our clients and those conflicts that may entail material risk of damage to the interests of a client or counterparty. It also sets out the procedures and measures that have been implemented to manage those conflicts

2. Limitations

This document is prepared and published in order to comply with Directive 2014/65/EU on Markets in Financial Instruments (MiFID) and is not intended to create third party rights or duties or to form any part of any contractual agreement between MUFG EMEA and any client. This policy may be reviewed and amended at any time.

3. Policy

MUFG EMEA has established a written conflicts of interest policy to manage all conflicts. The policy sets out the procedures and controls used to identify and appropriately deal with potential or actual conflicts of interest.

4. Identification

To effectively manage conflicts of interest, MUFG EMEA has measures and controls in place to identify potential conflicts of interest and has taken steps to identify conflicts of interest that may arise in the course of providing regulated activities or services to its clients. Conflicts could occur between:

- MUFG EMEA and a client of the firm; or
- Two or more clients of MUFG EMEA;

MUFG EMEA uses the following criteria to identify potential conflicts of interest that could arise. The Group or a relevant person³:

- I. Is likely to make a financial gain, or avoid a financial loss, to the expense of the client;
- II. has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf the client, which is distinct from the client's interest in that outcome;
- III. has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- IV. carries on the same business as the client; or

¹ MUFG EMEA consists of MUFG Bank, Ltd., MUFG Securities EMEA plc ("MUS EMEA") and MUFG Securities (Europe) N.V..

² "Group" means The Mitsubishi UFJ Financial Group

³ "Relevant person" means any of the following: (a) a director, partner or equivalent, manager or tied agent of the Firm; (b) a director, partner or equivalent, or manager of any tied agent of the Firm; (c) an employee of the Firm or of a tied agent of the Firm, as well as any other natural person whose services are placed at the disposal and under the control of the Firm or a tied agent of the Firm and who is involved in the provision by the Firm of investment services and activities; (d) a natural person who is directly involved in the provision of services to the Firm or to its tied agent under an outsourcing arrangement for the purpose of the provision by the Firm of investment services and activities.

- V. receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service.

Once a conflict has been identified, controls are implemented to ensure it is appropriately managed.

5. Potential Conflicts

MUFG EMEA is involved in a wide range of corporate finance business and investment banking activities, including corporate advisory and capital markets activities. MUFG EMEA has identified a range of circumstances which may give rise to a conflict of interest that may, potentially but not necessarily, be detrimental to the interests of one or more clients.

The following are examples of potential conflicts that may arise as a result of the diverse nature of MUFG Group businesses:

- We may provide corporate finance advice to clients who are direct competitors to one another;
- We may provide corporate finance advice to one corporate client and subsequently, when that corporate client becomes a target for a bid, we may also seek to act for the bidder;
- We may provide advisory and financing services to one client in respect of a bid and seek to provide financing services to another client in respect of the same bid;
- Where we act as the syndicate agent for a financing arrangement for a client and MUFG corporate finance team is looking to advise either that client as acquirer or another firm targeting that client;
- We may deal, as principal, or be registered as a market maker in investments that are the subject of services we provide to other clients;
- We may be the lending banker to an issuer of investments that are the subject of services provided to other clients;
- We may provide corporate advice to clients whose interests may be in conflict or competition with other clients' interests;
- We may have an interest that is contrary to clients' transaction i.e. we may manage our own risk by hedging in the market which may affect market levels and thus affecting client levels including stop-loss levels. Furthermore, we may profit from the hedging activity even though the client's transaction declines in value;
- We may receive or pay inducements to or from third parties, mostly member of the group, for the referral of new clients where the amount of remuneration is based on the fees earned from the clients.

6. Prevention and Management

MUFG EMEA's global procedures to prevent and manage conflicts of interests include a number of organisational and administrative arrangements to safeguard the interests of clients and minimise the potential for conflicts to arise.

Examples of the arrangements put in place by MUFG EMEA to manage conflicts include (but are not limited to):

- Procedures to restrict the flow of confidential or inside information within the Group (such as Information Walls) including, where applicable, physical separation and system access restrictions, including procedures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients.
- The segregation of duties and supervision for persons engaged in different business activities including procedures for ensuring appropriate communication between businesses, for example

restricting communications between Sales and Trading employees, preventing simultaneous or sequential involvement of relevant employees in activities that may arise in conflicts of interest.

- The maintenance of a restricted list, which prohibits the execution of certain transactions, providing of investment advisory services or production or investment research.
- Personal account dealing restrictions applicable to all staff, and their connected persons, regardless of seniority. Restrictions include pre-trade approval, minimum holding periods and the operation of staff trading-windows for MUFG Group investments;
- A Gifts, Entertainment and Inducement policy including a gifts and entertainment register recording the solicitation, offer or receipt of certain benefits.
- An outside business interest policy, including the requirement for all staff to declare and in some cases pre-clear their outside business interests.
- The provision of training to all employees of MUFG EMEA on conflicts of interest management.
- Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities.
- A remuneration policy and independent remuneration committees to remove any direct link between the remuneration of relevant employees engaged in one activity and the revenue generated by another, where a conflict may arise in relation to those activities.

7. Disclosure

Where MUFG EMEA does not consider that organisational arrangements to manage conflicts (such as those outlined above) are sufficient to manage a conflict, MUFG EMEA:

- Shall disclose specific conflicts to clients and to ask for their informed consent to continue to act, notwithstanding the existence of any such conflict.
- May decline to act. This may happen where the group is already acting for one customer. It may be inappropriate for us to undertake business for another customer if we are not in a position to manage the conflict of interest on a reasonable basis or are precluded from doing so by a legal or regulatory constraint.

MUFG EMEA monitors compliance with its conflicts of interest policies and procedures and periodically reviews its business to ensure conflicts of interest have been identified and appropriate controls implemented to manage those conflicts of interest.

8. Contact

Should you have any questions with regards to this policy, please contact your Relationship Manager.