
Summary of MUS(EU)'s Allocation Policy

1. Introduction

MUFG Securities (Europe) N.V. (“**MUS(EU)**”) operates an Allocations Policy (the “**Policy**”) that is in accordance with the requirements of the EU Markets in Financial Instruments Directive II (“**MiFID II**”) and the rules of its regulator, the [DNB/AFM] (“**DNB/AFM**”).

As a financial institution that offers a wide range of products and services to a broad client range, MUS(EU) may, from time to time, find itself in a situation where potential conflicts of interest could arise in the allocation of offerings.

MUS(EU) consider and pursue the interests of its clients ahead of its own and manage conflicts where the interests of one client may be in competition with those of another.

2. Purpose

The purpose of this document is to provide clients with a summary of the MUS(EU) standards applied to the allocation process of offerings in which MUS(EU) is actively involved to:

- a) minimise the circumstances under which a potential conflict of interest may arise;
- b) identify any potential conflicts of interest that do arise; and
- c) ensure that where a potential conflict of interest is identified this is appropriately managed.

3. Factors Relevant to Allocation

The overriding principles governing the allocation process are those of fairness while acting in the best interests of the Issuer client.

MUS(EU) actively seeks to discuss the relevant aspects of the allocation principles with its issuer clients and this may include (i) the issuer clients' objectives and allocation preferences (if any); (ii) pricing, and how it might impact the ability to allocate according to the issuer's preferences; (iii) how potential conflicts will be managed; and (iv) any internal allocations.

The basis of allocation in an individual case will depend on the particular facts and circumstances and will be the result of discussion and the exercise of judgement. MUS(EU) have identified general factors to be considered when making allocations and which it will discuss with the issuer client. The below is not an exhaustive list of factors but a summary of the main factors:

- a) **Investor profile:** MUS(EU) will consider the investor's past dealings and experience with regards to the securities of the client and the client's sector.
- b) **Investor engagement:** MUS(EU) will review the investor's nature and level of interest in the client; e.g.: its involvement in road shows and other direct contact with the client.
- c) **Investor strategy:** MUS(EU) will consider the extent to which the investor's expressed interest and the size of the allocation requested appears consistent with the investor's investment strategy, objectives and purchasing capacity.
- d) **Allocations:** MUS(EU) will propose allocation recommendations based on Issuer preferences (if any) and will not determine allocations by the amount of trading, commission or other income received or expected by MUS(EU) from business with a particular investor.

4. Record Keeping

MUS(EU) will maintain the following records, without limitation, including justifications (where necessary):

- a) Initial issuer client discussions and the agreed proposed allocation;
- b) Amount (and spread sensitivities) of interests received in the transaction from each investment client with an indication of their type;
- c) Any further discussion and instructions or preferences provided by the issuer client, other members of the syndicate, or the firm itself, on the allocation process; and
- d) The final allocations communicated to each individual investment client.

Any changes to the objectives may be made and agreed over the course of the transaction and will subsequently be recorded.

5. Contact

Should you have any questions about the allocation process please do not hesitate to contact us via your MUS(EU) contact.