



# Policy for the Prevention of Conflict of Interest (summary description)

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# Policy for the Prevention, Identification and Management of Situations of Conflict of Interest

## 1.1 Internal procedures for the prevention, identification and management of situations of Conflict of Interest

### 1.1.1 Introduction

This documents reflects in summary the Policy that has been adopted by the Company in order to fulfil its obligations regarding the maintenance and implementation of effective administrative procedures for the verification, management and monitoring of existing and potential situations of conflict of interest.

### 1.1.2 Scope of the Policy

This Policy shall apply to all activities and services provided by the Company in the context of Laws 4099/2012 and 4514/2018, as well as of Regulation (EU) 438/2016 and to the entirety of its personnel, with particular emphasis on the personnel employed in the sectors of investments, sales and marketing.

### 1.1.3 Definition of situations of conflict of interest

#### Definition of conflict of interest

Conflict of interest means the situation that may occur during the provision of services and the carrying out of activities of Companies, where the personal interest of a shareholder, member of the Board of Directors, senior manager/senior director or employee is or may be contrary to the interest(s) of the Company or a client of the Company. A situation of conflict of interest is also detected in the case where the Company acts in the interest of a client causing at the same time significant damage to the interest of another client.

#### Examples of situations of conflict of interest

A conflict of interest may occur in cases where the Company or a covered person:

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 a service provided to the client or of a transaction carried out on behalf of the client, which is other than the client's interest in that outcome;

has a financial or other incentive to favour the interest of another client or group of clients over the interest of the client;

carries out the same business activity as the client;

receives or will receive from a third person an inducement in relation to a service provided to a client in the form of services, goods or money in addition to the standard commission or fee for that service.

#### 1.1.4 Categorization of cases of conflict of interest

This Policy covers conflict of interest that may occur in the following cases:

- Conflict between the interest of the Company and Piraeus Bank Group (hereinafter referred to as the “Group”) and the interest of a client or a group of clients.
- Conflict between the interest of a client or a group of clients and the interest of another client or another group of clients.
- Conflict between the interest of an employee or group of employees of the Company or the Group or of a covered person and the interest of the Company or the Group and/or their clients.

#### 1.1.5 Identification, prevention and management of situations of conflict of interest

The Company has adopted a number of organizational measures and procedures for the different types of conflict of interest that have been determined, in order to avoid potential conflicts in the future and be able to manage, control and prevent potential adverse effects on the interest of its clients.

- Independence of the Company in relation to the depositary of the UCITS managed by it

Especially regarding the management of the UCITS portfolios and in order to avoid situations of conflict of interest with their depositary, the Company shall ensure that:

- no member of its Board of Directors is at the same time member of the Board of Directors of the depositary of the UCITS,
- no member of its Board of Directors is at the same time employee of the depositary of the UCITS and
- no employee of it is at the same time member of the Board of Directors of the depositary of the UCITS.

Moreover, where a link or a group link exists between the Company and the depositary of the UCITS managed by it, the Company shall implement policies and procedures ensuring that they:

- (a) identify all conflicts of interest arising from the said link;
- (b) take all reasonable measures to avoid these conflicts of interest.

In the cases where the abovementioned conflict of interest cannot be avoided, the Company shall manage, monitor and disclose it in such a manner to prevent adverse effects on the interest of the UCITS and of the investors of the UCITS.

Finally, the Company shall ensure that at least one third of the members of its Board of Directors or two persons, depending on which number is lower, shall be independent; as such shall be deemed the persons who are neither members of the Board of Directors nor employees of the depositary and have no business, family or other relationship with the Company, the depositary or any other undertaking within the group that gives rise to a conflict of interest which affects negatively their judgement.

- Independence, separate supervision and segregation of operations

The Company undertakes to implement policies and procedures, according to which the personnel of each administrative unit shall act independently as regards the interest of the corresponding clients.

If deemed necessary, the Company shall take organizational measures to ensure separate supervision and segregation of operations of its employees, in order to avoid the simultaneous involvement of an employee in different services or activities, which may lead to situations of conflict of interest or is likely to prevent the appropriate management of such situations.

Furthermore, the Company shall take measures for the separate supervision and the operational segregation of its units that have undertaken the management of investments of clients' portfolios, the interest of whom may conflict with those of other clients (or group of clients) or the interest either of the Company itself or the Group.

Especially to avoid the occurrence of situations of conflict of interest in the management of investment clients' portfolios, the Company shall set out incompatibilities for certain positions that may create such situations within the framework of management of both collective and individual portfolios. More specifically, the Company shall ensure that the investment managers of both collective and individual portfolios are not allowed to be:

- i) members of the Board of Directors or employees of a company the securities of which are included in a portfolio under the management of the Company;
- ii) members of a credit institution or company of provision of investment services or insurance undertaking and
- iii) investment managers in a credit institution or company of provision of investment services or insurance undertaking or other management company or MFMC.

- Refusal to provide a service

In certain cases where the Company already acts on behalf of a client, it is possible not to consider appropriate to act on behalf of another client, if it is obvious that a conflict of interest may arise, which the Company cannot manage effectively. Consequently, in cases where the Company may not prevent or successfully manage a situation of conflict of interest, it may refuse to provide the service requested or choose not to provide the specific service from the beginning.

➤ *Management of confidential information*

For the purposes of this Policy, confidential/secret information shall mean the internal or confidential information that concerns an existing or potential client or financial instruments, and is not available to the public.

Safeguarding confidentiality and managing information received by the clients according to the applicable provisions from time to time shall constitute one of the main principles governing the activities of the Company.

The ability to access confidential information shall be limited to the persons that need to know information of confidential nature in the context of their duties within the Company (“Need to Know Policy”). Thus, the abuse of such information, as well as potential situations of conflict of interest shall be avoided to the greatest extent possible.

The above policy of absolutely necessary information shall also be ensured by the computer systems of the Company and of the Group in general, which shall not allow access to information which is not considered necessary for the conduct of a certain work. Consequently, the employees shall only have access to the information/data which are considered necessary to fulfil their duties.

➤ *Implementation of Chinese Walls between the business units/departments*

In order to protect and control access to important information/data which are not available to the public, the Company shall implement a Chinese Walls system, designed to prevent the leakage of confidential information/data between its directorates, units and departments. The operation of this system shall not only include the segregation of data and computer systems, but also the physical segregation of various units/departments, so that the persons employed in each unit/department do not have direct physical access to the archives and information concerning the subject matter of another unit/department.

- Measures to prevent inappropriate influence

The Company shall take measures to prevent or limit any person from exercising inappropriate influence over the way in which a covered person carries out activities of collective or individual, as the case may be, management of investments of clients’ portfolios.

- Policies and procedures

The Company shall take measures and implement policies and procedures to determine the means to address situations of conflict of interest regarding the following issues:

Remuneration of personnel

Gifts and personal benefits

Personal transactions

Ancillary activities and employment outside the Company

- Monitoring of situations of conflict of interest

With a view to early detect potential situations of conflict of interest, the Regulatory Compliance Officer shall monitor the designed policies, in order to identify any potential conflicts arising from the operations of the Company and address them within the required time period.

### **1.1.7 Inducements**

The Company has adopted measures and procedures in order to evaluate whether the receipt or payment of inducements by or to a client or an authorized representative of a client, as well as by

or to third persons or authorized representatives thereof, is permissible or acceptable. Inducement means any fee, commission or non-monetary benefit paid to or received by a client or an authorized representative thereof or a third person or an authorized representative thereof in the context of UCITS/CIU management or provision of investment services.

#### **1.1.8 Financial instrument that can be subject to resolution**

During the provision of investment services, in case of making available to clients financial means issued by a company of the group which can be subject to resolution (of Law 4335/2015), there is an increased risk of conflict between the interest of such undertakings and the best interest of the client. Therefore, the persons responsible to make such products available must point out to the clients the risks of such products, as well as be able to explain such risks and their consequences on the investment of the client.