

In accordance with multiple local, international regulations and professional codes of conduct, Societe Generale has established and maintains a policy for the identification, prevention and management of conflicts of interest.

The purpose of this policy is to ensure that Societe Generale complies with good professional practices and conducts its business in an honest, loyal and professional manner, in the best interest of its clients.

Definition and identification of conflicts of interest

A potential or confirmed conflict of interest is a situation where an entity or one of its employees, finds itself, in the course of carrying out its activities, at the center of multiple interests. In such a situation, acting in one of these interest (personal interest, the employer's interest, the interest of a client, the interest of several different clients, etc.) may harm the interests of others.

As a general rule, in order to determine whether conflicts of interest could arise, Societe Generale takes into account, whether itself or a person directly or indirectly linked by control to the firm is in one of the following situations:

- 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 distinct from 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 interests of the client;
- carries on the same business as the client;
- 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 monetary or non-monetary benefits or services.

The following list, which is not exhaustive, provides examples of potential conflicts of interest situations.

Conflicts of interest may arise between clients of the firm, for example where Societe Generale:

- acts on corporate and/or financing transactions involving contradictory interests for two clients of the firm;
- allocates executed orders between clients, which may act of a disadvantage to one client.

Conflicts of interest may arise between a client and the firm, for example where Societe Generale:

- acts both as a producer and a distributor of an investment product or service for a retail or professional client, which may conflict with the best interest of the retail/ professional client;
- gives investment advice, on a panel of products including the firm's products;
- may act as an issuer and develop corporate, investment and private banking activities.

Conflicts of interest may also arise between the interests of a client and those of a third party/supplier.

Conflicts of interest may also concern a bank employee, when the employee conducts outside business activities or because of personal or professional relationships which might conflict with their professional activities.

Prevention and management of Conflicts of interest

In order to prevent this risk and to strengthen the confidence of its clients, the conflicts of interest policy consists of procedures and controls designed to:

- identify situations where a conflict of interests may arise in the course of our activities (criteria, examples, mapping, registers...);

- prevent the occurrence of conflicts of interest, including where necessary declining to carry out an activity, operation or mandate;
- conduct its business activities in a way which ensures that the best interests of our clients are followed and strict confidentiality of information is maintained across all our various activities which could potentially generate conflicts of interest.

The set up includes notably:

- “Need to know principle” and information barriers between business activities. These ensure physical separation of those departments, prevent undue circulation of confidential information, and prevent the use of confidential information in ways that may damage market integrity or client interests;
- remuneration policies for the firm’s employees, specifically designed to prohibit direct profit-sharing success fees for a specific transaction;
- arrangements relating to fees, commission or non monetary benefits will be provided in summary form in order to meet our obligations in respect of rules on Inducements;
- dedicated procedures designed to identify and prevent conflicts of interest from arising in respect of our advisory and/or financing business activities;
- processes for benchmarks submissions;
- administrative and organisational arrangements designed to ensure the independence of investment research, both from Issuers and from business areas within Societe Generale that have a business relationship with the Issuer, as well as making disclosures in situations that might be perceived as conflicts of interest by investors;
- procedures to ensure the proper execution of customer orders, particularly in relation to allocation of assets or financial instruments, and primacy of client orders over trading for our own account;

- arrangements relating to gifts and entertainments;
- conduct rules to frame the outside business activities carried out by employees or in the event of personal or professional relationships that might create a conflicts of interest with their professional activities.

In cases where our procedures cannot manage the risk of conflict of interest, and in accordance to the local regulation, Societe Generale will either decline to act, or where confidentiality considerations permit, will disclose details of the nature or source of a conflict of interest to a client or a potential client such that the client or the potential client may make an informed decision as to whether it is willing to conduct business with Societe Generale.

Employee awareness and Compliance department

Employees are reminded of applicable rules and procedures during training sessions

The arrangements and measures in place are managed by the Compliance department, which is independent from the operational business departments.

Policies and procedures are reviewed and updated on a regular basis to reflect changes in the law or regulations, or changes to its business activities.

Where necessary, subsidiary of the firm or core businesses may establish additional procedure and policies.

Societe Generale always seeks to operate in the best interest of its clients.

If you have any questions about these policies and controls, please contact your regular key contact point who will, if relevant, liaise with the Compliance department