



Rabobank



Rabobank Group Policy on Conflicts of Interest

Summary

Introduction and purpose

Rabobank promotes the interests of its clients in an honest, fair and professional manner. Rabobank shall refrain from actions that are detrimental to the integrity of financial markets.

Conflicts of interest may arise as a result of the various activities and roles of Rabobank. A conflict of interest could occur between the interests of the bank, Rabobank Group, its clients or business partners and those of Rabobank's employees and executive board members and supervisory board members.

Rabobank identifies (potential) conflicts of interest and implements amongst others organisational and administrative arrangements to timely and adequately control the related risks.

Rabobank has a control framework in place to manage the risks related to conflicts of interest. As a part of this framework, Rabobank has internal compliance policies and procedures in place related to conflicts of interests, personal account dealing, gifts and hospitality, outside interests, alternative investments, information handling and information barriers.

Identification of conflicts of interest

An actual or potential conflict of interest arises where two or more parties which (could) have competing interests. Within Rabobank a conflict of interests means that acting in the interest of one of the parties can entail not (or not fully) acting in the interest of the other party (parties).

Some conflicts of interest may arise due to the mere fact that Rabobank globally is involved in a broad range of business activities with different clients and business partners.

In determining whether there is a conflict of interest, each employee must consider whether there is a risk of financial and/or reputational damage to the client, business partner, Rabobank itself and/ or its employees, taking into account if any of the aforementioned:

- is likely to make a financial gain, or avoid a financial loss, at the expense of a client or business partner;
- has an interest in the outcome of a service provided to a client or of a transaction carried out on behalf of the client, which is distinct from that client's interest in that outcome;
- has a financial or other incentive to favour the interest of another client and/ or business partner over the interest of the client and/ or business partner;
- carries on the same business as the client and/ or business partner;
- receives or will receive from a third party an inducement in relation to a service (not) provided to a client and/ or business partner, in the form of an advantage (such as, but not limited to, money, goods or services).

Management of conflicts of interest

Although not an exhaustive list, the primary measures Rabobank has adopted to manage conflicts of interest are summarised below.

Identification

Rabobank periodically performs identification assessments for (potential) conflicts of interests. Based on the results of these assessments measures are put in place in order to manage potential risks.

Policies and procedures

Rabobank has established internal policies and procedures to manage conflicts of interest in particular business activities and circumstances. These policies and procedures, which are designed to ensure the required level of independence, are the subject of ongoing monitoring and review processes.

Training and awareness

Rabobank trains its employees on various compliance topics. These trainings include the topic conflicts of interest. Aside from compliance trainings Rabobank uses various awareness and communication methods to help employees in serving our customers in a fair, honest and professional manner.

Information barriers and Chinese walls

We respect the confidentiality of client information and handle it on a strict "need to know" basis. Arrangements are in place to prevent or control the exchange of information between employees and/or between parts of the business engaged in activities involving a risk of a conflict of interest.

MAC Unit (also known as "control room")

Rabobank has an expertise unit on the subjects of market abuse, anti-corruption and conflicts of interests. The MAC Unit is part of Supervision & Compliance (MAC stands for Market Abuse, Anti-Corruption and Conflicts). The MAC Unit helps to identify and manage specific situations where there are competing or adverse interests, conflicts of interest or price sensitive information situations.

Separate supervision and/or functional segregation

Where appropriate arrangements are in place for the separate supervision and/or functional segregation of employees and/or parts of the business carrying out activities for clients whose interests may conflict, or where the interests of clients and Rabobank's own interest may conflict.

Remuneration and key performance indicators

Decisions on remuneration and key performance indicators take into account that these may not compromise employees' objectivity when carrying on their duties nor may be opposite to the client's interest.

Inducements

Rabobank has adopted rules governing the acceptance and granting of inducements in connection with the provision of services to clients, including the disclosure of such arrangements to clients.

Personal Account Dealing

Our employees are not allowed to use inside information or other confidential information when conducting or effecting transactions in Financial Instruments to which the information pertains.

Outside Interests

Our employees are in principle not allowed to hold outside interests alongside a position within Rabobank, if fulfilling these outside interests may lead to a conflict of interest.

Gifts & hospitality

Gifts and hospitality, irrespective of value, may only be given or received by employees or immediate family members as a business courtesy, provided such practice is reasonable and proportionate, is consistent with industry practice and is in compliance with local laws and Rabobank policies. Gifts and hospitality, irrespective of value, may not influence a business decision and/or lead to a relationship or dependency or create the appearance of impropriety. Gifts and hospitality, irrespective of value, must never be given or received in the form of cash or cash convertible gifts and hospitality.

Disclosures

Where organisational and/or administrative measures made to manage a specific conflict of interest are not sufficient to ensure (with reasonable confidence) that risks of damage to clients and/or business partners can be prevented, disclosures (either generic and/or specific) should be made to the clients and/or business partners involved. Disclosures must be made in reasonable detail and in a manner sufficient to permit a client and/or business partner to meaningfully understand the conflict of interest and provide the client and/or business partner with a reasonably sufficient period of time to evaluate and act on the information it receives.

Decline to act

Where it is considered that it is not possible to manage a specific conflict of interest in any other way, Rabobank will decline to act for the client(s).

Further details on the Rabobank Group Policy on Conflicts of Interest can be requested from your account manager.