



## **POLICY**

# **PREVENTION AND MANAGEMENT OF CONFLICTS OF INTEREST**

The English translation is for information purposes only. In the event of any discrepancies in the translated versions, users should refer to the original French versions.

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## 1. Presentation

In accordance with the regulations, EUOTRISATION has developed a policy for the prevention and management of conflicts of interest, in order to ensure the protection and primacy of its clients' interests and to comply with:

- Directive no. 2014/65/EU of 15 May 2014 on markets in financial instruments, known as MiFID II;
- Law no. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life, known as the Sapin II law.

The purpose of this policy is to describe the system for identifying, preventing and managing conflicts of interest, according to the methodology described below.

This policy has been established considering the size and organisation of the management company, as well as the nature, the importance and the complexity of its activities.

## 2. Definition

Article 318-13 of the General Regulations of the Autorité des Marchés Financiers, provides that the portfolio management company shall take all reasonable measures to identify any conflicts of interest that may arise between:

- The asset management company, including its Directors, employees or any person directly or indirectly related to the portfolio management company by a controlling relationship, and a vehicle managed by the portfolio management company or the unitholders or shareholders of such vehicle;
- The fund or unitholders or shareholders of such vehicle and another vehicle or unitholders or shareholders of such other vehicle;
- The fund or the unitholders or shareholders of that fund and another client of the portfolio management company;
- Two clients of the portfolio management company.

## 3. Categorization of conflicts of interest

EUOTRISATION identifies the following categories of conflicts of interest:

- Between the company and its Directors;
- Between the company and its employees and service providers;
- Between the company and its shareholders;
- Between different investors in the same vehicle or in different vehicles;
- Between arrangers/structurers of the same vehicle;

- Between securitisation vehicles investing in the same assets (e.g. part of the same credit agreement).

In accordance with article L.533-10 of the French Monetary and Financial Code, the portfolio management company must take all reasonable measures to prevent conflicts of interest from harming the interests of its clients. If these measures are not sufficient to ensure, with reasonable certainty, that the risk of harming the client's interests will be avoided, EUROTITRISATION must clearly inform the client, before acting on their behalf, of the general nature or source of such conflicts of interest.

#### **4. Prevention of conflicts of interest**

Conflicts of interest can be prevented from being identified as such. For that purpose, EUROTITRISATION has set up a map identifying all situations which, to its knowledge, are likely to present a risk of conflicts of interest. This mapping was carried out with regard to the activity and size of the company.

In view of the potential conflict situations identified, EUROTITRISATION has taken measures to prevent the emergence of conflicts of interest, by raising awareness among all its staff of the rules and internal and external codes of good conduct, and by putting in place strict rules and procedures:

- Independence of the management company from its shareholders;
- Separation of functions that may lead to possible conflicts;
- Clear and precise definition of the characteristics of securitizable receivables and of the investment policy;
- Clear and precise definition of the roles and responsibilities for each stakeholders;
- Policy for the prevention and management of conflicts of interest;
- Procedure for the prevention and management of conflicts of interest;
- Clear and frequent information for investors;
- Ability to consult investors on certain decisions;
- Training schedule and awareness courses for all the employees regarding the best practices of the profession;
- Declaration from the employees to the RCCI of the gifts and benefits offered or received;
- Establishment of a control system.

#### **5. Conflict of Interest Management**

The management of conflicts of interest involves the obligation for all employees to declare potential or apparent conflict of interest of which they are aware.

When, despite the procedures and measures for managing conflicts of interest, it is not possible to guarantee with reasonable certainty that any risk of harm to the interests of one of the parties cannot be avoided, EUROTITRISATION may:

- Renounce to carry out an operation on behalf of customers, or to contract with a service provider, supplier,... or;
- Clearly inform clients, before acting on their behalf, of the nature and origin of conflicts of interest, the risks to the client and the measures taken to mitigate those risks in a confidential manner. Any information provided by the customer is carried out on a durable medium that is kept for at least 5 years. It must also be sufficiently precise and detailed to enable the customer to make an informed decision about the service provided.

For any complementary information on this conflict of interest management policy, please send a request to [compliance@eurotitrisation.fr](mailto:compliance@eurotitrisation.fr) or by writing to: EUROTITRISATION, 12 rue James Watt, 93200 Saint-Denis.

## 6. Conflict of Interest Register

EUROTITRISATION shall maintain a register of conflicts of interest. This register lists all situations of conflict of interest detected.

For each situation of conflict of interest detected, various elements are recorded in the register, including:

- A precise and concrete description of the situation;
- Details about the context of the detection;
- Conflict management modalities;
- Any additional relevant information to provide a clear picture of the situation.