

POLICY ON CONFLICTS OF INTERESTS

Credit Europe Bank (ROMANIA) SA (hereinafter referred to as "the Bank") aims to protect the interests of its clients, in an honest and professional manner, in accordance with the best interests of the clients. Credit Europe Bank (Romania) SA, as a provider of a wide range of products and services, may sometimes have interests that conflict with the interests of its clients or with the Bank's responsibilities and obligations towards its clients. Therefore, the Bank will take appropriate measures to identify, prevent and manage the conflicts of interests.

In this regard, the Bank has established a Policy on Conflicts of Interests, and this document provides information on this policy.

The Conflict of interests is that situation that occurs in the Bank's activity during the provision of services and which may harm a client's interests when the Bank's employees personal interest, directly or indirectly, affects or is likely to affect their independence and impartiality in making decisions or timely and objectively fulfilling their duties in the exercise of their job duties.

Identifying potential conflicts of interests

A potential conflict of interest may arise, for example, between:

- The interests of the Bank and the interests of a client;
- The interests of a client and the interests of another client;
- The interests of a client and those of a Bank's employee.

In order to identify a potential conflict of interests, the Bank will consider any of the following situations in which the Bank or its employees may be present:

- obtaining a financial gain or avoiding a financial loss at the expense of a client;
- obtaining a financial or other kind of incentive, to favour a client's interests to the detriment of another client's interests;
- existence of an interest related to the results of a service offered to a client that is contrary to the client's interest on that result;
- engaging in a similar activity to that of the client;
- receiving incentives that differ from standard fees or taxes applicable to the services offered from a third party, for services provided to a client

The list presented above is not exhaustive, but indicates various situations where it is possible to recognize a conflict of interests that has occurred or is likely to occur.

Prevent and manage potential conflicts of interests

Any potential conflict of interest should be avoided if possible, and when they cannot be avoided, they need to be managed promptly and impartially.

The Bank applies at least the following measures to ensure that there will be no adverse effects on the interests of its clients:

- **Policies and Procedures.** The Bank has adopted and implemented internal policies and procedures to prevent conflicts of interests and to manage these conflicts of interest once they have been identified.
- **Control of information.** Preventing and controlling the exchange of information, by establishing barriers to the circulation of information between parties involved in activities that present the risk of a conflict of interests, where the exchange of such information may harm the interests of one or more clients.
- **Separating the supervision** so that the decisions /approvals are taken independently of certain directly involved individuals without being affected by the pressures or by the conflicts of interests.
- **Remuneration** The Bank does not remunerate its employees in a way that is incompatible with the Bank's obligation to act in the best interests of its clients (e.g.: the staff is not encouraged to recommend or to sell a particular product, given that another product can respond in a way more appropriate to the client's needs).
- **Separation of attributions and responsibilities** for the activities likely to generate conflicting situations.
- **Rules for conducting personal transactions.** Personal transactions of Bank's employees and members of management bodies should not conflict with the clients' interests. If certain conflicts cannot be avoided, the client's interests prevail.
- **Gift management rules.** In order to maintain a proper conduct in the relationship between the employees and the Bank's clients / employees, Credit Europe Bank's policy regarding the acceptance / offering of gifts and / or favours of any kind is to discourage such practices, regardless of their value, as gifts / attentions received from the clients or from third parties may generate a possible conflict of interests.
- **Rules for accepting, requesting or offering incentives.** The Bank does not accept, request or offer any incentive that could affect the Bank's obligation to act in the interest of the Client or of any other person / entity acting on behalf of the client.

Third-party incentives in relation to a service granted to a client are only acceptable if: i) the incentive is clearly brought to the attention of the client before the concerned service is provided; ii) payment of a tax, fee or non-financial benefit are intended to be used to improve the quality of the service offered to the client.

The proper management of potential conflicts of interests requires that all information that may lead to conflicts of interests to be managed in a confidential manner. In the absence of confidentiality, the information about potential conflicts may be misused by other Clients and / or by employees of the Bank.

Declaring conflicts of interests

In some cases, the measures adopted by the Bank may not be enough to ensure, with reasonable certainty, that a potential conflict of interest is not detrimental to the interests of the Clients.

Under these circumstances, the Bank, as a last resort measure, will clearly disclose to clients the nature and / or source of the conflicts and the measures taken to mitigate those risks so that the client can make an informed decision about the services in the context of the conflicts of interests.

Additional information

The Policy on conflicts of interests applied by Credit Europe Bank (ROMANIA) SA will be reviewed at least once a year, and its significant changes will be communicated to the clients through the Bank's website (www.crediteurope.ro).

Upon client's request, any further details regarding the Policy on Conflicts of Interests will be made available to him on a durable medium.

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