

Conflicts of Interest Policy

Arctic Securities AS (“Arctic”) is a company authorised and regulated by the Norwegian Financial Supervisory Authority (Finanstilsynet). It is required pursuant to the European Markets in Financial Instruments Directives and Norwegian securities legislation to implement organisational and administrative arrangements to identify and manage conflicts of interest that may arise in its business.

1 Responsibility and policy statement

This policy has been approved by the Board of Arctic which is responsible for supervising its observance and ensuring that it is updated as required to comply with relevant legislation and regulations.

By conflict of interest is meant that (i) Arctic, Arctic's various departments and affiliates, its service providers or employees on the one hand, and its clients on the other hand and/or (ii) two or more clients, may have a different benefit/interest in a specific outcome or result in relation to a specific transaction or service that may come into conflict with each other.

Arctic shall maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients. If Arctic is not able with reasonable confidence to prevent the risk of damage to a client arising from a conflict of interest, the client will be notified. Arctic will never place its own interests above those of its clients.

2 Identification of conflicts of interest

Arctic's business is centred on the services provided by its 3 principal departments: Corporate Finance, Broking and Research. It is clear that clients of these departments may have different interests. The Corporate Finance department receives assignments from issuers of securities and endeavours to carry out the assignment in the best way for its client, the issuing company. The Broking department, which mainly trades shares and other securities in the secondary market, carries out its assignments in the best way for its clients, who are investors. The Research department serves as a support function for the Broking department and has as such the same obligation as the Broking department: namely to serve the interests of investors. In addition, Arctic's affiliates owe duties to their clients within their specific business areas.

Although the list is not exhaustive Arctic has identified the following situations that may involve conflicts of interest related to individual transactions and investment and affiliated services that are carried out by or on behalf Arctic:

- The provision of services to both parties in a transaction by the Broking and Corporate Finance departments.
- Arctic's own capital management, including situations where Arctic trades as principal in a security.
- Publication of research reports in connection with the fact that Arctic has a corporate finance assignment for the relevant company.
- Employees' appointments, positions, securities trading and connections to clients.
- The relationship with, or benefits to, employees from using particular third parties to carry out services.
- Information advantages given to clients in the distribution of information.
- The allotment of securities offerings.
- Clients' different interests when trading in the same security, or in the matching of a transaction.
- The payment of fees or remuneration dependent on the success of a transaction.

3 Avoidance and management conflicts of interest

In order to avoid or minimise the risk of conflicts of interest between Arctic, Arctic's various departments and affiliates, its clients, its service providers or employees on the one hand and its clients on the other hand, or between Arctic's clients, and to manage any that may arise, the following organisational and administrative measures, among others, have been taken:

- Departments are physically separated from each other and the flow of information is strictly controlled.
- There are separate heads of the three principal departments: Corporate Finance, Research and Broking, whose duties include supervising staff compliance.

- To the extent that Arctic receives information that can be regarded as inside information, the information is only handled by employees who are considered to be relevant, and insider lists are maintained.
- In the case of all Arctic' employees there is a general duty of confidentiality related to matters of which the employee becomes aware in his/her work
- Employees' personal relationships are to be notified to Arctic and appointments, business interests, securities trading and positions require as a general rule prior consent from Arctic.
- Employee's remuneration is set in accordance with Arctic's remuneration policy.
- Arctic's systems and controls are reviewed regularly.
- Arctic's Compliance Department monitors transactions and the provision of services and maintains appropriate records.

4 Consequences for clients

In the normal course Arctic expects to be able to avoid or manage a conflict of interest pursuant to the above measures, and in any relevant case by putting its client's interests before its own, or in the event of a potential conflict between two clients, by pursuing recognised procedures or arriving at a fair compromise (if necessary after consulting one or both clients).

It should be recognised that in certain cases Arctic may be prevented from using or disclosing information that is held within one part of the company that may be relevant to a client's investment or other decision. In certain cases, Arctic may not be able to provide advice on specific investments or to act for a client, and may not be able to state why it cannot provide such advice or act.

In the final resort, Arctic may conclude that is not able with reasonable confidence to prevent the risk of damage to a client arising from a conflict of interest. In such a case Arctic will provide detailed information on the conflict of interest in question, the risks that arise and the reasons why its organisational and administrative arrangements are unable to protect the client.

5 Specific measures

Investment research

Arctic produces independent, objective investment research for its clients covering Norwegian and foreign companies and their securities. Such research is not based on the interests of Arctic or of the interests of subject companies. Arctic has issued detailed instructions for the operation of its Research department.

Arctic will not use or act on research that it has produced without allowing clients a reasonable time to consider and act on such research themselves.

The analysts employed in Arctic's Research department are qualified and registered with the appropriate regulatory authorities. They are segregated from the other departments of the company. In the event an analyst is seconded to the Corporate Finance department for a particular transaction strict quarantine rules apply to research produced.

The head of the Research department, acting in consultation with Arctic's Chief Executive, is responsible for the recruitment, appraisal and remuneration decisions relating to each member of the department. Compensation is determined independently of trading or corporate finance revenue that could be construed as linked to research reports produced by a member of the department.

Research reports produced by Arctic comply with the applicable provisions of the Securities Trading Act and Securities Regulations and include detailed statements on research methodology, disclosures on related business undertaken by Arctic and its employees, and information on the relationship of the report to other reports and recommendations on the subject company.

Proprietary Trading

Arctic has a clear and documented trading strategy for its own trading portfolio. The strategy specifies the expected investment horizon and lists the financial instruments or categories of financial instruments that are included in the Company's trading portfolio, with limits for position taking. The strategy is approved and regularly reviewed by the Company's Board.

Arctic's trading for own account can take place through:

- (i) Taking short-term positions with a view to exploiting fluctuations in the market.

(ii) Taking long-term positions on strategic grounds, for example by subscribing to issues or taking positions in other companies

(iii) Becoming a counterparty in an investment service, for example: a) against customers who want a rapid trade, b) because other counterparties cannot be found in the market, c) against a customer who wishes to buy or sell odd-lot holdings, d) a purchase of a holding in order to meet an expected demand from customers, e) purchase and sale of underlying securities in order to hedge positions in the derivatives market, f) purchase of securities for own account if a customer has given an all-or-nothing order (or other relevant order type), g) purchase of securities as a result of underwriting commitments being called for an issue and h) market-making.

In each case such trading is subject to the overriding principle of putting the interests of clients before Arctic's own interests.

Corporate Finance and securities offerings

Corporate finance primarily covers new issues of securities, mergers & acquisitions and general corporate advisory work.

Each corporate finance assignment is approved by Arctic's Engagement Committee (whose members include the Chief Executive and the Compliance Officer). The Engagement Committee assesses all engagements for whether there is a risk of conflicts of interest.

Members of the Corporate Finance department are subject to strict rules on confidentiality and the treatment of inside information.

The head of the Corporate Finance department, acting in consultation with Arctic's Chief Executive, is responsible for the recruitment, appraisal and remuneration decisions relating to each member of the department.

In all cases the best interests of the client are paramount, notwithstanding that a decision or advice would result in the loss of all or part of Arctic's fee income.

Arctic is committed to managing securities offerings such that its clients are treated fairly. Arctic's policy is that the pricing of book-built securities offerings and allocations to investors should be transparent to the issuer or seller(s), consistent with its responsibilities to its investing clients. Arctic will endeavour to make available to the issuer or seller(s) relevant information to make its own, independent decision with respect to the price, structure, timing and other terms of the offering.

The investors to whom the issuer allocates securities may also be clients of Arctic or have other relationships with Arctic. To the extent that actual or potential conflicts arise between the interests of such investors and those of the issuer or seller(s), Arctic will endeavour in good faith to manage such conflicts fairly.

Arctic will never make allocations as an inducement for the payment of excessive compensation in respect of unrelated services, in consideration of the past or future award of corporate finance business or expressly or implicitly conditional upon the receipt of other orders for investments or the purchase of other services.

Inducements, bribery and corruption

Arctic has detailed rules on the prevention of corruption. These forbid employees giving or offering any undue benefit, and also prohibit employees from demanding or receiving such benefits. The Company's employees must not do anything that might prevent objective behaviour by the Company's customers, suppliers, authorities or other business connections.

Arctic has zero tolerance of bribery and corruption. In this regard it requires appropriate undertakings from business partners, whose appointment may if necessary be subject to a satisfactory due diligence review by Arctic.

The giving and receiving of business hospitality is a natural part of Arctic's business. The company's rules require that hospitality should have a genuine business purpose, the cost should be reasonable and that it should be not lead to a breach of rules applicable to the recipient.

Issue Date

Approved by the Board of Arctic on 5 April 2018