

SUMMARY OF CONFLICT OF INTEREST MANAGEMENT POLICY

The Supervisory Council of Luminor Bank AS approved the Conflict of Interest Management Policy on 15 May 2024 (hereinafter the “Policy”), which determines requirements for identifying, preventing, and managing the Conflicts of Interest in Luminor related to Employees, Management Bodies, structural units, third parties, business activities, including the provision of loans, the provision of Investment and / or Ancillary Services, the provision of Pension Fund management services. Failure to comply with the rules set in the Policy and related internal regulations is a violation and may result in disciplinary or legal actions and sanctions according to the national legislation.

DEFINITIONS

Asset Management Subsidiary - Luminor Pensions AS (including all its branches established in and outside Estonia), Luminor Asset Management IPAS and Luminor Latvijas atklatais pensiju fonds AS (including all branches of such Subsidiaries established in and outside of Latvia) and UAB Luminor Investicijų valdymas (including all branches of such subsidiaries established in and outside of Lithuania).

Bank - Luminor Bank AS (including all its branches established in and outside Estonia).

Compliance - means 2nd line control function in the Bank or Subsidiaries.

Conflict of Interest - a situation where the interests of different parties are or could be in conflict. It includes actual, potential, and perceived conflicts of interest.

Customer - means a natural person or legal entity to whom Luminor provides or intends to provide financial services.

Depository - an entity which has been granted the right to carry out depository functions and which holds the assets of the Pensions Funds and performs other functions assigned thereto by legislation and the depository contract.

Economic interest - financial interest that an Employee or Related Person possesses. This includes shares, ownership rights and memberships, financial holdings and other economic interests in legal entities, intellectual property rights, credit products granted by Luminor to the Employees or their Related Person, financial obligation with other third parties, management position in legal entity, non-profit or association, or other financial gain.

Employee - a person who has employment legal relations with the Luminor Group company (including all members of the management bodies (supervisory councils, management boards and similar bodies established in accordance with applicable company law).

External Engagement - an employment or assignment of the Employee outside Luminor irrespective of whether the employment or assignment is remunerated or not. An External Engagement includes, but is not limited to:

- Employment outside Luminor.
- Own business of the Employee.
- Self-employment.
- Consultancy or other service agreements outside Luminor (incl. intellectual property and royalties' agreement).
- Holding at least 10 percent of a legal entities shares.
- Being a member of a management board, supervisory council, or a manager of legal entity (incl. companies, apartment associations, sport/education-related organizations etc.).
- Holding a power of attorney to represent or act on behalf of a legal entity or natural person (who performs commercial activities) outside Luminor.
- External intellectual property and royalties' agreements.
- Involvement in political parties or having other political relationships that can conflict with Luminor interests.

Investment Research - analysis of the performance of various financial instruments, which directly or indirectly offers or recommends an investment strategy relating to one or several financial instruments or their issuers, and which is aimed at Luminor's Customers or the general public.

Investment and / or Ancillary Service - an investment and / or ancillary service provided by the Bank to Customers and relating to at least transactions in financial instruments concluded when dealing on own account and the provision of the Customer order services that relate to the reception, transmission, and execution of Customer orders, safeguarding of Customers' financial instruments and funds for investments. This definition also covers the portfolio management service, as this service relates to making decisions to deal and entering into transactions in financial instruments for and on behalf of the Customer. This also extends to the provision of information on investment services after which the Customer may make the decision to deal based on the information provided and deal later (by their own).

Luminor - Luminor Bank AS (including all its branches established in and outside Estonia) and all its subsidiaries established in and outside Estonia (including all branches of such subsidiaries established in and outside of Estonia).

Management - members of the Supervisory Council and Management Board of Luminor Bank AS, and heads of the structural units.

Management Board - the Management Board of Luminor Bank AS.

Management Body - the Supervisory Council or the Management Board of the Holding, the Bank or Subsidiary.

Manager - the direct manager of an Employee.

Pension Fund - the 2nd pillar and/or 3rd pillar pension fund managed or administrated by the Asset Management Subsidiary. In the context of the Policy in relevant parts considered also as a Customer.

Product Owner - the head of department or head of unit or a team lead, who has the ultimate responsibility for the performance of particular process or product in realizing all its objectives and regulatory requirements.

Related Person - a person related to the Employee by family relationship or close links:

- Persons related by family relations to the Employee mean any of the following:
 - The spouse or a partner of the Employee considered by the national law as equivalent to a spouse;
 - A dependent child o stepchild of the Employee in accordance with the national law;
 - Any other relative sharing the same household as the Employee.
- Persons related by close links to the Employee mean any legal person, trust or partnership, the managerial or supervisory responsibilities of which are discharged by an Employee or their Related Person(s) by family relations, or which is directly or indirectly controlled by such person, or which is set up for the benefit of such person, or whose economic interests of are substantially equivalent to those of such person.

Subsidiary - any entity controlled, directly or indirectly, by Luminor Bank AS or Luminor Holding AS.

Supervisory Council - the Supervisory Council of Luminor Bank AS.

Third Party - any entity or person that provides products/services to Luminor, or on behalf of Luminor or is potentially being considered for such role. This includes consultants, service or product providers, subcontractors, vendors, and suppliers.

ROLES AND RESPONSIBILITIES IN THE CONFLICT OF INTEREST MANAGEMENT

All Luminor Employees as well as Luminor Management in their management and supervisory roles, dedicated bodies and structural units have clearly defined roles and responsibilities in the Conflict of Interest management.

Supervisory Council is responsible for:

- Approving the Policy and overseeing the implementation of the Policy.
- Deciding on mitigating actions regarding identified Conflict of Interest cases of Management Board members, Head of Internal Audit, or other escalated cases.

Management Board is responsible for:

- Implementing and maintaining effective Conflict of Interest management control system and preventing Conflict of Interest.
- Deciding on mitigating actions on identified Conflict of Interest cases of Subsidiary supervisory council members or other escalated cases.
- Ensuring that governance set-up (incl. segregation of duties) in Luminor does not create Conflict of Interest. In case Conflict of Interest cases are identified, performing necessary mitigating actions to ensure proper resolution of the Conflict of Interest and reporting.

Employee is responsible for:

- Acting honestly, fairly, and professionally and upholding a high standard of ethical behavior in performing his/her duties.
- Proactively identifying and disclosing any Conflict of Interest.
- Avoiding creation of Conflicts of Interest in his/her duties.
- Ensuring priority in Luminor and Customers' interests while performing work duties over his/her own or his/her Related Person's interests.
- Refrain from making decisions where he/she has or may have a Conflict of Interest or where the one's independence, judgement, objectivity, or capability to perform his/her duties in Luminor or to Customers might be compromised.
- Adhering to the Policy and other internal regulations on the identification, prevention, and management of the Conflicts of Interest in Luminor.
- Avoiding Conflict of Interest related to the Employee or his/her Related Persons.
- Evaluating Employee related Conflict of Interest in perspective of present and past External Engagements. The same principle applies to political influence or political relationships.
- Ensuring that information related to Luminor is not disclosed unless such exchange is required for performance of job duties.
- Completing trainings on prevention and management of Conflict of Interest and maintaining sufficient knowledge in this area.

Manager is responsible for:

- Identifying, assessing, and reporting any Conflict of Interest within his/her area of responsibility (incl. organizational Conflicts of Interest).
- Preparing assessment and mitigation action plan for the identified Conflict of Interest.
- Following up and updating mitigation action plan for previously identified Conflicts of Interest.
- Together with subordinate Employee preparing Conflict of Interest assessment and mitigation action plan regarding his/her subordinate Employee's (incl. his/her Related Persons) personal Conflict of Interest. Taking responsibility for the assessment and mitigation action plan.
- Ensuring that his/her subordinate Employees have adequate knowledge of the Policy and other relevant Internal Regulations related to the identification, prevention, and management of the Conflicts of Interest within Luminor and that all activities within his/her unit are carried out in accordance with them.

- Promoting an ethical culture and acting in a manner that sets a proper example for avoiding Conflicts of Interest.

The Product Owners are responsible for:

- Identifying of product-related Conflicts of Interest prior to the launch of a new product or service, approval of a new target market, introduction of a change to an existing product or target market and during a regular or ad hoc review of an existing product or target market.
- Reviewing and assessing the identified product-related Conflict of Interest during a regular or ad hoc review of an existing product or target market.
- Preparing mitigation action plan for identified Conflict of Interest and sharing it with Compliance.
- Following up and updating mitigation action plan for previously identified Conflicts of Interest.
- Reporting identified Conflict of Interest to Compliance.

The Compliance is responsible for:

- Developing, maintaining, and implementing internal regulations for adequate and effective internal control system for Conflicts of Interest management.
- Providing advice and support to all Employees (incl. Managers) on the Conflict of Interest.
- Reviewing Conflict of Interest mitigation action plans submitted to Compliance and providing feedback, where necessary.
- Performing control activities to assess the implementation and effectiveness of the Policy and identify Conflicts of Interest in Luminor.
- Maintaining a common and holistic Conflict of Interest register across Luminor.
- Following up on implementation of mitigation actions on reported Conflicts of Interest.
- Monitoring Employee personal transactions (incl. with financial instruments), External Engagements to identify Conflict of Interest.
- Preparing and ensuring regular trainings to all Employees related to the Conflict of Interest management.
- Performing regular or ad-hoc Conflict of Interest reporting to appropriate Management Body.
- Performing and updating Conflict of Interest mapping for Luminor.

GENERAL PRINCIPLES

Luminor and Employees must try to avoid creating Conflict of Interest situations. In case Conflict of Interest cannot be avoided, it has to be effectively managed.

Luminor and Employees must always pay attention to Conflicts of Interest that can damage Luminor or Customers.

A Conflict of Interest under the Policy includes an actual Conflict of Interest (i.e., a Conflict of Interest that has arisen), a potential Conflict of Interest (i.e. a Conflict of Interest that may arise given particular facts and circumstances) and a perceived Conflict of Interest (i.e. a situation which may give rise to the perception of a Conflict of Interest).

Management Bodies and Employees shall have a comprehensive understanding of governance arrangements, their responsibilities, organizational structures and timely identify any Conflict of Interest that may arise.

Conflicts of Interest in Luminor have to be identified, assessed (incl. materiality assessment), mitigated or prevented to the extent possible and reported.

In case there is a Conflict of Interest between Luminor or an Employee and a Customer, priority has to be given to the Luminor's and Customer's interests. In situations where provision of the service could negatively affect the Customer's interests and/or is unacceptable to Luminor, Luminor has a right to refrain from providing such services.

IDENTIFICATION OF CONFLICTS OF INTEREST

All Employees (incl. member of Management Bodies) have to proactively identify Conflicts of Interest during all work processes and areas, including while performing change risk management processes.

In order to prevent Conflict of Interest materialization, Conflict of Interest have to be identified, disclosed, and assessed without delay prior any decision has been taken or action or transaction has been performed.

In case Conflict of Interest has occurred unexpectedly, it should be identified, disclosed, assessed (incl. materiality assessment), mitigated to the extent possible and reported immediately after identification.

In Luminor Conflicts of Interest may arise between (non - exhaustive list):

- Luminor and Employee(s) and/or their Related Person.
- Luminor and Customer(s).
- Employee and Customer.
- Different Customers of Luminor in the context of the provision of services by Luminor, including Pension Funds.
- Different Luminor structural units or functions.
- Different Luminor structural units or Employees and Subsidiaries.
- Luminor and Luminor shareholder(s).
- Luminor and Third Party(-ies).
- Luminor and other natural and legal persons directly or indirectly related to Luminor (e.g., its Subsidiaries).

Sources of Conflicts of Interest may be personal, organizational, product-related, services-related, or other. When identifying and assessing Conflict of Interest, Employees (incl. Managers) have to as a minimum consider the following interests (non – exhaustive list):

1. Economic interest of Employee or their Related Person(s).
2. Personal gain (monetary or non-monetary benefit) of Employee or their Related Person(s).
3. External Engagement of Employee or their Related Person(s).
4. Previous External Engagement of the Employee within the recent past (3 years).
5. Previous External Engagement and Economic interests of the members of the Management Bodies within the recent past (5 years).
6. Personal or professional relationships of the Employee with the shareholders of Luminor.
7. Personal or professional relationships of the Employee with other Employees.
8. Involvement of the Employee in internal decision-making bodies (e.g., Management Bodies, committees) as a voting member, non-voting member or other participant.
9. Assuming by an Employee duty at another Luminor entity(-ies) (incl. in their Management Bodies).
10. Acceptance or provision by an Employee of a gift and/or participation in an event offered by or to a Customer or a Third Party.
11. Luminor or Employee potentially making financial gain or avoiding a financial loss at the expense of the Customer.
12. Luminor or Employee has an interest in the outcome of the service provided to the Customer or of the transaction that is carried out on behalf of the Customer, which is distinct from the Customer's interest in that outcome.
13. Luminor or Employee has a financial or another incentive to favour the interest of a Customer or a group of Customers over the interests of another Customer.
14. Luminor and Employee conducts the same type of business as the Customer.
15. Luminor or Employee receives or will receive an inducement in relation to service provided to the Customer in the form of a monetary or non-monetary benefits or services from third parties (not Customers).
16. Remuneration or incentive schemes applicable to the Employee by Luminor or third parties.
17. Luminor objectives, including objectives of different Luminor structural units.
18. Luminor governance set-up.
19. Luminor Bank acting as a Depository of Pension Funds managed by Luminor Asset Management Subsidiary or pension funds managed by other asset management entities.
20. Other interests not falling under the descriptions provided above, which can create conflicting situations.

DISCLOSURE OF CONFLICT OF INTEREST

Employee (incl. Manager) has to disclose all identified personal and other Conflicts of Interest (incl. organizational, product-related) within his/her area of responsibilities to his/her Manager without delay.

In case Employee identified Conflicts of Interest that is not within his/her area of responsibility (e.g., organizational) he/she should disclose to his/her Manager to identify potential stakeholder that should assess and manage the Conflict of Interest. Manager should make all efforts to allocate the relevant stakeholder.

In case a Conflict of Interest is related to Employee's Manager, disclosure by an Employee (incl. Manager) should be done directly to the Compliance. In case a Conflict of Interest is related to governance set-up, disclosure should be done to the Compliance.

Compliance informs Management Board or management board of the Subsidiary about all identified Conflict of Interest related to governance set-up and relevant board takes appropriate measures to manage Conflict of Interest.

GENERAL MEASURES AND ARRANGEMENTS TO PREVENT AND MANAGE CONFLICT OF INTEREST

Luminor has established the internal regulations to prevent Conflict of Interest when conducting its business activities and providing financial services to the Customers.

To ensure effectiveness of Conflict of Interest management, the following measures and arrangements have to be in place to prevent Conflicts of Interest:

- **Business conduct** requirements that include requirements on ethical business relationships, anti-bribery, and anti-corruption practices (incl. handling of gifts and events).
- **Confidentiality principles** to ensure Luminor Employees do not exchange information related to the Luminor services unless such exchange is required for performance of job duties.

- **Governance arrangements** that implements the principle and rules of corporate governance, including, segregation of duties, organizational structure and reporting lines, defining functions, as well as their roles and responsibilities, so that Luminor's operations are run properly and profitably in the best interests of Luminor, Customers, shareholders, and Employees. This includes also set up, mandate, decision making, working procedures and operations of Management Bodies in Luminor including committees to identify, assess and manage Conflict of Interest situations and maintain independence of Luminor functions.
- **Suitability assessments and background check processes** for Employees (incl. potential Employees) and Third Parties to timely identify Conflict of Interest situations that could conflict Luminor or Luminor Customer interests.
- **Remuneration principles** to ensure that remuneration does not compromise the objectivity of Employees when carrying out their duties, is not detrimental to Customers and (or) prevent prioritization of the interests of Employees or Luminor undermining the interests of Customers.
- **Third Party management** (incl. procurement) requirements for handling the purchase of all products and services and due diligence of Third Parties required for the satisfactory operations in a transparent, timely, efficient, and effective manner with due regard to local and international purchasing best practice, and in compliance with the laws and other regulatory enactments.
- **Inside information management** principles to define clear processes when handling inside information (incl. information barriers) and performing personal transactions (incl. with financial instruments).
- **Conflict of Interest risk management routines** on identification and mitigation of Conflicts of Interest arising from External Engagements and Economic interests of Employees and their Related Persons.
- **Product management principles** to ensure that the interests, objectives, and characteristics of Customers are considered to avoid potential consumer detriment and to identify and mitigate Conflicts of Interest.
- **Limitations and disclosure of payments**, receipts of any fee or commission or provision or receipt of a non-monetary benefit (i.e., inducements), which are received from or given by Luminor to third parties in connection with provision of Investment and / or Ancillary Services to Customers.
- Process for the **governance and oversight of Investment and / or Ancillary services** manufactured and/or distributed by the Bank to ensure compliance with the requirements prescribed in the EU and local legal and regulatory acts under MiFID II for product governance and oversight applicable to manufacturers and distributors of investment products.
- **Credit decision-making principles** to ensure that that decisions taken by credit decision-makers are impartial and objective and not adversely affected by any Conflict of Interest. Moreover, these principles regulate the prevention of Conflict of Interest in the context of loans and other transactions with members of the Management Body and their Related Parties.

ADDITIONAL MEASURES AND ARRANGEMENTS TO PREVENT AND MANAGE CONFLICTS OF INTEREST IN PROVISION OF INVESTMENT AND/OR ANCILLARY SERVICES

Identifying Conflicts of Interest

When assessing Conflict of Interest that may arise in the course of providing Investment and/or Ancillary Services, Employees have to as a minimum consider whether there are any interests or circumstances specified in Clauses 11 - 15 of the section "Identification of Conflicts of Interest" above and situations described in the section "Conflict of Interest Situations in Providing Investment and/or Ancillary Services" below.

Conflict of Interest Situations in Providing Investment and / or Ancillary Services

Situations in which Conflicts of Interest related to Luminor, where Luminor is leading a market transaction, may arise and will require particular attention (non – exhaustive list):

1. Luminor or its Employee concludes or intends to conclude a transaction related to a financial instrument whereby at the same time Customer's order is received or being executed in relation to the same financial instrument (shadowing).
2. The Customers' orders related to the financial instruments issued by Luminor are in the process of execution.
3. The Customers' orders are in the process of execution concerning buying or selling financial instruments which are publicly or non-publicly distributed by Luminor or which are owned by Luminor under the trading book (trading on our own account).
4. Luminor is engaged in the placement of financial instruments issued by themselves or by entities within the Luminor Group, to their own Customers.
5. One Luminor unit (e.g., Treasury) acquires the financial instruments during the placement of these instruments organised by another unit in Luminor.
6. Luminor is originating debt securities for the Customer which intends to use the proceeds raised through the issuance for repayment of a credit facility originated by Luminor to that Customer.
7. Luminor or its Employees receive financial or other incentives which influence their behavior in the way that the Customer or Customer group gains priority over other Customers.
8. Luminor receives monetary or non-monetary benefits from third parties or provides monetary or non-monetary benefits to a third party in relation to the Investment and / or Ancillary Services provided to the Customer.

9. The unit that carries out Investment Research or a Third Party engaged by Luminor to produce Investment Research is related to and acts together with the unit that provides investment advice and (or) other Investment and / or Ancillary Services.
10. Luminor offers investment advice regarding financial instruments to Customers and at the same time has any type of agreement with the issuer of the financial instruments that may restrict Luminor's ability to formulate an objective and otherwise compliant investment advice.
11. Investment and / or Ancillary Services are provided to several Luminor Customers with conflicting interests.
12. A Customer buys Luminor's financial instruments for hedging the financial risks stemming from Luminor's crediting and financing services.

Luminor is trading in financial instruments on own account. In this case Luminor seeks to maximise the return from positions which may be a theoretical Conflict of Interest between this type of business and the Customers opening transactions with Luminor. This type of situation covers instances when Luminor enters into financial derivative transactions with Customers or sells its financial instruments to Customers and hedges the risk with other counterparties. This results in a situation where the interests of Luminor and the Customer conflict because the transaction result for the Customer will mean an opposite result for Luminor. The bigger the share of Luminor's dealing in financial instruments on own account and the revenue therefrom, the higher the Conflict of Interest risk. Luminor will also find itself in a Conflict of Interest situation when it determines the price of a tailored transaction made with the Customer at its discretion rather than based on objective market data, and when the time difference between a transaction made with the Customer and a transaction made for Luminor's hedging purposes (if any) may cause Luminor to derive additional financial gain for the price difference in time; as a result, Luminor tries to avoid the latter two situations in its operations to the maximum possible extent.

Situations in which Conflicts of Interest may arise in case of preparation of Investment Research include the following (non – exhaustive list):

- Luminor's Customers seek to issue their financial instruments at the highest possible price.
- Luminor acts as a structurer and (or) distributor of the financial instruments in the scope of the Investment Research.
- Investment Research is not released to market in a controlled manner e.g., a person obtaining the results of the Investment Research prior to everyone else might act before the price of the financial instrument is affected by the information presented.
- Investment Research results in a recommendation or offer of an investment strategy for the Customer concerning financial instruments that, at the time of making the recommendation, are managed, distributed, or used in transactions by Luminor or the persons making the recommendation.

Situations in which Conflicts of Interest may arise in case of safekeeping of financial instruments to Customers and Luminor receives information relating to Customers holdings, when:

- Luminor is dealing on its own account.
- Employees perform personal transactions with financial instruments.
- The same unit provides services related to safekeeping of financial instruments to Customers, Pension Funds and in relation to Bank's own financial instruments.

Specific Measures to Prevent and Manage Conflicts of Interest in Provision of Investment and/or Ancillary Services

Segregation of Duties and Confidentiality

To prevent Conflicts of Interest, functions of Employees providing Investment and / or Ancillary Services are segregated, and these Employees are prohibited from exchanging confidential and/or strictly confidential information, related to the Investment and / or Ancillary Services provided to the Customers, if such exchange of information is not necessary to properly provide the Investment and / or Ancillary Services and/or it may harm interests of the Customer or Luminor.

Proprietary Trading / Executing of Customers' Orders

Employees may not enter into or recommend any transactions for buying or selling financial instruments which are aimed exceptionally at gaining commissions or another financial benefit without considering the Customer's best interests. This does not mean that Luminor does not have a right to enter into transactions with Customers as a counterparty to the transactions. When Luminor is a counterparty to a financial derivative transaction with the Customer, additional precautions have to be taken to manage Conflict of Interest situations. The key precautions are as follows:

Luminor's market risk has to be managed by entering into mirror transactions to the full extent of the derivative transactions made with the Customers or by employing other measures to fully hedge the risks stemming from the Customer transactions, and by entering into this kind of hedging transactions with the entities outside of Luminor. Only when Luminor does not have any unhedged positions, the result of the derivative transaction made with the Customer will be insignificant to Luminor, and the interests of Luminor relating to the transaction made with the Customer will not conflict with the interests of the Customer.

When executing Customer orders, Luminor enters into derivative transactions with the Customer via dealing on own account. In doing so Luminor has to make sure that the underlying transaction is made on the best conditions for the Customer, meaning that the Customer will obtain the best possible result. To that end, before executing the Customer's order via dealing on own account, Luminor will evaluate and compare the results the Customer would obtain upon executing the order at each of the possible venues of execution, as well as the commission for and other costs of Luminor that would be incurred in the process of executing the Customer's order at each of the possible venues of execution.

An Employee has no right to enter into a transaction in the name and for the account of Luminor and personally for own account if the Customer's order was received regarding the same financial instrument until the Customer's order is executed. Orders received from different Customers have to be executed in the order of priority according to the receipt time and date of the Customer's order, i.e., orders that were received earlier are executed first.

In cases where payments from third parties are made or received concerning Investment services and /or Ancillary Services, prevention of such Conflict of interest situations has been established in the inducement management procedure.

Investment Research

To avoid Conflicts of Interest, the following requirements have to be observed in preparing Investment Research:

Luminor, the Employees, and other persons who participate in preparing of Investment Research are prohibited from personal transactions or trading on behalf of Luminor or a third party in financial instruments covered by the Investment Research or in other related financial instruments in case these persons are aware of the likely time of publishing the Investment Research or its content, which is not known publicly or not available to the Customers. The ban provided herein is applicable until the receivers of the Investment Research have real access to the Investment Research.

The Employees and other persons who participate in preparing Investment Research are prohibited from personal transactions in financial instruments covered by the Investment Research and other related financial instruments when such dealing is contradictory to the existing recommendations, except for the cases where exceptional circumstances occur and prior written consent is received from the managers of Luminor or their authorized person(s) as established by Luminor's internal procedures regulating personal account dealing.

The Employees and other persons who participate in preparing Investment Research are banned from accepting any incentives from persons who are materially interested in the subject of the Investment Research.

Luminor, the Employees, and other persons who participate in preparing Investment Research are prohibited from giving any promises that the result of the Investment Research will be favorable to the issuer.

In case the draft Investment Research includes a recommendation or the likely future price of the financial instrument, then the issuers and other persons (except the Employees who prepare the Investment Research) have no right until the Investment Research is published, to look through the draft Investment Research to check the correctness of the factual data in the Investment Research or to look through the draft Investment Research for any other purposes.

Independence of the Employees who prepare Investment Research has to be ensured, including their segregation from other structural units and ban on taking managing positions in companies about which the Investment Research is carried out or any other participation in the activity of these subjects, which could harm objectiveness of the research. To that end, Luminor has to have only one unit preparing and conducting Investment Research, which has to be separated from other units providing the financial services in Luminor. The Employees of other Luminor units may not be managers of Luminor's unit conducting Investment Research. Generally, steps have to be taken to ensure that the Employees of the Luminor's unit conducting Investment Research only work with preparing Investment Research and do not have access to information about Luminor's available financial instruments that Luminor may deal in. The Employees of this Luminor unit may not disclose any information about Investment Research to the Employees of other Luminor units, or exchange with other unit's information relating to the Investment and / or Ancillary Services provided to the Customers or any intentions to provide such services if such exchange is not required to provide adequate services and/or may undermine the interests of the Customer and Luminor.

The Employees who prepare the Investment Research have to be physically separated from the Employees performing other functions within the Investment and / or Ancillary Services area.

Other

Measures of managing Conflicts of Interest in the process of providing individual Investment and / or Ancillary Services are outlined in separate internal regulations of Luminor that regulate the provision of such services.

Luminor prepares and maintains the list of financial instruments which may cause a Conflict of Interest while providing Investment and / or Ancillary Services or entering into transactions. All Employees providing Investment and / or Ancillary Services to the Customers or entitled to dealing for Luminor account have to be familiarized with this list.

Investment and / or Ancillary Services can be rendered only in case the Customer clearly expresses their consent to the provision of Investment and / or Ancillary Services amid the Conflict of Interest.

ADDITIONAL MEASURES AND ARRANGEMENTS TO PREVENT AND MANAGE CONFLICTS OF INTEREST IN MANAGEMENT OF PENSION FUNDS

Identifying Conflicts of Interest

When assessing Conflict of Interest that may arise in the course of providing Pension Fund asset management services and depository services provided by the Bank, Employees have to as a minimum consider whether there are any interests or circumstances specified in Clauses 11 - 15 of the section "Identification of Conflicts of Interest" above and situations described in the section "Conflict of Interest Situations in Management of Pension Funds" below.

Conflict of Interest Situations in Management of Pension Funds

Situations in which Conflicts of Interest may arise in the management of Pension Funds and in the provision of the depository services to Pension Funds include the following (non - exhaustive list):

1. Asset Management Subsidiary carries out the activity of management of Pension Funds and a Bank is appointed as a Depository of such funds and when:
 - The prices for the services (incl. for management of Pension Funds) are being set.
 - The decisions related to management of Pension Funds are being made.
 - The Third Parties to whom data storing is delegated are being selected.
 - The supervisory council member or management board member is being appointed in the Asset Management Subsidiary.
2. The Bank is appointed as a Depository and provides delegated services (e.g., legal, internal control functions, human resources or IT services) to an Asset Management Subsidiary.
3. Employee has assumed duties at another Luminor entity (-ies), where his/her direct job or office duties are related to management of Pension Funds or are related to other services provided by another Luminor entity to the Asset Management Subsidiary and/or where a person acting in their own interests or in the interests of another Luminor entity can make a decision that may adversely affect the interests of the Pension Funds.
4. Employee is personally interested in provision of services provided by the Pension Fund Depository and asset management services.
5. Asset Management Subsidiary itself or Employee is interested to invest in the financial instruments issued by another entity of Luminor Group in a way and/or in a situation that may adversely affect the interests of the Pension Fund.
6. Asset Management Subsidiaries are exercising voting rights arising from the financial instruments in the Pension Funds. It has to be ensured that voting rights shall only be exercised in accordance with the objectives and policy of relevant Pension Fund.
7. Asset Management Subsidiaries are integrating sustainability risks in Asset Management Subsidiaries' processes and systems, including in the internal control system.

Specific Measures to Prevent and Manage Conflicts of Interest in Management of Pension Funds

Segregation of Duties

Luminor shall ensure proper functional and hierarchical separation of duties of Employees who are responsible for the tasks related to management of Pension Funds and provision of the depository services.

Asset Management Subsidiaries shall ensure that a single Employee performs only one of the duties as follows:

- Pension Funds asset management and execution of related assignments or execution of delegation.
- Registration of transactions with the Pension Fund's assets.

The Employee of Luminor Latvijas atklatais pensiju fonds AS may not be Employee of other Luminor Group entity that in respective other Luminor Group entity directly fulfils functions in relation to execution of Pension Fund assets management or depository service agreements.

Luminor makes all efforts to ensure that intra-group agreements and appointments have no negative influence on the sound, fair and effective management of Pension Funds.

Luminor makes all efforts to ensure:

1. That intra-group links and appointments as described in Clauses 1.-3. of non-exhaustive list of Conflict of Interest Situations in Management of Pension Funds above have no negative influence on the sound, fair and effective management of Pension Funds.
2. Independence from the Asset Management Subsidiary and that Luminor acts in the interests of the Pension Funds and units' holders of Pension Funds.
3. That Employees who have assumed duties at another Luminor entity have a personal responsibility to ensure that their duties are performed without any Conflicts of Interest towards Asset Management Subsidiaries.
4. All decisions related to Bank acting as a Depository for Asset Management Subsidiary are made by authorized Employees without any Conflicts of Interest.

Segregation of Technical Systems

Luminor shall ensure that its technical systems contain separation of the depository functions from the management of Pension Funds and other services which may cause the Conflicts of Interest.

Execution of Transactions on Behalf of Pension Fund

Employee of Asset Management Subsidiaries when investing Pension Fund assets has to act as a conscientious and careful proprietor and solely in the interests Pension Funds and shall observe precautionary principles ensuring implementation of developed investment policy.

Employee in performance of one's duties, decision-making and other actions shall secure equal treatment of all Pension Funds. Employee concurrently making decisions, performing duties, or conducting other actions at any other entity of Luminor Group involved in the provision of asset management, shall secure equal treatment of different Pension Funds of the respective Luminor Group entity.

Considering that Pension Funds may receive monetary or non-monetary inducements, which may pose the risk of Conflict of Interest situation, Asset Management Subsidiaries has established inducement management procedure in order to ensure, that Asset Management Subsidiaries act honestly, fairly, and professionally, in accordance with the best interests of Pension Fund Customers, avoid Conflicts of Interest and implement all necessary measures to identify Conflicts of Interest arising due to the monetary or non-monetary benefits received from third party or during the provision of the pension services to the Pension Fund Customer.

Selection of Depository

Employees by taking decisions on the selection of the Pension Fund Depository or selection of outsourcing services provider or continuing cooperation thereof, which may affect the interests of the Pension Funds, shall adhere to the service quality criteria (incl. the market situation and service prices), act professionally, with due care, in fair and thoughtful manner in the best interests of the Pension Funds as well documenting motivation underlying all decisions.

In case the Depository or outsourcing service provider is another entity of Luminor Group, the Asset Management Subsidiary shall:

1. Identify the potential Conflicts of Interest and define activities for management of Conflict of Interest.
2. Ensure that belonging to the same group with the Depository or outsourcing service provider has no negative impact on efficient and responsible management of the Pension Funds and due performance of the service provider.

Furthermore, all Luminor Asset Management Subsidiaries, which carry out the activity of Pension Funds management review:

1. The assessment of the independence of any of the Asset Management Subsidiaries and the Depository when required by external regulations.
2. The division of roles and responsibilities between the Asset Management Subsidiary and the Depository.
3. Performance, as required by the laws and regulations, of the intra-group agreements between the Asset Management Subsidiary and the Depository to ensure that it does not negatively affect fair and effective management of Pension Funds.
4. Performance of the depository functions and delegated services carried out by the Depository.

Management Bodies

Luminor has to ensure the independence between Asset Management Subsidiary and the Bank acting as a Depository for Asset Management Subsidiary. None of the supervisory council members of the Asset Management Subsidiary can be functionally or hierarchically responsible for the provision of the depository services.

Luminor Latvijas atklatais pensiju fonds AS has to ensure that in both the management board and the supervisory council of the mentioned entity at least one third of all the members or two persons, depending on whichever of these two numbers is smaller, have no Conflicts of Interest in respect of the administrative body of the asset manager of Pension Funds or Depository.

DISCLOSURE OF CONFLICT OF INTEREST TO THE CUSTOMERS

In case governance set-up and measures implemented by Luminor to prevent or manage Conflicts of Interest are insufficient and can negatively impact interests of the Customer, before undertaking business or entering into a transaction Luminor in a written form shall disclose to the Customer the general nature, sources of Conflicts of Interest, risks to the Customer and steps taken by Luminor to mitigate these risks.