

# **INFORMATION ON THE HANDLING OF CONFLICTS OF INTEREST WITHIN SOCIETE GENERALE PRIVATE BANKING (SWITZERLAND) LTD**

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## 1. CONTEXT

In the course of providing financial services to its clients, SOCIETE GENERALE Private Banking (Switzerland) Ltd (hereinafter: **SGPBS**) may be confronted with actual and potential conflicts of interest in its business activities.

A conflict of interest situation can arise when there are multiple, conflicting or simply different interests. In this context, situations that may give rise to a conflict of interest should be identified and appropriate measures taken to avoid or mitigate them. Indeed, if nothing is done, a client may be disadvantaged by such a conflict.

In accordance with its internal guidelines, SGPBS strives to act with diligence and integrity in the interests of its clients, which it places above its own interests, which are themselves placed above the personal interests of its employees.

Therefore, SGPBS endeavours to identify and manage any conflicts of interest that may arise in relation to the services offered. In the event that a conflict of interest could not be avoided, SGPBS may refuse to perform the relevant service or may decide to communicate the conflict of interest to the persons concerned so that they may be aware of the risks involved in the situation and, where appropriate, give their consent to continuation of the relevant situation.

## 2. TYPES OF CONFLICTS OF INTEREST

Potential conflicts of interest may arise in a variety of circumstances, such as between SGPBS (or any other entity of the Societe Generale Group, hereinafter **SG Group**) and any of its clients, between its clients themselves or between SGPBS employees and its clients.

SGPBS will identify situations that may lead to a conflict of interest and take appropriate measures to address actual or potential conflicts of interest. A conflict of interest situation may, for example, result from the following circumstances (non-exhaustive list):

- Receipt of – monetary and/or non-monetary – fees from third parties in connection with the provision of financial services;
- SGPBS's own interests in the sale and trading of financial instruments;
- Personal relationships or personal interests of employees;
- Information not known to the public;
- Acceptance by employees of gifts and/or invitations to events from clients;
- SGPBS's relationships with issuers of financial instruments offered or recommended to clients.

## 3. MEASURES IMPLEMENTED TO MANAGE RISK

SGPBS will implement all necessary measures and controls to enable the identification and appropriate management of potential conflicts of interest so that they do not affect the interests of its clients. However, it is possible that SGPBS finds itself in a situation where it is not possible to exclude the conflict of interest.

Consequently, SGPBS has issued a general policy establishing the necessary and appropriate requirements to which the SGPBS entity and its employees are subject in order to facilitate the identification and management of conflicts of interest. These requirements must be observed at all times.

The measures implemented to manage conflicts of interest within SGPBS follow the following steps: identifying, avoiding, mitigating and, where appropriate, disclosing potential conflicts of interest.

## 4. IDENTIFICATION OF CONFLICTS OF INTEREST

In accordance with regulatory requirements and its internal guidelines, SGPBS identifies conflict of interest situations that may arise in the course of its activities and relationships in order to be able to prevent them and deal with them appropriately. SGPBS thus records all these situations in a register that is regularly updated. These situations may involve a stakeholder (non-exhaustive list):

- Who is likely to benefit from a financial or non-financial gain or avoid a financial or non-financial loss at the expense of the client;
- Who receives a fee for the service provided to the client;
- Who has an incentive to favour the interests of one client at the expense of any other.

## 5. AVOIDING AND MITIGATING CONFLICTS OF INTEREST

In order to avoid and mitigate the emergence of a conflict of interest, SGPBS has put in place a series of organisational measures including, in particular, organisational procedures aimed at protecting the interests of clients (information barriers, functional separation, etc.) (non-exhaustive list):

- rules applicable to proprietary trading by employees;
- rules on the acceptance and disclosure of fees, including gifts and invitations to events;
- rules on the monitoring and reporting of transactions that may constitute market abuse;
- the maintenance of a watch list to facilitate the monitoring of confidential information flows and to prevent any abuse or fraudulent use of insider information;
- best execution procedures and rules for aggregation of orders and allocation of bundled orders;
- mandatory declarations for its employees to disclose their internal mandates and external mandates or to disclose their private holdings in other financial service providers;
- training and awareness-raising sessions for its employees.

## 6. CONTROLS IMPLEMENTED

SGPBS has put in place various controls at the level of its operational units and plans independent controls to ensure that its conflict of interest policy and control measures are respected. These controls ensure:

- effective implementation of policies and procedures relating to the identification, prevention and management of conflicts of interest within SGPBS;
- reporting to the compliance function of potential conflicts of interest between the Group and its employees, and/or concerning service providers and suppliers;
- the existence of adequate governance over the identification, prevention and management of conflicts of interest within SGPBS;
- the existence of a system to prevent conflicts of interest between the Group and its employees, and/or concerning service providers and suppliers;
- that conflict of interest situations detected retrospectively are treated as a compliance incident.

SGPBS has instructed its compliance department to follow up on the identification of conflicts of interest and their proper management.

## 7. DISCLOSURE OF CONFLICTS OF INTEREST AND CLIENT CONSENT

SGPBS will put in place all measures to avoid or mitigate conflicts of interest that may arise in relation to the services offered to clients or relating to relationships with third parties.

However, given the multitude of possible constellations that could give rise to a conflict of interest as well as their potential complexity, it cannot be entirely ruled out that, in certain circumstances, SGPBS may not be in a position to guarantee that the interests of its clients or third parties will be sufficiently protected at all times.

Where SGPBS identifies a conflict of interest situation for which no sufficient and reasonable measures exist to avoid or mitigate it, SGPBS will appropriately inform the client or a third party of the existence and nature of said conflict of interest so that the stakeholder concerned can be made aware of the risks involved in this situation in an informed manner and, where appropriate, choose to consent to this situation. SGPBS may also avoid providing the relevant service in order to avoid the conflict of interest.

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