

INFORMATION about UniCredit Banka Slovenija d.d. and its Investment Services

UniCredit Banka Slovenija d.d. General Terms and Conditions for transactions with Financial Instruments – APPENDIX 1

I. GENERAL PROVISIONS

1. Company Name, Registered Office, Contact Information

UniCredit Banka Slovenija d.d.
Ameriška ulica 2, 1000 Ljubljana,
Slovenia Telephone: + 386 (1) 5876 600
Email: info@unicreditgroup.si
Website: www.unicreditbank.si
BIC (SWIFT): BACXSI22
The bank is registered with the District Court of Ljubljana under reg. No. 1/10521/00 (hereinafter: UCB)

2. Language of Business and Relevant Law

UCB shall communicate with and submit documents and other information to the client in Slovenian language. In the event of international operations, UCB shall use English, however, Slovenian language prevails in case of ambiguity.

Assessment of contractual relations with the client and the performance of investment services and transactions by UCB shall be governed by Slovenian law.

3. Manner of Communication between UCB and the Client

UCB shall communicate with the client:

- in writing by mail, fax, SWIFT, email;
- verbally by telephone or personally in the bank's offices;
- using mass media (including, but not limited to, the www.unicreditgroup.si website and the daily newspapers published throughout the territory of the Republic of Slovenia).

All addresses and telephone numbers for communication shall be agreed upon between UCB and the client in the contract documentation.

UCB shall receive and submit client orders pursuant to the provisions of the General Terms and Conditions for Financial Instruments. The client can submit orders for financial instrument transactions personally, by telephone (telephone conversations are recorded and the recordings can be used as proof for any alleged facts), by fax or by email.

UCB shall enter into transactions with clients at the company's registered office and at its branches. UCB shall not conduct any business using tied agents. The list of branches is available on the Bank's website www.unicreditbank.si.

4. Authorisation to Provide Investment Services

The bank hereby states that it has a valid authorisation to perform investment services and transactions and ancillary investment services (hereinafter jointly referred to as: investment services) issued by the Bank of Slovenia, Slovenska 35, 1505 Ljubljana, tel. +386(1)47-19000.

The list of services UCB is authorised to perform by the Bank of Slovenia is published on the Bank of Slovenia's website (www.bsi.si). In performing the investment services, UCB is supervised by the Bank of Slovenia and the Securities Market Agency, Poljanski nasip 6, 1000 Ljubljana, tel. +386(1)28-00-400.

UCB offers clients investment services pursuant to the Financial Instruments Market Act (OG RS, No. 77/18 and 17/19-corr., ZTFI-1) and the Banking Act (OG RS, No. 25/15 in 41/17, ZBan- 2).

5. Report Submission Methods and Deadlines

The submission method and the deadlines in which UCB sends clients confirmation of acceptance of their orders, statements of transactions made, reports on investment balance involving a statement of transactions, statements on the balance of and transactions on an account, and other comparable reports on the performance of investment services shall comply with the provisions of the General Terms and Conditions for Financial Instruments.

II. PROTECTIVE MEASURES FOR THE FINANCIAL INSTRUMENTS AND FINANCIAL ASSETS OF CLIENTS

6. Keeping of Client Financial Instruments

UCB shall keep its clients' book-entry securities on behalf of and for the account of the clients pursuant to the rules and instructions of the Central Securities Clearing Corporation (KDD - Centralna klirinškodopotna družba d.d., Ljubljana).

UCB shall manage the foreign financial instruments of its clients in the central depository for the account of the clients through

its own account in the central depository or through another intermediate subdepository; whereby UCB shall manage a subdepository of financial instruments for these financial instruments, within the framework of which it shall keep a separate record of financial instruments of an individual client.

UCB shall manage the financial instruments in the sub-depository pursuant to the Sub-depository Rules and the General Terms and Conditions for Financial Instruments. UCB shall manage the financial instruments of an individual client in the sub-depository separately from the financial instruments of other clients and its own financial instruments. In relation to UCB's creditors, clients' financial instruments in the UCB sub-depository shall be considered clients' assets.

7. Management of Clients' Financial Assets

UCB shall manage clients' cash funds as well as accept and make payments arising from transactions made for the clients' accounts through special cash accounts opened with the central bank or a suitable credit institution (hereinafter referred to as: clients' cash account).

UCB shall not use clients' cash accounts to receive and make payments from transactions it conducts for its own account. As regards each client's cash account, UCB shall keep a financial asset record for each individual client, so that it keeps the cash funds of an individual client separately from the financial assets of other clients and its own financial assets.

In relation to UCB's creditors, cash funds on clients' cash accounts shall be considered clients' assets.

8. System of Guarantees for Investors' Claims

UCB shall inform its non-professional clients that in relation to their claims arising from the performance of investment services, there exists a system of guarantees in the extent prescribed by the ZTFI-1. In the event of UCB's bankruptcy, a guaranteed claim of EUR 22,000 maximum shall be paid to the nonprofessional client, pursuant to the system of guarantees for investors' claims. Under the ZTFI-1, the system of guarantees for investors' claims does not include professional clients, even if they requested to be treated as non-professional clients, as well as some other claims or the claims of certain persons. More detailed written information about the system of guarantees

for investors' claims shall be available to clients at UCB business units and on its website www.unicreditgroup.si, along with written

information about the existence of a special deposit guarantee scheme under the Deposit Guarantee Scheme Act.

Notwithstanding the existence of a system of guarantees for investors' claims, UCB shall not guarantee to clients a reimbursement of the value of their investment, which is governed by the Agreement on the Provision of Investment Services. This means that there is a risk that the client will realise a loss when doing business with financial instruments.

III. OUT-OF-COURT RESOLUTION OF DISPUTES

9. The procedure of resolving client complaints

The client and the bank shall resolve any disputes, disagreements or complaints regarding the provision of investment services under this Agreement by mutual consent.

The bank shall resolve disputes and disagreements on the basis of a written request that the client can submit to the bank using the prescribed form at any bank branch, in writing to the address UniCredit Banka Slovenija d.d., Ameriška ulica 2, 1000 Ljubljana, or by e-mail: info@unicreditgroup.si.

The competent body at the bank shall decide on the complaint as soon as possible or no later than 8 days from receipt of the relevant documentation in its entirety. The bank shall forward a reply to the complaint with appropriate clarifications in writing to the client's address. The client has the right to file an objection against the complaint. The bank shall forward a decision on the objection with appropriate clarifications in writing to the client's address within 15 business days. With this, the bank's decision shall be considered final and its internal complaint procedure completed. Where the complaint or objection cannot be resolved within the indicated deadline due to the complexity of the case, the bank shall notify the client in writing about the expected date of the final resolution of the complaint.

10. Out-of-court settlement of consumer disputes

If the client, who is a consumer, disagrees with the final decision regarding the complaint, or does not receive the bank's reply to the complaint within 30 days, the client has the right, no later than within 13 months from the final decision in the internal complaint procedure or from the expiry of the complaint processing deadline, to file a petition to initiate proceedings for the out-of-court resolution of the dispute with an out-of-court dispute resolution provider (hereinafter: Provider of ADR Services) that the bank recognises as competent for resolving consumer disputes. The bank may at any time choose a different Provider of ADR Services competent for resolving consumer disputes.

The name, electronic address and telephone number of the respective recognised Provider of ADR Services shall be published on the bank's website www.unicreditbank.si.

The filing of a petition shall not prejudice the right of the consumer to file a suitable request for resolving the dispute with the court having local jurisdiction in the place of the bank's registered office.

IV. SUMMARY OF THE CONFLICT OF INTEREST MANAGEMENT POLICY

11. The aim of the Conflict of Interest Management policy

The objective of UCB's Conflict of Interest Management Policy is to establish and maintain effective control and management of the conflicts of interest which may occur during the performance of individual investment services and transactions, as well as ancillary investment services, and the occurrence

of which may adversely affect the interests of clients or potential clients of UCB, taking into account the characteristics, extent, and complexity of the transactions which UCB carries out in the field of investment services.

12. Conflict of interest

In the management of UCB's investment services, the following conflicts of interest may occur:

- Between the interests of UCB, its management, stockbrokers, and other persons who conduct transactions for UCB or are connected with UCB by control on the one hand and the interests of clients or potential clients of UCB on the other;
- Between the interests of various clients of UCB; Between the interests of UCB and persons conducting transactions for it on any basis (hereinafter referred to as: UCB employees).

A conflict of interest may occur mainly in the following business activities and transactions:

- Exploiting inside information and improvement of UCB's own portfolio at the expense of a client who did not have such information or access to such information;
- Conducting personal transactions of UCB's concerned persons on the basis of inside information;
- Conducting personal transactions of UCB's concerned persons and employees' trading for the account of UCB;
- UCB acts as a financial adviser, a lender, and performs takeovers or mergers of companies whose financial instruments are the subject of a transaction;
- UCB acts as a principal and trades financial instruments which are the subject of a transaction, on its own behalf and for its own account, as well as on its own behalf for a thirdparty account;
- UCB connects a client's transaction with a counterparty, who is also a client of UCB, and acts for the benefit of both parties;
- UCB purchases a financial instrument for its client and immediately sells it to another client or vice versa;
- UCB holds a position (also a short position) of an investment for a client;
- UCB issues financial instruments that are the subject of a transaction, with or without a purchase obligation or otherwise co-operates in the issue of these financial instruments or derivatives;
- UCB maintains liquidity or trades a financial instrument whose issuer is a client, for its own account;
- UCB is an affiliated party of the issuer of a financial instrument, which is the subject of a transaction;
- UCB offers to the same person the services of investment research and financial analyses as well as investment consultancy or corporate finance services;
- UCB offers venture capital services to a client whose financial instruments are the subject of a transaction;
- UCB conducts a transaction with a client at a lower than market price with the intention of avoiding loss that would have occurred on the account of the position accepted at the conclusion of the transaction.

In establishing the existence or likelihood of occurrence of conflict of interest, UCB shall take particular account of:

- Whether the likelihood of financial profit, or avoidance of financial loss, has occurred or is likely to occur for UCB or its concerned persons, on the account of a client;
- Whether there exists for UCB or its concerned persons interest for the performance of a service that is performed for a client, or for a transaction to be conducted on behalf and for the account of the client, the result of which is different from a result that is in the client's interest;
- Whether the likelihood of financial benefit or other benefits/rewards has occurred or is likely to occur for UCB or its concerned persons, due to which interest of the client or a group of clients has been shown above the interests of other clients;
- Whether UCB or its concerned persons are engaged in the same business activity as the client;

- Whether UCB or its concerned persons have received or would have received from a person who is not a client a reason or encouragement relating to a service for a client in the form of cash, goods and services other than a standard commission or remuneration for the stated service.

13. Organisational and other measures for preventing conflicts of interest

To prevent or avoid conflicts of interest, UCB shall take, in particular, the following organisational and other measures:

- Carrying out the separate supervision of UCB's concerned persons whose principal functions involve carrying out transactions for the account of, or providing investment services to, clients and whose interests may conflict with the interests of these clients;
- Implementing appropriate reporting procedures of UCB's concerned persons;
- Removing any direct link between the remuneration of UCB's concerned persons principally engaged in one activity or service and the remuneration of, or revenues generated by, different UCB's concerned persons principally engaged in another activity or service, where a conflict of interest may arise in relation to those activities or services;
- Preventing or controlling the simultaneous or sequential involvement of a UCB concerned person in other services or activities where UCB believes that such involvement may impair the proper management of conflicts of interest;
- Consistently implementing internal control procedures established by UCB;
- Closely monitoring personal transactions of UCB's concerned persons;
- Ensuring the organisational and technological separation of UCB's divisions and departments that conduct transactions where conflicts of interests may occur;
- Implementing client orders within the framework of a brokerage service in accordance with the UCB Policy of Order Implementation;
- Client orders have priority over orders of the same kind for the account of UCB and its concerned persons;
- Carefully implementing the UCB Rules on Preventing Abuse of Inside Information and Market Manipulations;
- Implementing an information barrier for the transfer of information between departments of safe custody services, UCB asset management, client asset management, and trading on behalf and for the account of clients;
- Carefully protecting the secrecy of the information that can be accessed by UCB's concerned persons in performing investment services;
- UCB's concerned persons involved in the production of investment recommendations or investment research shall not conduct personal transactions with financial instruments to which the recommendations and research relate, or with any other related financial instruments, contrary to the provided recommendations, except in exceptional circumstances and in accordance with applicable legislation;
- UCB's concerned persons involved in the production of investment recommendations or investment research shall not accept inducements from those with a material interest in the subject-matter of the investment research.

14. Information barriers

To prevent and avoid conflicts of interest, UCB has implemented, in particular, the following information barriers:

- Protection of confidential data about the client – UCB shall closely safeguard any data about and with regard to the client it receives while performing investment services for them, in accordance with legislation concerning personal data protection. The right of access to such confidential data shall be limited only to those UCB employees who are, owing to the nature of the matter and taking into account the Agreement on the Provision of Investment Services and UCB's internal acts, entitled to dispose of client data.
- Internal control system – UCB shall implement an internal control system within the framework of which it shall use internal acts to regulate the movement of documentation between individual organisational units and

the procedures designed to ensure regularity and timeliness in the performance of individual investment services.

- Compliance management – UCB has set up and implements compliance management which supervises and prevents the occurrence of prohibited conduct of market abuse by UCB's concerned persons.
- Chinese Wall – UCB shall perform individual investment services within the framework of separate organisational units, thereby limiting the movement of clients' confidential data between these organisational units and preventing the individual organisational units from being exposed to the effects of information at the disposal of the other UCB organisational units, which might cause the occurrence of potential conflicts of interest.

If aforementioned measures do not allow the UCB to reasonably trust that adverse impact of conflict of interest on realisation of respective customer's interest will be prevented, the UCB clearly and comprehensively discloses general characteristics and sources of such conflicts of interests to the customer, as well as mitigation procedures for the conflicts of interest.

Ljubljana, 13th June 2019