

INBONIS LIST OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST
May 2019

| Potential Situations of Conflict of Interest | Relevance of the potential situations of conflict of interest for Inbonis | Measures to eliminate, manage or disclose the potential conflicts of interest |
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| 1. Situations in relation with Inbonis | | |
| a) A credit rating being issued with respect to a rated entity or a related third party directly or indirectly linked to Inbonis by control or Inbonis owning financial instruments of a rated entity or a related third party or having any other direct or indirect ownership interest in that entity, other than holdings in diversified collective investment schemes, including managed funds such as pension funds or life insurance. | Potential conflict of interest was detected with 2 entities. | Inbonis shall not issue credit ratings on these entities. |
| b) A credit rating being issued with respect to a rated entity or a related third party which holds 5% or more of either the capital or the voting rights of Inbonis. | Potential conflict of interest was detected with 1 entity. | Inbonis shall not issue credit ratings on this entity. |
| d) Inbonis being a member of the administrative or supervisory board of a rated entity or related third party. | No conflict of interest was detected. | If Inbonis were to become a member of the administrative board of a company, the latter shall not be rated by Inbonis. |
| e) Inbonis, providing consultancy or advisory services to any rated entity or related third parties regarding corporate or legal structure, assets, liabilities or activities of that rated entity or related third party. | No conflict of interest was detected. | Inbonis shall not issue credit ratings on any entities to which it provides consultancy or advisory services regarding corporate, legal structure, assets, liabilities or activities. Conversely, Inbonis shall not provide consultancy or advisory services to any rated entity or related third parties regarding corporate or legal structure, assets, liabilities or activities. |
| f) A rated entity or a related third party being a buyer of ancillary services provided by Inbonis. | No conflict of interest was detected. | Inbonis shall perform on a regular basis an internal assessment to identify any existing or potential conflict of interest between the rating activities and ancillary services. Inbonis shall not provide credit ratings to entities that were provided with Inbonis ancillary services. Conversely, no ancillary services shall be provided to Inbonis rated entities. |
| 2. Situations in relation with Inbonis shareholders | | |
| a) A shareholder holding 5% or more of Inbonis capital or voting rights holding 5% or more of the capital or voting rights of a rated entity or of a related third party, or of any other ownership interest in that rated entity or third party, excluding holdings in diversified collective investment schemes and managed funds such as pension funds or life insurance which do not put him in a position to exercise significant influence on the business activities of the scheme. | Potential conflicts were detected with 19 entities in which Inbonis material shareholders have material ownership. | Inbonis shall not issue credit ratings on these entities. |
| b) A shareholder holding 5% or more of Inbonis capital or voting rights being a member of the administrative or supervisory board of the rated entity or related third party. | Potential conflicts were detected with 14 entities where Inbonis material shareholders are board members. | Inbonis shall not issue credit ratings on these entities. |
| e) A shareholder holding 5% or more of Inbonis capital or voting right providing consultancy or advisory services to any rated entity or related third parties regarding corporate or legal structure, assets, liabilities or activities of that rated entity or related third party. | No conflict of interest was detected. | Inbonis will not issue credit ratings on these entities. |
| g) A shareholder holding less than 5% of Inbonis capital or voting rights and holding a significant shareholding (ie. 25% of the capital or voting rights) or being a member of the Board of a rated entity. | Potential conflicts of interest were detected with 3 entities. | Inbonis will not issue credit ratings on these entities. |
| 3. Situations in relation with Inbonis employees involved in credit rating activities | | |
| a) An employee of Inbonis involved in rating activities owning financial instruments of a rated entity or a related third party or having any other direct or indirect ownership interest in an entity, other than holdings in diversified collective investment schemes, including managed funds such as pension funds or life insurance. | No conflict of interest was detected. | Inbonis will not issue credit ratings on the entity where such a potential conflict of interest is identified. |
| b) An employee of Inbonis involved in rating activities being a member of the administrative or supervisory board of a rated entity or related third party. | No conflict of interest was detected. | Inbonis will not issue credit ratings on the entity where such a potential conflict of interest is identified. |
| c) An employee of Inbonis involved in rating activities having had a recent employment, business or other relationship with a rated entity or a related third party which may cause a conflict of interests. | No conflict of interest was detected. | Inbonis will not issue credit ratings on the entity where such a potential conflict of interest is identified. |
| d) An employee of Inbonis involved in rating activities soliciting or accepting money, gifts and/or favors. | No conflict of interest was detected. | All Inbonis employees are prohibited to accept any kind of gifts, money or favors from anyone with whom Inbonis have a business relationship. |
| e) Family members of an employee of Inbonis involved in rating activities being in one of the situations mentioned in point a), b), c), or d) above. | No conflict of interest was detected. | Inbonis will not issue credit ratings on the entity where such a potential conflict of interest is identified. |
| f) An employee of Inbonis involved in rating activities terminating his or her employment and joining a rated entity. | No conflict of interest was detected. | Rating analysts are prohibiting from taking up a key management position with a rated entity or a related third party within six months of the issuing of a credit rating and shall inform Inbonis if they join a rated entity after terminating their employment at Inbonis. |
| 4. Situations in relation with persons in position to exercise significant influence on Inbonis | | |
| a) A person in a position to exercise significant influence on Inbonis holding 10% or more of a rated entity or related third party. | Potential conflict was detected with 1 entity. | Inbonis shall not issue credit ratings on this entity. |
| b) A person in a position to exercise significant influence on Inbonis being a member of the administrative or supervisory board of the rated entity or related third party. | Potential conflict was detected with 1 entity. | Inbonis shall not issue credit ratings on this entity. |
| c) A person in a position to exercise significant influence on Inbonis providing consultancy or advisory services to any rated entity or related third parties regarding corporate or legal structure, assets, liabilities or activities of that rated entity or related third party. | No conflict of interest was detected. | Inbonis will not issue credit ratings on the entity where such a potential conflict of interest is identified. |