

FMO

Entrepreneurial
Development
Bank

MARKET CONDUCT POLICY
MARKET ABUSE AND PRIVATE INVESTMENTS

DOCUMENT MANAGEMENT

Document name	Market Conduct Policy
Document version	2.1
Document owner	Director Compliance
Department owner	Compliance

REVISION HISTORY & VERSIONING

Version	Date	Author/editor	Change reason/description
1.0	October 2024	Compliance, Anudeep Singh, Rose Fernando and Richa Chawla	<ul style="list-style-type: none">- Integrated the Private Investments Policy and the Market Abuse Policy.- Inclusion of 'Customer and Third Party Inside Information' and related information/obligations.- Expansion of the scope of FMO Inside Information.- Addition of a template for the 'project insider list'.- New mailbox for all private investment related communication.- Pre-approval validity updated to 7 working days.- Textual changes.
2.0	January 2025	Compliance, Romanie de Winter, Rose Fernando and Richa Chawla	<ul style="list-style-type: none">- Included clarification on FMO Geographical area.- Reference to data privacy policy in light of monitoring adherence to the policy requirements.
2.1	June 2025	Compliance, Anudeep Singh, Rose Fernando and Richa Chawla	<ul style="list-style-type: none">-Definition of Employee updated with inclusion of Externals

APPROVAL AUTHORITY TYPE

Committee/Delegate	Remarks	Date
NFRC	-Minor textual changes suggested by Director ESG+	22-01-2025

NEXT SCHEDULED REVIEW BEFORE

Date
July 31, 2026

Disclaimer

For the correct and latest version of this document we urge you to use the Process Atlas. Please be aware that printed documents become out-dated very quickly.

Copyright

FMO retains all rights (including copyrights, trademarks, patents as well as any other intellectual property right) in relation to all information provided in this manual (including all texts, graphics and logos). You may not copy, publish, distribute or reproduce any of the information contained in this document in any form without the prior written consent of FMO. However, you may print out information contained in this document for your own personal use.

By accessing this document you agree to be bound by all of the above terms and conditions.

© Copyright 2025

Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO)
Netherlands Development Finance Company

TABLE OF CONTENTS

1. Introduction	5
1.1 Scope	5
1.2 Objectives	5
1.3 Standards & Guidelines	5
1.4 Roles and responsibilities	6
1.5 Applicability and set up of the Policy	7
2. Definitions	7
3. General principles	13
3.1 Employees.....	13
3.2 Insiders.....	13
4. Market conduct – FMO as issuing entity	13
4.1 Obligations	13
4.1.1 Disclosure of Inside Information.....	13
4.1.2 Set up of FMO Permanent Insider List and Project Insider List	15
4.1.3 Transaction in FMO financial instruments	16
4.1.4 Notification obligation Market Abuse	17
4.2 Exceptions to MAR obligations	18
5. Market conduct – FMO’s Customer and third party relations	18
5.1 Customer and Third Party Insider List and access restrictions	18
5.2 Restricted transactions	19
5.2.1 Intra-day trading	19
5.3 Pre-approval Private Investments	20
5.3.1 General principles.....	20
5.3.2 Exemptions.....	20
5.4 Related third parties & joint accounts.....	21
5.4.1 Related Third Parties	21
5.4.2 Joint account.....	21
5.5 Private Investments monitoring.....	22
6. Cluster munitions	22
7. Related policies.....	23
8. Advice and objection.....	23
Annex I - Addendum FMO IM Private Investments.....	24
Annex II – Overview of insider lists.....	26
Annex III – Template Project Insider List.....	28

1. INTRODUCTION

The Market Conduct Policy (“the Policy”) sets out the minimum standards of market conduct to prevent any possible involvement in market abuse by FMO and its Employees (as defined in Section 2). These standards safeguard FMO’s role as a financial market participant and enables Employees to act in line with FMO’s value of ‘integrity’.

1.1 Scope

This Policy is applicable to all Employees of FMO N.V., as well as Supervisory Board (“SB”) members of FMO.

This Policy also applies to (the Employees of) any of the direct or indirect subsidiaries that are consolidated, including FMO Investment Management B.V. (“FMO IM”), to the extent they fall within the scope of Market Conduct Regulations. Where it reads ‘FMO’ it refers to the FMO Group, unless stated otherwise. Any additions and/or deviations from this Policy in respect of FMO IM are laid down in the FMO IM Addendum, included as Annex I to this Policy.

This Policy shall continue to be effective until three months after the Employee, who is designated as Insider, is no longer an employee of FMO or not an Insider anymore (‘cool off period’).

1.2 Objectives

The Policy aims to prevent, and mitigate the risk of, FMO and its Employees (knowingly or unknowingly) being involved in, and violating, ‘market abuse’ rules as set out in the EU Market Abuse Regulation (“MAR”), the Dutch Financial Supervision Act (*Wet op het financieel toezicht* – “Wft”), the Market Abuse Decree (*Besluit Marktmisbruik*) and relevant guidelines of ESMA and the Dutch Authority on Financial Markets (“AFM”) (together, “Market Conduct Regulations”).

Market Conduct Regulations aim to protect the integrity of the financial markets and enhance investor confidence. A violation of these regulations might lead to administrative or criminal enforcement measures/prosecution. Prohibitions in this context include the prohibition of Insider Dealing, recommending and/or encouraging Insider Dealing, Unlawful Disclosure of Inside Information, Market Manipulation and/or an attempt of the aforementioned behaviors.

1.3 Standards & Guidelines

The Market Conduct Policy is based on, amongst others, the following rules, regulations and guidance documents (as amended from time to time):

- EU Market Abuse Regulation and related implementing regulations of the European Commission;
- Dutch Financial Supervision Act;
- Market Abuse Decree;

- ESMA Q&A on the Market Abuse Regulation;
- AFM brochure *Best practices – Uitgevende instellingen*;
- AFM brochure *Openbaarmaking voorwetenschap*;
- AFM brochure *Handel met voorwetenschap*; and
- AFM brochure *Markt Manipulatie*.

1.4 Roles and responsibilities

Who	Function
FMO Management Board	<ul style="list-style-type: none"> - Endorsing this Policy for all sectors/departments of FMO. - Defining and communicating the open and Closed Trading Periods for transactions in FMO Financial Instruments.
FIM Management Board	<ul style="list-style-type: none"> - Endorsing and approving the Addendum for FMO-IM.
(Line) Management	<ul style="list-style-type: none"> - Ensuring Employees are aware of the requirements under this Policy, e.g., by familiarizing themselves with this Policy and attending training sessions. - Appointing persons of their respective department who should be placed on the Customer and Third Party Insider List, informing Compliance and HR if there are any changes to the functions of these persons. - Ensuring adequate restrictions to ensure that Inside Information can only be used/accessed on a need to know basis. - Implementation of controls, where relevant, set up and maintain, if relevant, a Project Insider List. Assigning Employees/functions as Customer and Third Party Insider if they could be, or are, in possession of Customer and Third Party Inside Information and inform Compliance and HR about this assignment. - Providing relevant information about Insiders, customers and prospects to Compliance in order to ensure adequate pre-approval can be provided.
Treasury	<ul style="list-style-type: none"> - Keeping track of transactions related to Financial Instruments, conducted for the own account of FMO, as set out in article 23 of the Market Abuse Decree.
Employees	<ul style="list-style-type: none"> - Adhering to all requirements as set out in this Policy. - Providing required information, if requested, for the completion of the FMO Permanent Insider List, Customer and Third Party Insider List or Project Insider list. - Internally report a detected (possible) violation of the MAR.
Compliance	<ul style="list-style-type: none"> - Providing advice to Employees on (the applicability of) this Policy and related laws and regulations. - Providing training and awareness on the requirements of this Policy. - Creating and updating FMO Permanent Insider List and the Customer and Third Party Insider List. Persons or functions to

	<p>be added on these lists are based on the decision taken by the line management of the relevant department.</p> <ul style="list-style-type: none"> - Monitoring compliance with this Policy and related procedures and reporting the results to the Non-Financial Risk Committee and/or the Management Board.¹ - Fully reviewing this Policy at least every 3 years, and conducting a light review every 18 months. In case of e.g., new (international) laws and regulations, best practices or recurring incidents, this Policy will be updated accordingly. - Appointing (a) Compliance Officer(s) responsible for the internal supervision of the obligations included in this Policy (and developing rules/controls for internal supervision). - The notification obligation to the AFM as set out in section 4.1.4 of this Policy. - Assess and grant pre-trade approval as set out in Section 5.3.
Human Resources	<ul style="list-style-type: none"> - Notifies in written form to Employee of their placement on the Customer and Third Party Insider List.
Market Abuse Disclosure Committee ²	<ul style="list-style-type: none"> - Assessing whether information needs to be classified as FMO Inside Information. - Ensuring that the correct procedure, as set out in the MAR Disclosure Process Guideline, is followed in case information is deemed to be FMO Inside Information.

1.5 Applicability and set up of the Policy

Market Conduct Regulations are applicable to, and relevant for FMO because of the following two reasons:

- FMO issues financial instruments, including bonds, hedges and derivatives. This first reason relates to **FMO itself** (as Issuing Entity of Financial Instruments) and is further set out in section 4.
- FMO ('s employees) may have (access to) information on (business relations of) customers and third parties (including business relations of customers and suppliers), that issue Financial Instruments. Access to such information may impact an employee's private investment activities. This second reason relates to **FMO's clients and third party relations** and is further set out in section 5.

2. DEFINITIONS

Closed Trading Period

The 'closed trading period' is the period in which Employees are not allowed to sell or buy FMO Financial Instruments.³ This is the period of 30 calendar days before the announcement of a half year report or a year-end report.

¹ Or, to the Management Board of FMO IM in circumstances where it involves FMO IM.

² Please see the Market Abuse Disclosure Committee Charter for more information on (i.e.) the mandate of the MAR Disclosure Committee.

³ E.g. FMO shares.

Closely Associated Persons

A 'closely associated person' is one of the following persons in relation to a Person Discharging Managerial Responsibilities:

- I. a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- II. a dependent child, in accordance with national law;
- III. a relative who has shared the same household for at least one year on the date of the transaction concerned; or
- IV. a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (i), (ii) or (iii), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person;

Customer and Third Party Insider

A person who has, or potentially has, access to Inside Information of FMO's customers or third party relations (e.g. associated parties of customers or suppliers) because of their function within FMO and/or access to certain software or tools. This person can either be working for FMO as an Employee or otherwise performing tasks for FMO through which they have access to Customer and Third Party Inside Information (e.g. advisers, accountants, or credit rating agencies).⁴ Employees will be notified in written form by HR about their Insider status.

Employee

For the purposes of this policy, the term Employee includes:

- a. an employee (an individual with an employment contract with FMO, whether temporary or permanent), including of a representative office or a (local) subsidiary of FMO; and
- b. an external (an individual who is engaged by FMO (either directly or via an agency) and may work for FMO on a variety of contracts, including a self-employed person).

Please note that only for readability of this policy, a self-employed person is being included in this definition (a self-employed person is at all times an independent contractor).

In case of any doubt as to the scope, the content or the interpretation of this Policy, advice must be sought from the Compliance department.

FMO Geographical Area

Countries where FMO operates or has clients. This for example excludes markets such as the Netherlands, United Kingdom and the United States of America which are not in the designated investment areas of FMO⁵.

⁴ These for example will be employees working in Investment teams or employees that have access to systems potentially containing inside information on FMO clients or associated parties such as CRM.

⁵ Please note that all investment decisions are subject to the general prohibition of insider dealing. Therefore, in the very rare circumstance that you might have inside information on a company in the mentioned countries, there is still a prohibition to conduct transactions in that company.

FMO Inside Information

Inside Information that relates to FMO as Issuing Entity of Financial Instruments.

FMO Insider

A person who is expected to have access to FMO Inside Information because of their function within FMO and/or access to certain software or tools. This person can either be working for FMO as an Employee or otherwise performing tasks for FMO through which they have access to FMO Inside Information (e.g. advisers, accountants, or credit rating agencies).

Inside Information

Inside information comprises of information of a:

- precise nature,
- which has not been made public,
- relating, directly or indirectly, to one or more Issuers or to one or more Financial Instruments; and
- which, if it were made public, would be likely to have a significant effect on the prices of those Financial Instruments or on the price of related derivative Financial Instruments.

Precise nature

Two cumulative conditions have to be met:

1. the information is referring to (a) a set of circumstances that exist or of which one might reasonably expect that it will come to exist or (b) an event that has taken place or of which one might reasonably expect that it will happen; and
2. the information is specific enough to draw a conclusion regarding the influence on the price of the Financial Instrument.

Public information

The (previous) inside information that has been made generally available to the public, e.g. information communicated on a website or in a press release.

Issuing Entity / Issuer

A legal entity governed by private or public law, which issues or proposes to issue Financial Instruments (e.g. shares or bonds), which are being traded on a regulated market, a Multilateral Trading Facility (“MTF”) or an Organized Trading Facility (“OTF”), or for which a request for admission to trading on such regulated market, MTF or OTF has been made.

Financial Instrument

A monetary contract between parties. For the purpose of the Market Abuse Regulation, a financial instrument includes any financial instrument that is listed in section C (‘Financial instruments’) of annex I of EU Directive 2014/65/EU (as amended from time to time), such as:

- Transferable securities;
- Money market instrument;
- Units in collective investment undertakings; or
- Options, futures, swaps or forwards and any other derivative contracts relating to securities, currencies, or interest rates.

Significant Effect

Inside information involves information that, if made public, would likely to have a significant effect on the price of financial instruments. This entails information that would likely be used by a reasonable investor as part of its investment decision(s). This should be assessed on a case-by-case basis and can differ per Financial Instrument.⁶

Insider

FMO Insiders, Customer and Third Party Insiders and Project Insiders.

Insider Dealing

Arises when a person possesses Inside Information and uses, or attempts to use, that information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, Financial Instruments to which that information relates. The use of Inside Information, by cancelling or amending an order concerning a Financial Instrument to which the information relates where the order was placed before the person concerned possessed the Inside Information, shall also be considered to be insider dealing.

Insider List(s)

Any of the following lists (please see Annex II for an overview):

Customer and Third Party Insider List

The list including the Customer and Third Party Insiders.

FMO Permanent Insider List

The list, as mentioned in article 18 MAR, including the FMO Insiders. This, in any event, includes all members of the Management Board ("MB"), all members of the MB secretariat, all SB members, all members of the Market Abuse Disclosure Committee ("the MAR Disclosure Committee"), including their delegates, and all persons who have access to the email boxes of aforementioned persons.

Project Insider List

The list including persons that are expected to have temporary access to specific pieces of FMO Inside Information or Customer and Third Party Insider Information, if such information exists, because of e.g. their contribution to a specific Project or their function.

Market Abuse

- Insider Dealing (including, Recommending and/or encouraging Insider Dealing);
- Unlawful Disclosure of Inside Information; and
- Market manipulation.

Market Manipulation

Market manipulation comprises of the following activities:

⁶ AFM Brochure: Public disclosure of inside information, AFM website (updated July 2017), p. 7, 9.

- a) entering into a transaction, placing an order to trade or any other behavior which:
- I. gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a Financial Instrument⁷,
 - II. secures, or is likely to secure, the price of one or several Financial Instruments at an abnormal or artificial level,

unless the person entering into a transaction, placing an order to trade or engaging in any other behavior establishes that such transaction, order or behavior have been carried out for legitimate reasons, and conform with an accepted market practice as established in accordance with Article 13 of the MAR (Accepted market practices);

- b) entering into a transaction, placing an order to trade or any other activity or behavior which affects or is likely to affect the price of one or several Financial Instruments which employs a fictitious device or any other form of deception or contrivance;
- c) disseminating information through the media, including the internet, or by any other means, which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a Financial Instrument or secures, or is likely to secure, the price of one or several Financial Instruments, at an abnormal or artificial level, including the dissemination of rumors, where the person who made the dissemination knew, or ought to have known, that the information was false or misleading;
- d) transmitting false or misleading information or providing false or misleading inputs in relation to a benchmark where the person who made the transmission or provided the input knew or ought to have known that it was false or misleading, or any other behavior which manipulates the calculation of a benchmark.

Private Investment:

A Private Investment is a transaction in a Financial Instrument that is executed either by the Insider or by any third party for the account of that Insider.

Project

An initiative in which a group of Employees, in one department or cross departmental, work together to achieve a particular aim. Please note that the definition of 'Project' is **not** limited to initiatives included on the official 'Project portfolio' list; also smaller, more informal, initiatives fall under the definition of 'Project' for the purpose of this Policy. Front office 'deal(s)'(teams) are included in the definition.

Project Insider

A person who has, or potentially has, temporary access to Inside Information of FMO's customers or third party relations (e.g. associated parties of customers or suppliers) or FMO's financial instruments because of e.g. their contribution to a specific Project or their function. This person can either be working for FMO as an Employee or otherwise performing tasks for

⁷ Where a Financial Instrument is mentioned, this also applies to a related spot commodity contract, or an auctioned product based on emission allowances.

FMO through which they have access to FMO Customer and Third Party Inside Information (e.g. advisers, accountants, or credit rating agencies).

Recommend and/or encourage Insider Dealing

Arises when the person possesses Inside Information and: (a) recommends, on the basis of that information, that another person acquire or dispose of Financial Instruments to which that information relates, or induces that person to make such an acquisition or disposal, or (b) recommends, on the basis of that information, that another person cancel or amend an order concerning a Financial Instrument to which that information relates, or induces that person to make such a cancellation or amendment. The use of the recommendations or inducements referred to above amounts to Insider Dealing where the person using the recommendation or inducement knows or ought to know that it is based upon Inside Information. The aforementioned applies to any person who possesses Inside Information as a result of:

- I. being a member of the administrative, management or supervisory bodies of the Issuer or emission allowance market participant;
- II. having a holding in the capital of the Issuer or emission allowance market participant;
- III. having access to the information through the exercise of an employment, profession or duties; or
- IV. being involved in criminal activities.

Recovery Plan

The plan to ensure that FMO is prepared to restore their viability in a timely manner, even in periods of severe financial stress.

Related Third Parties

Related Third Parties are parties who carry out Private Investments on behalf of the Insider, or for whom the Insider (can) exert influence on, e.g.

- i. via a power of attorney⁸,
- ii. asset/portfolio managers (not being fiduciary account managers) as far as acting for the benefit of the Insider; or
- iii. legal entities and investments clubs in which the Insider has authority with respect to the investment policy.

Unlawful Disclosure of Inside Information/Unlawfully Disclosing Inside Information

Arises when a person possesses Inside Information and, intentionally or unintentionally, discloses that information to any other person, except where the disclosure is made in the normal exercise of employment, a profession, or duties.⁹ This includes the onward disclosure of recommendations or inducements (see: Recommend and/or encourage Insider Dealing) where the person disclosing the recommendation or inducement knows or ought to know that it was based on Inside Information.

⁸ For example, but not limited to, accounts for dependents of the Insider.

⁹ And the person has received approval from the project owner/project manager to share information with a person not on the FMO Permanent Insider List and/or a Project Insider List (see section 4.1.1).

3. GENERAL PRINCIPLES

The following general principles/obligations relating to market conduct apply.

3.1 Employees

Employees are prohibited to:

- Engage in Insider Dealing;
- Recommend and/or encourage Insider Dealing;
- Unlawfully Disclose Inside Information;
- Engage in Market Manipulation;
- Attempt the aforementioned behaviors.

Employees must prevent any conflicts of interest between business (including customers of FMO) and private interests – or any reasonably foreseeable appearance thereof – in relation to Private Investments. If an Employee has doubts if certain information qualifies as Inside Information, they can send an email to MARdisclosure@FMO.nl, which will trigger the review of this information by the MAR Disclosure Committee (see further paragraph 4.1.1.1).

3.2 Insiders

Further to the general principles that apply to Employees above, the following additional principles apply in respect of Insiders:

- Insiders must ensure that the relevant Inside Information is controlled and restricted, and only known, used and circulated on a 'need to know' basis. This means that Inside Information can only be shared with persons who require that information for their work. To further ensure this, amongst others, technical (IT) as well as physical (separation of teams/departments) information barriers should be in place, disclaimers should be added to reports/documents (possibly) containing Inside Information and the relevant 'insider list' (i.e. the FMO Permanent Insider List, the Customer and Third Party Insider List or a Project Insider List) should be set up and updated when required. See sections 4 and 5 for a detailed description of the relevant obligations and controls.

4. MARKET CONDUCT – FMO AS ISSUING ENTITY

4.1 Obligations

FMO falls under the scope of Market Conduct Regulations as an Issuer of Financial Instruments (i.e. bonds, hedges, and derivatives). The following obligations apply to FMO ('s employees) as Issuing Entity of Financial Instruments.

4.1.1 Disclosure of Inside Information

FMO as an Issuer of Financial Instruments has the obligation to disclose Inside Information that relates to FMO or to FMO Financial Instruments without delay. Failure to satisfy the obligation to publish Inside Information in accordance with the notification requirements¹⁰, or

¹⁰ Set out in article 17 MAR, see further section 4.1.1.2 and the FMO Market Abuse Disclosure Process Guideline.

the obligation to publish when making investment recommendations, can also lead to an infringement of the prohibition of Market Manipulation.

4.1.1.1 Information that FMO considers to be Inside Information

Because FMO's shares are not listed on a regulated market, and FMO 'only' lists Financial Instruments (bonds) that are relatively stable and covered by the Dutch State guarantee, the types of information that qualify as FMO Inside Information are limited. Based on the current strategy, and related (bond) issuance program of FMO, the types of information listed below can be regarded as examples of FMO Inside Information.

Non-public, precise information concerning (amendments/changes to) FMO's:

- guarantee from the Dutch State;
- credit rating of FMO or the Dutch State;
- the ESG rating/classification of bonds within FMO's sustainability bonds framework;
- the decision to initiate the Recovery Plan.

Please note that above mentioned list is not static or exhaustive. Other events that may have a significant impact on FMO or developments in FMO's strategy concerning FMO Financial Instruments, may also lead to situations involving Inside Information. Such events will be discussed on a case-by-case basis. If an Employee, or persons otherwise performing tasks for FMO through which they have access to FMO Inside Information, have doubts if certain information qualifies as Inside Information, they can send an email to MARDisclosure@FMO.nl, which will trigger the review of this information by the MAR Disclosure Committee (see further paragraph 4.1.1.2).

Also, it is important to note that certain information qualifies as 'business sensitive information'. This is non-public information about the performance of FMO and can include, for instance, financial information (e.g. financial impairments), findings of audits, regulatory measures, a change in the Management Board/Supervisory Board composition or a change in FMO's strategy, which information in itself is not considered as FMO Inside Information and as such does not fall under the scope of the MAR. It is however important that this information is shared on a need-to-know basis. This obligation follows from the Wft, which includes the obligation of 'control of business processes and (financial) risks'.¹¹

4.1.1.2 Assessment and publication procedure of FMO Inside Information

FMO is obliged to make FMO Inside Information public 'without delay'. This means that FMO, as Issuer, must inform the public as soon as possible of FMO Inside Information. FMO must ensure that the Inside Information is made public in a manner that enables fast access and complete, correct and timely assessment of the information by the public. To ensure this, FMO has set up the MAR Disclosure Committee.¹²

The MAR Disclosure Committee consists of the CFOO, the CRO, the Directors of Compliance, Treasury, FID and CSE and the Corporate Secretary, and is appointed by the Management

¹¹ Article 3:17 Wft.

¹² See below and the 'Market Abuse Disclosure Committee Process Guideline' for a full overview of the relevant process.

Board to decide on questions relating to the public disclosure of Inside Information. The mandate of the MAR Disclosure Committee is set out in the Market Abuse Disclosure Committee Charter. This includes deciding if certain information qualifies as Inside Information, and if so, to follow the process set out in the Market Abuse Disclosure Process Guideline.

Once information has been deemed to be FMO Inside Information by the MAR Disclosure Committee, until publication, the holders of this information should only share the relevant information on a 'need to know' basis and only with FMO Insiders, to prevent the Unlawful Disclosure of Inside Information and to protect FMO's reputation. If a FMO Insider needs to share information with persons **not** on the FMO Permanent Insider List and/or a Project Insider List, they should consult the project owner/project manager first (who should then add this person to the relevant insider list). If there are indications that FMO Inside Information is leaked before publication, this should be reported to the Compliance department immediately.

4.1.1.3 Delay of disclosure of FMO Inside Information

As an Issuer, FMO may, on its own responsibility, delay the disclosure of FMO Inside Information. Delay of disclosure is subject to three cumulative criteria, as set out below.

Delay of disclosure is only allowed if and to the extent:

- i. immediate disclosure is likely to prejudice the legitimate interests of the Issuer;
- ii. delay of disclosure is not likely to mislead the public;
- iii. the Issuer is able to ensure the confidentiality of that information.

Specific conditions for delay of disclosure also apply for FMO as licensed credit institution where it concerns liquidity issues:

- I. the disclosure of the Inside Information entails a risk of undermining the financial stability of the Issuer and of the financial system;
- II. it is in the public interest to delay the disclosure;
- III. the confidentiality of that information can be ensured; and
- IV. the regulator (AFM) has consented to the delay on the basis that the conditions in points (I), (II) and (III) are met.

4.1.2 Set up of FMO Permanent Insider List and Project Insider List

Persons within FMO who have access to FMO Inside Information should be placed on the FMO Permanent Insider List (see Annex II, under A) and/or a Project Insider List (see Annex II, under C1).

Persons are placed on the FMO Permanent Insider List if they are expected to have access to FMO Inside Information at all times, if such information exists with FMO. The Directors of the relevant departments are responsible to ensure that the relevant persons within their teams are included on the FMO Permanent Insider List. Where needed, they can reach out to Compliance for advice. Also, in consultation with the relevant persons involved, Compliance can place persons on the FMO Permanent Insider List. If there is any disagreement on this placement, Compliance will escalate this decision (not) to place someone on the FMO

Permanent Insider List to the Management Board. The MB can autonomously decide to place someone on the FMO Permanent Insider List.

This list is set up and maintained by the Compliance department. Persons are placed on a Project Insider List if they have (occasional) access to FMO Inside Information because of e.g. their contribution to a specific Project or their function. This list is set up and maintained by the project manager, or responsible manager, of the relevant Project. In addition to setting up the list, the project manager should also send the relevant persons on the list an email, informing them that they are included on the list, and of their legal responsibilities. Compliance can provide a draft for such e-mail. The emails, and acknowledgements should be stored in a secured SharePoint file.

A Project Insider List should be maintained until the relevant FMO Inside Information is publicly disclosed. After disclosure, the Project Insider List (including all communication on this) should be kept in the deal/Project documentation for audit purposes. A copy of the Project Insider List should also be shared with Compliance. See Annex III for a template of a Project Insider List in respect of FMO Inside Information.

The FMO Permanent Insider List and the Project Insider List shall be updated in the following circumstances:

- where there is a change in the reason for including a person already on the list;
- where there is a new person who has access to FMO Inside Information and needs, therefore, to be added to the relevant insider list; and
- where a person ceases to have access to FMO Inside Information.

FMO Insiders placed on the list(s) mentioned above, must be made aware of the duties and obligations in relation to the handling of Inside Information, the prohibition on Insider Dealing and the restrictions on private transactions, through email (which they have to acknowledge by sending a reply to this email).

4.1.3 Transaction in FMO financial instruments

As a (non-listed) limited company that issues bonds, FMO has financial instruments, shares and bonds, in which Employees can trade. The obligations in this section apply to all Employees.

4.1.3.1 Transactions in FMO shares

If an Employee intends to buy or sell FMO shares, the following rules apply:

- The Employee must notify the civil law notary as appointed by FMO, directly or through the Corporate Secretary, for this task (detailed information available at the Corporate Secretary) and the Corporate Secretary. If necessary, advice of a Compliance officer can be sought.
- A notarial deed of transfer of shares is a statutory requirement. It is preferred that this deed is executed by the aforementioned designated civil law notary.
- In order to protect Employees from the perceived dealing with FMO Inside Information, Employees are not allowed to sell or buy FMO shares during the Closed Period, which is the period of 30 calendar days before the announcement of a half year report or a

year-end report. In ad-hoc circumstances, Compliance may advise to enforce a Closed Trading Period. Management Board announces the Closed Trading Period via FMO intranet.

- In all cases, the Corporate Secretary must be notified.
- Management Board members, the Corporate Secretary, Supervisory Board members, and their partner or spouse are excluded from buying and being in the possession of FMO shares (per 1 January 2014).

FMO Insiders can only deal in FMO shares after obtaining pre-trade approval from Compliance. Please see paragraph 5.3.1 for the relevant pre-trade approval process.

4.1.3.2 Transactions in FMO bonds

If an Employee intends to buy or sell FMO bonds, the following rules apply:

- In order to protect Employees from the perceived dealing with FMO Inside Information, Employees are not allowed to sell or buy FMO bonds during the Closed Trading Period, which is the period of 30 calendar days before the announcement of a half year report or a year-end report. In ad-hoc circumstances, Compliance may advise to enforce a Closed Trading Period. Management Board announces the Closed Trading Period via FMO intranet.
- Management Board members, the Corporate Secretary, Supervisory Board members, and their partner or spouse are excluded from buying and being in possession of FMO bonds.

FMO Insiders can only deal in FMO bonds after obtaining pre-trade approval from Compliance. Please see paragraph 5.3.1 for the relevant pre-trade approval process.

4.1.3.3 Persons Discharging Managerial Responsibilities

Market Conduct Regulations include specific obligations for persons discharging managerial responsibilities (“PDMRs”). PDMRs include members of the Management Board and the Supervisory Board as well as senior executives who have regular access to FMO Inside Information and the power to take managerial decisions ‘affecting the future developments and business prospects of that entity’. The framework on PDMRs relates to ‘transactions, conducted on their own account, relating to shares or debt instruments of Issuers (i.e. FMO) or derivatives or other financial instruments linked thereto’.

Within FMO it is not allowed for PDMRs to conduct transactions, on their own account, in shares or debt instruments of FMO. Compliance must be consulted before an exception is made to this rule.

4.1.4 Notification obligation Market Abuse

As a participant on the financial market, trading for own account in Financial Instruments, FMO must notify the AFM without delay of any reasonable suspicion that an order or transaction in any Financial Instrument could constitute Insider Dealing or Market Manipulation (or an attempt thereto). Such reasonable suspicions should be reported, without delay to the Compliance department, which will subsequently notify the AFM.

4.2 Exceptions to MAR obligations

An exception to the general prohibition to share FMO Inside Information with others is 'market sounding'. A 'market sounding' comprises the communication of information, prior to the announcement of a transaction, in order to gauge the interest of potential investors in a possible transaction and the conditions relating to it such as its potential size or pricing. FMO as an Issuer of Financial Instruments, can apply market sounding to one or more potential investors. In principle, FMO does not engage in market sounding activities. If the Treasury department wants to engage in market sounding, Compliance consultation is required.

5. MARKET CONDUCT – FMO'S CUSTOMERS AND THIRD PARTY RELATIONS

In addition to FMO falling under Market Conduct Regulations as issuer of Financial Instruments (Section 4), FMO also falls under Market Conduct Regulations because it has (direct/indirect) business relations with entities that issue (listed) Financial Instruments. In this context, FMO ('s employees) can potentially have (access to) inside information of customers and third parties because they:

- have knowledge about a significant loan/equity investment to be provided to a listed entity which might influence share price or other financial instruments of that entity;
- act as an advisor in an initial public offering process of a customer;
- act as a mandated lead arranger for the issuance of financial instruments e.g. bonds of a customer;
- have knowledge about a (non-listed) FMO customer targeting to buyout a listed company or if a (listed) FMO customer is a target; or
- have knowledge about the intention of selling FMO's shares in a PE customer that is listed/has become listed during the business relationship with customer.

Please note that above mentioned list is not limitative.

In the majority of cases, abovementioned scenario's involve customers, however, FMO can also have (access to) Inside Information in respect of other entities, such as suppliers or entities that have a relationship with a FMO's customer. Because of this knowledge, employees, who are designated Insiders by their director, have to adhere to the obligations set out in this chapter.

When a customer informs FMO that the relevant transaction may include Inside Information in respect of that customer or a third party (i.e. Customer and Third Party Inside Information) or if there is a clear indication that a transaction involves such Customer and Third Party Inside Information the investment officer (deal team captain) is required to reach out to Compliance for further guidance on implementing relevant controls.

5.1 Customer and Third Party Insider List and access restrictions

Customer and Third Party Insiders should be placed on the Customer and Third Party Insider List (see Annex II, under B) and/or a Project Insider List (see Annex II, under C2).

Persons are placed on the Customer and Third Party Insider List if they are expected to have regular access to Customer and Third Party Inside Information. This list is set up by the director

of the department with advice of Compliance and maintained by the Compliance department. HR informs the employees of their status (and status change) and keeps this information in the personnel file.

Persons are placed on a Project Insider List if they have access to specific Customer and Third Party Inside Information, because of e.g. their contribution to a specific deal or a specific Project. This list is set up and maintained by the project manager, or the responsible manager, of the relevant Project.

Consequently, a person can be on a Customer and Third Party Insider list as well as on a Project Insider List simultaneously.

These lists must be complete, accurate and regularly updated (see also guidelines in section 4.1.2). The Customer and Third Party Insiders as well as Project Insiders must be made aware of the duties and obligations in relation to the handling of the Inside Information, the prohibition on Insider Dealing and the restrictions on private transactions through email (which they have to acknowledge). Audit trail of this must be kept by HR, for Customer and Third Party Insiders or the Project manager for Project Insiders.

Moreover, the relevant Employees should make sure access to this information is restricted, both internally and externally. The information can only be shared on a need-to-know basis. Please reach out to Compliance for further guidance on abovementioned controls. It is expected that the situations in which the controls need to be applied rare, given the customer base of FMO.

5.2 Restricted transactions

A Customer and Third Party Insider is not allowed to perform Private Investments in:

- I. All customers or prospects of FMO, or
- II. Investment funds of which FMO Investment Management is the main portfolio manager (more than 75% of total portfolio of the fund managed by FMO Investment Management), except when the fund has a mechanism that sufficiently prevents the possibility of Insider Dealing by Employees (e.g. lock-up period).

5.2.1 Intra-day trading

All Private Investment transactions executed by Customer and Third Party Insiders and Project Insiders (if relevant given the nature of the specific project)¹³ are subject to an intra-day trading prohibition, i.e., they cannot make an opposite transaction in the same (underlying) financial instrument on the same calendar day. This is in order to prevent speculative trading. There might be special circumstances/unforeseen and urgent matters in which the Customer and Third Party Insider or Project Insider cannot comply with this requirement. In such case, the Customer and Third Party Insider or Project Insider must contact the Compliance department to request a waiver before submitting the order. Discretion lies solely with Compliance.

¹³ I.e. if the relevant project includes Customer and Third Party Inside Information.

5.3 Pre-approval Private Investments

In order to protect Customer and Third Party Insiders and Project Insiders (if relevant given the nature of the specific Project)¹⁴ from breaching any law or regulatory requirement, Customer and Third Party Insiders and Project Insiders must obtain pre-approval from Compliance for Private Investment transactions in the FMO Geographical Area (as defined in the Section 2)

This approval must be obtained prior to carrying out a Private Investment transaction, or a transaction for a Related Third Party. For Private Investment, or a transaction for a Related Third Party, outside the FMO Geographical Area pre-approval is **not** required.

For each private investment made without pre-approval, it is important to consider whether the investment could be perceived as trading based on inside information, which is prohibited.

In case of questions on whether pre-approval needs to be obtained, Compliance can be consulted via Private.Investments@FMO.nl.

5.3.1 General principles

In order to obtain the pre-approval, an email should be sent to Compliance (private.investments@fmo.nl). Compliance will respond to the pre-approval request within 48 hours. The transaction can only be executed when documented approval has been received from Compliance. The period of pre-approval will be mentioned in the confirmation email from Compliance. The pre-approval is in principle valid for 7 working days which means the relevant Customer and Third Party Insider should place the order within 7 working days after the approval. After the 7-day approval period has expired, a new pre-approval needs to be requested.

5.3.2 Exemptions

The restrictions under section 5.2 and 5.3 above do not apply to:

- **Open-ended funds**

(Semi) open-ended collective investment funds (e.g. mutual funds, ETFs, ETNs) are exempt provided that the Customer and Third Party Insider or Project Insider does not perform any management or control function in that investment fund.

- **Government bonds**

Transactions in government bonds are exempt.

- **Discretionary portfolio management**

The exemption applies if a financial institution or asset manager manages the Private Investments of a Customer and Third Party Insider or Project Insider on the basis of the provision of discretionary portfolio management services and a written agreement thereto is entered into and the following additional conditions are met:

¹⁴ I.e. if the relevant project includes Customer and Third Party Inside Information.

- I. The Customer and Third Party Insider or Project Insider does not have the possibility neither to assert any influence – nor provide for instructions – on the portfolio management and this also clearly stipulated in the agreement.
- II. the Customer and Third Party Insider or Project Insider may only issue generally formulated instructions with regard to the portfolio investment mix to be managed by the asset manager, up to a maximum of once a year.
- III. the agreement has been approved in advance by Compliance.
- IV. The Customer and Third Party Insider or Project Insider must obtain prior approval from the Compliance for amendments or termination of the agreement and such request must include the investment portfolio of the Customer and Third Party Insider or Project Insider.
- V. The Customer and Third Party Insider of Project Insider is neither member of the board of directors nor employee of the financial institution or asset manager that manages the investments.

All of the above conditions should be met. Discretionary power by Compliance.

5.4 Related third parties & joint accounts

5.4.1 Related Third Parties

A Customer and Third Party Insider or Project Insider (if relevant given the nature of the specific project)¹⁵ must make reasonable efforts to ensure that a Related Third Party:

- I. does not carry out Private Investments if this would result in a violation of this Policy;
- II. does not pass on any Inside Information to another third party or execute any transaction that would constitute a violation of this Policy by the Customer and Third Party Insider or Project Insider; and
- III. provides all information concerning Private Investments to Compliance, whenever requested.

5.4.2 Joint account

A Private Investment that has been carried out via a joint account of the Customer and Third Party Insider or Project Insider by another account holder shall be deemed to have been executed by the Customer and Third Party Insider or Project Insider. Such transactions are therefore also subject to the requirements of this Policy. To safeguard compliance hereto the Customer and Third Party Insider or Project Insider must:

- I. inform the other holder(s) of the joint account that holding a joint account may restrict them in the execution of investment transactions through the joint account;
- II. ensure that the other holders of the joint account do not execute any investment transaction through the joint account, if this would result in a violation of this Policy;
- III. ensure that the other holder(s) of the joint account do(es) not pass on any Inside Information to another party that would constitute a violation of this Policy;
- IV. ensure that the other holder(s) of the joint account will provide the Compliance Officer with all information concerning the transactions, whenever requested.

¹⁵ I.e. if the relevant Project includes Customer and Third Party Inside Information.

5.5 Private Investments monitoring

At the request of Compliance, the Customer and Third Party Insider and Project Insider (if relevant given the nature of the specific project)¹⁶ must submit a declaration stating they have read and understood the requirements set out in this Policy.

To monitor adherence to this Policy, Compliance may request information from Customer and Third Party Insiders or Project Insiders regarding Private Investments in their accounts, related third parties accounts, or joint holder's accounts. Employees are required to provide the requested information. Once the information is assessed and the monitoring is concluded, the employee will be informed of the outcome.

Financial amounts may be redacted at the discretion of the Insider.

If required and upon request of Compliance to monitor adherence to this Policy, the Customer and Third Party Insider or Project Insider can be requested to instruct the relevant financial institution or asset manager that provides investment services to the Customer and Third Party Insider or Project Insider, to provide information about Private Investments to Compliance. Financial amounts may be redacted at the discretion of the Insider.

Compliance will treat the information obtained confidentially and ensures that the personal data is processed in accordance with the requirements of the Data Privacy policy and accompanying guidelines. Information will be requested from the employee to the extent necessary to adequately monitor policy requirements.

6. CLUSTER MUNITIONS

FMO must take adequate measures to prevent:

- I. that it executes transactions with the intent to acquire or offer a Financial Instrument that is issued by a company that produces, sells or distributes cluster ammunition as referred to in Article 2 of the Dublin Treaty, or produces, sells or distributes crucial parts of cluster ammunition;
- II. to provide loans to such companies as mentioned under (a) above; and/or
- III. to acquire non-transferable shares in such company as mentioned under (a) above.

The aforementioned prescriptions also apply to the (delegated) execution of transactions, with the intent to acquire or offer a Financial Instrument issued by a company that owns more than 50% of the share capital of the company mentioned under (a) above and to loans to - or non-transferable participations in – such companies.

Notwithstanding the above, companies that own Financial Instruments, loans or non-transferable shares, have to sell or terminate these assets within a reasonable period.

FMO has no appetite for entering into transactions related to cluster munitions and has excluded these types of activities explicitly via the FMO exclusion list.

¹⁶ I.e. if the relevant Project includes Customer and Third Party Inside Information.

7. RELATED POLICIES

This Policy should be read and understood in conjunction with FMO's Code of Conduct, the Conflicts of Interest Policy and Data Privacy Policy.

8. ADVICE AND OBJECTION

If an Employee has any doubts about the interpretation or application of this Policy, they may request Compliance to give advice. The Employee may submit objections against the judgment of Compliance to the Director Compliance. The Director Compliance shall take decisions in these particular circumstances.

ANNEX I - ADDENDUM FMO IM PRIVATE INVESTMENTS

1. Scope and Application

In addition to the FMO Market Conduct Policy (the “Policy”), and in order to comply with the applicable MiFID II rules in respect of FMO IM, this addendum (the “FMO IM Addendum”) applies to FMO Investment Management B.V. (“FMO IM”) and its Relevant Persons (defined below).

Where the Policy conflicts with this FMO IM Addendum, Dutch rules (including the Market Abuse Regulation¹⁷), regulations and public policies applicable to FMO IM and/or FMO IM policies, the latter shall prevail over the Policy.

2. Legal Framework FMO IM

The specific rules regarding Private Investments (as defined in the Policy) / Personal Transactions (as defined below) applicable to FMO IM consist of:

- Article 16 (2) MiFID II¹⁸
- Article 28 and 29 MiFID II DR 2017/565¹⁹
- Article 5:68 DFSA
- Market Abuse Decree

3. Applicability of the Policy for FMO IM

For the purposes of this addendum:

a ‘**Relevant Person**’, means any of the following:

- (a) a director, partner or equivalent, manager or tied agent of the firm;
- (b) a director, partner or equivalent, or manager of any tied agent of the firm;
- (c) an employee of the firm or of a tied agent of the firm, as well as any other natural person whose services are placed at the disposal and under the control of the firm or a tied agent of the firm and who is involved in the provision by the firm of investment services and activities;
- (d) a natural person who is directly involved in the provision of services to the investment firm or to its tied agent under an outsourcing arrangement for the purpose of the provision by the firm of investment services and activities.

a ‘**Personal Transaction**’ shall be a trade in a financial instrument effected by or on behalf of a Relevant Person, where at least one of the following criteria are met:

- (a) the Relevant Person is acting outside the scope of the activities he carries out in his professional capacity;
- (b) the trade is carried out for the account of any of the following persons:
 - (i) the Relevant Person;
 - (ii) any Closely Associated Person (as defined in the Policy);
 - (iii) a person in respect of whom the Relevant Person has a direct or indirect material interest in the outcome of the trade, other than obtaining a fee or commission for the execution of the trade.

¹⁷ Regulation (EU) No 596/2014.

¹⁸ Directive 2014/65/EU.

¹⁹ Commission Delegated Regulation (EU) 2017/565.

In respect of FMO IM and its Relevant Persons, the following shall apply:

- (i) Relevant Persons shall qualify as Employee [and Insider] for purposes of the Policy.
- (ii) A Personal Transaction shall qualify as Private Investment for purposes of the Policy.
- (iii) The person appointed as compliance officer of FMO IM (the “FMO IM Compliance Officer”) shall, in respect of FMO IM and the Relevant Persons, have the powers, duties and responsibilities attributed to Compliance in the Policy.

4. Specific procedures for FMO IM

In addition to the powers, duties and responsibilities set out in the Policy:

- (i) the FMO IM Compliance Officer shall assess in respect of a proposed Personal Transaction pursuant to Section 5.3 (‘Pre-approval Private investments’) of the Policy whether the proposed Personal Transaction meets the additional requirements set out in this Addendum prior to giving its approval for such transaction.
- (ii) Notwithstanding any required prior approval of the FMO IM Compliance Officer as mentioned in Section 5.3 (‘Pre-approval Private investments’) of the Policy, all Personal Transactions, excluding the exceptions under 5.3.2 (‘Exemptions’), conducted by or on behalf of a Relevant Person must be notified by the Relevant Person to the FMO IM Compliance Officer within one business day upon having executed the transaction.

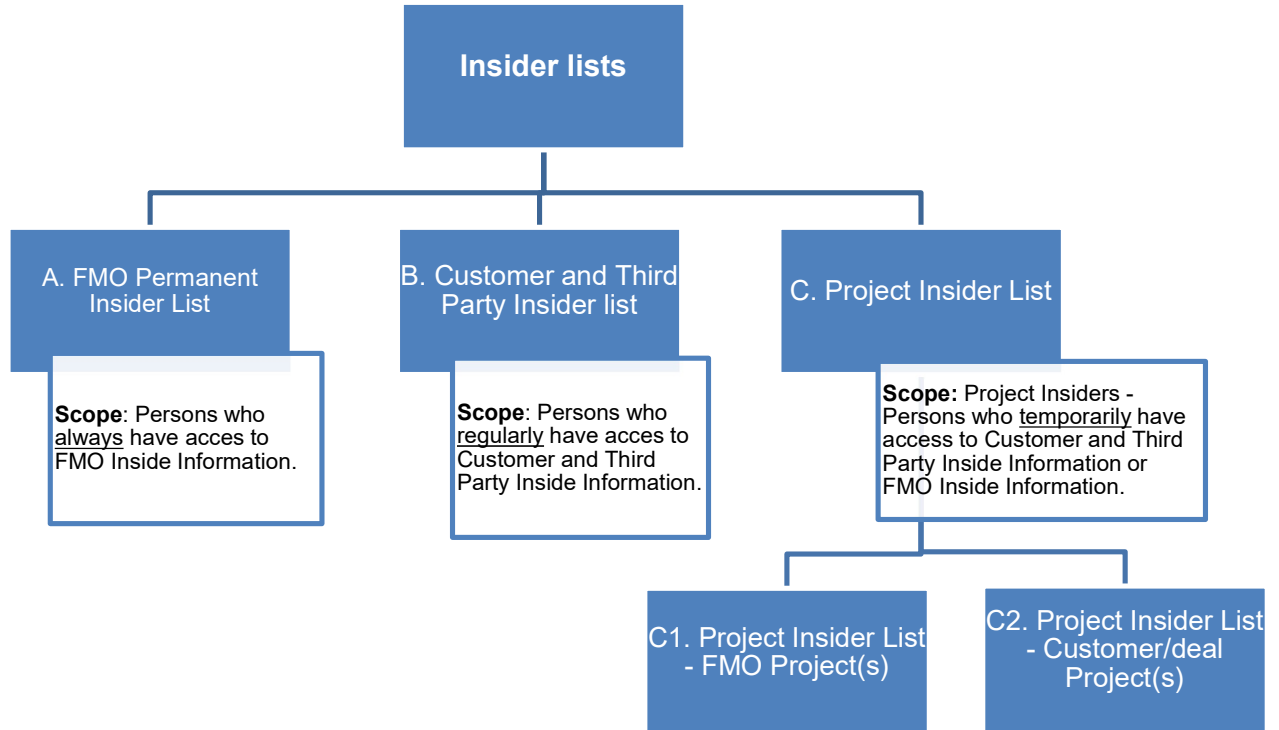
Exemption

The obligation to notify pursuant to clause 4(ii) does not apply to:

- a) successive Personal Transactions, with the exception of the first Personal Transactions, carried out on behalf of a Relevant Person in accordance with prior instructions given by the Relevant Person, when the instructions remain in force unchanged.
- b) the (delayed) effectuation (execution) of a *proposed* Personal Transaction²⁰, provided that the following cumulative conditions are met:
 - i. the *proposed* Personal Transaction complies with the requirements set out above under 4 (‘Specific procedures’), (i) and (ii); and,
 - ii. the proposed Personal Transaction has been executed in accordance with the (approved and notified) conditions and no influence can be, has to be nor has been exerted regarding the effectuation (or conditions) of the proposed Personal Transaction. This exemption does not apply to the execution of call or put options or similar derivatives.

²⁰ E.g. (delayed) execution of a limit order; a submitted instruction to execute a transaction after expiration of a certain period of time; the allocation of financial instruments further to a subscription to an offering.

ANNEX II – OVERVIEW OF INSIDER LISTS



Name	Scope	Responsible actors	Relevant paragraph policy
A. FMO Permanent Insider List	FMO Insiders - Persons who <u>always</u> have access to FMO Inside Information , if such information exists within FMO because of their function.	Compliance is responsible to set up, maintain and update the list.	4.1.2
B. Customer and Third Party Insider list	Customer and Third Party Insiders - Persons who <u>regularly</u> have access to Customer and Third Party Inside Information , if such information exists within FMO because of their function.	Compliance is responsible to set up and maintain the List. (Line) Management is responsible to provide Compliance with the relevant updates of the persons to be added on the list. HR is responsible to update the relevant persons of their inclusion on the list.	5.1

C.1. Project Insider List (FMO Projects)	Project Insiders - Persons who <u>temporarily</u> have access to FMO Inside Information , because of e.g. their contribution to a specific project / their function.	(Line) management is responsible to set up, maintain and update the list.	4.1.2
C.2. Project Insider List – (Customer/deal project(s))	Project Insiders - Persons who <u>temporarily</u> have access to Customer and Third Party Inside Information , because of e.g. their contribution to a specific project / their function.	(Line) management is responsible to set up, maintain and update the list.	5.1

ANNEX III – TEMPLATE PROJECT INSIDER LIST

Project Insider List for: <i>[project name]</i>								
Date of creation: <i>[date]</i>								
Owner of Project Insider List: <i>[name department]</i>								
First name	Surname	Organization and department	Company name and address	Function + reason for placing that person on the Project Insider List	Date of access to inside information	End date of access to inside information ²¹	Active insider ? (Y/N)	Comments

²¹ E.g. because the person is no longer part of the relevant Project. In any event, all persons cease to have access to inside information once the information has become public.