

**Qover**

# Conflict of Interest & Inducement Policy

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Policy owners: Compliance Officer, General Counsel

External: Information on Qover's policy on conflicts of interest and inducements



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# Conflicts of interest

## General Principles

For the conduct of its business, Qover has adopted the principle of managing in an honest, equitable and professional manner any conflicts of interest which may arise between Qover and its Clients, between Concerned Persons and a Client or Clients or among its Clients, Client(s) being current, potential and former.

For the purposes of this policy on conflicts of interests, the term *Concerned Person* refers to:

- an employee, manager, Board member of Qover or a representative appointed by Qover as well as any natural person whose services are made available to and are provided under the control of Qover and who is involved in Qover's regulated activities;
- an intermediary, partner or equivalent;
- a natural person involved in the provision of Qover services or his representative appointed under a sub-contract for the provision of insurance services and activities.

In accordance with the applicable law, Qover takes all necessary measures to identify and properly manage conflicts of interest which give rise to a significant risk of damage likely to harm the interests of its Clients. .

## Disclosure

As per applicable law, Qover discloses that Zurich Insurance Company Ltd has a direct shareholding greater than 10% of its share capital. Specific measures are put in place in order to address the potential conflict of interest that such shareholding could trigger.

## Internal measures for the identification and management of conflicts of interests

In order to identify conflicts of interest, Qover focuses on facts. Such conflict of interests can be identified , in particular, if a Concerned Person, or any other person:

- is likely to derive a financial gain or prevent a financial loss at the expense of the Client or of the Company;
- has an interest in the outcome of a service provided to a Client or of a transaction carried out on behalf of that Client, which is distinct from the Client's interest in that outcome;

- has a financial or other incentive to favour the interest of Qover, a shareholder, partner and/or a Client or group of Clients over the interests of Qover and/or another Client or an intermediary.
- receives or shall receive from a person other than the Client an inducement in relation to the service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

When a conflict of interest is identified, it must be managed rapidly, equitably and adequately.

Here are some examples of measures laid out in the rules adopted by Qover:

- effective procedures to control the flow of information in situations involving the risk of a conflict of interest likely to damage the interests of a Client;
- appropriate controls to identify and manage multiple directorships and Concerned Persons' interests outside the company;
- appropriate measures for the protection of information on Qover's services and activities when a conflict of interest is identified;
- where necessary, rules governing transactions by the personnel in their own name apply to the Concerned Persons;
- application of conflict of interest procedure as per Belgian corporate law to manage potential conflict at Board level;
- objective and independent mapping of the offering of the risk carriers to fairly select the best option for a transaction or a Client;
- a review of the adequacy of Qover's systems and controls is carried out on a regular basis.

In the course of the management of a conflict of interest, it may be appropriate to have recourse to additional measures when the basic measures are not sufficient to adequately manage the potential conflict. These measures may include in particular the setting up of "Chinese walls" on an ad hoc basis, specific to the transactions or other additional measures for the separation of information.

Qover employees must ensure that they adopt independent attitudes in their dealings with clients and insurance intermediaries. This is why measures aimed at preventing any influence and guaranteeing an independent attitude have been introduced: separation of departments, prevention of improper intervention in some activities or services, policy on gifts and invitations.

When it can reasonably be expected that any measures taken to manage a conflict of interest will not be sufficient to protect the clients' interests, the clients concerned shall be informed of the general nature and/or of the sources of the conflict of interest.

Information must be communicated prior to the provision of the product or to the implementation of the service with which the risk of conflict of interest is associated.

The procedure for notification of unmanageable conflicts of interest must remain the exception and is subject to approval by the Management of the Company and the Compliance Officer. The aforementioned step is not to substitute for the development of conflict of interest management measures as laid out and required above.

Training is provided to the Company's staff to help them identify and manage adequately any potential conflict of interest. Additional procedures and guidelines have been set up to determine the roles and responsibilities of the parties involved in connection with other specific obligations (e.g. Procedure for management of conflict of interest at Board level; Employee's Declaration of business interests; Gift registry).

## Inducements

### Scope

This policy applies to all employees, agents, and third-party representatives of Qover who may be involved in the offering or receiving of inducements.

### Definition

An inducement is a benefit offered to a firm, or any person acting on its behalf, with a view to that firm, or that person, adopting a particular course of action. This can include, but is not limited to, cash, cash equivalents, commission, goods, hospitality or training programmes.

### In general

Qover will always act loyally, fairly and professionally in the interests of its customers when engaging in insurance distribution. Qover shall not compensate or evaluate the performance of its employees in such a way that conflicts with its duty to act in the best interests of its customers. Qover shall evaluate its own compensation for the distribution of insurance products in light of these rules of conduct.

### In particular

In particular, Qover will not be compensated or will not compensate any distributor to sell a particular insurance product in such a way that either Qover or its distributors may

be induced to sell that product rather than the product that best meets the customer's wants and needs.

Qover will be compensated and compensate its distributors reasonably, considering the service that requires compensation.

## Insurance industry code of conduct on inducements

Qover will respect the Insurance industry Code of Conduct (Royal Decree of the 17th of June 2019, BS, 21st of June 2019) regarding non-monetary inducements (seminars, events and travels) and will make sure never to attend (as a distributor) and/or organise (for its distributors) any seminar, event or travel in violation of this Code of Conduct.

## Process

Qover employees and management are requested to actively perform the following exercise when offering inducements/ having it offered to them:

	Question	Answer	Consequence
1	Monetary Inducement or non-monetary inducement?	monetary	Go to question 2
	Monetary Inducement or non-monetary inducement?	non-monetary	Go to question 4
2	Does it induce to sell a particular product rather than another product that better meets the insured/beneficiaries needs and wants?	no	Go to question 3
	Does it induce to sell a particular product rather than another product that better meets the insured/beneficiaries needs and wants?	yes	Do not accept/offer the inducement and contact the Compliance officer
3	Is it reasonable, considering the service that requires compensation?	yes	accept/offer the inducement and register in the Gifts and Hospitality Register*
	Is it reasonable, considering the service that requires compensation?	no	Contact the Compliance Officer
4	Is it an inducement that violates the Insurance industry Code of Conduct (including Royal Decree of the 17th of June 2019, BS, 21st of June 2019)?	no	Go to question 2
	Is it an inducement that violates the Insurance industry Code of Conduct (including the Royal Decree of the 17th of June 2019, BS, 21st of June 2019)?	yes	Do not accept/organise/attend the

			inducement and contact the Compliance Officer
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\* commissions and other recurring remunerations do not need to be registered in this Register

## Transparency

### **About the remuneration of Qover:**

Qover is an untied insurance agent, with a broad network of reputable insurers on whose behalf insurance products are distributed.

For the distribution of the insurers insurance products, Qover receives typically a commission (included in the premium to be paid by the policyholder). Other means of remuneration are possible, including economic benefits of any kind offered or provided in connection with the insurance contract. It is also possible that Qover receives a remuneration that is a combination of a commission and the above mentioned other means of remuneration.

### **About the remuneration of the intermediaries that fall under the responsibility of Qover:**

Qover distributes insurance products via other insurance distributors (exempted and non-exempted ancillary insurance distributors, brokers) or uses the services of Business Introducers in order to distribute insurance products.

Qover remunerates these intermediaries typically via a commission (included in the premium to be paid by the policyholder). Other means of remuneration are possible, including economic benefits of any kind offered or provided in connection with the insurance contract. It is also possible that Qover remunerates via a combination of a commission and the above mentioned other means of remuneration.

Wherever required, Qover discloses the portion of the costs and fees included in the premium to be paid by the policyholder, as determined by law.

## Monitoring & Oversight

Qover monitors and reviews its compliance with this policy on an ongoing basis. This includes:

- Providing transparency about the portion and consistency of costs and fees in the premium, to the policyholder

- Regular training and communication with its employees and third-party representatives on the requirements of this policy.
- Regular reviews of its business relationships and practices to ensure compliance with regulatory requirements.
- Reporting any breaches of this policy to its compliance team for investigation and resolution.
- Creation and regular update of a Gifts and Hospitality Register: a list of gifts received and offered that could be considered inducements.
- Creation and regular review of an Anti-Bribery Policy
- Creation and regular review of a Conflict of Interest Policy

Should you wish to have more information on these policies, the Client can contact the Compliance Officer

- by e-mail on the following address: [compliance@qover.be](mailto:compliance@qover.be)
- or by mail if you live in the EEA : Qover - Compliance Department – Rue du Commerce 31 – 1000 Brussels – Belgium.
- By mail if you live in the UK: Qover – 8 Northumberland Avenue, WC2N 5BY, London

Version	Date	Description	Author	Approved by
1	22-06-2022	Conflict of Interest & Inducement Policy	Compliance Officer	General Counsel
2	01-03-2023	Conflict of Interest & Inducement Policy	Legal Counsel	General Counsel
3	05-09-2023	Conflict of Interest & Inducement Policy	Legal Counsel	General Counsel