

Wells Fargo Securities EMEA

Primary Debt Underwriting & Placing (“Allocations”)

Policy Summary for Issuer Clients

Published September 18, 2019

General Objective

Wells Fargo Securities is the trade name for capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Securities International Limited (“**WFSIL**”) authorised and regulated by the Financial Conduct Authority (“**FCA**”), and Wells Fargo Securities Europe (“**WFSE**”) authorised by the Autorité de contrôle prudentiel et de résolution (“**ACPR**”) and regulated by the Autorité des Marchés Financiers (“**AMF**”) (WFSIL and WFSE each being part of and known as “**WFS EMEA**”).

Pursuant to the Markets in Financial Instruments Directive I and II (“**MiFID**”), the MiFID EU regulations and the relevant rules provided for under the rules of the UK’s FCA (the “**UK Rules**”), and the French *Code monétaire et financier* and by the general regulation of the AMF (the “**French Rules**”) as amended or replaced from time to time; WFS EMEA has a regulatory obligation to conduct underwriting and placing activities with integrity and in accordance with the standards expected of market participants in the European Fixed Income, Commodity and Currency (“**FICC**”) Markets.

This Policy Summary sets out the framework by which WFS EMEA:

- identifies and manages conflicts of interest when carrying out underwriting and placing activities in relation to the primary offering of debt securities on behalf of an Issuer client, collectively defined as (“underwriting and placing activities”) which includes all non-convertible debt securities, including Eurobonds, but excludes primary auctions of Government / Sovereign treasuries or any other activities related to non-book-built primary offerings or private placements; and
- has been designed to assure Issuer clients that underwriting and placing activities conducted by WFS EMEA will adhere to the core principles contained herein, given the primary objective being to act in the best interests of the Issuer client at all times.

Core Principles

Whenever WFS EMEA Investment Banking and Capital Markets (“**IBCM**”) Origination Team Members and Syndicate (collectively referred to herein as “**Relevant Team Members**”) are mandated by an Issuer client to carry out underwriting and placing activities (in either a lead syndicate bank or junior syndicate bank role); it owes its primary duty to the Issuer client, and must act in their best interests at all times. Relevant Team Members do not owe a similar duty of care to investor clients.

Additionally, in accordance with policies and procedures designed to prevent Market Abuse; Relevant Team Members have been designated “Private Side” and must ensure that no confidential or material non-public information (“**MNPI**” or “**Inside Information**”) related to underwriting and placing activities passes from their side of the Information Barrier to Public Side Team Members (e.g. Sales, Trading, and Research etc.) or external parties, including Investors, prior to the official announcement of the offering, unless pre-approved by WFS EMEA Compliance.

WFS EMEA has a duty to keep confidential information safe and secure, and ensure that it is used only for the business purpose that it was provided and is only shared with relevant Team Members or external recipients, if there is a valid ‘need to know’ which is permissible under local law and regulation.

WFS EMEA will not make or accept any payment of fees, commissions or non-monetary benefits in relation to underwriting and placing activities (“**inducements**”), unless the payment is:

- designed to enhance the quality of the service to the Issuer client;
- does not impair compliance with WFS EMEA’s duty to act in the best interests of the Issuer client; and
- is disclosed to the Issuer client (in a comprehensive, accurate and understandable manner) before the underwriting and placing activities commence.

WFS EMEA shall not act in a way which gives rise to a conflict of interest when carrying out any duties related to underwriting and placing activities, and will ensure appropriate policies, procedures and controls are in place to identify and prevent or manage any conflicts of interest.

In the event that WFS EMEA cannot manage a conflict of interest appropriately, in compliance with WFS Compliance policies and procedures, WFS EMEA will not be able to engage in the underwriting and placing activities and shall decline the mandate from the Issuer client.

Pre-Mandate Stage

Prior to accepting a mandate on behalf of WFS EMEA; Origination Team Members will determine (with assistance from the Issuer client as needed), whether they will be required to provide (a) strategic corporate finance advice or (b) non-strategic corporate finance guidance to the Issuer Client.

In the event that the Issuer client has either requested to receive, or has received **strategic corporate finance advice** from WFS EMEA, on an unsolicited basis, the Origination Team Members will share the appropriate MiFID II pre-mandate disclosures, with the Issuer client in a durable medium (i.e. email or written document).

Mandate Stage

At the mandate stage, it is considered important for the Issuer client to express their objectives for the offering either directly to the Origination Team Members, or the 'lead' syndicate bank/s acting on the Issuer client's behalf (if that information had not been previously shared).

Where appropriate;

- WFS EMEA or the lead syndicate bank/s will document the Issuer client's objectives in a durable medium; examples include matters such as any target investors, pricing objectives, allocation preferences, and marketing strategies such as roadshows and market-soundings. In addition, any changes to the Issuer client's objectives agreed during the course of the transaction will be recorded in accordance with WFS EMEA internal policies and procedures.
- Issuer clients should inform Origination Team Members, if they intend to include a "Friends and Family" tranche in the offering at the earliest opportunity as additional due diligence and client on-boarding obligations may apply to the potential investing participants, and there may be the risk that WFS EMEA cannot facilitate such allocations.
- Origination Team Members will attempt to determine at the earliest opportunity, whether WFS EMEA would be willing to incur market risk by either (i) undertaking a 'hard' underwriting commitment (at or before launch of an offering), or (ii) by providing a 'backstop' related to the price or size of the offering at a later stage (i.e. during the book-building process), and also discuss the likelihood that Syndicate may need to engage in any hedging or price stabilisation strategies in connection with the offering.

Marketing Stage

Prior to the launch of an offering, Origination Team Members will work with Issuer clients to gauge investor appetite and determine an appropriate marketing strategy for each offering, taking into the objectives of the Issuer client and any legal, regulatory and jurisdictional considerations.

As appropriate, WFS EMEA or the lead syndicate bank/s will be expected to document the instructions received from an Issuer client in relation to the approved marketing strategy for the offering e.g. roadshows and market-soundings.

Relevant Team Members may consider investors to be eligible to participate in marketing strategies based on the following factors:

Permissible Investor Considerations*

- The behaviour of the investor's participation in similar processes;
- The investor's interest in past offerings of a similar nature;
- The level of engagement of the investor in the Issuer client's previous issues, or the Issuer's sector;
- Eligibility of the investor to participate based on selling restrictions or other legal or regulatory considerations;
- The views of the issuer.

** The weighting given to any of the above considerations will be at the Relevant Team Members' discretion and will vary according to the circumstances surrounding each offering, current market conditions, and the investor's consent to participate.*

Book-Building Process

As is customary in Fixed Income benchmark offerings, the price and allocations will be determined by the means of a book-building process. This process enables WFS EMEA, depending on the scope of WFS EMEA's role in the offering, to build up a picture of investor interest and demand for an offering, and also supports the formulation of pricing recommendations.

Syndicate will be primarily responsible for conducting book-building activities on behalf of WFS EMEA, and will ensure that the order book remains open for a reasonable period of time, unless specific instructions have been agreed with the Issuer client and appropriately disclosed to investors.

Depending on the scope of WFS EMEA's role in the offering, Syndicate will take all reasonable steps to keep the Issuer client informed of the perceived demand for the offering and any relevant investor feedback received during the book-building process.

Syndicate will provide Issuer clients with information in relation to how any recommendations related to the pricing of the offering and the timings involved is determined and take all reasonable steps to keep them informed about developments with respect to the pricing of the offering.

Sales and Trading / Research may provide feedback and initial recommendations related to investor demand during the book-building process, however, they cannot determine the final pricing and placing / allocation recommendations communicated on behalf of WFS EMEA.

M&A, Corporate Banking and Coverage Bankers (or any other team member or line of business that do not have a legitimate reason to be involved in underwriting and placing activities) will not be permitted to provide recommendations to Syndicate in relation to pricing and placing / allocation decisions.

Where appropriate;

- Depending on the scope of WFS EMEA's role in the offering, Syndicate will ensure that deal announcements and order-book disclosure updates conform to industry standards for similar offerings i.e. adhere to a standard form layout, include comprehensive key transaction terms, are distributed timely and non-selectively, and remain fair, clear and not misleading.
- Syndicate may need to communicate with individual investors during the book-building process; during such communications, Syndicate will ensure that all investors are treated fairly and will not disseminate information to individual investors which has not been made public and considered readily available to all investors.

Allocations Process

Syndicate will be responsible for determining their final placing / allocation recommendations communicated to the Issuer client on behalf of WFS EMEA. The primary objective will be to distribute the offering to investors at an optimal price, which is consistent with the Issuer client's pricing objectives and will result in an appropriate spread of investors.

Syndicate will take into consideration any legal, regulatory or any commercial obligations or restrictions related to the offering, including that which has been set out in the relevant offering memorandum, prior to making their final placing / allocation recommendations to the Issuer client and/or syndicate banks.

Syndicate is only permitted to place blocks of securities to investors whom WFS EMEA can on-board and classify as an institutional investor i.e. 'professional client' or 'eligible counterparty', pursuant to local client classification rules. Additionally, Syndicate is not permitted to have any involvement in determining the underlying distribution of securities to retail customers of asset management firms and /or private banks.

Syndicate may receive indications of interest ("IOIs") from WFS EMEA Trading desks and/or affiliates entities of WFS EMEA and such IOIs will not be given favourable treatment. Furthermore, final allocations to such accounts may be subject to restrictions and supplementary internal policy requirements including WFS EMEA Legal and WFS EMEA compliance pre-approval and bespoke legal and regulatory disclosures to the market, as deemed appropriate to comply with Market Abuse regulations.

Syndicate will determine their final placing / allocation recommendations based on multiple factors, which include the following considerations:

<p>Permissible Allocation Considerations*</p>	<ul style="list-style-type: none"> ▪ The absolute size of the investor's order; ▪ the Issuer's preference in relation to the type and geographical location of investors to be offered the securities; ▪ the eligibility of investors to participate in the offering (e.g. selling restrictions and deal documentation); ▪ the type of investor and the size of any order relative to their assets under management (including any minimum allocation constraints); ▪ any reverse enquiries or lead orders in connection with the offering which have been appropriately disclosed upon opening of the books; ▪ the level of engagement from the investor in the offering, for example roadshow attendance, and the timing of their expression of interest; ▪ the historic behaviour of the investor in relation to any previous offerings of a similar nature; and anticipated time horizon for investor holding the securities being offered. ▪ Any indication or reasonable belief that the investor may have inflated their order in the expectation of being scaled back. <p><i>*The weighting given to any of above considerations will be at Syndicate's discretion and will vary according to the structure of each offering and current market conditions.</i></p>
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Prohibited Allocation Considerations	<ul style="list-style-type: none"> expressed or complicit "quid pro quo" arrangements whereby the allocation of securities is made conditional on or linked with a compensating benefit to WFS EMEA; an allocation made as an inducement for the payment of excessive commissions on after-market dealings in the offered securities or disproportionately high fees for unrelated services ("laddering"); requiring investor clients to purchase additional securities in the after-market as a condition of being allocated securities in the offering, or any other past or future offerings ("tie-in" arrangements); an allocation made to senior executives of existing or potential Wells Fargo investment banking clients in consideration for future or past WFS EMEA investment banking business ("spinning") any other "spinning" arrangements under which WFS EMEA uses an allocation as an inducement to a recipient investor to award or procure an award, in consideration for future or past WFS EMEA business.
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Depending on the scope of WFS EMEA's role in the offering, Syndicate will ensure that the Issuer is invited to participate in the allocation process so that their interests can be taken into account effectively. Where an Issuer client instructs Syndicate on allocations, Syndicate will record such instructions in a durable medium, and subject to any legal and regulatory restrictions, will endeavour to execute the Issuer client's instructions.

In the event that the Issuer client does not wish to be actively involved in the book-building and allocation process; Syndicate will record their instructions in relation to the regularity or content of order book updates.

The Issuer client is the final arbiter for allocations, and has the right to reject any recommendations made by Syndicate, and irrespective of any prior instructions or involvement in the process; the Issuer client must confirm their approval of the final schedule of allocations (in a durable medium), before Syndicate can release the final allocations to investors.

Allocations must be final once Syndicate or the other underwriting banks / book-runners have announced the final offer price.

Pricing Stage

Syndicate pricing recommendations will be based on fair market value and an estimation of the true demand in the market for the offering. Syndicate is also prohibited from encouraging or influencing the over-pricing or under-pricing of offerings.

Post-Launch Stage

As is customary for Fixed Income benchmark offerings, aggregated and anonymised deal statistics and case-studies which provide an overview of the geographical make-up and types of investors that participated in the offering may be publicly disclosed on a non-selective basis, at the earliest opportunity post-pricing.

Depending on the scope of WFS EMEA's role in the offering, WFS EMEA may assume the responsibility to collate and disseminate the final deal statistics via external communication channels commonly used to distribute FICC market information. The final (non-redacted) schedule of allocations will be classified as confidential and access to these records will remain restricted to Syndicate and designated Team Members who have been pre-approved by WFS EMEA Compliance.

Record Retention

In compliance with local regulation and internal policies and procedures, records related to underwriting and placing activities will be maintained by WFS EMEA for a minimum period of five years (and where requested by the FCA or the AMF, for a period of up to seven years) and these records must be made available to competent authorities and/or Issuer clients (to the extent permissible by law or regulation) upon request.

WFS EMEA telephone lines are also recorded in compliance with applicable local taping rules.