Landsbankinn's Conflict of Interest Policy

APPROVED 17 SEPTEMBER 2026 | REVIEW SCHEDULED FOR 2027 | BOARD OF DIRECTORS

1. OBJECTIVE

The objective of the Policy is to ensure that Landsbankinn takes all appropriate steps to prevent conflicts of interest from adversely affecting customer interests. Landsbankinn offers universal financial service. This inevitably gives rise to conflicts of interest in the Bank's operations, which it is important to prevent or manage adequately.

This Policy sets out Landsbankinn's framework for managing conflict of interest.

2. SCOPE

This Policy applies to Landsbankinn.

3. POLICY PRIORITIES

3.1. Analysis of conflicts of interest

Landsbankinn takes all appropriate measures to identify and register circumstances in its operation that may give rise to a conflict of interest that could have an adverse impact on the interests of customers or their preferences as regards sustainability.

In identifying potential conflicts of interest, conflicts of interest are considered that may arise between:

- Landsbankinn and its customers;
- employees and the Bank's customers;
- various customers of the Bank; and
- the Bank and its employees.

The Bank updates its analysis of conflicts of interest both regularly and on an ad hoc basis, such as in connection with product development or organisational changes. The Bank also carries out ad hoc analysis for projects that may involve increased risk of conflict of interest.

The appendix to this Policy contains a summary of main circumstances in the Bank's operation that may give rise to conflicts of interest that could adversely impact customer interest in lieu of appropriate measures to prevent or control them.

3.2. Registration of conflicts of interest

Landsbankinn emphasises keeping a register of events that have given rise to conflicts of interest.

3.3. Measures to prevent conflicts of interest

Landsbankinn emphasises implementing appropriate measures where there is a risk of conflict of interest to prevent them from adversely impacting customers. The Bank's main measures include:

- Effective organisational and administrative arrangements that includes the segregation of responsibilities and duties in accordance with the three lines of defence model, and effective risk management, compliance and internal control.
- Internal rules, including conduct rules, rules on the handling of conflicts of interest, rules on personal interests, and rules on the execution of business orders, along with documented and appropriate processes.
- Information barriers that segregate business units where there is a risk of conflict of interest in terms of facilities, information systems, management and performance.
- Qualified employees who receive regular training.
- Secure processes whereby employees can notify of suspected misconduct.
- Considering potential conflicts of interest in determining remuneration and if the Bank offers or is offered incentive payments.
- Ensuring that the business transactions of the Bank's employees and managers, or closely related parties, and between connected parties adhere to the same rules as similar transactions with other customers.
- Other ad hoc measures where conventional measures provide insufficient assurance that customer interests are adequately safeguarded.

If no measures are sufficient to ensure, with reasonable confidence, that the risk of conflict of interest can be avoided, the Bank may as a last resort provide the customer in writing, before a service is provided, of the existence of the conflict of interest and the reasons why the Bank's measures to safeguard the customer's interests are insufficient, unless confidentiality obligations prevent such disclosure.

Landsbankinn does not undertake assignments where conflicts of interest that pose a material risk of harming the interests of one or more customers cannot be prevented.

4. IMPLEMENTATION, RESPONSIBILITY AND OVERSIGHT

The Bank's standing committees maintain the following rules in order to implement this Policy:

- Rules on the management of conflicts of interest
- Rules on personal interests
- Rules on order execution

Managers of business units where there is a risk of conflict of interest are responsible for complying with this Policy and related rules in their units. To this effect, a manager shall:

- Maintain a comprehensive overview of possible conflicts of interest in their business unit and ensure regular and ad hoc analysis of conflicts of interest.
- Ensure that the unit complies with appropriate rules and processes to reduce the risk of conflict of interest and notify of any conflict of interest that arises.
- Ensure that personnel receive regular information and training about conflicts of interest.

Each employee is responsible for informing their manager at their own initiative of personal interests that may be connected to their work. Each employee is further responsible for adhering to this Policy and the rules and processes that are based on it, and to notify Compliance of any suspicion of violation of this Policy.

Compliance handles second level control concerning the implementation of this Policy and related rules, and acts as advisor as needed. Compliance maintains registers of conflict of interest.

The Chief Compliance Officer reviews the implementation and efficacy of this Policy in their annual report to the Board of Directors.

Customers receive a description of the Bank's Policy and rules on conflict of interest, which may be in the form of a summary, as well as further information if they request it.

APPENDIX

The following is a summary of main circumstances in the Bank's operation that may give rise to conflict of interest that has the potential to negatively impact customers' interests in lieu of appropriate measures to prevent or manage them:

1. **The Bank, its subsidiaries or employees may enjoy financial gains (or avoid financial loss) at the expense of customers when:**
   - Providing advice or taking a decision on behalf of a customer;
   - taking a decision or providing advice on how to conduct business;
   - different products or services are sold simultaneously;
   - deciding or advising on prioritisation or allocation in business transactions;
   - evaluating or providing information about the value or sustainability of assets, or about the risk and return of transactions; or
   - in trading on own account.

2. **The Bank, its subsidiaries or employees may have interests that differ from that of customers concerning the outcome of a service provided to customers when:**
   - The results affect own business concerns or assets;
   - the results affect the business concerns of other customers; or
   - the results affect connected parties, other customers or competitors.

3. **The Bank, its subsidiaries or employees may have incentive to prioritise the interests of one customer or customer group over the interests of another customers when:**
   - There are social or financial ties to the customer in question or
   - the business relationships in question are considered more profitable.

4. **The Bank, its subsidiaries or employees may be engaged in similar business concerns as the customer when:**
   - The customer is a competitor.

5. **The Bank, its subsidiaries or employees may accept incentive payments from a third party in connection with service provision to a customer, such as:**
   - Incentive payments from market actors for transaction order transmitted to them;
   - incentive payments from issuers for the marketing and sale of their products; or
   - incentive payments from service providers in exchange for information, use or referrals.