

### Introduction

Conflict of interest situations are defined as those in which a client's or potential client's interest conflicts or may conflict with the interest of another client and/or the Company's interests and as a result, there is a material risk that the interests of one or more clients could be harmed. For the purposes of this policy, the Company's interests include the interests of the Company's managers, employees and tied agents or other people directly or indirectly linked to it by control.

The Company takes all reasonable steps to detect and avoid conflicts of interest situations that could arise when an investment or ancillary service is provided or which may be caused by the receipt of inducements or by the Company's own remuneration and other incentive structures, as is appropriate to the size and organisation of the Company and the nature, scale and complexity of its business.

The conflicts of interest policy of the Company is posted on its website and is also available through the clients' portal (CRM).

### Services or Activities Giving Rise to Detrimental Conflicts of Interest

For the purposes of identifying the types of conflicts of interest that could arise in the course of providing investment and ancillary services or a combination thereof and whose existence may damage the interests of a client, the Company takes into account, by way of minimum criteria, the question of whether the Company or a relevant person, or a person directly or indirectly linked by control to the Company, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:

- the Company or that person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;

- the Company or that person has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- the Company or that person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- the Company or that person carries on the same business as the client;
- an inducement from a client, given directly or indirectly, in the form of monies, goods or services, other than the standard commission or fee for that service. In this context, any employee or a Director of the Company who receives any gift or inducement the retail value of which is more than EUR50,00, must report it to the Compliance Officer of the Company.

For the purposes of this policy:

“relevant person” shall mean any of the below persons:

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

“inducement” shall mean any fee or commission paid to the Company or a relevant person or any non-monetary benefit given for the provision of an investment or ancillary service to the client, other than:

- a fee, commission or non-monetary benefit paid or provided to or by the client or another person on behalf of the client;
- a fee, commission or non-monetary benefit paid or provided to or by a third person or a person acting on behalf of a third party, where:
  - the existence, nature and amount of the fee, commission or benefit is clearly disclosed to the client in a comprehensive, accurate and understandable manner, prior to the provision of the relevant investment or ancillary service;
  - the payment of the fee or commission or the provision of the non-monetary benefit is designed to enhance the quality of service provided to the client and does not impair the Company's compliance with its duty to act in the best interests of the client.
- proper fees as is necessary to enable the provision of investment services by the Company, such as custody fees, settlement and exchange fees, regulatory levies or legal fees, which, by their nature cannot give rise to conflicts with the Company's duties to act honestly, fairly and professionally in accordance with the best interests of its clients.

It is the Company's strategy not to be heavily reliant on a single source of revenue which may impose a greater risk of conflicts of interest between its commercial imperative and the best interests of its clients. Regardless of the type of business model adopted, the Company, as part of its obligations to provide appropriate information to clients about the Company and its services, will always disclose to its clients that it is the client's counterparty, and, where applicable, conflicts of interest situations, before undertaking business on their behalf.

**Specific measures applied by the Company for the mitigation and/or prevention of conflicts of interest:**

- Any person in the Company that receives information that is known or reasonably believed to be material non-public information must communicate such information to the Compliance Officer of the Company without discussing the information with co-

workers. The recipient of the information must refrain from trading on the information and from discussing the information inside or outside the Company until the Compliance Officer decides that the information is either not material or has been made public. The same procedure is followed with regard to the safeguarding of information received in a special or confidential relationship.

- The departments of the Company are physically separated and so, information barriers are erected for the prevention of exchange or communication of confidential information and data between the different departments of the Company, minimizing or avoiding the possibility of a conflicts of interest situation been arisen. The Compliance Officer of the Company monitors and controls interdepartmental communications.
  - Limits are in place on the access of departments to IT systems that might contain information that could lead to conflicts of interest or lead to the alteration of information by unauthorized persons restricting in this way, the possibility of the improper use of privileged or confidential information concerning the Company's clients.
  - Employees are required to disclose any relationship with a client that could lead to preferential client treatment. Irrespective of any disclosures made by the Company's employees, the Compliance Officer will monitor on a quarterly basis or more frequently, when deemed necessary, through the call monitoring process, a sample of transactions in which either a price was provided over the phone or a client order was executed, to ensure that no preferential client treatment has taken place.
  - An employee's salary in one department is never set by a person from another department with which a conflict of interest exists or might arise. Remuneration criteria take into consideration objectivity and independence of departments. For this purpose, the Remuneration Committee of the Company decides on any revisions of the salaries and bonuses of the Company's employees.
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- None of the Company's employees are simultaneously involved in activities that pose a conflict of interest.
- The Compliance Officer of the Company supervises separately the relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to clients whose interests may conflict, or who otherwise represent different interests that may conflict with the interests of other clients or the interests of the Company.
- When the organizational or administrative steps taken to handle conflicts of interest are not considered sufficient to guarantee, with reasonable certainty, that the risks of harming the customer's interests are prevented, the Company clearly informs the customer, in a lasting format, of the general nature or source of the conflicts of interest before acting on the customer's behalf.
- The Compliance Officer of the Company ensures that the executive directors or other hierarchical officers of the Company do not exercise inappropriate influence over the way in which a relevant person provides investment or ancillary services.
- The Company takes into account any circumstances which may give rise to a conflict of interest arising as a result of the structure and business activities of other companies with which it has close links.
- The procedures for personal transactions applied by the Company as described below are strictly followed.

### **Forbidden Transaction Practices**

In order to prevent potential conflicts of interest between the Company, its members and the clients of the Company, certain transaction practices shall be forbidden. The following forbidden transaction practices are communicated to all the Company's employees, who are responsible to immediately inform the Compliance Officer in case that any of these arises:

- (a) the provision of investment and ancillary services to clients with the purpose of influencing the price of financial instruments for the benefit of the Company or any
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persons related to it, especially with respect to transactions that the Company or the related persons are about to effect before or after the provision of the said investment and ancillary services;

- (b) the use of Client transaction information by the Company for own benefit or the announcement to third persons of such information;
- (c) the preferential treatment of the Company's members or staff at the expense of its clients, during the provision of the investment and ancillary services to a client;
- (d) the effect of transactions by the Company's staff and/or directors for their own account, or for the account of persons related to them, on the basis of confidential information acquired during the course of their employment with the Company and/or as a result of the fact that they hold office as the Company's directors.

### **Identification and declaration of conflicts of interest**

The Compliance Officer must ensure that all the Company's employees have the ability and knowledge to identify cases of conflicts of interest situations. The Compliance Officer shall be immediately informed when a conflict of interest situation arises. The Compliance Officer will verify, at least once a year, that all employees (including newly hired staff) abide by the above. In this respect, all employees and Directors of the Company are required once a year to declare any outside interests that they may have, while in the event that after the submission of their annual declaration, a staff member or a Director of the Company becomes aware of a conflicts of interest situation not previously declared, shall immediately inform the Company's Compliance Officer.

### **Disclosure of conflicts of interest situations to clients**

Where the organisational or administrative arrangements established by the Company to prevent conflicts of interest from adversely affecting the interests of its clients, are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, the Company must disclose to the client the general nature and/or the sources of the conflicts of interest and the steps taken to mitigate those risks, before undertaking

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business on its behalf. The Compliance Officer of the Company will take into consideration the nature of the conflict of interest situation that has arisen in order to decide whether the client must be notified, or not to allow the transaction at all. The disclosure of specific conflicts of interest shall be a measure of last resort used only where the Company's organizational or administrative arrangements to prevent or manage conflicts of interest are proven insufficient to ensure, with reasonable confidence, that the risk of damage to the client's interests is prevented. The Compliance Officer is responsible for overseeing the disclosure of conflicts of interest situations to the Company's clients. Following such disclosure, the consent of the client shall be obtained and recorded before proceeding with the provision of the service.

Where the Compliance Officer decides that a conflict of interest situation must be notified to a client, the said disclosure shall include specific description of the conflicts of interest that has arisen in the provision of investment and/or ancillary services, taking into account the nature of the client to whom the disclosure is made. The description explains the general nature and sources of conflicts of interest, the risks to the client that arise as a result of the conflicts of interest and the steps undertaken to mitigate those risks, in sufficient detail, to enable the client to make an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest has arisen.

The Company may provide the aforesaid information in a durable medium other than on paper, only if the provision of the information in that medium is appropriate to the context in which the business between the Company and the client is, or is to be, carried on and the person to whom the information is to be provided, when offered the choice between information on paper or in that other durable medium, specifically chose the provision of the information in that other medium. The provision of information by means of electronic communications shall be treated as appropriate to the context in which the business between the Company and the client is, or is to be, carried on, if there is evidence that the client has

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regular access to the internet. The provision by the client of an e-mail address for the purposes of carrying on that business shall be treated as such evidence.

**Record of investment or ancillary services giving rise to detrimental conflicts of interest**

The Company must keep and regularly update a record of the kinds of investment or ancillary services or investment activities carried out by or on behalf of the Company in which a conflict of interest entailing a material risk of damage to the interests of one or more clients has arisen or, in the case of an ongoing service or activity, which may arise, which shall include any actions taken to monitor such a risk, as well as any consents provided by clients when a disclosure of a conflict of interest situation has been made. The aforesaid information, if any, will be communicated to the Senior Management and the Board of the Company on a frequent basis and at least annually as part of the Annual Compliance Report. The Internal Auditor of the Company bears the responsibility to monitor the Company's procedures and controls pertaining to the Company's conflicts of interest policy.

**Personal Transactions**

A personal transaction is 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/she carries out in his/her professional capacity;
- (b) the trade is carried out for the account of any of the following persons:
  - (i) the relevant person;
  - (ii) any person with whom the relevant person has a family relationship, or with whom he has close links;
  - (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.

The Company has established, implements and maintains adequate arrangements aimed at preventing certain activities by any relevant person who is involved in activities that may give rise to a conflict of interest, or who has access to inside information within the meaning of the Market Abuse Law 102(I)/16 as this may from time to time be amended, replaced or repealed (the “Law”), or to other confidential information relating to clients or transactions with or for clients, by virtue of an activity carried out by him on behalf of the Company. Hence and for the purposes of this policy, the following activities shall always be considered as creating a conflict of interest and therefore, are strictly prohibited:

- (a) entering into a personal transaction which meets at least one of the following criteria:
    - that person is prohibited from entering into it under the Law;
    - it involves the misuse or improper disclosure of that confidential information;
    - it conflicts or is likely to conflict with an obligation of the Company under the Law
  
  - (b) advising or procuring, other than in the proper course of his/her employment or contract for services, any other person to enter into a transaction in financial instruments which, if a personal transaction of the relevant person, would be covered by point (a) above or would constitute misuse of information relating to pending client orders;
  
  - (c) disclosing, other than in the normal course of his/her employment or contract for services, any information or opinion to any other person if the relevant person knows, or reasonably ought to know, that as a result of that disclosure that other person will or would be likely to:
    - enter into a transaction in financial instruments which, if a personal transaction of the relevant person, would be covered by point (a) above or would constitute misuse of information relating to pending client orders;
    - to advise or procure another person to enter into such a transaction.
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In particular, the Company's personnel and Directors:

- i. are prohibited from maintaining investment accounts with the Company;
- ii. must inform the Company of their investment accounts maintained with other investment firms;
- iii. are prohibited from maintaining accounts with other firms providing investment services or activities, without the Company's prior authorization and are prohibited from performing transactions for their own account without the prior permission of the Company;
- iv. in case they maintain such accounts with other investment firms, shall allow the Company to receive from those firms, updates concerning the transactions executed.

In this respect, it is the duty of the Compliance Officer of the Company to ensure that:

- each relevant person covered by points (a), (b) and (c) above is aware of the restrictions on personal transactions, of the measures established by the Company in connection with personal transactions and the disclosures that need to be made with regard such personal transactions;
- the Company is informed promptly of any personal transaction entered into by a relevant person;
- a record is kept of the personal transactions notified to the Company or identified by it, including any authorization or prohibition in connection with such transactions;
- in case of outsourcing arrangements, the firm to which the activity is outsourced maintains a record of personal transactions entered into by any relevant person and provides that information to the Company promptly on request.

The Compliance Officer will ensure by means of regular checks and inspections that the abovementioned procedures and controls are being followed. The Compliance Officer will periodically review the contents of this policy and whether it fulfils the regulatory

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requirements as well as the effectiveness of the steps taken within the framework of managing the conflicts of interest identified.

The Internal Auditor of the Company is responsible for monitoring and supervising all the procedures and controls regarding the Company's conflicts of interest policy, at least once a year.

All the employees of the Company shall comply with this policy and the Senior Management is responsible for ensuring that the systems and controls put in place meet the requirements imposed by the applicable regulations.

The Compliance Officer shall ensure that the Executive Directors or other hierarchical officers do not exercise inappropriate influence over the way in which a relevant person carries out investment and ancillary services. This shall be verified by frequent personal interviews with the Heads of all Departments.

### **Review and Revision:**

The Company constantly reviews its conflicts of interest policy in order to ensure that it remains effective. All practices constituting part of this policy, contribute to the required integrity, equality and transparency standards of the Company.

If the adoption or the practice of one or more of those measures and procedures does not ensure the requisite degree of independence, alternative or additional measures and procedures as necessary and appropriate, are adopted.

The conflicts of interest policy of the Company as revised from time to time is available through the Company's website and the clients' portal (CRM).