



Conflicts of Interest Policy

Scope

The purpose of the Conflict of Interest Policy (hereinafter the “Policy”) is to specify the procedures put in place by the Company for identifying, responsibly managing/mitigating and, where necessary, disclosing the conflicts of interests that may arise in relation to its business which may cause disadvantages to its clients.

This Policy aims to ensure the fair treatment of the Company’s clients and protect their best interests at all times.

The Company is required to identify circumstances which give rise to conflicts of interest, where the Company cannot ensure, with reasonable confidence, that risk of damage to client interests will be prevented.

Employees of the Company, upon commencement of their employment, shall read and fully understand the Policy. Further to this, all employees of the Company must acknowledge that they have read and understood the Policy, such acknowledgement will be recorded and maintained in the Company’s records. It is the responsibility of each employee to inform Senior Management of the Company if they believe a conflict exists.

The Policy identifies the possible types of conflict of interest that arise in the course of the Company providing investment and ancillary services (or a combination thereof) and whose existence may damage the interests of a client, as well as the procedure for such identification and the measures taken by the Company to prevent, manage and limit such conflicts. The requirement to identify and manage conflicts of interests applies equally to all types of Clients including entities which are classified as Eligible Counterparties.

If the Company is not involved during the business process in the provision of investment or ancillary services to a Client or the performance of an investment activity that may have an effect on the Client, then no obligation applies to the Company for the management of conflicts of interests.

The Policy is set out in writing and is appropriate to the size and organisation of the Company, and the nature, scale and complexity of its business. In addition, the Company considers the situations and Conflicts of Interest arising as a result of the structure and business activities of other members of the group and/or related parties.

Legal Framework

Pursuant to the provisions of section 17(3)(a) of Law 87(I)/2017, the Company is required to maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest as stated in section 24 of the same Law from adversely affecting the interests of the Clients.

Pursuant to the provisions of section 24 of Law 87(I)/2017, the Company must take all reasonable steps to identify and to prevent or manage conflicts of interest between itself, including its managers, employees and tied agents, or any person directly or indirectly linked to it by control, and its clients or between one client and another, that arise in the course of providing any investment and ancillary services, or combinations thereof, including those caused by the receipt of inducements from third parties or by the Company’s own remuneration and other incentive structures.

Pursuant to the provisions of Article 34(1) of Commission Delegated Regulation 2017/565, the Company is required to establish, implement and maintain an effective conflicts of interest policy set out in writing and appropriate to the size and organization of the CIF and the nature, scale and complexity of its business.



Section 3, Chapter II of Commission Delegated Regulation 2017/565, further regulates the identification, management, and disclosure of Conflicts of Interest for the purposes of sections 17(3) and 24 of Law 87(I)/2017.

Definition “Relevant Person”

- A person of the board of directors, partner or equivalent, manager or tied agent of the Company;
- A member of the board of directors, partner or equivalent, or manager of any tied agent of the Company;
- An employee of the Company, or of a tied agent of the Company, as well as 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 who is involved in the provision of investment services and/or performance of investment 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 provision, by the Company, of investment services and/or performance of investment activities.

Description of Conflicts of Interest

For the purposes of identifying the types of conflict of interest that arise in the course of providing investment services or a combination thereof and whose existence may damage the interests of a Client, the Company considers whether the Company or a Relevant Person, or a person directly or indirectly linked by control to the Company, has been involved in any of the following situations, as a result of providing investment or ancillary services or investment activities or otherwise:

The Company or that person connected with the Company:

1. is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
2. 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;
3. has a financial or other incentive to favor the interest of another Client or group of Clients over the interests of the Client;
4. carries on the same business as the Client;
5. receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

A conflict of interest may arise between the following parties:

- Between the client and the Company;
- Between two clients of the Company;
- Between the Company and its employees;
- Between a client of the Company and an employee/manager of the Company;
- Between the Company’s Departments.

The Policy identifies the procedures and measures taken by the Company which are designed to ensure that Relevant Persons engaged in different business activities involving a conflict of interest (as specified above) carry on those activities at a level of independence appropriate to the size and activities of the Company, and to the materiality of risk of damage to the interests of clients.



The Policy's procedures are aimed at:

- Preventing and controlling the exchange of information between relevant persons engaged in activities involving risk of conflict of interest where the exchange of that information may harm the interests of one or more clients;
- Separating the supervision of Relevant Persons whose principal functions involved carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company;
- Removing any direct link between remuneration of Relevant Persons principally engaged in one activity and the remuneration of, or revenues generated by, different Relevant Persons principally engaged in another activity, where conflict of interest may arise in relation to those activities;
- Taking measures to prevent or limit any person from exercising inappropriate influence over the way in which a Relevant Person carries out investment or ancillary services or activities;
- Taking measures to prevent or control the simultaneous or sequential involvement of a Relevant Person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

If the adoption or practice of any of the above measures/procedures does not ensure that requisite degree of independence, the Company adopts such alternative or additional measures/procedures as are necessary and appropriate for those purposes.

Responsibility for the Identification and Management of Conflicts of Interests

The Compliance Officer is responsible for ensuring that there exist adequate systems, and controls within the Company structure for the identification and management of any conflicts of interest that may arise, and to ensure, as practicable, that those arrangements operate effectively.

The Compliance Officer performs the following functions:

- Engages in conflict identification and management;
- Verifies any conflicts risk within the full range of the Company's business activities;
- Requests and receives information from the Heads of Departments on the extent of, and mitigation of, conflicts of interest regarding their Department's business function in order to assist them in controlling their provision of services according to the Company's Conflicts of Interest Policy.

In case identification of a possible conflict of interest, the Company's employees must refer initially to their immediate supervisor or Head of Department to assist in the assessment of a material risk of damage and send full details to allow it to be considered by the Compliance Officer.

Arrangements for the Control of Conflicts of Interest

The Company has implemented all the right arrangements in order to manage conflicts in the first instance. The Company confirms that where these arrangements are not sufficient to ensure with reasonable confidence that the risk of damage to its Clients' interests will be prevented, the Company shall disclose the conflict to the Client in written form before entering into a business relationship on its behalf. However, any such disclosure should be used as a measure of last resort and only where the organizational and administrative arrangements established by the Company to prevent or manage its conflicts of interest are not sufficient to ensure that the risks of damage to the interests of the client can be prevented.



The Company's current Conflicts of Interest Policy takes into account any circumstances, which may give rise to a conflict of interest from the business activities of related persons affiliated with the Company. Within the meaning of this paragraph, Related Persons shall mean legal and/or natural persons included in the Group structure, to which the Company belongs.

The Company is also required to keep a record of circumstances in which a conflict of interest may arise or has arisen as a result of the activities carried on by the firm, and to update it regularly.

Responsible function for keeping this record shall be the Company's Senior Management.

Managing Conflicts of Interest

This section of the Policy will outline the measures taken by the Company:

- (a) The Company has in place procedures for the employment of persons who are considered knowledgeable and competent, as well as training of said employees;
- (b) The Company has in place procedures for the due diligence of third persons/outsourced providers to ensure they are competent to perform services allocated to them. In addition, monitoring is made by the Compliance Function to ensure compliance with the Terms of the service agreement;
- (c) The Company has implemented procedures governing access to electronic data so that the persons engaged in each department do not have physical access to records and information concerning the subject matter of another department and which are not considered necessary for the execution of specific work;
- (d) The Company has effective procedures, establishing within Departments the necessary 'Chinese Walls,' in order to prevent and control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more Clients;
- (e) The Company has separate supervision of relevant persons/segregation of departments/functions, carrying out activities and any tasks they perform on behalf of, or providing services to, Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company;
- (f) The Company segregates all responsibilities which, if performed by the same employee, may give rise to a conflict;
- (g) The Company prohibits the following transactions practices:
 - 1. The provision to the Client of investment or ancillary services with the purpose of influencing the price of financial instruments for the benefit of the Company or related persons, particularly with respect to transactions that the Company or related persons are about to effect before or after the provision of the said investment or ancillary services.
 - 2. The use of Client transaction information by the Company for own benefit or the announcement to third persons of such information.
 - 3. The preferential treatment of Company members of staff, relevant persons and related persons, and other Clients at the expense of its Clients, during the provision of the investment or ancillary services to a Client.



4. The effect of transactions by members of the Company's staff and directors for their own account, or for the account of persons related to them, on the basis of confidential information which they acquire during course of their employment with the Company.
- (h) The Company has in place procedures and adheres to the general requirements for managing conflicts of interest with regard to the production and dissemination of investment research and marketing communication.
- (i) Information Barriers: The Company respects the confidentiality of information it receives from and about its Clients and operates a 'Need to Know' approach. Access to confidential information is restricted to those who have proper requirement for the information consistent with the interest of a Client of the Company;
- (j) The Company prevents and controls any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities;
- (k) The Company employs rules and has organizational arrangements in relation to pricing of offerings in relation to issuance of financial instruments.
- (l) The Company employs rules and has organizational arrangements in relation to placing of financial instruments.
- (m) The Company independently compensates relevant persons principally engaged in activities where a conflict of interest may arise and has in place an Inducements Policy;
- (n) Establishment of a Compliance Function whose responsibilities include monitoring and reporting of the company's procedures and policies, as well as the identification of potential conflicts of interest whilst making recommendations for their management/limitation. The Compliance Function is further responsible for the monitoring of the Company in relation to governing legislation, as well as preventing misuse of insider information and market manipulation;
- (o) The Company has appointed an Internal Auditor to ensure appropriate systems and controls are maintained and properly reported to the Company's Board of Directors;
- (p) The Company has established the "4 eyes" principle in supervising the Company's activities;
- (q) The Company has procedures related to personal account dealing applicable to relevant persons in relation to their own investments. Under the Company's rules, restrictions are placed on personal transactions, any accounts held by relevant persons/employees of the Company, must be identified immediately to the Company's Compliance Functions. Such transactions and accounts are then monitored in order to identify any potential breaches of the Company's rules in this area.

Personal Transactions

The Company restrict employees involved in activities that the Company is authorized to provide, from engaging in personal transactions. Such restrictions may also apply to persons employed by companies which perform outsourced activity to the Company.

Restrictions include the entering into personal transactions which:

- Are prohibited under section 9 of the Insider Dealing and Market Manipulation (Market Abuse) Law;
- Misuse of cause improper disclosure of confidential information;



- Are likely to conflict with any obligations of the Company, or the employee, that are stated under the law;
- Are entered into as a result of coming into contact with information which is not publicly available to clients or cannot be inferred from information that is so available.

Any employees who enter into the above prohibited transactions must immediately notify the Company's Senior Management or Compliance Function.

Management and Identification of Conflicts of Interest

To avoid Conflicts of Interest and manage them appropriately where they cannot be avoided, The Company has adopted the following arrangements to avoid Conflicts of Interest and manage them accordingly;

- Where necessary, staff may be asked to avoid working on a specific transaction or participating in the management of a perceived/potential conflicts of interest. In such an event, the potential or actual conflicts of interest is reported to the Compliance Officer.

The employee then steps back from any related decision making to ensure complete independence in a client's dealings with the Company are maintained for any conflicted employee;

- Implementation of "Chinese Walls" or other additional information segregation methods following consideration of all the facts available to relevant management;
 - Escalation to the Risk Management & Audit Committee;
 - If a conflict of interest cannot be appropriately mitigated, then the Company will ultimately decline to act for a client in that situation and will not provide any service or product offering.
 - IWG and related entities operate with appropriate independence from one another.
 - All employees and directors are subject to the Company's Personal Transactions Policy.
 - There are effective procedures in place to control the flow of information where, otherwise, the risk of a conflicts of interest may harm the interests of a client;
 - There are appropriate controls in place to identify and manage board memberships in related entities and external business interests;
 - Relevant information is recorded promptly on secure systems to enable identification and management of conflicts of interest;
 - Appropriate personalised disclosure may be made to a client in a clear, fair and not misleading manner in order to enable the client to make an informed decision as to whether to continue with the service or transaction;
 - Appropriate employee & compliance processes are in place and complied with where a conflict of interest has been identified;
 - Adequate records are maintained of the services and activities of the Company where a conflict of interest has been identified.
- Registers are maintained and regularly monitored to ensure incentives and other conflicts of interest do not manipulate procurement and decisions;

Chinese Walls

The Company shall at all times have the duty to examine whether the approved persons are aware of the detection and timely resolution of the causes that give rise to a conflict of interests between the Company, including persons associated with the Company, and its Clients or amongst its Clients inter se.

For this purpose, the Company has in place 'Chinese Walls' and procedures to ensure no communicating of information and data between the various business units of the Company in particular when the Company's employees have access to data in the possession of business units to which such access is not permitted.

'Chinese Walls' are erected between the Execution Department, the Dealing on Own Account Department, the Portfolio Management Department, the Investment Advice Department, the Investment Research Department, the Underwriting Department as well as with the rest of the Company's organizational units, so that to prevent the flow of confidential information in a way that will adversely affect the interest of the Clients.



Senior Management is responsible for maintaining such 'Chinese Walls', by means of regular verifications and with a support of the Company's Internal Auditor and Compliance Officer.

Inducements

The designation of Inducements under paragraph 13 of Directive DI87-01 covers fees, commissions or other non-monetary benefits paid or received by the Company in connection of providing an investment or ancillary service to a Client.

A payment that does not fall within the definition of an Inducement may still carry a risk of material damage to the interests of a Client and thus create a conflict of interests' situation that must be managed by the Company.

All fees, commissions or non-monetary benefits by the Company or any relevant person to a third party are prohibited unless all three of the following conditions can be met:

- a) the existence, nature and amount of the fee, commission or non-monetary benefit, or, where the amount cannot be ascertained, the method of calculating that amount, is clearly disclosed to the Client, in a manner that is comprehensive, accurate and understandable, prior to the provision of the service;
- b) the payment of the fee or commission, or the provision of the non-monetary benefit, is designed to enhance the quality of the service to the Client; and
- c) it does not impair the Company's duty to act in the Client's best interests.

This prohibition applies whether or not the third party is a member of the same group of Companies as in the case of the Company.

The Company may disclose the information relating to the fee, commission or non-monetary benefit in summary form to the Client, in which case it must also inform the Client that it will provide further detail upon request. Summary disclosure must provide adequate information to enable the Client to relate the disclosure to the particular investment and/or ancillary service being provided to him, or to the products to which the service relates, to make an informed decision whether to proceed with the service and whether to ask for fuller information on the fee, commission or non-monetary benefit.

Dissemination of Investment Research and Marketing Communication

Articles 36 and 37 of Commission Delegated Regulation 2017/565 indicate the general requirements for managing conflicts of interest with regard to the production and dissemination of investment research and marketing communication. The aforementioned sections apply to investment firms which produce or arrange for the production of investment research or marketing communication that is intended or likely to be subsequently disseminated to Clients or to the public under their own responsibility or that of group members.

In order to qualify as investment research, recommendations must be labeled or described as investment research, or otherwise presented as objective or independent, and must not constitute investment advice.

Recommendations that do not constitute investment research shall be treated as marketing communications. and will be clearly identifiable as such.

Production of Investment Research

Pursuant to the provisions of Article 37(1) of Commission Delegated Regulation 2017/565, the Company has implemented processes to ensure the sound implementation of all the measures in Article 34(3) in relation to financial analysts and other Relevant Persons whose responsibilities or business interests may conflict with the interests of recipients of the research.



The Company takes measures in order to ensure the objectivity of the investment research.

Specifically:

- The Company prevents dealing ahead of investment research under paragraph 37(2)(a), as well as personal transactions. The restriction on dealing ahead covers cases of the Company's principal dealing, as well as Client dealing and personal transactions except from particular circumstances when dealing as market makers acting in good faith and in the ordinary course of market making or in the execution of an unsolicited client order, on behalf of any other person.
- The Company, when disseminating research, which has been produced by a third party ensures that the person that produces the investment research is not a member of the Group to which the Company belongs, and the Company does not substantially alter the research. In addition, the Company does not present the Investment Research as having been produced by it and verifies that the producer of the research is subject to requirements.
- Senior Management ensures that proper 'Chinese Walls' are in place for the safeguarding of non-public information from unauthorized access which includes, but is not limited to, prohibiting unauthorized access to information/data, securing offices where non-disseminated research information is stored etc.
- The Company prohibits the acceptance of inducements by Financial Analysts and other relevant persons involved in the production of investment research from persons with material interest in the subject-matter of the investment research. Such persons are required to immediately disclose to the Company the acceptance of such or any inducements.
- The Company prohibits the promise of favorable research to issuers of financial or an offer for the provision of a specific rating or a specific price target, or intimidation for non-favorable research in return for the receipt of compensation, inducement, or business.

Requirements in relation to Pricing of Offerings

The Underwriting Department implements all the right controls in order to identify and prevent any conflicts of interest which may arise during the pricing process of a financial instrument. This takes into account any possible underpricing or over-pricing of an issue of financial instruments or involvement of relevant parties in the process. The Company avoids instances in securing a low purchase price for its investment clients or for its own proprietary trading desk.

The Underwriting Department shall implement the right controls in order to ensure that the pricing of the offer does not promote the interests of other clients or Company's own interests, in a way that may conflict with the issuer client's interests.

Article 39(2) of the Commission Delegated Regulation 2017/565 sets out additional requirements concerning the provision of information. In particular, the Company shall inform and engage with the issuer client about any hedging or stabilization strategies it intends to undertake with respect to the offering, including how these strategies may impact the issuer clients' interests. During the offering process, the Company shall keep the issuer client informed about developments with respect to the pricing of the issue.

Requirements in relation to Placing of financial instruments

The Company has established and maintains effective systems and controls in order to prevent recommendations on placing from being inappropriately influenced by any existing or future relationships. Moreover, it has implemented effective internal arrangements to prevent and manage conflicts of interests which may arise where persons responsible for providing services to the Company's investment clients are directly involved in decisions about recommendations to the issuer client on allocation. In particular, the Company does not accept any third-party payments that conflict with the inducements rules provided under section 24(1) of Law 87(I)/2017.



In respect to the aforementioned, the following practices are considered abusive:

- a) an allocation made to incentivize the payment of a large amount of fees for unrelated services provided by the Company ("laddering");
- (a) an allocation made to a client's company executive in return for corporate finance business awarded to the firm ("spinning"); and
- (b) an allocation that is conditional on future business.

The Company implements an allocation policy that sets out the process for developing allocation recommendations. The said policy is provided to the issuer before agreeing to undertake a placing.

Retail Advice, Distribution and Self-placement

Article 41 of Commission Delegated Regulation 2017/565 sets out additional requirements in relation to advice, distribution and self-placement.

A conflict of interest may arise in cases when the Company distributes financial instruments to investors and where it has also been involved in the underwriting and placing of those financial instruments. In order to manage any Conflicts of Interests the Company is required to identify, manage and disclose to investor client's instances where it has also received commissions or fees related to that issuance.

In cases where the Company is involved in the placement of financial instruments issued by itself or by Group entities, to its own clients, or investment funds managed by Group entities, it shall implement all the right procedures for the identification, prevention or management of the potential conflicts of interest that may arise in relation to such activity. Such arrangements shall include consideration of refraining from engaging in such activities, where conflicts of interest cannot be appropriately managed so as to prevent any adverse effects on clients.

Requirements on provision of credit in the context of underwriting or placement

Article 42 of Commission Delegated Regulation 2017/565 sets out additional requirements in relation to lending on provision of credit in the context of underwriting or placement. In this case, there are potential conflicts of interest where the Company has provided credit to an issuer client for which it is also providing underwriting and placing services. The Company should implement the right arrangements to identify and manage any conflicts where it has issued a loan to an issuer client that may be repaid with the proceeds of the issue. If the risk to the client's interest cannot be managed, then the conflict must be disclosed to the client.

Recordkeeping and Oversight (Client Instructions)

According to Article 43 of Commission Delegated Regulation 2017/565 the Company is required to keep records of client instructions. The Company is also required to keep records of all allocation decisions in order to provide a complete audit trail showing the correlation between client instructions and the allocations made to investors. The Company shall implement a centralised process to identify and record all underwriting and placing operations.

Disclosure and Client Acceptance

Before the Company provides any investment or ancillary services to an existing or prospective Client, the Company discloses to the Client or potential Client the general nature and/or the sources of any conflicts of interest potentially present.



When the measures taken by the Company to manage conflicts of interest are not sufficient to ensure with reasonable confidence that risks of damage to client's interest will be prevented, the Company proceeds with disclosure of the conflicts of interest.

This disclosure is made in sufficient time and is made in a durable medium and includes sufficient detail, taking into account the category of the Client, to enable the Client to take an informed decision with respect to the investment or ancillary service in the context of which the conflict of interest arises.

However, as mentioned above any such disclosure should be used as a measure of last resort and only where the organizational and administrative arrangements established by the Company to prevent or manage its conflicts of interest are not sufficient to ensure that the risks of damage to the interests of the client can be prevented.

The Company reserves the right to review this Policy whenever it deems appropriate.

By accepting the Company's Client Agreement, the Client accepts this Policy and the information contained within. The Client is given the opportunity to decide on whether or not to continue their relationship with the Company, without being unreasonably prohibited to do so.

General Record Keeping

The Company keeps and regularly updates a record of the kinds of investment service or activity carried out by 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, may arise. Records shall contain the following:

- The Conflict of Interest Policy
- The Conflict of Interest Register, including conflicts identified and the measure used to manage such conflicts
- All rules, procedures and processes relating to Conflict of Interest
- Any submissions made by employees relating to possible identification of conflicts and reviews carried out (including decisions made)
- All other documentation related to the management of conflicts of interest

A record of the Company's policy and any amendments to it, shall be kept by the firm for a minimum of five (5) years and, where requested by the CySEC, for a period of up to seven (7) years.

The Compliance Function will be responsible for the day to day management of this Policy and its implementation, which includes establishment of the Policy, providing training oversight, maintaining records in relation to conflicts and providing appropriate internal reporting to the Board of Directors.

Amendment & Review of Conflict of Interest Policy

The Company will review its Conflict of Interest Policy on an annual basis and at any other time this is deemed necessary, in compliance with the MiFID regulatory framework.

Any Amendments to the Policy must be communicated by Senior Management to the Board of Directors for final review and ratification.