

Spirit Capital Investments, SIA

CONFLICT OF INTEREST MANAGEMENT POLICY

Document approved:

At the Management Board meeting on 17 February 2025, Minutes No. 2-2025

1. Terms and abbreviations

Term	Definition
Employees	Employees of the Company employed under an employment contract, as well as outsourced service providers who perform functions defined in the organizational structure of the Company.
Department	The Legal and Compliance Supervision Department of the Company.
Financial Instrument or FI	A financial instrument within the meaning of Financial Instruments Market Law (FITL) offered by the Company to its Clients.
Investment Services	Investment advice and financial instruments placement services without a commitment to repurchase financial instruments, or other services for which the Company has received a license.
Conflict of Interest or CI	A situation in which the personal or financial interests of different parties' conflict with one another.
Client	Any natural or legal person, legal entity, or association of persons/entities that approaches the Company to receive Investment Services and to whom the Company provides such services.
Law or FITL	The Financial Instruments Market Law of the Republic of Latvia.
Inducement	A fee, commission, or other financial or non-financial benefit provided or received by the Company from a third party in connection with the provision of Investment Services to a Client.
Tied Agent	A tied agent of the Company within the meaning of the Law.
Personal transaction	A trading transaction with a Financial Instrument conducted by or on behalf of a Related Person, if at least one of the following criteria is met: <ul style="list-style-type: none"> 1) The Related Person acts outside the scope of their professional duties; 2) The transaction is conducted on behalf of one of the following persons: a) The Related Person; b) Any person with whom the Related Person has a familial relationship (spouse or partner equivalent to a spouse under national law, a dependent child or stepchild of the Related Person, or another relative who has lived in the same household as the Related Person for at least one year at the time of the individual transaction), or with whom the Related Person has close ties; c) A person whose connection to the Related Person results in a direct or indirect financial interest in the outcome of the transaction, other than a fee or commission for executing the transaction.
Policy	This Conflict of Interest Prevention Policy.
Company	SIA "Spirit Capital Investments", registration Nr. 40203160700

Term	Definition
Related person	In relation to the Company, any of the following persons: 1) A director, partner or equivalent, manager, or the Company's Tied Agent; 2) Any director, partner or equivalent, or manager of the Company's Tied Agent; 3) An Employee of the Company or its Tied Agent, as well as any other natural person who, under the supervision of the Company or its Tied Agent, provides services and is involved in the performance of the Company's Investment Services and activities; 4) A natural person who is directly involved in the provision of outsourced services to the Company or its Tied Agent for the purpose of performing the Company's Investment Services and activities.
Company website	The Company's website: https://www.spiritcapital.eu/
Management Board	The Company's Management Board and each individual member of the Management Board.

Terms not defined in this Policy shall be used in accordance with the Law, Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive, Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as well as the Financial and Capital Market Commission's Regulation No. 227 of 01.12.2020 "Regulations on the Establishment of the Internal Control System".

2. Purpose of the Document

- 2.1. The purpose of this Policy is to ensure the timely identification and management of actual or potential conflict of interest situations and to define the actions to be taken to prevent conflicts of interest, including:
 - 2.1.1. identifying circumstances related to the Investment Services provided by the Company that give rise or may give rise to a conflict affecting the interests of one or more Clients;
 - 2.1.2. establishing the Company's requirements, procedures, and measures for preventing conflicts of interest.

3. Identification of Conflicts of Interest

- 3.1. Conflicts of interest in the field of Investment Services may arise primarily between:
 - 3.1.1. the Company and the Client;
 - 3.1.2. an Employee and the Client;
 - 3.1.3. a Tied Agent and the Client;
 - 3.1.4. a Related Person and the Client;
 - 3.1.5. a person who directly or indirectly controls the Company and the Client;
 - 3.1.6. Clients themselves;
 - 3.1.7. a Related Person and the Company;
 - 3.1.8. a Tied Agent and the Company;
 - 3.1.9. different structural units of the Company.
- 3.2. The prevention and management of conflicts of interest shall be carried out in accordance with the following fundamental principles:
 - 3.2.1. identification, prevention, and monitoring of potential and actual conflicts of interest;
 - 3.2.2. assessment of the significance of potential harm to the Client's interests;
 - 3.2.3. establishment of restrictions on the execution of Personal Transactions;
 - 3.2.4. enhanced supervision of Related Persons whose primary responsibilities involve the provision of Investment Services;
 - 3.2.5. separation between the Company's structural units (functions) providing Investment Services, where conflicts of interest may arise.

- 3.3. To identify a conflict of interest, the Company shall consider at least the following indicators, which may suggest a conflict of interest when the Company, a Related Person, or a person who directly or indirectly controls the Company:
- 3.3.1. may make a financial gain (profit) or avoid a financial loss at the expense of the Client;
 - 3.3.2. has an interest in the outcome of a service provided to the Client or a transaction carried out on behalf of the Client that is different from the Client's interest in that outcome;
 - 3.3.3. is financially or otherwise incentivized to favor the interests of another Client or group of Clients over those of the relevant Client;
 - 3.3.4. carries out the same professional activity as the Client;
 - 3.3.5. receives or will receive from a person other than the Client an inducement or other benefit in the form of money, goods, or services in connection with services provided to Clients, which is not the standard fee for such services.
- 3.4. Depending on the specifics of the Investment Service, a Conflict of Interest may especially arise in the following situations:
- 3.4.1. When providing investment advice on investments in Financial Instruments (FIs):
 - 3.4.1.1. which is part of the Related Person's investment portfolio;
 - 3.4.1.2. which constitute a significant structural part of the Client's individual portfolio;
 - 3.4.1.3. where the Company (including an Employee or Related Person) provides investment advice on an FI while simultaneously concluding any type of agreement with the issuer of the FI that may limit the Company's ability to prepare an objective and otherwise appropriate investment recommendation;
 - 3.4.1.4. when the Company receives or provides an Inducement in connection with investment advice;
 - 3.4.1.5. relating to FIs whose issuer, developer, distributor, or manager is the Company;
 - 3.4.1.6. when the Company (including an Employee or Related Person) possesses inside information about the Client's financial situation or other inside information that may influence the price of the FI;
 - 3.4.1.7. when the Company (including an Employee or Related Person) has inside information that the FI does not match the Client's risk profile;
 - 3.4.1.8. when the Company (including an Employee or Related Person) has inside information about the Client's transactions or planned transactions with the FI.
 - 3.4.2. When providing placement services for FIs without assuming obligations to repurchase the FIs:
 - 3.4.2.1. if the issuer, developer, distributor, or manager of the FI is the Company;
 - 3.4.2.2. when the Company (including an Employee or Related Person) possesses inside information about the Client's financial situation or other inside information that may affect the FI price;
 - 3.4.2.3. when the Company (including an Employee or Related Person) has inside information that the FI does not match the Client's risk profile;
 - 3.4.2.4. when the Company (including an Employee or Related Person) has inside information about the Client's transactions or planned transactions with the FI;
 - 3.4.2.5. when the Company receives or provides an Inducement in relation to the placement of FIs.
 - 3.4.3. In other situations, involving the provision of Investment Services, including cases where:
 - 3.4.3.1. FIs are offered to Clients and/or a Related Person or are owned by the Client and/or a Related Person, and the issuer of such FIs is the Client;
 - 3.4.3.2. the Related Person gains personal benefit that the Company would otherwise gain from providing Investment Services;
 - 3.4.3.3. the Related Person has a significant interest in cooperation with one of the Company's competitors, service providers, or Clients;
 - 3.4.3.4. the Company or the Related Person receives an Inducement that affects their conduct in a way that results in one or more Clients being given preference over others.
- 3.5. A Conflict of Interest shall exist in any case where the Company provides Investment Services not solely based on objective considerations, but where the provision of services has been materially influenced (excluding minor non-monetary benefits) by the interests of the Company, an Employee,

a Related Person, any person directly or indirectly linked to the Company through control, the Company's counterparty, or another Client.

3.6. Considering the specifics of the Company's operations, the threshold amount for classifying a Conflict of Interest situation as significant is EUR 100.

3.7. A Conflict of Interest that creates a significant threat or harm to the interests of one or more Clients may arise during the provision of any Investment Service if the threshold specified in section 3.6 of the Policy is met.

3.8. Considering the types of Conflict of Interest situations, they are classified into the following categories:

3.8.1. Permanent types of Conflict of Interest situations that require ongoing management (hereinafter – Permanent Conflict of Interest types);

3.8.2. Conflict of Interest situations that are of a one-off nature and require one-time management measures (hereinafter – Occasional Conflict of Interest types).

Permanent types of conflict of interest situations	Occasional types of conflict of interest situations
<p>Examples:</p> <ol style="list-style-type: none"> 1) The Company (including Employees or Related Persons) possesses inside information about the Client's financial position or other inside information that may affect the price of a Financial Instrument (FI) owned by the respective Client; 2) The Company (including Employees or Related Persons) possesses inside information that a particular FI does not match the Client's risk profile; 3) The Company (including Employees or Related Persons) possesses inside information about the Client's transactions or planned transactions involving FIs; 4) The Company receives or provides Inducements; 5) The Company provides Investment Services related to an FI whose issuer, developer, distributor, or manager is the Company itself; 6) An FI is offered to the Client and/or Related Person or is already held by them, where the issuer of the FI is the Client; 7) Investment advice is provided regarding FIs that are part of the Related Person's investment portfolio; 8) Investment advice is provided regarding FIs that constitute a significant structural part of the Company Client's individual portfolio; 9) The Company (including Employees or Related Persons) provides investment advice to Clients about an FI while simultaneously entering into any kind of agreement with the FI issuer that may limit the Company's ability to prepare objective and otherwise appropriate investment advice. 	<p>Examples:</p> <ol style="list-style-type: none"> 1) A Related Person gains a personal benefit that would otherwise have been received by the Company from the provision of Investment Services; 2) A Related Person has a significant interest in cooperation with one of the Company's competitors, service providers, or Clients.

3.9. The Company continuously maintains and updates information and records regarding those Investment Services, as well as situations that have caused or may cause a Conflict of Interest that endangers the interests of one or more Clients, separately identifying Conflicts of Interest that significantly endanger the interests of one or more Clients.

4. Prevention and Management of Conflicts of Interest

4.1. General Management Requirements.

- 4.1.1. To ensure the protection of Client interests, the Company, in accordance with its size and professional activities (including the nature, volume, and complexity of transactions), takes all necessary reasonable measures to implement and supervise a governance within the Company that ensures effective and prudent management of Conflicts of Interest, including the identification, prevention, and appropriate management of such conflicts. When defining procedures and measures for the prevention of Conflicts of Interest, the Company ensures that they are proportionate to the materiality of the threat to the Client's interests.
- 4.1.2. Regarding the Company's remuneration system:
 - 4.1.2.1. The Company determines, approves, and supervises the remuneration policy for persons involved in the provision of services to Clients, aiming to promote responsible business practices and fair treatment of Clients, and to prevent Conflicts of Interest that may arise in transactions with Clients;
 - 4.1.2.2. The Company does not remunerate or assess the performance of Employees in a way that conflicts with its obligation to act in the best interests of Clients. The Company avoids systems related to remuneration, sales targets, or other aspects that may incentivize Employees to recommend a particular FI to the Client when the Company can offer an alternative FI better suited to the Client's interests;
 - 4.1.2.3. The Company ensures that any direct link is avoided between the remuneration of Related Persons primarily involved in one activity and the remuneration or income of other Related Persons primarily involved in another activity, where a Conflict of Interest may arise in connection with those activities (for example, the remuneration or income of Related Persons must not be linked to the performance of individual Client investment portfolios).
- 4.1.3. The Company approves the Employee Code of Ethics, establishing high standards of professional conduct and ethics, including in situations involving the risk of a Conflict of Interest.
- 4.1.4. The Company ensures the creation of an organizational structure that minimizes the likelihood of Conflicts of Interest. Units where a Conflict of Interest may arise are independent from one another (including the functional separation of investment service provision and the management, internal control, and audit of these functions).
- 4.1.5. Functions within the Company's organizational structure are separated to ensure independent supervision of Related Persons whose primary responsibilities involve acting on behalf of Clients or providing services to Clients, or who represent other interests, including the Company's, which may conflict with the Client's interests.
- 4.1.6. The Company implements measures to prevent or control the simultaneous or sequential involvement of a Related Person in different investment services or activities if such involvement could impair proper management of Conflicts of Interest.
- 4.1.7. Among other things, the following functions are structurally separated within the Company (the same Employee may only perform one of the following functions):
 - 4.1.7.1. Providing investment advice and placing FIs without committing to repurchasing them (including accepting, executing, or forwarding related orders);
 - 4.1.7.2. Managing FIs owned by the Company (including accepting, executing, or forwarding related orders).
- 4.1.8. The Company ensures the segregation of information processing and information flow so that the provision of individual services and their processing activities are separated, and physical and logical barriers are created to prevent the exchange of information that could cause Conflicts of Interest. The Company arranges Employee workstations to maintain information isolation and limit access to information prepared or processed by another Employee, where its use could cause a Conflict of Interest.
- 4.1.9. The Company ensures that an Employee or officer refrains from making decisions about the Company's transactions or other actions where they have or may have a Conflict of Interest.
- 4.1.10. If contradictions arise between the interests of the Company, an Employee, a Related Person, and a Client, priority is given to the lawful interests of the Client.
- 4.1.11. The control over measures and procedures implemented by the Company to prevent and manage Conflicts of Interest is performed by the Department, which:

- 4.1.11.1.Organizes and oversees the preparation, implementation, and adherence to relevant procedures and policies;
- 4.1.11.2.Organizes Employee training to ensure an adequate level of implementation of measures for preventing and managing Conflicts of Interest in the Company's daily operations;
- 4.1.11.3.Advises Employees on whether a specific situation constitutes a Conflict of Interest and how to prevent or manage it.
- 4.1.12.The Head Department promptly reports any existing or potential Conflict of Interest to the Management Board.
- 4.1.13.Once a year (or more frequently upon request from the Internal Auditor), the Department prepares, and the Head submits to the Company's Management Board (and to the Internal Auditor if requested) a report on the prevention and management of Conflicts of Interest.
- 4.1.14.Employees involved in the provision of Investment Services must immediately report any existing or potential Conflict of Interest to the Department.
- 4.1.15.Employees are given the opportunity to report to the Department, the Management Board, and/or the Internal Auditor on deficiencies in the effectiveness of the Company's measures for preventing and managing Conflicts of Interest.
- 4.1.16.The Management Board or, as applicable, the Internal Auditor assures that the Shareholders' Meeting receives the information specified in points 4.1.13 and 4.1.15 of this Policy.

4.2. Service Provision Requirements

- 4.2.1.Employees and Related Persons are prohibited from disclosing or exchanging information about Clients and the Investment Services provided or to be provided to them that is classified as confidential and/or may harm the interests of one or more Clients.
- 4.2.2.A Related Person is prohibited from providing recommendations regarding purchase and/or sale transactions involving FIs issued by the Company.
- 4.2.3.If it is intended that Client funds will be invested in FIs issued by the Company, the Company shall inform the Client accordingly and provide information on alternatives for including such FIs in the investment portfolio and the related risks.
- 4.2.4.When developing FIs, the Company ensures that the structure of the FIs, including their elements, does not adversely affect end Clients and does not create issues concerning market integrity.
- 4.2.5.Regarding transactions with FIs, the Company shall:
 - 4.2.5.1.If it develops FIs for sale to Clients, maintain, implement, and review each FI's approval and any material adaptation process prior to offering or distributing them to Clients;
 - 4.2.5.2.In the product approval process, define the specific target market of end Clients for each FI and ensure that all relevant risks in the target market are assessed and that the intended distribution strategy aligns with the identified target market;
 - 4.2.5.3.Regularly, and at least once a year, review its offered or sold FIs, considering all events that could significantly impact the risks of the relevant target market, to evaluate at minimum whether the FI still meets the needs of the identified target market and whether the intended distribution strategy remains appropriate;
 - 4.2.5.4.If it develops FIs, provide distributors with all relevant information about the respective FI and the product approval process, including the specific target market for the FI;
 - 4.2.5.5.If it offers or recommends FIs that it has not developed, take appropriate measures to obtain the information specified in point 4.2.5.4 and gain an understanding of each FI's characteristics and identified target market.
- 4.2.6.If the Company is involved in the placement of its own FIs to its Clients and the Conflicts of Interest arising from such activities cannot be appropriately managed to avoid adverse effects on Clients, the Company assesses whether to refrain from engaging in such activities or to delegate the placement of FIs to a cooperating partner.
- 4.2.7.In addition, regarding FI placement services, the Company shall:
 - 4.2.7.1.Implement, carry out, and ensure effective measures to:
 - a. Prevent the undue influence of existing or future relationships on placement recommendations;

- b. Prevent and manage Conflicts of Interest arising when persons responsible for providing services to Clients are directly involved in making placement recommendations for an issuing Client;
- 4.2.7.2. Develop a centralized procedure for identifying and recording all FI placement operations conducted by the Company. The Company identifies all possible Conflicts of Interest arising from other activities of the Company or its group and implements appropriate management procedures. If the Company cannot manage a Conflict of Interest by applying adequate procedures, the Company shall refrain from carrying out the FI placement operation.
- 4.2.8. The Company monitors compliance of Related Persons with restrictions on Personal Transactions.
- 4.2.9. The Company observes the restrictions on Inducements as specified in this Policy.
- 4.2.10. Depending on whether a Conflict of Interest situation is material or immaterial:
 - 4.2.10.1. In the case of material Conflicts of Interest, the Company documents the existing or potential Conflict of Interest in accordance with section 3.9 of the Policy, and the Management Board makes a decision on the course of action regarding the specific Conflict of Interest;
 - 4.2.10.2. In the case of immaterial Conflicts of Interest, the Company documents the existing or potential Conflict of Interest in accordance with section 3.9 of the Policy, and the decision on the course of action is made by the Management Board member responsible for overseeing the Department.
- 4.2.11. The Company documents every identified Conflict of Interest situation, and the management measures intended for addressing or mitigating that situation, taking into account the materiality of the identified Conflict of Interest.

4.3. Restrictions on Inducements

- 4.3.1. Offering or receiving inducements may create a Conflict of Interest.
- 4.3.2. In relation to the provision of Investment Services, the Company is not entitled to receive or provide inducements, except in cases provided for in this Policy, other internal regulations of the Company, and applicable external legal acts.
- 4.3.3. Payments or benefits that are necessary for the provision of the relevant Investment Services and which by their nature cannot conflict with the Company's obligation to act honestly, fairly, and professionally in accordance with the interests of Clients shall not be considered inducements, such as:
 - 4.3.3.1. FI custody costs;
 - 4.3.3.2. transaction settlement and currency conversion fees;
 - 4.3.3.3. fees prescribed by regulatory acts;
 - 4.3.3.4. fees for legal services.
- 4.3.4. The Company may receive or provide small or insignificant non-financial benefits that can improve the quality of services provided to the Client, are reasonable and proportionate, and which, considering their scope and nature, do not negatively affect the Company's obligation to act in the Client's interest or act in a way that could harm the Client's interests:
 - 4.3.4.1. information or documentation regarding FI or investment services, which is general in nature or tailored to reflect the circumstances of an individual client;
 - 4.3.4.2. written materials from third parties commissioned and paid for by an issuer or potential issuer to promote a new issue, or where the third party has contractual obligations with the issuer and is paid by the issuer to regularly produce such materials, provided the relationship is clearly disclosed in the materials and such materials are simultaneously made available to all investment firms or credit institutions wishing to receive them or to the general public;
 - 4.3.4.3. participation in conferences, seminars, and other training events about the benefits and features of a specific FI or investment service;
 - 4.3.4.4. hospitality of reasonable minimum (de minimis) value, such as food and beverages or other hospitality during the above training event;

- 4.3.4.5.flowers, souvenirs, books, or corporate gifts, provided that the total value of non-financial benefits received from one person during the year does not exceed one minimum monthly salary;
- 4.3.4.6.services and various types of discounts offered by merchants and publicly available.
- 4.3.5.The Company is entitled to provide or receive inducements to or from third parties if they intend to improve the quality of the relevant service provided to the Client and the following conditions are met:
 - 4.3.5.1.it is justified by the provision of additional or higher-level services to the relevant Client, proportionate to the level of inducements received;
 - 4.3.5.2.it does not bring direct benefit to the Company, its shareholders, or Employees without a tangible benefit to the relevant Client;
 - 4.3.5.3.it is justified by the provision of continuous benefits to the Client in connection with an ongoing inducement;
 - 4.3.5.4.it does not negatively impact the Company's obligation to act honestly, fairly, and professionally in the Client's interests.
- 4.3.6.All fees, commissions, or financial benefits received from third parties in connection with the provision of independent investment advice are fully transferred to the relevant Client. The Company informs Clients about the fees, commissions, or any financial benefits transferred to them.
- 4.3.7.In connection with inducements given or received by the Company from third parties, the Company discloses the following information to the Client:
 - 4.3.7.1.before the provision of the relevant Investment Service, the Company provides the Client with comprehensive, accurate, and understandable information about the inducement in accordance with Section 128(12.1) of the Law. Insignificant non-financial benefits may be described in general terms. For other non-financial benefits provided or received in connection with Investment Services to the Client, the price is determined, and information is disclosed separately;
 - 4.3.7.2.if the Company could not assess the amount of any fee or benefit to be received or given in advance (ex-ante) and instead disclosed the method of calculating such an amount to the Client, the Company shall also provide the Client with information about the actual amount received or given (ex-post);
 - 4.3.7.3.at least once a year, if the Company provides or receives ongoing inducements related to Investment Services provided to the relevant Clients, the Company shall individually inform its Clients about the actual amount of payment or benefit received or given. Insignificant non-financial benefits may be described in general terms.
- 4.3.8.When implementing the requirements specified in point 4.3.7 of the Policy, the Company considers the rules on costs and charges established in Section 128(6)(3) of the Law and Article 50 of the Commission Delegated Regulation (EU) 2017/565.
- 4.3.9.fee, commission, or other financial or non-financial benefit shall not be considered acceptable if it results in the provision of services to the Client that is biased or distorted.
- 4.3.10.In relation to FI placement, inducements from third parties are particularly considered inappropriate and unacceptable in the following cases:
 - 4.3.10.1.an allocation made to stimulate the charging of unjustifiably high fees for unrelated services provided by the Company (laddering), e.g., excessive fees or commissions paid by the Client or a disproportionately high volume of business provided by the Client at a normal commission rate as compensation for receiving an allocation;
 - 4.3.10.2.an allocation to an existing or potential senior employee or officer of the Client in exchange for arranging future or past corporate finance transactions (spinning);
 - 4.3.10.3.an allocation that is directly or indirectly dependent on whether the Client or any other company whose officer is an investor will place an order or purchase another service from the Company in the future.
- 4.3.11.The Company keeps evidence that the fees, commissions, or other financial or non-financial benefits it has given or received are intended to improve the quality of the service provided to the Client:

- 4.3.11.1.by maintaining an internal list of all fees, commissions, and other financial and non-financial benefits the Company has provided or received from third parties in connection with the provision of Investment Services; and
- 4.3.11.2.by documenting how the fees, commissions, and other financial or non-financial benefits the Company has provided, received, or plans to use improve the quality of the services provided to the relevant Clients, and what measures have been taken to ensure that the Company's obligation to act honestly, fairly, and professionally in the Client's interest is not adversely affected.
- 4.3.12.The Company continuously complies with the requirements set out in this chapter of the Policy if it continues to provide or receive inducements.

4.4. Restrictions on Personal Transactions

- 4.4.1.Personal transactions must be conducted in accordance with principles of professional conduct and ethics.
- 4.4.2.Associated persons are obliged to take all necessary measures to protect Client interests and prevent any harm to them.
- 4.4.3.The Company is entitled to restrict the execution of personal transactions or permit only specific types of personal transactions if such restrictions or conditions are necessary for the protection of Client interests when providing Investment Services.
- 4.4.4.The Company prohibits an Associated Person from executing personal transactions if it considers that such transactions may jeopardize Client interests.
- 4.4.5.Associated Persons are prohibited from:
 - 4.4.5.1.executing personal transactions based on the Company's inside information available to them while performing their work duties;
 - 4.4.5.2.executing personal transactions using or improperly disclosing confidential information about the transaction;
 - 4.4.5.3.executing personal transactions that contradict the Company's internal and applicable external legal acts;
 - 4.4.5.4.recommending a third party to carry out a transaction with a FI that would qualify as a personal transaction for the recommended person and would be subject to any of the following restrictions (except where the recommendation is made while performing work or professional duties):
 - a. the transaction is carried out based on the Company's inside information available to the person through their duties or by using or improperly disclosing confidential information;
 - b. the transaction contradicts the Company's internal or applicable external legal acts;
 - c. the person maliciously uses information about Client transactions available to them;
 - 4.4.5.5.disclosing information or expressing opinions to a third party if the person disclosing the information knows or should know that such disclosure may result in the third party executing or recommending a transaction with a FI that would be considered a personal transaction subject to the restrictions set out in sub-point 4.4.5.4 of this Policy, unless the disclosure is made in the course of performing work or professional duties.
- 4.4.6.The restrictions in section 4.4.5 do not apply if:
 - 4.4.6.1.The personal transaction was executed under a discretionary (independently managed) portfolio management service, and there was no prior communication between the portfolio manager and the Associated Person or other person on whose behalf the transaction was executed;
 - 4.4.6.2.The personal transaction was executed with a UCITS (Undertaking for Collective Investment in Transferable Securities) or an alternative investment fund (AIF) that is supervised under the legal acts of an EU member state requiring adequate risk diversification, and neither the Associated Person nor the person on whose behalf the transaction was executed is involved in managing the relevant entity/fund.
- 4.4.7.The Company may require prior approval for certain personal transactions. If the Company establishes such a requirement, it shall maintain records of the approvals granted or denied.

- 4.4.8. Associated Persons must immediately notify the Department of each personal transaction. The Head of the Department shall immediately forward the information to the Management Board.
- 4.4.9. Associated Persons must immediately notify the Department of any actual or potential Conflict of Interest related to their personal transaction. The Head of the Department shall immediately report this information to the Company's Management Board and the Shareholders' Meeting if the Associated Person is a member of the Management Board.
- 4.4.10. Employees must, within 10 working days from the establishment of employment relations (and in case of changes – within 3 working days of the change), notify the Department about their personal financial instrument accounts, account positions, relatives, relatives' financial instrument accounts and positions, and controlled legal entities and their financial instrument accounts.
- 4.4.11. The Company identifies Associated Persons and monitors compliance with applicable requirements. The Company establishes and maintains a register of personal transactions.

4.5. Additional Requirements for Officials

- 4.5.1. Regarding officials, the Company evaluates the following aspects:
 - 4.5.1.1. Economic interests (for example, loans exceeding the risk exposure limits stipulated in the Credit Institutions Law);
 - 4.5.1.2. Personal, professional, and economic relationships with other Employees or officials, persons with significant financial participation in the Company, and other external stakeholders, as well as with employees of companies within the prudential consolidation group to which the Company belongs;
 - 4.5.1.3. Employment relationships during the past 5 years;
 - 4.5.1.4. Participation in the capital of other commercial companies, if such participation affects or may affect the interests of the relevant person.
- 4.5.2. The Company obtains information from officials to evaluate and prevent adverse effects of their external activities on the Company and its interests, including information that characterizes the person's political influence and political relationships.
- 4.5.3. The Company ensures that the terms of transactions between the Company and its shareholders with significant holdings, officials, and other Employees authorized to plan, manage, and control the Company's operations, as well as their spouses, parents, and children, are no more favorable than those of similar transactions with unrelated parties and are not contrary to the interests of the Company's Clients.
- 4.5.4. The Company identifies actual or potential conflicts of interest also in relation to the spouses, parents, and children of the Company's shareholders (as mentioned in clause 4.5.3), officials, and Employees, and reviews these identified actual or potential conflicts of interest at least once per year.
- 4.5.5. The Company may determine that certain transactions by persons mentioned in clause 4.5.3 require the Company's approval (including stipulating in the Company's Articles of Association that such transactions must be approved by the Shareholders' Meeting), while also ensuring transaction volume limits and the prevention of conflicts of interest during the approval process. If such approval is required, the Company maintains records of granted or denied approvals.
- 4.5.6. Members of the Management Board and shareholders are prohibited from holding positions in companies competing with the Company, except for those companies that are part of the same prudential consolidation group as the Company.
- 4.5.7. The Company documents separately each identified conflict of interest situation involving members of the Management Board and shareholders—both individually and collectively—as well as the management measures taken to handle or prevent such situations, including where the conflict has been identified as non-material in accordance with the materiality threshold defined in clause 3.6 of this Policy.
- 4.5.8. The Company ensures that the management of conflicts of interest involving members of the Management Board and shareholders is organized in a manner that allows those officials to make decisions independently (independence of mind) and solely in the Company's interests, considering the requirements for preventing and managing conflicts of interest, including the materiality threshold that classifies a situation as a material conflict of interest.

- 4.5.9.A Company official must prevent the emergence of conflicts of interest during the performance of their duties and must refrain from making decisions regarding Company transactions in which the official has or may have a conflict of interest.
- 4.5.10.A member of the Management Board or a shareholder must report to the Shareholders' Meeting, and a person performing essential functions must report to the Management Board or the Shareholders' Meeting, regarding transactions which the official has, may have, or already has had a conflict of interest. The Company documents its decisions and actions taken to manage conflicts of interest reported in accordance with this procedure.

4.6. Notifications to Clients Regarding Conflicts of Interest

- 4.6.1.If the organizational or administrative measures implemented by the Company to prevent and manage conflicts of interest are not sufficient to ensure with reasonable confidence that the risk of harm to the Client's interests will be prevented, the Company shall clearly disclose to the Client, before the provision of the relevant service begins:
- 4.6.1.1.that the organizational and administrative arrangements established by the Company to prevent or manage the specific Conflict of Interest are insufficient to reliably ensure that the risk of harming the Client's interests will be prevented;
- 4.6.1.2.a description of the Conflict of Interest that arises while providing the Investment Service, taking into account the Client to whom the information is disclosed;
- 4.6.1.3.the nature and causes of the Conflict of Interest, as well as the risks posed to the Client because of the Conflict of Interest, and the measures taken to mitigate those risks.
- 4.6.2.The information specified in clause 4.6.1 of this Policy shall be disclosed to the Client in writing on a durable medium. The information must contain sufficiently detailed data to enable the Client to make an informed decision regarding the Investment Service in connection with which the Conflict of Interest arises.
- 4.6.3.Disclosure of the information mentioned in clauses 4.6.1 and 4.6.2 to the Client is a measure of last resort and shall be used only when all other measures taken have proved insufficient to reliably ensure that the risk of harming the Client's interests will be prevented.
- 4.6.4.The respective Investment Service may be provided to the Client only if the Client has explicitly agreed in writing to receive the relevant Investment Service despite the disclosed Conflict of Interest.

5. Final Provisions

- 5.1. The Company publishes the Policy on its website.
- 5.2. The Company evaluates and reviews the Policy and related organizational and regulatory documents once a year or more frequently, if circumstances arise that may affect the Company's ability to provide Investment Services without conflicts of interest.