

CONFLICTS OF INTEREST MANAGEMENT POLICY

1. General provisions

- 1.1. This Conflicts of Interest Management Policy (hereinafter, the **Policy**) defines the main principles of identification of conflicts of interest that may arise in the course of provision of investment and/or ancillary services, or a combination thereof, by FMI Myriad Capital, UAB (hereinafter, the **Company**), as well as the main measures for avoiding and managing them in order to avoid adversely affecting the interests of Clients.
- 1.2. The Policy has been prepared in accordance with (i) the Law on Markets in Financial Instruments of the Republic of Lithuania (hereinafter, the **Law**), (ii) Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 (hereinafter, the **Delegated Regulation**), (iii) Rules for the Organisation of Activities of Financial Brokerage Firms and Provision of Investment Services approved by Resolution No. 03-111 of 20 June 2018 of the Board of the Bank of Lithuania (hereinafter, the **Rules**), and other applicable legal acts of the Republic of Lithuania and the European Union regulating the Company's activities, as well as the guidelines and positions of supervisory authorities. In the event of any inconsistency between this Policy and mandatory provisions of law, the provisions of the relevant legislation shall apply.

2. Terms and definitions

- 2.1. Unless the context of the Policy expressly dictates otherwise, the following capitalised terms used in this Policy shall have the following meaning:

- 2.1.1. **Persons** any tied agent of the Company (if appointed by the Company), an employee of the tied agent, as well as the chief executive officer, members of the management board and members of the supervisory board (if appointed), any other natural person whose services are used and controlled by the Company or its tied agent and who participates in the provision of investment services by the Company, a natural person who directly participates in the provision of services to the Company or its tied agent under an arrangement to enable the Company to provide investment services.
- 2.1.2. **Employee** any employee of the Company, as well as the Company's Director and members of the Board.
- 2.1.3. **Financial instrument** any of the financial instruments referred to in Article 3(15) of the Law.
- 2.1.4. **Client** a natural person or legal entity or organisation to which the Company provides or intends to provide investment services and/or ancillary services or a combination thereof, as well as legal entities whose outsourced operational functions are carried out by the Company (e.g. when undertakings managing collective investment undertakings outsource part of their functions to the Company).
- 2.1.5. **Control relationship** a relationship between a parent and a subsidiary that arises by virtue of control, as well as other similar relationships between a natural person or legal entity and undertakings, given that a subsidiary of an undertaking's subsidiary is also treated as a subsidiary of the former.
- 2.1.6. **Relevant person** any of the following persons:
- a) a director, partner or equivalent, manager or tied agent of the Company;
 - b) a director, partner or equivalent, or manager of any tied agent of the Company;
 - c) 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 and who is involved in the provision by the Company of investment services and activities;

- d) 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.

2.2. Other terms used in the Policy shall be understood as they are defined in this Policy and in the legislation referred to in paragraph 1.2 above.

3. Situations that may give rise to a conflict of interest

3.1. A conflict of interest is considered to arise when the interests of different parties conflict with each other (hereinafter, **Conflict of Interest**). Such Conflicts of Interest may arise when:

- 3.1.1. the interests of Employees or Relevant Persons conflict with the interests of the Company;
- 3.1.2. the interests of the Company, Employees, Relevant Person(s) or any person directly or indirectly linked to the Company by a Control Relationship conflict with the interests of the Client;
- 3.1.3. the interests of one Client conflict with the interests of another Client.

3.2. To identify Conflicts of Interest that may damage the interests of Clients, the Company monitors and assesses situations and takes into account whether the Company, a Relevant Person or a person directly or indirectly linked to the Company by a Control Relationship, has been, or is likely to be, involved in one of the following situations arising from the provision of investment or ancillary services or a combination thereof:

- 3.2.1. the Company itself or any of the persons referred to above is likely to make a financial gain, or avoid a financial loss, at the expense of the Client. For the sake of clarity, it should be noted that the Company's financial gain within the meaning of this paragraph does not include any remuneration received by the Company for services rendered to Clients (e.g. remuneration paid to the Company by the transacting Client for receiving and transmitting an order and/or executing an order for the account of the Client);
- 3.2.2. the Company or any of the persons referred to above 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;
- 3.2.3. the Company or any of the persons referred to above has a financial or other incentive (other than commissions or other payments for services normally payable in such cases) to favour the interest of another Client or group of Clients over the interests of the Client;
- 3.2.4. the Company or any of the persons referred to above carries on the same business as the Client, where carrying on the same business could potentially give rise to a Conflict of Interest as far as the investment or ancillary services of the Company are concerned;
- 3.2.5. the Company or any of the persons referred to above receives or shall receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monetary or non-monetary benefits or services (other than commissions or other payments for services normally payable in such cases).

3.3. Taking into account the investment services provided by the Company, the Financial Instruments available at the Company, as well as the organisational structure of the Company, the following is an illustrative and non-exhaustive list of situations in which a Conflict of Interest may arise, which may pose a risk of damage to the interests of one or more Clients, and to which the Company or any other person referred to in paragraph 3.2 of the Policy shall pay special attention and shall carefully assess in accordance with the provisions of the Policy:

- 3.3.1. the execution of Client orders and transactions for the benefit of Clients may give rise to a Conflict of Interest in connection with:
 - 3.3.1.1. Employees' own account transactions when a Client order for the same Financial Instrument is received or executed;

- 3.3.1.2. the fact that the Company may itself be a distributor of the Financial Instruments in respect of which the Client order is placed or the transaction is concluded for the benefit of the Client, and may have an interest in the offering of the relevant Financial Instruments to the Client;
 - 3.3.1.3. the fact that, in executing Client orders, the Company may receive commissions from third parties, which may depend, *inter alia*, on the volume and size of Client orders (sub-paragraph 3.2.5 of the Policy);
 - 3.3.1.4. where a Client's Financial Instruments and funds are held in an omnibus account and the Clients whose Financial Instruments and funds are held in the omnibus account have given their consent, the Company may use Financial Instruments and funds belonging to some and/or all of the Clients for the benefit of other Clients of the Company. Accordingly, any ownership rights in such Financial Instruments and/or cash held by the Clients whose Financial Instruments and/or cash have been used shall be replaced by an unsecured contractual obligation on the part of the Company to return to the Client the relevant Financial Instruments and/or cash;
 - 3.3.1.5. improper timing or allocation decisions, as the manner in which Client orders are executed or allocated may favour certain Clients or Relevant Persons at the expense of others (e.g. an order is executed out of order, which may result in certain Clients or Related Persons being able to purchase Financial Instruments at a better price, etc., at the expense of other Clients whose orders should have been executed earlier).
- 3.3.2. Portfolio management – the objective of portfolio management is to achieve the Client's objectives as set out in the portfolio investment strategy. The decisions taken by the portfolio manager must be different from those that could theoretically be adversely affected by:
- 3.3.2.1. the interests of the Company as a distributor of Financial Instruments;
 - 3.3.2.2. the fact that the portfolio manager, knowing what the portfolio is to be invested in, can execute transactions on its own account.
- 3.3.3. Investment recommendations – the purpose of investment recommendations is to provide appropriate advice tailored to each Client's needs. In theory, the structure of the remuneration policy for Employees (e.g. linking the variable remuneration of Employees to the performance of certain other departments/functions (the variable remuneration of Employees providing investment recommendations to Clients is directly linked to the performance of Employees providing financial instrument distribution services)) may have an inappropriate influence on the provision of investment recommendations.
- 3.3.4. Employees' own account transactions – Employees may engage in self-dealing and their interests may, in certain cases (e.g. an Employee seeks to transact at the same time in relation to the same FIs), give rise to a Conflict of Interest in relation to the Company or the Client.
- 3.3.5. Corporate advisory services – in the course of such activities, the Company becomes aware of information of the issuer Client that could theoretically be misused and give rise to a Conflict of Interest in relation to the Company's interests, where the Company provides corporate advisory services to companies whose Financial Instruments have been or are intended to be acquired by the Company, where such intended acquisition of Financial Instruments could adversely affect the Company's recommendation to the issuer Client on the pricing of the Financial Instruments (where such recommendation is made).
- 3.3.6. Distributing Financial Instruments without a commitment to place them may give rise to a Conflict of Interest in that:
- 3.3.6.1. different Employees of the Company may simultaneously provide distribution services for Financial Instruments to several issuer Clients which are in competition (in terms of their activities, the Financial Instruments they distribute, etc.);
 - 3.3.6.2. the distribution of Financial Instruments is biased in favour of certain Clients or Relevant Persons at the expense of others in relation to the Financial Instruments that are to be distributed, which is not based on objective reasons.

4. General provisions on avoiding Conflicts of Interest

- 4.1. In situations referred to in paragraph 3.2 of the Policy, the Employees providing investment and ancillary services or a combination thereof, as well as other Relevant Persons and persons directly or indirectly linked to the Company by a Control Relationship are required to ascertain whether there is a Conflict of Interest, and in the event of a particular Conflict of Interest, to take measures to manage the Conflict of Interest, and to act in the best interests of Clients.
- 4.2. The Company, Employees and Relevant Persons (where relevant) shall ensure that:
 - 4.2.1. he/she or a person under his/her authority does not take decisions and/or influence decisions on behalf of the Company where such person may have interests contrary to the interests of the Company and/or the Clients;
 - 4.2.2. he/she or a person under his/her authority participates in the conduct of business operations only with the authority and consent required on a case-by-case basis in accordance with the Company's internal procedures;
 - 4.2.3. he/she or a person under his/her authority, who wishes to take up a position in another organisation in addition to his/her direct responsibilities within the Company, discloses this fact and obtains the approval of the Director of the Company for such a position;
 - 4.2.4. persons providing services to Clients whose interests may conflict with those of the Company are subject to additional controls;
 - 4.2.5. an Employee of one business unit of the Company cannot adversely affect the work of Employees of another business unit of the Company;
 - 4.2.6. persons are prevented from simultaneously participating in or controlling the provision of separate investment or ancillary services or activities where such participation may impair the management of Conflicts of Interest;
 - 4.2.7. other possible and necessary measures are taken to avoid Conflicts of Interest.
- 4.3. In the event of a potential Conflict of Interest, Employees must consult the person responsible for ensuring that the Company's activities comply with the requirements of law. Any Employee must immediately notify the Director of the Company if he/she becomes aware of circumstances which he/she believes may give rise to a Conflict of Interest, or if a Client or Employee seeks to enter into a transaction in respect of a financial instrument included on the list of financial instruments that may give rise to a Conflict of Interest in the context of the provision of investment services or the execution of transactions.
- 4.4. In cases where it is not possible to avoid a Conflict of Interest, the Company, Relevant Persons, and other persons referred to in this Policy shall take steps to manage the Conflict of Interest and to ensure that there is no damage to the Client's interests.
- 4.5. In cases where it is not possible to avoid situations where a Conflict of Interest arises, the Company, Relevant Persons and other persons referred to in this Policy must act in the best interests of Clients in order to avoid a situation where the Client suffers a loss as a result of the Conflict of Interest.
- 4.6. In cases where there is a Conflict of Interest between two or more Clients of the Company, the Company shall act in such a way as to ensure that none of the Clients obtains a gain or avoids losses at the expense of the other Client (e.g. in the case of the placement of an issuer Client's Financial Instruments, only recommend such Financial Instruments to the other Client if such Financial Instruments are suitable for the Client), and to minimise the losses suffered by the Clients.
- 4.7. In the event of a Conflict of Interest between the Company and the Clients, the interests of the Clients shall prevail. In the event of a Conflict of Interest between the Clients, neither Client shall be given preference.
- 4.8. The requirements set out in this section of the Policy shall not affect the obligations set out in paragraphs 6.1–6.3 of the Policy.

5. Measures and procedures for managing Conflicts of Interest

- 5.1. Employees are prohibited from exchanging information about Clients and the investment services provided or to be provided to Clients if such exchange of information is not necessary for the provision of services to the Client and/or may be detrimental to the interests of the Client or the Company. Where the exchange of information is

necessary for the provision of services to the Client, Employees must consult with the Company's compliance function to assess the risk of material damage to the Client's interests.

- 5.2. The Company's remuneration policy shall be designed and the practice of its application within the Company shall be such as not to create a Conflict of Interest or incentive that may lead Employees to favour their own interests or those of the Company to the (potential) detriment of the interests of the Client. The Company's remuneration and incentive policies and practices shall apply to Employees and other Relevant Persons with an impact, directly or indirectly, on investment and ancillary services provided by the Company or on its corporate behaviour, to the extent that the remuneration of such Relevant Persons and similar incentives may create a Conflict of Interest that encourages them to act against the interests of any of the Company's Clients.
- 5.3. The Relevant Persons referred to in paragraph 3.2 shall not:
 - 5.3.1. enter into or recommend entering into transactions for the purchase or sale of Financial Instruments for the sole purpose of obtaining a financial or non-financial benefit, without regard to the interests of the Client. For the sake of clarity, it should be noted that if the relevant Financial Instrument is acceptable to or suitable for the Client, such transactions may be entered into or recommended, provided that the other conditions set out in this Policy are met.
 - 5.3.2. be entitled to conclude a transaction in their own name and for their own account, where a Client order has been received in respect of the same Financial Instrument, until the Client order has been executed, unless the Client's transaction would not otherwise have been executed and/or would have been executed on worse terms for the Client (e.g. combining the orders of the Relevant Persons referred to in paragraph 3.2 and the Client produces a better result). Orders from different Clients shall be executed in the order in which they are received, with orders received earlier being executed first, unless a particular situation requires otherwise and there is no Conflict of Interest.
- 5.4. Where payments are made to or received from a third party, the Company's Incentive Pay Policy must also be followed.
- 5.5. The Director of the Company shall ensure that the internal rules and procedures governing the Company's activities provide for procedures to avoid Conflicts of Interest and/or to ensure that Conflicts of Interest are properly managed. Where such procedures are found to be inadequate, the Company's Director shall make proposals (including drafts of the Company's internal documents) to the Board of the Company.
- 5.6. The Company's separate internal procedures also provide for measures to prevent insider dealing and rules relating to Employees' own account transactions (e.g. the Personal Transactions Policy). The Board of the Company, by adopting a procedure for the control of personal transactions, shall impose restrictions on Employees with respect to their dealings in certain Financial Instruments which may give rise to a Conflict of Interest. Compliance with such restrictions shall be monitored by the person responsible for ensuring that the Company's activities comply with legal requirements.
- 5.7. To avoid potential Conflicts of Interest, the person responsible for the compliance of the Company's activities with legal requirements shall:
 - 5.7.1. monitor situations which may give rise to Conflicts of Interest, and in the event of any irregularities, shall immediately inform in writing the Company's Director;
 - 5.7.2. monitor the Company's activities, and in the event of any irregularities, shall immediately inform in writing the Company's Director;
 - 5.7.3. monitor the effectiveness of the measures applied in the implementation of this Policy;
 - 5.7.4. submit proposals for the improvement of this Policy and other procedures of the Company implementing this Policy (if any).
- 5.8. In addition to the other measures set out in this Policy, the Company shall implement the following measures and procedures to identify and manage Conflicts of Interest:
 - 5.8.1. when employment contracts are concluded with the Company's Employees, the Employees undertake to comply with confidentiality obligations and the Company's policies and procedures (including this Policy);
 - 5.8.2. the Employees are required to declare potential Conflicts of Interest to the Company and keep this information up to date.

- 5.9. The person responsible for the compliance of the Company's activities with legal requirements shall supervise the implementation of the Company's measures and procedures to avoid Conflicts of Interest. In performing this function, he/she shall:
- 5.9.1. monitor the compliance by Employees and other persons referred to in this Policy with the established procedures for avoiding Conflicts of Interest;
 - 5.9.2. advise Employees and other persons referred to in this Policy as to whether there is a Conflict of Interest in a particular situation that may adversely affect the Client's interests, and how to avoid or manage such Conflict of Interest.

Additional requirements relating to advice on corporate finance strategy, distribution of Financial Instruments

- 5.10. In addition to the other measures set out in this Policy, the following requirements must be complied with when providing advice on corporate finance strategy, or underwriting services, in order to avoid Conflicts of Interest and, in the event that a Conflict of Interest arises, to manage it properly:
- 5.10.1. prior to entering into a contract for the placement of Financial Instruments and the provision of advice on corporate finance strategy, and taking into account the services to be provided under the contract, the Company shall inform the issuer Client of:
 - 5.10.1.1. the various financing alternatives and an indication of the amount of transaction fees associated with each alternative;
 - 5.10.1.2. the timing and the process with regard to the corporate finance advice on pricing of the offer;
 - 5.10.1.3. the timing and the process with regard to the corporate finance advice on placing of the offering;
 - 5.10.1.4. details of the targeted investors, to whom the Company intends to offer the Financial Instruments;
 - 5.10.1.5. the job titles and departments of the Employees involved in the provision of corporate finance advice on the price and allotment of financial instruments; and
 - 5.10.1.6. the Company's arrangements to prevent or manage Conflicts of Interest that may arise where the Company places the relevant Financial Instruments with its investment clients.
 - 5.10.2. The Company collects, stores and analyses data on all actual and potential Conflicts of Interest related to the placing of Financial Instruments. Where new Conflicts of Interest are identified, the Company shall put in place additional measures to manage such Conflicts of Interest and to prevent such Conflicts of Interest from arising in the future.
 - 5.10.3. The Company shall ensure that persons responsible for providing services to the Company's investor Clients do not participate directly in the decision-making process regarding recommendations to the issuer Client on allocation (where the Company makes recommendations to the issuer Client regarding the allocation of Financial Instruments), to the extent that such participation relates to the Financial Instruments of a particular issuer Client. To this end, the functions of Employees providing services to investors and Employees providing services to issuers in relation to the same Financial Instruments shall be separated and shall not overlap;
 - 5.10.4. The Company shall pay particular attention to situations where a Conflict of Interest may arise due to under- or over-pricing of Financial Instruments or the involvement of interested parties in the process. To mitigate this risk, the Company must ensure that the following conditions are met:
 - 5.10.4.1. the interests of the issuer Client, and not the interests of the Company or other Clients (e.g. Clients who may purchase Financial Instruments or other Clients to whom Financial Instrument distribution services are also provided), shall be the guiding principle in determining the pricing of offerings;
 - 5.10.4.2. persons responsible for providing services to the Company's investment Clients may not be directly involved in decisions about corporate finance advice on pricing to the issuer Client.
 - 5.10.5. The Company, as an arranger of an issue/placement of Financial Instruments, must separately identify its Clients to whom the Company provides investment services in connection with the Client's participation

in such issue/placement of Financial Instruments organised by the Company. If the Company has a valid advisory contract with one counterparty, it cannot enter into an advisory contract with another counterparty for the same transaction, unless the parties have common interests/objectives (e.g. in the case of corporate reorganisations);

- 5.10.6. When the Company intends or starts to provide services for the distribution of Financial Instruments which are included in the list of Financial Instruments which may give rise to a Conflict of Interest in connection with the provision of investment services or the conclusion of transactions, the person responsible for the compliance of the Company's activities with legal requirements shall be informed thereof, who in turn shall inform the Employees providing other services to Clients in relation to which a Conflict of Interest may arise;
- 5.10.7. When acting as a distributor of its own Financial Instruments and distributing such Instruments to any of its Clients (if applicable), the Company shall identify and manage Conflicts of Interest as described in this Policy.

6. Disclosure of Conflicts of Interest and informing Clients about Conflicts of Interest

- 6.1. Disclosure of a Conflict of Interest to a Client is a last resort where the Company's measures to avoid and manage Conflicts of Interest are insufficient to ensure that the risk of material damage to the Client's interests is prevented.
- 6.2. In the event of a specific Conflict of Interest, if none of the Company's measures to manage the Conflict of Interest are effective in ensuring that the Client's interests are not harmed, the Employee or Relevant Person must, before providing the investment service, clearly (taking into account the Client's nature and understanding of markets in financial instruments) inform the Client in a durable medium of the existence and the content of the Conflict of Interest, so as to enable the Client to make an informed decision on the provision of the service in respect of which the Conflict of Interest arises and for which the measures to manage the Conflict of Interest are insufficient.
- 6.3. The disclosure of the content of the Conflict of Interest shall include a description and source of the Conflict of Interest, the risks to the Client (potential adverse consequences to the Client, if any, arising from the Conflict of Interest) and the benefits that the Company, its Employees, Relevant Persons or persons linked to the Company by a Control Relationship receive or may receive as a result of such Conflict of Interest, and that the Company's measures to avoid and manage the Conflict of Interest are inadequate to ensure that the Client's interests are not harmed, as well as the steps taken to mitigate this risk of Conflict of Interest.
- 6.4. An investment service may only be provided if the obligation to disclose a Conflict of Interest has been duly fulfilled and the Client expresses his/her consent to the provision of the investment service in the presence of a Conflict of Interest.
- 6.5. When providing investment or ancillary services to Clients, the Company shall, among other things, follow the Incentive Pay Policy.

7. Final provisions

- 7.1. The Company's Employees are constantly monitoring situations and transactions that may give rise to a Conflict of Interest. Employees must immediately inform the person responsible for the Company's compliance with legal requirements of any identified Conflicts of Interest and/or violations of the Policy.
- 7.2. The Company shall maintain and regularly update information on the types of investment and ancillary services provided by the Company which have given rise to, or are likely to give rise to, a Conflict of Interest which may result in material damage to the interests of one or more Clients. The person responsible for the compliance of the Company's activities with legal requirements shall, at least once a year, prepare and submit to the Director and the Board of the Company written information on such situations.
- 7.3. Information on investment and/or ancillary services provided which have given rise to, or are likely to give rise to (if the provision of the service has not yet been completed), Conflicts of Interest, as well as records of all reports and communications concerning identified or potential Conflicts of Interest, shall be retained in accordance with the record keeping procedures established by the Company.
- 7.4. This Policy shall be approved by the Board of the Company. This Policy shall come into force on the date of its approval and may be revoked, amended and/or supplemented by a decision of the Board of the Company.

Amendments and supplements to this Policy shall take effect from the date of their approval, unless a different effective date is specified in the respective supplements and/or amendments.

- 7.5. The development and/or updating of the Company's procedures for avoiding Conflicts of Interest shall be organised by the Company's Director or other responsible person designated by him/her. The Policy must be reviewed at least once a year to identify any shortcomings or non-compliance with the law.