

NOEMON FINANCE LTD

CONFLICTS OF INTEREST POLICY

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1. Introduction

Noemon Finance Limited is a private limited company incorporated in the Republic of Cyprus (Registration Number HE 427234), authorised and regulated by CySEC as a Cyprus Investment Firm (CIF) under licence number 449/24 (hereinafter the “Company”). Following the implementation of the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) and pursuant to the provisions of the Investment Services and Activities and Regulated Markets Law of 2017 (the “Law”) as in force from time to time, the Company is required to establish, implement and maintain an effective Conflicts of Interest Policy (the “Policy”) to ensure the proper identification, prevention, and management of conflicts of interest.

2. Aim of the Policy

This Policy aims to identify and prevent or, where this is not possible, manage conflicts of interest between:

- the Company, including its managers, employees and tied agents, or any person directly or indirectly linked to them by control, and its clients or
- between one client and another, 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.

More specifically, this Policy:

- i. identifies, with reference to the specific investment services and activities and ancillary services carried out by or on behalf of the Company, the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients and
- ii. specifies the procedures to be followed and the measures to be adopted to prevent or manage conflicts of interest.

The overarching principle to be observed at all times is that the interests of the Company's clients shall take precedence over the interests of the Company, its employees, and any person related to them. This obligation is universal in application and does not vary according to the client's categorisation as Retail, Professional, or Eligible Counterparty.

In line with MiFID II obligations, the Company has established, implements, and maintains effective organisational and administrative arrangements designed to:

- Identify circumstances that constitute or may give rise to conflicts of interest entailing a material risk of damage to the interests of one or more clients; and
- Prevent or adequately manage such conflicts.

3. Definitions

Personal Transaction is a trade in a financial instrument effected by or on behalf of a Relevant Person, where at least one of the following criteria are met:

- a) the Relevant Person is acting outside the scope of the activities they carry out in their professional capacity;
- b) the trade is carried out for the account of any of the following persons:
 - i. the Relevant Person;
 - ii. any person with whom the Relevant Person has a family relationship, or with whom they have close links;
 - iii. a person in respect of whom the Relevant Person has a direct or indirect material interest in the outcome of the trade, other than obtaining a fee or commission for the execution of the trade.

Relevant Person can be any of the following:

- 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 thereof, 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 of investment services and activities by the Company;
- 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.

4. Identification of Conflicts of Interest

A Conflict of Interest is deemed to arise where the Company, a Relevant Person, or any person directly or indirectly linked to the Company by control, is placed in a situation in which their interests may conflict with the duty to act in the best interests of a client or a group of clients. Conflicts may also arise where the interests of one client or category of clients may be treated more favourably than those of another. Such situations may arise where the Company, a Relevant Person, or a person linked by control to the Company:

- a) is likely to make a financial gain or avoid a financial loss at the expense of the client;
- b) 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;
- c) has a financial or other incentive to favor the interests of one client or group of clients over the interests of another client;
- d) carries on the same business as the client;
- e) 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 monetary or non- monetary benefits or services;
- f) has financial interest in an instrument that contradicts with the financial interest of a client.

In line with the above, the Company has identified the following situations which might give rise to conflicts of interest:

- i. When providing the service of dealing on own account, the Company is the counterparty to its clients' positions on a principal capacity with respect to financial instruments;
- ii. Relevant Persons are entitled to carry out personal transactions;
- iii. The interests of Relevant Persons, shareholders, of directors or agents of the Company, including any situations where their personal transactions, remuneration arrangements, outside business activities, or personal relationships could conflict with the interests of clients in the management, provision, or execution of investment or ancillary services;
- iv. The Company may receive or pay inducements from or to third parties;
- v. The Company may maintain personal relationships with third party service providers which it uses to provide services to its clients.

5. Management and Prevention of Conflicts of Interest

The Senior Management of the Company shall establish, implement and maintain appropriate procedures and measures designed to prevent or manage conflicts of interest. These procedures and measures shall ensure that Relevant Persons engaged in business activities that may give rise to a conflict of interest which entails a risk of detriment to one or more clients, operate with a level of independence appropriate to the nature, scale, and complexity of the Company's business. To this end, the Company has adopted the following procedures and controls:

- i. All staff members are made aware of the importance of this Policy and of their obligation to report any potential conflict of interest promptly;
- ii. Any actual or potential conflict of interest is reported to the Senior Management of the Company without undue delay, assessed promptly and addressed through appropriate measures to prevent any adverse impact on clients' interests;
- iii. Relevant staff are informed of the procedures to be followed for the

- management of conflicts of interest, and all identified conflicts and the measures taken are documented in accordance with this Policy;
- iv. The application of “Chinese walls” restricting the flow of confidential and inside information within the Company, and the physical separation of departments;
 - v. Relevant Persons whose principal functions involve activities that may give rise to conflicting interests – whether between clients or between clients and the Company – are subject to separate supervision where appropriate;
 - vi. Direct links between the remuneration of Relevant Persons engaged in one activity and the remuneration of those engaged in another activity are removed where such links may give rise to a conflict of interest;
 - vii. Measures are in place to prevent or limit a person from exerting inappropriate influence over the manner in which a Relevant Person carries out investment or ancillary services;
 - viii. Measures are maintained to prevent or control the simultaneous or sequential involvement of a Relevant Person in separate investment or ancillary services where such involvement may impair the proper management of conflicts of interest;
 - ix. Access to electronic data is granted only to Relevant Persons who require such information on a need to know basis;
 - x. When providing the service of Dealing on Own Account, the Company discloses to the client that it is the client’s counterparty, undertaking business on that client’s behalf;
 - xi. Where Relevant Persons carry out personal transactions, they need to adhere to the following principles:

- They must record all transactions executed on their own account, whether through the Company or through another service provider;
 - They must report promptly and in writing to the Company any transaction for their own account entered into with another service provider;
 - They must disclose their personal investment accounts with the Company to the Compliance Officer and may not open any new accounts without the prior written permission of the Company. Where they maintain investment accounts with another financial service provider, they must authorise the Company to receive, directly from the said service provider, statements of the investor account maintain with them;
 - They must not deal for their own account at a time or in a manner which they know or should know is likely to have a direct adverse effect on the interests of any client of the Company or is likely to constitute insider dealing, they must not procure any other person to enter into such a transaction, or communicate any such information to any other person.
- xii. Staff members, who in the performance of their duties, obtain inside or proprietary information are prohibited from using or further disclosing the said information, except to other staff members who have a legitimate business reason to receive it.
- xiii. The Company has established and maintains a Gifts Policy and Gifts Register whereby all Relevant Persons are required to report any gifts or benefits offered to or received from third parties;
- xiv. When selecting third party service providers, the Company does not accept or provide fees, commissions and other non-monetary benefits where these do not directly enhance the service provided.

6. Disclosure of Conflicts of Interest

Where the Company's arrangements to manage or prevent conflicts of interest, are

not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of clients will be prevented, it shall disclose clearly and in a durable medium the details of the conflict of interest to the relevant client to enable them to make an informed decision. Such disclosure shall be made by the Company before undertaking any further business on that client's behalf.

7. Updating and Review

The Company may update or amend this Policy from time to time. Any material revisions will be reflected in an updated version published on the Company's website.