

# CONFLICT OF INTEREST POLICY

**Version 1 – April 2024**

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## 1. INTRODUCTION

This is the Conflicts of Interest Policy (hereafter referred to as the "**Policy**") of Axon Securities S.A. (hereinafter referred to as "**Axon**" and/or the "**Company**" and/or "**we**"), a company incorporated in Greece with registration number 000708201000 , authorized and regulated by the Hellenic Capital Market Commission (hereafter referred to as "**HCMC**") as a Greek Investment Firm with license number 32/315/26.10.2004 to offer certain investment and ancillary services subject to the provisions of the Law of 3606/2007 regarding the Provision of Investment Services, the Exercise of Investment Activities and the Operation of Regulated Markets, Article 9 of Law 3606/2007.

The Company's registered address is at 48 Stadiou Street, 105 64 Athens, Greece.

**NAGA.eu** is the Company's domain/website, which is owned by Naga Technology GmbH, however, is independently and exclusively operated by Axon Securities S.A.

**NAGA** is a trade name and trademark under the NAGA Group AG, a German based FinTech company publicly listed on the Frankfurt Stock Exchange. Exclusive rights for the use of the said trade name and trademark, in the territory of Greece, are exclusively granted to Axon Securities S.A.

The Company is required to take all appropriate steps to detect and avoid conflicts of interest and act in accordance with the Greek Law no 4514/2018 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets which transposed MiFID II into Greek legislation (hereafter referred to as the "**Law**"). Therefore, this Policy is provided to you, being the Company's Client or prospective Client. Considering the above, it is noted that the Company is committed to act honestly, fairly and professionally and in the best interests of its clients and to comply, in particular, with the principles set out in the Law when providing investment services and other ancillary services related to such investment services and in accordance with its license.

For the purposes of this Policy, it is clarified that a conflict of interest arises where there is a reason within the Company's control that prevents it from putting the interests of its Clients before those of the Company and its employees, or the interests of one Client or group of Clients ahead of another Client. In such a situation, the Company must pay due regard to the interests of each Client and manage any potential conflicts of interest accordingly.

The underlying principle that must be followed always is that the interests of a Client must always be put before the interests of the Company and/or its employees. Finally, it is clear that a conflict may exist, or be perceived to exist, if an employee's activity is, or may reasonably give the appearance of being, inconsistent with the best interests of the Company's Clients. Please read this document carefully and in conjunction with the rest of the legal document contained in the Company's website. Should you have any questions, do not hesitate to contact us at [support@naga.eu](mailto:support@naga.eu).

## 2. PURPOSE AND SCOPE

The purpose of this document is to set out the Company's approach in identifying and managing conflicts of interest which may arise during its normal business activities. In addition, this document identifies circumstances which may give rise to a conflict of interest.

Moreover, Financial Instruments shall refer to all/any financial products provided by the Company, including Contracts for Difference ("CFD") as well as Transferable Securities and ETFs (UCITS ETFs) i.e. Units in Collective Investment Undertakings (hereinafter "ETFs").

Therefore, we provide herein a summary of Company's approach in identifying and managing conflicts of interest in respect of the duties owed to the Company's clients.

## 3. APPLICATION

This Policy is applicable to all the directors, employees, any persons directly or indirectly linked to the Company (hereinafter collectively referred to as the "**relevant persons**") and refers to all interactions with company's clients. Relevant person in relation to the Company

means:

- a member 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 by the Company of investment services or/and the 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 the provision by the Company of investment services or/and the performance of investment activities.

#### **4. IDENTIFYING CONFLICTS OF INTEREST**

When dealt with a client, the Company, an associate or some other person connected with the Company may have an interest, relationship or arrangement that is material in relation to the Transaction concerned or that it conflicts with the Client's interest. While it is not possible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise, the following list includes circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as a result of providing investment services.

- a) When the Company accepts Client order in Contracts for Difference (hereafter referred to as "CFD"), the Company will be dealing in the CFD concerned as principal for the Company's account.
- b) The Company may be matching the client's order with that of another client by acting on such other client's behalf as well as on the client's behalf.
- c) The Company may receive or pay inducements to or from third parties due to the referral

of new clients or clients' trading.

- d) The Company may use affiliated entities to execute certain transactions on an ad hoc basis.
- e) The possible use or dissemination of confidential information derived from the Reception & Transmission, Execution, Dealing on Own Account, Investment Advice or Portfolio Management departments or other business units of the Company such as front running, where applicable for the Company.
- f) 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.
- g) The interest of relevant persons, shareholders, directors or agents of the Company in clients, and vice versa.
- h) The direct or indirect investing or management carried out by any relevant person or the Company to clients or accounts which invest in the same assets that may be also purchased or sold by other clients.
- i) The Company may be the counterparty to its clients positions such as acting as a principal and therefore stands to profit if the client loses.
- j) Orders generated for Clients by the Portfolio Management Department may be executed through the Dealing on Own Account Department.
- k) The Company trades its proprietary positions and at the same time has knowledge of client's future transactions via stop limit orders, as applicable.
- l) The Company or relevant persons may invest in clients' funds through the direct or indirect acquisition of shares.
- m) An interest in maximizing the Company's trading volumes in order to increase its commission revenue, which is inconsistent with the client's personal objective of minimizing transaction costs.
- n) The remuneration scheme of employees/relevant persons which may be based on the clients' trading volumes or value of trades placed by retail clients.
- o) The remuneration of third parties where the interest of a client conflicts with the interest of the third party.
- p) The persons producing investment research/marketing communication and other relevant persons, whose responsibilities to business interest may conflict with the

interests of the persons to whom the investment research/marketing communication is disseminated.

- q) In relation to Clients' orders on Securities and ETFs, these are transmitted for execution to a third-party execution broker in order to arrange for the purchase or sale of the Securities or ETFs. Clients' orders may, at the discretion of the execution broker, be aggregated with the execution broker's own orders, orders of any of its associates and/or their clients. Furthermore, the execution broker may split a client order as well as aggregate orders before execution where it is unlikely that the aggregation or split of orders will be detrimental to any client. However, it remains possible that, on occasions, aggregation and split may work to the disadvantage of any particular Client in relation to any particular order.
- r) As regards ETFs, the Company may offer ETFs that are based on indices. A few of the index providers that compile and revise indices might be affiliated with the Company, and this might raise a risk of the communication of material non-public information between the Company and the index provider.

In addition to the above and for the purposes of identifying the types of conflict of interest that arise in the course of providing investment and ancillary services or a combination thereof and whose existence may damage the interests of a client; next points must be considered. The Company takes into account, whether the Company or a relevant person, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:

- a) The Company or a relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- b) The Company or a relevant person has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome;
- c) The Company or a relevant person has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the Client;
- d) The Company or a relevant person carries on the same business as the Client;

- e) The Company or a relevant person 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) The Company or the relevant person is in possession of information obtained in the ordinary course of their business which would benefit the Company or the relevant person or the Group or the Client but such information is not publicly known.

Potential circumstances of conflict-of-interest duties may, inter alia, arise where the Company is a member of a group and:

- the Company and/or any other member of the group exercises the same activity as the Client;
- a transaction is affected in financial instruments in respect of which the Company may benefit from a commission, fee, or non-monetary benefit payable otherwise than by the Client;
- the Company acts as agent for the Client in relation to transactions in which it is also acting as agent for the account of other Client's including members of the Company's Group;
- the Company deals in financial instruments as principal with the Client;
- the Company or any other member of the Company's Group receives remuneration or other benefits by reason of acting in the provision of investment research or similar transactions involving an issuer whose financial instruments are held by the Client;
- the Company has a direct or indirect interest in a transaction.

## **5. PROCEDURES AND CONTROLS FOR MANAGING CONFLICTS OF INTERESTS**

In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures, which among other are/is :

- a) Effective procedures to prevent or 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.
- b) The separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, Clients whose interest may conflict, or



who otherwise represent different interests that may conflict, include those of the Company.

- c) The removal of any direct link between the 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 a conflict of interest may arise in relation to those activities.
- d) 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.
- e) Measure 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.
- f) Other measures undertaken include ongoing monitoring of business activities to ensure that internal controls are appropriate and effective procedures to prevent or control the exchange of information between Related 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.
- g) The separation of supervision of Related Persons whose principal functions involve providing services to Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company.
- h) Measures to prevent or limit any person from exercising inappropriate influence over the way in which the Related Person carries out investment services.
- i) Measures to prevent or control the simultaneous or sequential involvement of a Related Person in separate investment services where such involvement may impair the proper management of conflicts of interest.
- j) A policy designed to limit the conflict of interest arising from the giving and receiving of inducements.
- k) Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments.

- l) Procedures governing access to electronic data.
- m) Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- n) Personal account dealing requirements applicable to Related Persons in relation to their own investments.
- o) Establishment of Compliance Department to monitor and report on the above to the Company's Board of Directors.
- p) Prohibition on officers and employees of the Company having external business interests conflicting with the interests of the Company without the prior approval of the Company's board of directors.
- q) A "need-to-know" policy governing the dissemination of confidential or inside information within the Company.
- r) Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors.
- s) Establishment of the "four-eyes" principle in supervising the Company's activities.
- t) The Company undertakes on-going monitoring of business activities to ensure that internal controls are appropriate.
- u) Establishment of Personal Transactions Policy.
- v) Staff members are required to notify the Company of any direct or indirect interest in financial instruments or issuers or any direct or indirect interests or relationships or linkages that could in any way create conflicts of interest with the Company or its clients.
- w) Staff members are required to immediately notify the Company in case they perceive that a conflict of interest may be created due to the undertaking of a specific task/work.
- x) Advises/recommendations on transactions that are unnecessary or unreasonable or cannot be adequately explained or aim to increase the Company's volume of activities or commissions received from third parties and do not aim to serve the clients' interests are prohibited.
- y) Staff members are forbidden to accept gifts, promotions, discounts or any other monetary or benefit in kind from Clients or third parties, which may create conflicts of

interest. Gifts of low value may be accepted after approval from the Company.

- z) In circumstances not covered by the points above and given the nature of a conflict of interest situation, the Senior Management shall decide whether to allow a transaction by notifying the Client, or not allow the transaction all together.

## **6. CLIENT'S CONSENT**

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him. Further, the Client consents to and authorises the Company to deal with the Client in any manner which the Company considers appropriate, notwithstanding any conflict of interest or the existence of any material interest in a Transaction, without prior reference to the Client.

In the event that the Company is unable to deal with a conflict-of-interest situation it shall revert to the Client.

## **7. DISCLOSURE OF INFORMATION**

If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, the Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients.

## **8. DECLINING TO ACT**

The Company may decline to act for a client in cases where it believes the conflict of interest cannot be managed in any other way.

## **9. AMENDMENT OF THE POLICY**

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems appropriate according to the terms of the Client Agreement between the Company and the Client.

## **10. ADDITIONAL INFORMATION**

Should you require any further information and/or have any questions about conflicts of interest please direct your request and/or questions to [support@naga.eu](mailto:support@naga.eu).