



## **Conflicts of Interest Policy**



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## 1. Scope

- 1.1. Mega Equity Securities and Financial Services Public Limited (“the Company”) has developed and adopted this Conflict of Interest Policy and is committed to adhering to the highest ethical and business standards, ensuring compliance with the Law and regulatory requirements, as well as best practices.
- 1.2. By agreeing to the terms of the Client Agreement, clients (the “Client”) also agree to the terms of this policy, which form part of the Client Agreement.
- 1.3. This Policy is designed to identify, prevent, and manage conflicts of interest that may arise between the Company – including its directors, managers, employees, or any person directly or indirectly linked to them by control – and its clients, between one client and another, or in any combination thereof. This includes conflicts arising from the receipt of inducements from third parties or from the Company’s own remuneration and incentive structures. The Policy sets out the circumstances that constitute, or may give rise to, a conflict of interest involving a risk of damage to the interests of one or more clients, and establishes the procedures and measures to be followed to prevent or manage such conflicts effectively.

## 2. Identifying conflicts of interest

- 2.1. A conflict of interest may occur when, during the provision of investment and/or ancillary services, the interests of a client are at risk of being adversely affected by the interests of the Company, its directors, managers, employees, or another client.
- 2.2. The Company has an obligation to conduct its business with integrity, fairness, and professionalism, ensuring that clients’ interests are always placed first when providing investment and/or ancillary services.
- 2.3. To identify situations that could give rise to a conflict of interest potentially harming a client’s interests, the Company considers whether it, or any relevant person involved in providing investment or ancillary services, may a) gain a financial advantage or avoid a financial loss at the client’s expense, b) has an interest in the outcome of a service or transaction that differs from the client’s own interest, c) has incentives to prioritise the interests of another client or group of clients over those of the affected client, d) engages in the same type of business as the client, or e) receives, or may receive, an inducement from a third party in connection with a service provided to the client, whether monetary or non-monetary. These examples are illustrative rather than exhaustive, and each potential situation is assessed individually, with further analysis and due diligence undertaken to determine whether a genuine conflict of interest exists.
- 2.4. Conflicts of interest may arise between, but are not limited to, the following parties:
  - a) A client and the Company;
  - b) Two or more clients of the Company;
  - c) The Company and its employees;
  - d) A client and an employee or manager of the Company;
  - e) Different departments or business units within the Company.



### **3. Preventing conflicts of interests**

The Company has implemented the following procedures and controls to manage identified conflicts of interest:

#### **3.1. Information Barriers**

- 3.1.1. Effective procedures are in place to prevent or control the exchange of information between relevant persons engaged in activities where such exchanges could harm the interests of one or more clients.
- 3.1.2. Staff who have access to inside or proprietary information must preserve its confidentiality and disclose it only to those with a valid business need. Any receipt of inside information must be immediately reported to the Compliance Officer.
- 3.1.3. The Company has established “Chinese walls” to restrict the flow of confidential and inside information between certain departments. Procedures governing electronic data access are also in place.

#### **3.2. Supervision and Separation of Duties**

- 3.2.1. The Company maintains clear organizational structures and internal controls that ensure confidentiality and prevent employees from being improperly involved in activities where conflicts may arise.
- 3.2.2. Measures are in place to prevent or limit any individual from exercising inappropriate influence over how others provide investment or ancillary services.
- 3.2.3. Segregation of duties is applied to prevent conflicts arising when a single individual is involved in multiple activities that could impair proper conflict management.
- 3.2.4. The four-eyes principle is applied to ensure appropriate supervision across the Company’s activities.

#### **3.3. Remuneration and Incentives**

- 3.3.1. Staff remuneration and performance assessments are structured in a manner that does not create incentives contrary to clients’ best interests.

#### **3.4. Gifts, Inducements, and External Interests**

- 3.4.1. The Company operates a gifts and inducements policy. A log is maintained to register solicitation, offers, or receipt of benefits. Gifts exceeding EUR 100 are generally prohibited to avoid conflicts with duties to the Company or clients.
- 3.4.2. External business interests that could conflict with the Company’s interests are prohibited unless approved by the Board.
- 3.4.3. A policy is in place to limit conflicts arising from the giving or receiving of inducements.

#### **3.5. Right to Refuse Services:**

- 3.5.1. The Company reserves the right to decline to provide services or proceed with transactions where a conflict of interest cannot be appropriately prevented or managed.

#### **3.6. Inducement Restrictions:**

- 3.6.1. The Company prohibits the acceptance or payment of any fee, commission, or non-monetary benefit from third parties unless it complies with applicable regulatory requirements and enhances the quality of service provided to clients.



### 3.7. Order Execution Policy:

3.7.1. The Company ensures that client orders are executed in accordance with its Order Execution Policy, seeking the best possible outcome for each client while avoiding conflicts of interest in the execution process.

### 3.8. Prohibited Practices:

3.8.1. The Company strictly prohibits any conduct such as the misuse of client information for personal gain, preferential treatment of staff or clients, or any form of insider dealing.

### 3.9. Compliance and Monitoring

3.9.1. The Compliance Department monitors these procedures and reports regularly to the Board of Directors.

3.9.2. An Internal Auditor is appointed to ensure that appropriate systems and controls are maintained and reports directly to the Board.

## 4. Conflicts of Interest in Personal Transactions

### 4.1. All employees involved in investment activities must comply with the following requirements regarding personal transactions to prevent conflicts of interest and ensure adherence to applicable laws and Company obligations.

### 4.2. Prohibited Transactions

- Employees must not engage in personal transactions that:
- Violate Section 9 of the Insider Dealing and Market Manipulation (Market Abuse) Law.
- Misuse or improperly disclose confidential information.
- Create a conflict with the Company's obligations or the employee's legal duties.

### 4.3. Use of Non-Public Information

Employees who have access to material, non-public information that is not readily available to clients must not:

- Execute personal transactions based on such information.
- Trade on behalf of others, including the Company, except when acting as a market maker in good faith and in the ordinary course of market making, or when executing an unsolicited client order.

### 4.4. Providing Opinions and Advice

Employees must not provide opinions or advice outside the normal course of business if it could reasonably lead to a transaction that:

- Misuses confidential information.
- Conflicts with Company obligations or legal requirements.
- Employees must ensure that any information shared in the proper course of employment is not likely to be passed to third parties who may use it to trade financial instruments.



#### 4.5. Client Order Confidentiality

Employees must maintain the confidentiality of all client orders. Specifically:

- No client orders received by an employee may be disclosed to any other party.
- Employees who are aware of a potential client order must not execute a personal transaction that mirrors the client's order if doing so could create a conflict of interest.

#### 4.6. Compliance and Accountability

Employees are responsible for ensuring that all personal transactions and professional conduct comply with this policy. Any potential conflicts of interest must be disclosed to the Compliance Department in accordance with Company procedures.

### 5. Reporting of Conflicts of Interest

When a potential conflict of interest is identified, the following steps must be taken:

#### 5.1.1. Initial Reporting

- The employee must promptly report the potential conflict to their Line Manager.
- The Line Manager will assist in assessing the material risk and potential impact of the conflict.

#### 5.1.2. Conflict Notification Form

- The employee must complete a Conflict of Interest Notification Form, providing full details to facilitate regulatory review.
- The form should include:
  - Corrective and preventive actions taken or proposed.
  - Justification for why these actions are considered appropriate.
  - Any conditions imposed to manage the conflict.
  - Details of any ongoing conflicts and the measures in place to manage them, including any communication to the client if relevant.

#### 5.1.3. Escalation to Compliance

- The completed notification form must be submitted to the Head of Compliance.
- The Head of Compliance will ensure the conflict is documented and included in reports reviewed by the Board of Directors.

#### 5.1.4. Ongoing Monitoring

- Employees and management must monitor conflicts to ensure that mitigation measures remain effective and that any evolving conflicts are promptly addressed.

### 6. Disclosures

- 6.1. In situations where the Company's organizational arrangements and procedures to prevent conflicts of interest are insufficient to ensure, with reasonable confidence, that risks of damage to client interests will be avoided, the Company shall, as a measure of last resort, provide the client with a clear disclosure of a) the general nature and/or sources of the conflicts of interest and b) the steps taken to mitigate these risks.



6.2. Such disclosure must be provided before undertaking business on the client's behalf and shall be communicated in a durable medium containing sufficient detail, taking into account the client's circumstances, to enable the client to make an informed decision regarding the service in the context of the conflict of interest.

6.3. The disclosure must clearly inform the client that the Company's organizational and administrative arrangements are not sufficient, with reasonable confidence, to fully prevent risks of damage to the client's interests. Furthermore, the disclosure must provide:

- a) A detailed description of the specific conflicts of interest that may arise.
- b) An explanation of the general nature and sources of these conflicts.
- c) A summary of the measures the Company has taken to mitigate these risks.

6.4. The information should be presented in sufficient detail to allow the client to make an informed decision regarding the investment or ancillary service in the context in which the conflicts arise.

## **7. Record Keeping**

7.1. The Company shall maintain a comprehensive and up-to-date record of all types of investments, ancillary services, or activities carried out by or on behalf of the Company in which a conflict of interest has arisen and that entail a material risk of damage to the interests of one or more clients. For ongoing services or activities, the record shall also capture any situation in which such a conflict may potentially arise, ensuring that all relevant information is accurately documented and readily accessible.

7.2. These records shall be maintained by the Compliance Officer and updated regularly to ensure accuracy.

7.3. All actions taken to manage or mitigate conflicts of interest must be documented and reported promptly to the Board of Directors.

7.4. The Board shall receive on a frequent basis, and at least annually, written reports on cases of services or activities giving rise to detrimental conflict of interest.

## **8. Policy Review and Updates**

8.1. The Company reserves the right to review/amend its policy at any time and in any case at least annually and/or when it is deemed necessary by Regulatory Authorities and the Compliance Officer and further approved by the Board of Directors.

8.2. A copy of this Conflict of Interest Policy is available on our website and is also provided as part of the account opening documentation.

8.3. This Policy may be updated or amended from time to time. When significant changes are made, the Company will notify you accordingly and update the revision date indicated below in section 9. We recommend that you periodically review the Policy published on our website to remain informed about any changes.