

Raze Global Markets Ltd.

Conflicts of Interest - Policy July 2024

1. INTRODUCTION

Annex 1 - Conflicts of Interest Policy Introduction

The primary objective of this Conflicts of Interest Policy (referred to as "the Policy") is to establish a suitable method for identifying and managing conflicts of interest. Raze Global Markets Ltd (referred to as "the Company") will take all necessary measures to identify conflicts of interest that may arise between itself, including its managers, employees, or any individual directly or indirectly connected to the Company by control, and its clients, or between one client and another, during the provision of investment services.

The Company has put in place and operates effective organizational and administrative arrangements aimed at preventing and managing conflicts of interest that could negatively impact the interests of its clients. In instances where the aforementioned arrangements are not sufficient to ensure, with reasonable confidence, that the risks of harm to the interests of clients will be avoided, the Company will proceed with disclosing such conflicts. This disclosure will be made in a durable medium, clearly stating the general nature and source of the conflicts, the risks involved for the client, and providing sufficient details to enable the client to make an informed decision regarding their investment, along with the steps taken to mitigate these risks.

The Company reserves the right to amend the current Policy at its discretion and whenever it deems appropriate. The Company will review and update the current Policy at least once a year to account for changes in operations or practices, and to ensure that it remains appropriate in light of any changes in law, technology, or the general business environment.

Identification of Potential Conflicts of Interest

To effectively manage conflicts of interest, the Company will identify all relevant conflicts in a timely manner. Various mechanisms will be employed to ensure that all conflicts are identified.

The Company will assess the severity of all identified conflicts of interest and document controls to mitigate them. It is not possible to list all scenarios that could constitute a conflict; the specifics of each situation will determine whether the interest in question falls within the area of potential conflict.

All employees, including management, bear the responsibility of identifying specific instances of conflict and are required to notify the Compliance function of any conflicts they become aware of. The Compliance Officer (CO) will then evaluate the implications of the conflict and determine how it should be managed, in consultation with the board.

When identifying the types of conflicts of interest that could arise in the course of providing investment services and that could potentially harm a client's interests, the Company considers the following situations, among other criteria:

1. The Company or a relevant person is likely to gain financially, or avoid a financial loss, at the client's expense.
2. The Company or a relevant person has an interest in the outcome of a service provided to the client, or in a transaction carried out on behalf of the client, which is different from the client's interest in that outcome.
3. The Company or a relevant person has a financial or other incentive to favor the interests of another client or group of clients over the interests of the client.
4. The Company or a relevant person engages in the same business as the client.
5. The Company or a relevant person receives, or will receive, an inducement from someone other than the client in relation to a service provided to the client, in the form of money, goods, or services, other than the standard commission or fee for that service.

For the purposes of this Policy, a "relevant person" in relation to the Company includes:

- A director, partner, or equivalent, manager, or tied agent of the Company.
- A director, partner, or equivalent, or manager of any tied agent of the Company.
- An employee of the Company or 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 of investment services and activities by the Company.
- A natural person who is directly involved in the provision of services to the Company or tied agent under an outsourcing arrangement, for the purpose of providing investment services and activities by the Company.

Managing Conflicts of Interest

The Company has established appropriate and sufficient internal procedures to minimize any potential conflicts of interest. The Company maintains an independent compliance department. Among the responsibilities of the Compliance Officer is to monitor any possible deviations from the Company's internal policies and procedures, as well as identifying and managing any possible conflicts of interest. Once a conflict has been identified, it needs to be managed appropriately and adequately. The Compliance function will assess each conflict to determine whether it is actual or perceived, evaluate the conflict's value or exposure, and assess the potential reputational risk. Compliance will then decide whether it is feasible to proceed with the transaction or if the conflict is too severe. If Compliance determines that the conflict can be mitigated, controls will be implemented to manage the conflict, and these controls will be documented.

The Company will manage conflicts of interest fairly, whether between itself and its clients, between itself and its employees, or between its customers, ensuring that their internal affairs are organized and controlled responsibly and effectively.

The Company and its employees must act according to the principle of prioritizing clients' interests over self-interests and the Company's interests to avoid conflicts of interest when fulfilling professional activities in the securities market. To ensure fair treatment for clients, the Company will implement the following procedures:

- The Company will avoid any conflict of interest with clients and, where such a conflict unavoidably arises, will ensure fair treatment to the client by providing complete disclosure or by declining to act.

- Employees are also prohibited from maintaining investor accounts with other Brokers without prior authorization from the Company and must notify the Company of such accounts. They are also required to authorize the Company to directly request transaction reports from these other Brokers.
- If the Company has a material interest in a transaction to be entered into with or for a client, or if there is a relationship that gives rise to a conflict of interest in relation to the transaction, the Company will not knowingly advise or deal in the exercise of discretion regarding that transaction. The only exception is when the Company has fairly disclosed that material interest or relationship to the client, or when the client has taken reasonable steps to ensure that neither the material interest nor relationship adversely affects the client's interests.
- A clear distinction exists between the operations of different departments within the Company, as described in the Company's Internal Operations Manual (IOM).

The Company will be promptly informed of any personal transaction entered into by a relevant person, either through notification of that transaction or through other procedures that enable the Company to identify such transactions. In the case of outsourcing arrangements, the Company will ensure that the company to which the activity is outsourced maintains a record of personal transactions entered into by any relevant person and provides that information to the Company promptly upon request.

A person shall only be replaced by another person in their duties with the prior consent of the Compliance Officer and approval from the Representative Officer. This consent will be granted by the Compliance Officer after reviewing all issues related to a possible conflict of interest.

The security features of the Company's software prevent unauthorized access to sensitive information that could benefit the Company over its clients or one client over another. The Company's employees are prohibited from investing in securities for which they have access to non-public or confidential information. Transactions by the Company's employees are neither performed nor executed by themselves, but rather by another member of the Company's staff concerning an account opened with the Company. A record shall be kept of personal transactions notified to the Company or identified by it, including any authorization or prohibition related to such transactions.

The Company must take reasonable steps to ensure that neither it nor any of its employees or agents either offer or give, or solicit or accept, any inducement that could conflict with any duties owed to its clients.

No employee shall knowingly or recklessly make a statement, promise, or forecast that is misleading, false, or deceptive to any customer, or conceal material facts at any time.

More specifically, the Company outlines some of the policies and procedures it has implemented for managing potential conflicts of interest as follows:

- Effective procedures to prevent or limit any person from exercising inappropriate influence over how a relevant person carries out investment services or activities.
- Separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or who represent different interests that may conflict, including those of the Company.

- Measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment services or activities where such involvement may impair the proper management of conflicts of interest.
- 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.
- Measures 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.

The procedures followed and measures adopted in the Policy include, as necessary and appropriate, the following to ensure the requisite degree of independence:

- No relevant person may purchase or sell a security, or cause the purchase or sale of a security, for any account while in possession of inside information relating to that security.
- No relevant person may recommend or solicit the purchase or sale of any security while in possession of inside information relating to that security.
- No relevant person may purchase or sell, or cause the purchase or sale of, a security for an employee or employee-related account, a proprietary account of the Company, or an account over which an employee exercises investment discretion, while in possession of proprietary information concerning a contemplated block transaction in the security, or for a customer account when such customer has been provided such information by any relevant person.
- Regular review and monitoring procedures are set for the execution arrangements with the execution venue, hedging/liquidity, or price providers, as well as on a continuous basis.
- Procedures regarding the monitoring of access to electronic data.
- Relevant persons engaged in research activities should not discuss unreleased information, opinions, recommendations, or research analysis in progress with Company-associated persons engaged in sales activities, or any person within or outside the Company who does not have a valid business need to know the information.
- Establishment of an ongoing monitoring program based on regular checks for the assessment of the Company's procedures, policies, and internal controls.
- The Company may distribute marketing communication to its clients only if the communication has been reviewed and approved by the Compliance Officer prior to distribution. The Compliance Officer also ensures that such communication has the appropriate disclosure statement as well as meeting the relevant definition of marketing communication.
- The four-eye principle is implemented to avoid any abuse of position.
- In order to minimize the relevant person's own transactions, personal account dealing restrictions are in place.

Raze Global Markets Ltd is committed to maintaining an effective and appropriate compliance culture that enables it to address any new potential conflicts of interest that may arise in the future. The Company's employees are therefore required to monitor any new

circumstances that give rise to potential conflicts of interest and to implement appropriate measures to address these.

For the purpose of this Policy, a "personal transaction" is defined as 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:

- The relevant person is acting outside the scope of the activities he carries out in his professional capacity.
- The trade is carried out for the account of any of the following persons:
- The relevant person;
- Any person with whom he has a family relationship, or with whom he has close links;
- 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.

Segregation of Company's Assets from Clients' Assets

The Company will maintain separate accounting records between its own assets and those of its clients. This is to ensure the protection of clients' assets and to prevent the misuse of customer assets by the Company or third parties. These measures are intended to minimize the risk of loss or diminution of client assets or the rights associated with those assets due to misuse, fraud, poor administration, inadequate record-keeping, or negligence.

Additionally, the Company ensures the legal segregation of clients' assets from its own assets in the event of the Company's bankruptcy. For this purpose, the Company maintains separate books and accounting records for each client.

Forbidden Business Practices

The Company will prohibit business practices that could typically give rise to conflicts of interest. The following business practices are indicatively forbidden:

- Providing investment services to clients with the purpose of influencing the price of financial instruments for the benefit of the Company, for the benefit of any relevant persons, or for the benefit of the Company's clients in general, especially regarding transactions that the Company or relevant persons intend to carry out before or after providing the service.
- Using information about client transactions for the benefit of the Company, and disclosing such information to third parties.
- Engaging in financial instruments transactions by the Company itself or by any relevant persons in respect of which the Company has drawn analysis reports or has made research findings prior to the publication of those reports and findings.
- Treating relevant persons preferentially to the detriment of its clients during the provision of investment services.
- Engaging in transactions by relevant persons for their own account, or for the account of persons related to them, based on confidential information obtained during their employment with the Company.

All employees must be aware of the forbidden business practices mentioned above and have the responsibility to inform the Compliance Officer immediately if they observe any violation of these provisions.

Should you have any questions regarding the Company's Conflicts of Interest Policy, please contact the Compliance department of the Company.

Disclosure of Conflicts of Interest

In cases where the organizational and administrative arrangements established by the Company to prevent or manage a conflict are not sufficient to ensure, with reasonable confidence, that the risks of harm to the interests of the clients will be avoided, the Company will clearly disclose such conflicts.

Before carrying out a transaction or providing an investment service to a client, the Company will disclose any actual or potential conflict of interest to the client if the measures taken by the Company are not sufficient to ensure that the risks of harm to the client's interests will be avoided.

The disclosure will include sufficient detail, considering the nature of the client, the source of the conflicts of interest, and the risks to the client, to enable the client to make an informed decision regarding the investment service in the context in which the conflict of interest arises. The Company reserves the right not to proceed with the transaction or matter giving rise to the conflict if such disclosure is not sufficient to manage the conflict. Management and employees of the Company are required to disclose the following information to the Compliance Officer:

- Opening and closing personal accounts at any other Broker for personal investment purposes.
- All personal transactions performed, with notification provided within 24 hours.
- Securities held by the employee.
- Transactions executed by the Company in which the employee may have an interest or conflict.