
Conflict of Interest Policy

Skilling (Seychelles) Limited

April 2023

1. INTRODUCTION

- 1.1. Skilling (Seychelles) Limited (hereafter the "Company", "we," "our"),, is responsible for providing you (hereinafter referred to as the " Client", " you", " your") with the efficient customer service and to treat our customers fairly. By opening a trading account with the company, we shall endeavour to review and resolve any of your concerns, feedback, comments, questions and/or expressed dissatisfaction as a matter of top-priority in accordance to the below procedures
- 1.2. This Policy is to specify in writing the procedures established by Skilling (Seychelles) Ltd (hereafter the "Company"), in accordance with the size, organization, nature and complexity of the Company's business for the identification and responsible management and control and, where necessary, disclose the conflicts of interests arising in relation to its business and to reduce the risk of client disadvantage and/or legal liability, regulatory censure or damage to the Company's commercial interests and reputation. In addition, the scope of the Conflict of Interest Policy is to ensure that the Company complies with all legislative requirements and the departmental and general internal procedures established by its Internal Operations Manual.
- 1.3. For client protection and satisfaction, you should take time to carefully read this Policy as well as any other policies, additional documents and information available to you through our website prior to opening a trading account with us. By default, you must read, agree and accept all the General terms and conditions set out below, and any additional documents incorporated herein by reference before you establish a Business relationship with us (without modifications).
- 1.4. By accepting this Policy, you agree to be governed by the conditions that follow, as well as the applicable laws. This Policy is intended for current and prospective customers, including Employees, Skilling contractors, or a third-party service provider of Skilling, any personal information we collect will be used in connection with your employment contract, contractual relationship, or in accordance with our separate rules, which are available by contacting us.

2. Legal and Regulatory Framework

- 2.1. In the Policy hereto, unless otherwise clearly indicated by, or inconsistent with the context, the terms used bear the same meaning as are assigned to them in this Policy is as contemplated in the rules and the applicable legislation. Every transaction in Skilling is regulated and under supervision of the Financial Services Act, 2013 ("Act"), including their Regulations, and the Rules and Directives ("the rules and directives"), or any amendments or replacements to the Acts and/or the rules and directives, (together," the applicable legislation") entered into by us with you or on your behalf is transacted on the specific condition that the transaction is entered into subject to the Act. In alternative jurisdictions the applicable rules and regulations will apply.
- 2.2. The Company is required to establish, implement and maintain a policy on conflicts of interest and provide information regarding the adequate managing of any conflicts of interest between itself, including its managers and employees, tied agents or other relevant persons, as well as any person directly or indirectly linked to them by control, and their clients or between one client and another that arise in the course of providing any investment and ancillary services.
- 2.3. The Company, its managers, employees and appointed representatives or any person directly or indirectly link to them by control Company must on commencement of their employment read and fully understand the Policy. All employees of the Company are obliged to register their acceptance of having read and understood the Policy in a register, which is to be filed and managed by the Chief Executive Officer of the Company.
- 2.4. The Policy specifies the requirement for the Company's employees that suspects any conflict of interest must immediately inform the Chief Executive Officer (CEO) who will determine if any conflict does exist or has the potential to arise and will state the reasoning for their findings in a file kept in storage for referral to the Commission should such need arise.

- 2.5. The Policy specifies the requirement for the Company, to have in place appropriate procedures and measures in order to identify and manage any such material conflict of interest such as personal transactions, inducements/benefits, remunerations, as well as confidentiality and privacy policies.

3. Identification of Conflict of Interest

Conflicts of interests may include any situation where either the Company or an individual is in a position to exploit a professional or official capacity in some way for either corporate or personal benefit.

3.1. Situations where conflicts of interest can occur include the following:

- i) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, is likely to make a financial gain or avoid a financial loss, at the expense of the client.
- ii) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, has an interest in the outcome of a service provided to the client, or of the transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome.
- iii) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client.
- iv) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, carries on the same business as the client.
- v) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, 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 money, goods or services, other than the standard commission or fee for that service.

3.2. Relevant person in relation to the Company means any of the following persons:

- i) a member of the board of directors, partner or equivalent, manager or tied agent of the Company;
- ii) a member of the board of directors, partner or equivalent, or manager of any tied agent of the Company;
- iii) 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;
- iv) 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. Reporting of Conflicts of Interest

In the case of identification of a possible conflict of interest, a staff member must refer it initially to his immediate supervisor to assist in the assessment of a material risk of damage and send a completed Conflict of Interest Notification Form together with full details to allow regulatory scrutiny, of:

- corrective and preventive actions;
- how these actions were considered appropriate;
- any conditions imposed; and
- whether there are still ongoing conflicts, how these are being managed and advised to the client;
- to the Head of Compliance for inclusion within the reports reviewed by the Board of Directors.

5. General Principles

5.1. Separation of Key Functions

The following measures have been adopted by the Company for ensuring the requisite degree of independence:

- 5.1.1. 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 (i.e. by establishing a Chinese wall);
- 5.1.2. 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 otherwise represent different interests that may conflict, including those of the Company. The Company's Department whose interests may conflict with clients are: Execution of orders; Dealing on own Account; Reception and transmission of orders/Dealing Room/Brokerage; and Safekeeping/Custody, and administration of financial instruments for the account of clients.
- 5.1.3. Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out and/or promotes investment or ancillary services or activities. Additionally, the person who decides or influences an individual's bonus may exert undue influence over that individual's integrity of judgment.
- 5.1.4. Measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities such as reception and transmission of clients' orders and tasks such as portfolio decision making and calculating performance, where such involvement may impair the proper management of conflicts of interest.
- 5.1.5. The Company should maintain a policy designed to manage conflicts of interest arising from the giving and receiving of inducements;
- 5.1.6. All employees should at all times be bound to act loyally to the Company and be in full compliance with its procedures; All employees should be obliged to immediately inform the Company of any interests the employees may have in any business competing with the Company or the Company's clients and which could give rise to a potential conflict of interest;
- 5.1.7. All clients are to be treated fairly and with transparency; When the Company executes an order for a customer it should not give any preferential treatment to that customer to the detriment of other customers and should not disclose the details of one customer order to other customers;
- 5.1.8. The Company should execute all orders in accordance with policies that comply with relevant rules and regulations in relation to transactions which are executed on behalf of customers. The Company's procedures should provide for the prompt, fair and expeditious execution of customer orders, relative to other orders. These procedures should allow for the execution of otherwise comparable orders in accordance with the time of their receipt.

5.2. Chinese Walls

Chinese walls are essentially information barriers which are used to prevent inside, or highly confidential information possessed by one part of the business from being inappropriately passed to, or obtained by, another part of the business. This is achieved by:

- 5.2.1. physical barrier restricting the flow of information between employees, which is monitored and enforced;
- 5.2.2. limited access levels/access to documents and information, including electronic documents;
- 5.2.3. segregate management and supervision of employees;

- 5.2.4. arrangement requires that information held by a person in the course of carrying on one part of the business to be withheld from, or not to be used for, persons with or for whom it acts in the course of carrying on another part of its business, and provided that: (a) withhold or not use the information held; and (b) for that purpose, permit persons employed in the first part of its business to withhold the information held from those employed in that other part of the business; but only to the extent that the business of one of those parts involves the carrying on of regulated activities, ancillary activities or, in the case of MiFID business, the provision of ancillary services.
- 5.2.5. information is withheld or not used by the Company when this is required by an established arrangement maintained between different parts of the business (of any kind) in the same group.
- 5.2.6. management of the Company monitors the communication content between the departments to ensure that the necessary Chinese-walls are maintained.
- 5.2.7. chinese walls shall be implemented between the : (a) Dealing on own account and Dealing room (brokerage); (b) Backoffice (safekeeping/custody) and Customer support; (c) Dealing on Own Account Department/ Dealing Room Department and Backoffice (safekeeping); and (d) Compliance Department and other Departments;

5.3. Separation of Departments

In consideration of the size and organisation of the Company and the complexity of its business, the following Chinese walls are in place in respect of each department, as separate and distinct:

- 5.3.1. Dealing Room (Brokerage): The department deals with Best execution and reception and transmission of clients orders and secure the best available execution for clients as well as crosscheck all transactions with orders that are received in order to ensure that no supplementary transaction flow was affected to benefit from any price manipulation mechanisms.
- 5.3.2. Dealing on own account: The department is responsible for the decision of whether a company will keep the risk of the exposures or decide to hedge based on the company's risk appetite, market conditions.
- 5.3.3. Backoffice (Safekeeping/Custody) and Operations: Each employee is assigned with specific tasks
- 5.3.4. Finance: The department is responsible for project valuations, raising financing for clients, financial projections, review reconciliation statements prepared by Safekeeping personal, review business plans etc. The Finance department is physically separate from all other departments and separately supervision.
- 5.3.5. Board of Directors: The relevant employee or/ member of the Board shall disclose and/or declare all their outside directorships and may be required to resign from boards of those companies which may be potential conflict or, with any business of the Company or its clients.

5.4. Transparency and Professional Conduct

The Company's internal procedures include the following practices as are necessary and appropriate to deal with conflicts of interest as requisite degree of independence:

- 5.4.1. 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.

- 5.4.2. the 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 otherwise represent different interests that may conflict, including those of the Company.
- 5.4.3. 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.
- 5.4.4. 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.
- 5.4.5. measures 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.
- 5.4.6. appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors;
- 5.4.7. each employee must sign a confidentiality agreement. No associated person may disclose inside information to others, except for disclosures made in accordance with the Company's policies and procedures, to other Company personnel or persons outside the Company who have a valid business reason for receiving such information;
- 5.4.8. establishment of the four-eyes principle in supervising the Company's activities;
- 5.4.9. adequate records are maintained of the services and activities of the Company where a Conflict of Interest has been identified;

In case the adoption or the practice of one or more of the above measures and procedures does not ensure the requisite degree of independence, the Company shall be required to adopt such alternative or additional measures and procedures as are necessary and appropriate for those purposes.

Breach of these requirements will be dealt with in accordance with the principles that the only internal discipline and may also be recorded through the ordinary documentation of compliance monitoring by the Compliance department.

6. Disclosure of conflict of interest

- 6.1. When the measures taken by the Company to manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to clients' interest will be prevented, the Company proceeds with the disclosure of conflicts of interest to the client. Prior to carry out a transaction or provide an investment or an ancillary service to a client, the Company must disclose any actual or potential conflict of interest to the client.
- 6.2. The disclosure will be made in sufficient time and in a durable mean and shall include sufficient detail, taking into account the nature of the client, to enable him to take an informed decision with respect to the investment or ancillary service in the context of which the conflict of interest arises.
- 6.3. Clients will be given the opportunity to decide on whether or not to continue their relationship with us with no unreasonable obstacles.

7. Duties and Responsibilities of Key Functions

- 7.1. **Board of Directors:** The Company's Board of Directors has the ultimate responsibility for ensuring the adequacy of this Policy, its approval, its implementation and that this Policy is

reviewed adequately. The responsibilities contained within this policy will be reviewed on an annual basis by the Board of Directors and any changes made if appropriate.

- 7.2. **Employee(s):** Each employee is required to identify new conflicts of interest arising out of the activities/services that they perform and engage in the process to notify line management upon identifying any potential conflict.
- 7.3. **Senior Management:** The Company's Senior Management has the responsibility for ensuring implementation of the board's directions, including implementation by the Compliance Officer and other employees, and monitoring by the Compliance Officer as well as the following:
 - i. fully engage in the implementation of policies, procedures and arrangements for the identification, management and ongoing monitoring of conflicts of interest;
 - ii. adopt a holistic view to ensure the identification of potential and emerging conflicts within and across business lines;
 - iii. raise awareness and ensure compliance of relevant individuals by ensuring: regular training (including contractors and third party service providers' staff) both at induction and in the form of refresher training; the clear communication of policies, procedures and expectations; that awareness of conflicts procedures forms part of the performance review/appraisal process, and that the best practice is shared throughout the Company; sponsor robust systems and controls and effective regular reviews to ensure that strategies and controls used to manage and mitigate risks remain appropriate and effective and that appropriate warnings and disclosures are issued to clients where necessary;
 - iv. utilize management information to remain sufficiently up-to-date and informed; and
 - v. support an independent review of the processes and procedures in place.
- 7.4. **Compliance Department:** The Company's Compliance officer (also "Conflicts Officer") is responsible for the day to day management of the implementation of this policy. In particular, the Compliance department is responsible for:
 - i. establishing the policy in relation to conflicts of interest;
 - ii. providing training oversight and aid;
 - iii. monitoring compliance with arrangements;
 - iv. the oversight of conflicts management;
 - v. maintaining records in relation to conflicts of interest;
 - vi. reviewing and challenging the Conflicts Identification and Management Map; and
 - vii. providing appropriate internal reporting to the Board of Directors.

8. Managing identified Conflicts of Interest

The Company has identified parties and/or circumstances that give rise or/ affect conflict of interest, specifically between the following parties:

- 8.1. Any transaction is carried out in financial instruments in respect of which the Company or a company that belongs to the same Skilling Group of companies, or its director or employee is contemporaneously trading or has traded on its own account or has either a long or short position;
- 8.2. Any transaction is executed in financial instruments issued by an affiliated company or the client or customer of an affiliated company;
- 8.3. The Company is likely to sustain an overall financial loss or avoid a financial loss, by executing a client's specific order;

- 8.4. The Company or Relevant Person receives directly or indirectly linked by control to the Company, receives or will receive from a person other than the client an inducement or gifts (including non-monetary inducements) 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 that may influence behaviour in a way that conflicts with the interest of the Client of the Company.
- 8.5. The Company acting as agent for the Client, matches an order of the Client with an order of another customer for whom it is acting as agent;
- 8.6. The Company Company is likely to sustain an overall financial gain by not executing a client's specific order;
- 8.7. The Company may have other interest from client when acting as non-discretionary account manager such as high volume of transactions or high commissions;
- 8.8. The Company or a company that belongs to the same Skilling Group of companies may engage in business and trading activities for its own account and/or Client accounts whilst other Clients are active in relevant markets at the same time;
- 8.9. The Company or a relevant person, or a person directly or indirectly linked by control to the Company, is likely to make a financial gain or avoid a financial loss, at the expense of the client.
- 8.10. The Company or a relevant person, or a person directly or indirectly linked by control to the Company, has an interest in the outcome of a service provided to the client, or of the transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome.
- 8.11. The Company's hedging policy is affected negatively by the market movement and as a result client's orders are rejected in order to prevent a financial loss for the Company.
- 8.12. The Company or a relevant person, or a person directly or indirectly linked by control to the Company, carries on the same business transactions as the client.
- 8.13. The market moves to a direction of a point/timing when by executing client's order will result in a financial loss for the Company.

9. Internal Procedures

- 9.1. The Compliance Officer shall be responsible for maintaining the conflicts of interest policy. In this respect, the Compliance Officer shall ensure that all the Company's personnel is aware of the Company's conflicts of interest policy and can clearly identify circumstances that may give rise to conflicts of interest. The Compliance Officer shall be responsible to regularly review and update the policy at least on an annual basis.
- 9.2. Any updates and/or changes in the conflicts of interest policy of the Company shall need to be approved by the Board of Directors of the Company.

10. Marketing Communication

- 10.1. The Company shall ensure that any recommendation contains a clear and prominent statement that (or, in the case of an oral recommendation, to the effect that) it has been prepared in accordance with legal requirements designed to promote the independence of investment research and that it is not subject to any prohibition on dealing ahead of the dissemination of investment research.

11. Record Keeping

- 11.1. The Company shall maintain records, which are regularly monitored and updated, of the kinds of investments and ancillary services or investment activities carried out by the Company or on its behalf in which there is a risk for conflict of interest that may damage the interests of one or more clients has arisen.
- 11.2. Any conflict of interest shall be reported to the Company's Chief Executive Officer ("CEO") and Compliance Officer, who shall be responsible for keeping records of conflicts of interest.

12. Policy Update

- 12.1. The Company may update this Policy from time to time, and we reserve the right to review and amend the terms of this policy and its arrangement whenever it deems appropriate as required by law. In the event that the Company materially changes this Policy the revised Policy will be uploaded in the Company's Website.
- 12.2. In this respect, the client hereby agrees to accept posting of a revised Policy electronically on the Website as the actual notice of the Company to its clients. Any dispute over the Company's Policy is subject to this notice and the Client Agreement.
- 12.3. The Company's policy is assessed and periodically reviewed, at least on an annual basis, or more frequently, should the need arise and any amendments to this policy shall be approved by the Company's Board of Directors. The client shall be notified in writing of the nature of the changes deemed appropriate by law, and the revised policy will be available on the Company's Website.

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