



CONFLICT OF INTEREST POLICY

TP ICAP Europe SA

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1. Introduction

1.1. Definitions :

Client : includes existing and prospective clients

Staff: are defined as staff of TPIE directors, employees, agents related to TPIE any person directly or indirectly related to TPIE by control, as well as any person under the authority of TPIE or acting on its behalf.

TP ICAP: means TP ICAP Group and its subsidiaries.

Group: Refers to the TPICAP group

TPIE: TP ICAP Europe SA

EMEA: Europe, Middle East and Asia

SMN: Multilateral Trading Facility (MTF)

SON: Organized Trading System (OTF)

1.2. Description:

This Conflict of Interest Management Policy describes the measures implemented by TPIE to identify, manage, record and prevent conflicts of interest that may arise in the provision of a third party execution service or a related service, in order to prevent them from adversely affecting the interests of clients.

The policy has been drafted in accordance with the following key regulations:

- AMF General Regulation: Articles 318-12 to 318-15;
- Monetary and Financial Code: Legislative/regulatory part;
- Order of 3 November 2014 on the internal control of companies subject to the supervision of the Autorité de Contrôle Prudentiel et de Résolution;
- Directive 2014/65/EU on markets in financial instruments: Articles 18 and 19.

1.3. What is a conflict of interest?

A conflict of interest is a situation in which, in the exercise of TPIE activities, its interests and/or those of its clients and/or those of its collaborators are in competition, whether directly or indirectly.

This Policy is also in line with the fundamental principles of the TP ICAP Group's relationship with its clients regarding the respect of: confidentiality, integrity, primacy of client interests and professional ethics.

To comply with this TPIE implements mechanisms to be able to detect real or potential conflicts of interest and manage them in a fair and appropriate manner and, if necessary, disclose them to clients or to the Competent Authority.



1.4. Scope of application

This policy applies to TP ICAP Europe SA (TPIE) its branches and all of its employees in order to detect, avoid and manage conflict of interest situations in which the company, its employees and its clients might be involved.

2. Types of conflicts of interest :

2.1 Conflicts of Interest Potentially Affecting Clients

A conflict of interest may arise in cases where TPIE or a member of its staff :

- is likely to make a financial gain (or avoid a financial loss) at the expense of its client;
- has an interest in the purpose of the service provided to its client which is different from the interest of the client;
- has a financial or other interest in favouring the interests of one client (or group of clients) over the interests of another;
- engages in the same activity as the client;
- receives an inducement from a third party in connection with a service provided to a client, in the form of monetary or non-monetary benefits or services.

2.2 Conflicts of interest within TPIE

This type of conflict can include but not limited to the below scenarios:

- a possible conflict of interest arising from personal transactions;
- a possible conflict of interest resulting from holding an interest in a potential supplier;
- a possible conflict of interest caused by gifts and gratuities received or offered;
- the choice of an intermediary based on economic and financial relations, or personal links with TPIE, its employees and managers or a related company;
- the acceptance of gifts and benefits of a nature and value of its own to unduly influence the choice of intermediaries and the services provided to the customers;
- the privileged treatment of TPIE 's managers and employees who have opened an financial instruments account with an intermediary in business relationship usual with TPIE;
- the intervention of an employee in a personal or business relationship with a related company in order to obtain voting decisions or favourable responses from TPIE;
- in the context of a transaction or arrangement entered into between the company and a significant shareholder or between companies of the company's group due to the close relationship between the parties;
- those which could result from group membership, the respective interests of the different business units within the TP ICAP group may be different;
- the links between the business interests of third party service providers used by TPIE and the interests of TPIE or its customers where these interests may be different.



3. Management and prevention of conflicts of interest

Potential conflict of interest situations, although not infinite, are very numerous, and employees must therefore be vigilant in order to detect and report situations that could give rise to a Conflict of Interest.

TPICAP's approach to managing conflicts of interest is based on:

- measures (organization, operational, controls, training, procedures...) aimed at detecting and managing potential conflicts of interest identified within its company. The relevance of these measures is periodically assessed, at least once a year, and is subject to the Group's monitoring and control;
- the maintenance of a register of activities and services giving rise to a potentially harmful conflict of interest;
- disclosure to inform the parties concerned in the event of an unresolved conflict of interest and its impact.

This approach includes:

3.1 Detection and identification of potential conflict of interest situations

A conflict of interest mapping has been developed by TPICAP's compliance department to identify potential conflicts of interest that may arise. This mapping is periodically reviewed in order to integrate all necessary developments related to TPICAP activities. The updating of the mapping as well as the controls performed by Compliance aim to ensure that the measures put in place are able to prevent or manage potential conflict of interest situations, and to verify the effectiveness of the controls put in place for this purpose.

Furthermore, all EMEA staff have to Attest annually that they have declared any potential conflicts of interest. New staff have to attest that they have declared any conflicts when they join.

3.2 TP ICAP Compliance Monitoring Program

TP ICAP's compliance department has established and documented compliance monitoring program, part of which focuses on conflicts of interest and detection of potential conflicts. The monitoring undertaken by the department includes, but is not limited to :

- review of transactions and notices on personal accounts;
- monitoring of communications to ensure compliance with confidentiality rules;
- periodic review of desks, including interviews with brokers for whom conflicts of interest have been identified;
- controls over expenses, gifts, events, expense reports;
- monitoring of extra-professional activities.



3.3 Integrity and code of conduct

TPIE employees must all commit to abide by the TP ICAP Group's Code of Conduct and all internal procedures, they are required to uphold the highest standards of integrity in their dealings with clients, and follow an induction program that emphasizes everyone's responsibility to act with honesty and ensure that they :

- (i) do not abuse their professional position to gain personal advantage for themselves or any other person, or to harm the Group and/or its customers;
- (ii) do not participate in any activity or employment that may conflict or contradict the interests of the Group or its clients (external business interests).

Fair treatment of clients

In order to prohibit preferential treatment and to ensure that TPIE's clients are treated as fairly as possible, all orders must be processed in accordance with the Group's EMEA Order Handling and Best Execution Policy. This requires staff to take all sufficient steps to obtain the best possible results for clients; execute comparable client orders sequentially and promptly and apply consistent standards across all markets, clients and financial instruments.

No undue preference may be given to a customer; including (but not limited to) situations where it would be economically advantageous for the company or employee to do so. For example:

- when two clients give similar orders and one client agrees to pay a higher commission, priority and better execution terms should not be given to that client's order when it conflicts with the obligations of the other client;
- when TPIE staff members act in more than one capacity (e.g. as a broker on a TPIE trading platform and also as a broker for a TPIE investment firm).

Fair and orderly market

In order to ensure a fair and orderly trading environment in the markets and to prevent all forms of abuse, all TPIE staff members are subject to training and awareness programmes. These measures ensure that all activities are carried out in accordance with the applicable internal regulations and procedures, which aim at preventing insider trading, abusive disclosures and market manipulation.

3.4 Training

As part of TPICAP compliance monitoring program, the company provides employees with continuous and targeted training (e-learning modules and face-to-face trainings).

These trainings are essential and aim to ensure that employees are able to detect and escalate conflicts of interest and that they are aware of the procedures for identifying, escalating and managing conflicts of interest.



3.5 Confidentiality

Client confidentiality

All staff members are bound by the internal confidentiality rules set out in the TP ICAP Compliance Manual, which stipulates that staff members must maintain the anonymity and confidentiality of their clients. Dealers are only allowed to provide their clients with the market environment, which includes generic information on market activity. Requests from clients for specific details on the activity of other market participants will be refused.

Subcontracting

In order to ensure that a third party service provider of TPIE does not use the information obtained in the course of its missions to obtain a commercial advantage to the detriment of the group or a client, all subcontracts must include clauses that comply with regulatory requirements. These requirements stipulate third parties to protect any confidential information obtained during the provision of the outsourced function.

Personal Account Dealing

The TP ICAP Group has an EMEA "Policy for the management of personal account transactions", procedures and controls over these transactions. All staff members are required to sign and agree to the rules relating to personal account transactions.

Staff members are not allowed to carry out personal transactions:

- (i) in the same sense as a firm or potential order of a client before that order is executed; or
- (ii) in the event that the personal transaction could adversely affect the client or the interests of the business.

In order to ensure that brokers do not take advantage of their position by using information obtained in the course of their business to trade advantageously for their own account, TP ICAP Group's EMEA Personal Account Management Policy prohibits staff from front-running client orders.

According to the internal procedure, staff members must obtain approval from their line manager and the local compliance department before carrying out transactions on a personal account for specified instruments.

Moreover, the Group being a FTSE 250 Listed company, there are even more stringent PA dealing rules. Staff cannot deal in the "closed" periods and Company Secretary maintains a list of "restricted" individuals who not only have to follow the PA dealing rules, but also have to get pre-approval from Company Secretary.

All staff members are required to complete training on the rules relating to personal account transactions.



3.6 Information barriers

The infrastructure of the TP ICAP group includes the exploitation of several trademarks (ICAP, Tullett Prebon...), which are managed in a separate, independent, distinct and competing manner.

To support this operational structure, the TP ICAP Group has put in place information barrier systems to prevent the circulation of confidential and/or privileged, non-public information (including customer information) between the group's business entities. These measures include the physical separation of departments and, where appropriate, restrictions on access to the system.

Similar arrangements are in place to prevent the TP ICAP Group's business entities, which are also participants in the Group's trading platforms, from having access to information that is not available to third party participants.

3.7 Investment advice

TPIE might provide an investment advice service to its clients. A conflict may arise between the interests of TPIE, the interests of clients and the interests of brokers, however TPIE has policies, procedures and controls in place to mitigate potential conflicts of interest.

3.8 Placement Services

When subscribing or placing financial instruments, there are a potential conflicts between the interests of the client, those of the issuer and those of the TPIE. In order to mitigate these risks, there is a strict separation of the departments in charge of origination and the sale of the instrument issued.

3.9 Research

TP ICAP Europe SA (TPIE), provides a research service that represents a limited part of its overall activity. In the course of research, a conflict may arise between the need to conduct clear, fair and non-misleading research and the interests of a client. Prior to publication, all research reports are reviewed by a supervising analyst to confirm compliance with editorial guidelines and regulatory requirements. TPIE also maintains a separation between the authors of research reports and staff performing other services.

3.10 Compensation Practices:

Incentives

All staff members are required to act in accordance with the "TPCIAP Group's EMEA Policy on Gifts and Entertainment". This policy clearly defines the conditions under which staff may provide or accept gifts and entertainment and ensures transparency by requiring all staff members to disclose details of all gifts, entertainment and benefits received or provided by customers or third parties.

Compensation

The Group has established a Remuneration Policy that (i) promotes sound and effective risk management, (ii) avoids excessive risk-taking in relation to the Group's appetite for risk and (iii) avoids conflicts of interest.



3.11 Group companies

The internal policy states that customers should be informed of the relationship when the counterparty of the transaction is another company of TP ICAP group or when the services of another company of TP ICAP group are recommended.

3.12 Separate supervision and separation of functions

TPIE has made provisions for the separate supervision of those performing functions on behalf clients whose interests may be in conflict or in which the interests of the clients and TPIE may be in conflict. Such segregation of duties maintains independence and avoids bias that could be detrimental to the proper management of conflicts of interest.

Data & Analytics

As a data provider TPICAP separates the function of providing data externally from those parts of the company that may use or have an interest in the benchmark. All data produced and provided to third parties must be transmitted via "TP ICAP Data & Analytics" a separate business unit from the brokerage activity of TP, ICAP and PVM. This ensures that all information submitted for the purposes of the index activity is subject to independent controls and quality assurance checks.

4. Prevention and Management of Conflicts of Interest Related to the Operation of a SMN and SON

Conflicts of interest related to the operation of a SMN or SON may arise in some cases.

4.1 Transaction Recording

A potential conflict of interest exists when TPIE records transactions on a SMN in the same legal entity as the SON. This is mitigated by non-discretionary rules determining the place of execution or registration of transactions. When a broker receives interests, which benefit from a pre-transaction exemption (e.g. large size, liquidity concept), the transaction is recorded on the SMN unless specifically instructed by the client. The determination of liquidity or size thresholds (LIS) is not decided by TPIE

4.2 Assets available on several sites

A potential conflict of interest exists when identical products are available on several trading platforms within the TP ICAP Group.

An essential element of the Group's business plan is the separation of brands, maintaining competition between ICAP and TP sites and brokers and offering choice to counterparties. The potential conflict is mitigated by the use of the same non-discriminatory access rules by each trading platform. The counterparty is not prohibited from becoming a user or participant of other TPIE trading platforms. The execution of transactions with the 2 TPIE SONs also follows the same order and execution handling rules.



4.3 SMN/ SON within the Group

There is a potential conflict when TP ICAP entities have access to SMN / SON within the group. This is mitigated for Matched Principal activities on SONs, as the broker will only act as an Executing Broker and in never as Counterparty to the transaction. For Name Give-up transactions, the risk of conflict is mitigated because the entity is the participant in the SMN for the transaction recording, but never the Counterparty of the transaction.

4.4 Preventing conflicts of interest within a SMN/ SON

TPIE has put in place specific provisions to manage the potentially damaging effects, for the operation of the SMN or SON or for members or participants and users, of any conflict of interest through the effective separation of the legal entity managing the MTF from its members :

- physical separation of activities, with separate management and operational teams;
- Separation of enforcement systems and implementation of the necessary measures to ensure information barriers between the TP and ICAP brands;
- similarly, outsourcing of activity from one legal entity to the other should only take place if the arrangements made meet the criteria listed above.

The provisions described above are without prejudice to the ability of the SMN and the SON to monitor its participants' compliance with the Market Rules and other legal obligations, and also without prejudice to the provisions of MiFID II relating to the identification and management of conflicts of interest to be complied by TP ICAP entities when they have access to the SMN or the SON within the group.

In addition, organizational arrangements have been put in place to maintain the independence of the activity of the SMN and the SON :

- ✓ **Supervision:** designation of a dedicated person to ensure the supervision of the SMN and the SON in order to verify that the operators within TPIE carry out their activity in accordance with the business rules and regulatory instructions, including supervision of the situation when conflicting interests are likely to arise;
- ✓ **Control:** implementation of controls in order to verify that participants in the SMN and SON comply with the business rules of the SMN and SON,



5. Obligation to disclose unresolved conflicts of interest

Where the measures implemented are not sufficient to guarantee, with certainty, that the risk of harm to the client's interests will be avoided, TPIE must clearly disclose the general nature or source of the conflict of interest to the client before acting on the client's behalf.

Pursuant to Article L. 533-10 of the Monetary and Financial Code, the information communicated to customers :

- is prior to the provision of services;
- is sufficiently detailed: description of the source and nature of the conflicts of interest and the risks for the Client, enabling him to make an informed decision;
- is supplied on a durable support.

If the client confirms his instructions, despite a certain prejudice to his interests, TPIE reserves the right to refuse execution.