

# CONFLICTS OF INTEREST POLICY

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## 1. PURPOSE AND INTRODUCTION

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Basis Capital Markets UK Ltd. (“Basis” or “the Firm”) conducts its business in accordance with FCA Principle 8, which requires the Firm to manage conflicts of interest fairly—both between the Firm and its clients, and between individual clients.

In line with SYSC 10.1, the Firm is required to take all appropriate steps to identify and to prevent or manage conflicts of interest that may arise in the course of providing its services, including those between:

- The Firm (including its managers, employees, appointed representatives, or any person directly or indirectly linked by control—collectively, “Staff”) and a client; and
- One client and another client, including conflicts arising from inducements provided by third parties or from the Firm’s remuneration and incentive structures.

The Firm’s policy is to maintain and operate adequate organisational and administrative arrangements designed to identify, prevent, and manage both potential and actual conflicts of interest in a manner that supports fair treatment, regulatory compliance, and operational integrity.

## 2. IDENTIFYING CONFLICTS OF INTEREST

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To identify actual or potential conflicts of interest that may damage the interests of a client, Basis considers whether the Firm or any member of Staff (including managers, employees, appointed representatives, or any person directly or indirectly linked by control) is in a position where:

- They are likely to make a financial gain or avoid a financial loss at the expense of the client
- They have an interest in the outcome of a service provided to the client or a transaction carried out on behalf of the client, which is distinct from the client’s interest in that outcome
- They have a financial or other incentive to favour the interests of one client or group of clients over those of another client
- They carry on the same business as the client
- They receive or may receive an inducement from a third party in connection with 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. MANAGING CONFLICTS

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### 3.1 Governance Oversight

Basis maintains robust governance arrangements, with senior management oversight and Governing Body accountability. The Governing Body is responsible for critical business decisions and understands the Firm’s obligations to identify, manage, and mitigate conflicts of interest. Senior management ensures that systems, controls, and procedures are adequate and proportionate to the Firm’s business model and regulatory obligations.

Conflicts of interest are addressed as a standing agenda item at board meetings. Senior management regularly reviews and updates processes to prevent, and control identified conflicts.

### 3.2 Staff Responsibilities

All Staff (including managers, employees, and appointed representatives) are responsible for identifying potential and actual conflicts of interest as they arise and must notify the Compliance Officer immediately. The Compliance Officer is responsible for implementing procedures to manage and monitor conflicts on an ongoing basis and reports directly to the Governing Body.

The Compliance Officer reviews relevant management information, including risk reports, client money/assets reports, and other risk indicators, to assess and address conflicts.

### 3.3 Management Reporting

The Governing Body receives, at least annually, written reports detailing all identified conflicts of interest. The Compliance Officer ensures timely and accurate reporting to support oversight and regulatory alignment.

### 3.4 Segregation of Functions and Independence

The Firm maintains a clear organisational structure with transparent and consistent lines of responsibility. Senior management duties are segregated to minimise conflicts. The Firm engages external compliance consultants to provide independent review and advisory support on its regulatory obligations, including conflict management and monitoring.

### 3.5 Information Barriers

The Firm has procedures in place to prevent or control the exchange of information between Staff engaged in activities that may give rise to conflicts of interest. These barriers are designed to protect client interests and maintain confidentiality.

### 3.6 Disclosure to Clients

Where the Firm's arrangements are not sufficient to ensure, with reasonable confidence, that the risk of damage to a Client's interests will be prevented, the Firm will disclose the following before undertaking business:

- The general nature and/or sources of the conflict
- The steps taken to mitigate the risk

Disclosure is treated as a measure of last resort and is made:

- In a durable medium
- With a clear statement that internal arrangements are not sufficient to prevent the risk
- Including a specific description of the conflict
- Explaining the risks to the client
- With sufficient detail to enable the client to make an informed decision, considering the nature of the client

### 3.7 Declining to Act

The Firm may decline to act for a client where the Governing Body determines that a conflict of interest cannot be managed through existing arrangements.

### 3.8 Policies and Procedures

In addition to this Policy, the Firm maintains comprehensive procedures to manage and mitigate conflicts of interest. These include policies on:

- Insider Dealing and Market Abuse
- Outside Business Activities
- Gifts, Inducements, and Business Entertainment
- Product Governance
- Fraudulent Practices and Money Laundering

## 4. CONFLICTS REGISTER

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The Firm maintains a Conflicts Register that records identified actual and potential conflicts of interest, along with the procedures implemented to manage or mitigate them. The Register is reviewed and updated on an ongoing basis, particularly when:

- A new conflict is identified
- An existing conflict evolves or is reassessed
- The Firm's conflict management arrangements are modified

The Conflicts Register supports the Firm's governance framework and provides an audit trail for regulatory oversight and internal monitoring.

## 5. STAFF TRAINING

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All colleagues receive structured guidance and training on this Conflicts of Interest Policy upon joining the Firm. This induction ensures that Staff understand:

- The regulatory importance of identifying, preventing, and managing conflicts of interest
- Their personal responsibility to escalate any actual or potential conflict to the Compliance Officer without delay
- The Firm's governance framework and escalation pathways for conflict management
- The operational impact of unmanaged conflicts on client outcomes, regulatory obligations, and Firm reputation

Training is delivered through a combination of onboarding sessions, ongoing compliance training, and compliance briefings. The Firm also provides periodic refresher training to reinforce awareness, embed regulatory updates, and ensure continued alignment with FCA expectations and internal standards.

Staff are required to confirm their understanding of the Policy and its application to their role. The Compliance Officer monitors training completion and effectiveness, and reports on training metrics to the Governing Body as part of the Firm's broader compliance oversight.

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