

### Introduction

The purpose of the Conflicts of Interest Policy and procedures is to ensure that conflicts of interest within Cardano Advisory Limited (“Cardano Advisory”) are identified, managed and, where necessary, disclosed in order to ensure the fair treatment of clients and to reduce the risk of legal liability, regulatory censure or damage to Cardano Advisory’s commercial interests and reputation. The conflicts of interest policy identifies actual and potential conflicts arising within Cardano Advisory and procedures for managing those conflicts. Everyone in Cardano Advisory (including contractors and any other person directly or indirectly linked to us by control) involved in the provision of services to Cardano Advisory’s clients must adhere to the policy.

### Definition of a Conflict of Interest

A conflict of interest is a situation where competing obligations or motivations result in, or are likely to result in detriment to the client. This is likely to be as a result of one or more of the situations detailed below arising:

- A client is disadvantaged/makes a loss when Cardano Advisory (including its employees, agents, contractors or any person directly or indirectly linked to Cardano Advisory by control) is at an advantage/makes a gain or avoids a loss;
- A client makes a gain/avoids a loss when another client makes a loss/is disadvantaged; or
- Any instance in which activity by Cardano Advisory in one situation may compromise Cardano Advisory’s advice or create a perception that its advice may be compromised and therefore limit its ability to act in another situation.

### What are the Parameters of the Conflicts of Interest Policy?

Cardano Advisory has established and implemented the Conflicts of Interest Policy which is appropriate to the investment services that Cardano Advisory provides and the Cardano Advisory client base.

The Conflicts of Interest Policy takes into account any circumstances, of which Cardano Advisory is or should be aware, which may give rise to a conflict of interest arising, including as a result of the structure and business activities of the other members of the Cardano Group.

### Identifying Conflicts

Cardano Advisory is required to take all appropriate steps to identify actual and potential conflicts of interest that may cause a material risk of damage to the interests of a client.

When considering whether a conflict of interest does, or has the potential to exist, the following should be taken into account:

- Is Cardano Advisory likely to make a financial gain, or avoid a financial loss, at a client's expense?
- If Cardano Advisory is providing a service to the client, Cardano Advisory have an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is separate and distinct from the client's interest in that outcome?
- Does Cardano Advisory have a financial or other incentive to favour the interests of one client (or group of clients) over the interests of another client?
- Does Cardano Advisory carry on the same business as the client?
- When providing a service to a client, does Cardano Advisory receive or will it receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard fee for that service?

Each person in Cardano Advisory involved in providing investment services to clients must be aware of any potential conflicts of interests. Potential conflicts of interest should be considered, particularly, in the context of:

- the launch of a new service, activity or product;
- the expansion of the client base to include new and differing types;
- change in regulation and/or market practice; or
- current and previous employment and other interests of a colleague and their close family members.

All employees are required to be alert to potential conflicts and provide full written information on any actual or potential conflicts of which they are aware to the relevant Managing Director and Compliance, including potential conflicts due to positions held by family members.

### Examples of Conflicts of Interest

This list is not exhaustive and provides a few examples of conflicts and measures to manage them.

#### 1. Interests in Competitors, Clients or Suppliers and Outside Employment

Except with the approval of the Compliance Officer, no person shall serve as an employee, officer, director, or trustee of, or have a substantial interest in or business relationship with, a Cardano Advisory competitor, client, or supplier (other than any affiliate or parent) that could create a divided loyalty or the appearance thereof.

At any time during employment, a colleague must disclose to the client relationship manager if employment or another position held currently or previously, by the employee or a close family member creates a potential conflict of interest. In such situations, the client relationship manager and head of the business line will determine whether or not the employee can continue to act. Advice from the Compliance Office will be sought as required.

## 2. Inducements

Employees must not offer to give, or solicit, or accept any inducements in the course of carrying on regulated business which is likely to conflict with any duties owed to clients.

## 3. Interest in Transactions and Personal Account Dealing

No person shall engage in any transaction involving the Cardano Group if they or a member of their immediate family (or any other compromising relationship) has an interest in the transaction or can benefit directly or indirectly from the transaction (other than through the employee's normal compensation), except as specifically authorised in writing by the Compliance Officer.

Employees must comply with the Personal Account Dealing Rules at all times.

## 4. Diversion of Business Opportunity

No person may acquire, or derive personal gain or profit from, any business or investment opportunity that know Cardano Advisory might reasonably be expected to participate or have an interest in, without first disclosing in writing all relevant facts to Cardano Advisory, offering the opportunity to Cardano Advisory, and receiving specific written authorisation from the Compliance Officer.

## 5. M&A Advice

Cardano Advisory advises a potential purchaser on an M&A when the target is a participating employer of an existing or recent Cardano Advisory pension scheme client.

## Managing Conflicts

Conflicts of interest, once identified, must be managed in a way which ensures that clients' interests are not adversely affected. This means that the conflict should be managed in such a way that all clients are treated fairly and Cardano Advisory conducts its business with integrity and according to proper business standards.

The following types of control are examples that may be appropriate for managing a conflicts of interest.

1. Control of information: preventing / controlling the exchange of information between opposing sides of a conflict of interest e.g. by establishing a fire wall / information barrier / ethical wall;
2. Separate supervision: subjecting individuals on opposite sides of a conflict of interest to separate supervision;
3. Removal of remuneration links: removing direct links between the remuneration of individuals on opposite sides of a conflict of interest;
4. Segregation of duties: preventing/controlling the involvement of individuals in simultaneous/sequential tasks; and
5. Peer review.

If the adoption or the practice of one or more of those measures and procedures does not ensure the requisite level of independence, Cardano Advisory will adopt such alternative or additional measures and procedures as are necessary and appropriate for those purposes.

Where the arrangements made to manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client will be prevented, as a last resort and before undertaking business for the client, Cardano Advisory will clearly disclose the conflict to the client, providing a specific description which will include the general nature and sources of conflicts of interest to the client. The disclosure will detail how it is intended to manage the conflict of interest and the risks to the client to enable the client to make an informed decision whether or not to proceed with the service or transaction.