

CONFLICTS OF INTEREST POLICY OF TRIGON DOM MAKLEKSKI S.A.

Section 1. General

1. This Conflicts of Interest Policy of Trigon Dom Maklerski S.A. (the "**Policy**"), aligned with the requirements of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive ("**MiFID**"), sets out the policies applied by Trigon Dom Maklerski S.A. (the "**Brokerage House**") to avoid, properly identify and manage any conflicts of interest and to ensure equal treatment of all clients of the Brokerage House, and in particular to ensure that the Brokerage House, its employees or affiliates do not make any gains or avoid losses at the expense of the Brokerage House's clients.
2. This Policy is applicable to activities of all employees of the Brokerage House, including members of its statutory bodies, as well as persons acting for and on the behalf of the Brokerage House (its agents) (jointly the "**Covered Persons**").
3. Each of the Covered Persons shall anticipate and avoid situations where their private interests could collide with those of the Brokerage House's clients or of the Brokerage House itself.
4. A conflict of interest shall be understood as circumstances known to the Brokerage House and Covered Persons which may lead to a collision of between the interest of the:
 - 1) Brokerage House
 - 2) Covered Person
 and the Brokerage House's obligation to act in a reliable manner, with due regard to the best interests of a client/prospective client of the Brokerage House, as well as any circumstances known to the Brokerage House which may lead to a collision between the interests of several clients of the Brokerage House (a "**conflict of interest**").
5. The Brokerage House regards the following circumstances, in particular, as constituting a conflict of interest:
 - 1) the Brokerage House or a Covered Person is likely to, in a specific situation which is not provided for in the agreement with a client, make a gain or avoid a loss as a result of a loss being incurred or a gain not being realised by a client or a group of clients of the Brokerage House;
 - 2) the Brokerage House or a Covered Person have a financial or other incentive to favour the interest of a client or a group of clients of the Brokerage House over the interests of another client or group of clients of the Brokerage House that are in the same situation;
 - 3) the Brokerage House or a Covered Person have a reason to prefer its own or a third party's interest over the interests of a client or a group of clients of the Brokerage House;
 - 4) the Brokerage House or a Covered Person have an interest in the outcome of a service provided to a client or of a transaction carried out on behalf of a client which is different from the client's interest in that outcome;
 - 5) a Covered Person is likely to make a financial gain, or avoid a financial loss, at the expense of a client;
 - 6) the Brokerage House or a Covered Person carries on the same business as a client;
 - 7) the Brokerage House or a Covered Person receives from a person other than a client a separate inducement in relation to a service provided to the client, other than the standard commission or fee for that service.
6. Job descriptions or other documents specifying the scope of tasks and responsibilities of a Covered Person shall be formulated in such a way as to exclude from that Covered Person's responsibilities any tasks which are in a relationship giving rise to a conflict of interest.
7. Responsibility for direct oversight of compliance with this Policy shall lie with the Brokerage House unit responsible for legal compliance of the Brokerage House's operations (the "**Compliance Team**"). Overall supervision of compliance with this Policy shall be exercised by the Management Board of the Brokerage House.
8. The provisions of this Policy are cumulative with other internal policies of the Brokerage House which relate to:
 - 1) handling of inside information within the meaning of the MAR Regulation and professional secrets within the meaning of the Act on Trading in Financial Instruments (respectively, "Inside Information" or "Professional Secrets"), and prohibitions on the use and disclosure thereof,
 - 2) prohibitions on market manipulation, preparation of research reports, financial analyses and other recommendations of a generic nature concerning transactions in financial instruments;
 - 3) gifts offered and received by Covered Persons, anti-corruption;
 - 4) Covered Persons sitting on governing bodies of entities other than the Brokerage House;
 - 5) handling of fees, commissions and non-cash benefits accepted or offered in connection with services provided by the Brokerage House.
9. The Brokerage House shall provide all information about conflicts of interest to a client/prospective client on a durable medium, in a format enabling its storage by the client/prospective client for as long as may be required by the nature of such information and the purpose of its preparation or transmission, preventing the edition of such information, and enabling its recreation in the original form and version.
10. Information transferred to a client/prospective client in line with this Policy shall include data allowing the client/prospective client to make an informed decision as regards the conclusion of an agreement or continued use of services under an agreement concluded with the Brokerage House.
11. The Brokerage House regards the following, in particular, as conflict of interest situations:

- 1) issuance of research material relating to financial instruments whose issuer is affiliated with the Brokerage House, or for which the Brokerage House is the issuer's market maker, or provides underwriting or offering services;
- 2) parallel provision of the same services to multiple clients;
- 3) provision of portfolio management services for clients with differing investment strategies implying different investment objectives at a given point in time;
- 4) execution of client orders for financial instruments in respect of which the Brokerage House provides services of the issuer's market maker or market maker or in which the Brokerage House itself has a substantial position;
- 5) execution of transactions on the Brokerage House's own account in financial instruments which can be, in parallel, traded by clients with the Brokerage House;
- 6) making the Brokerage House's fee for offering financial instruments conditional on the valuation of such instruments;
- 7) where financial instruments are offered by the Brokerage House – entry into or an intention to enter into cooperation in this respect with a competitor of the issuer of such financial instruments;
- 8) making the compensation of Covered Persons carrying out tasks as part of the Brokerage House's provision of portfolio management services conditional on commissions paid by clients;
- 9) making the compensation of a Covered Person from the Brokerage House carrying out tasks as part of the Brokerage House's intermediation in the sale of investment fund units conditional on the number of units purchased by clients;
- 10) insider dealing by Covered Persons based on information concerning a client or a client's transactions and orders for financial instruments.

Section 2. Avoidance and management of conflicts of interest

1. The Brokerage House shall apply certain policies to avoid the risk of a conflict of interest, based in particular on:
 - 1) defining the remits for each organisational unit,
 - 2) regulating the flow of confidential information,
 - 3) regulating the rules of investing by persons related to the Brokerage House,
 - 4) regulating proprietary trading by the Brokerage House,
 - 5) regulating the disclosure of potential conflicts of interest in the preparation of research material.
2. In the event of an elevated risk of a conflict of interest, the Brokerage House shall take measures, commensurate with its purpose, to avoid the conflict of interest, and in particular it shall:
 - 1) modify the general terms of provision of individual services, including by amending the relevant rules of procedure, model documents or instructions,
 - 2) modify its offerings or planned terms or conditions of services for a given client, including, where necessary, by proposing amendments to service agreements,
 - 3) disable, restrict or monitor communication between Covered Persons or organisational units,
 - 4) outsource certain service tasks to an independent third party which is not affected by the conflict of interest,
 - 5) exclude certain Covered Persons from the provision of services to the client,
 - 6) ask the Covered Person to resign from certain positions (e.g. from sitting on the governing bodies of the client or an issuer of financial instruments),
 - 7) consult the terms of provision of services affected by the conflict of interest with all interested clients,
 - 8) refuse to enter into a service agreement.
3. In connection with the provision of brokerage services, the Brokerage House shall not accept from third parties other than a client, or grant to third parties other than a client, any benefits other than a standard commission or fee for a given service, unless they are aimed at improving the quality of services provided to the client or do not affect the manner in which such services are provided. The preceding sentence applies accordingly to accepting any benefits from clients other than the clients to whom services associated with the benefit are provided. The aforementioned situations where benefits are accepted by way of an exception shall be disclosed to the client.
4. When executing client orders, the Brokerage House shall transfer them to an organised market in priority to the Brokerage House's own orders. If trading conditions on a given market do not allow for prioritisation of orders, the Brokerage House shall treat the client orders equally as its own orders.
5. The Brokerage House may manage particular potential conflicts of interest by taking other appropriate measures, in particular by:
 - 1) restricting the possibility of proprietary trading, as prescribed by relevant rules of procedure of the Brokerage House;
 - 2) correlating the variable pay component of Covered Persons with the quality of services provided to clients of the Brokerage House;
 - 3) appropriate organisational solutions, such as:
 - a) having: (i) separate organisational units or separate staff, (ii) separate information systems or subsystems (the "Chinese Walls"), for each type of activities carried out by the Brokerage House,
 - b) appropriately limiting and documenting the flow of confidential information between organisational units and Covered Persons;
 - 4) providing for consent of an entity for which the Brokerage House offers financial instruments to making specific investments or entering into specific cooperation in the agreement concluded with that entity.

6. Before concluding an agreement with a client, the Brokerage House shall review the contractual terms and other available information about the client and its relationship with the Brokerage House as well as other activities of the Brokerage House for potential conflicts of interest between the Brokerage House and the prospective client.
7. If a conflict of interest or a potential conflict of interest is identified, which the Brokerage House is unable to prevent despite having employed relevant organisational and technical precautions, prior to concluding an agreement with that client or making transactions on the client's behalf, the Brokerage House shall inform the client about the existing/potential conflicts of interest, specifying the nature of such conflicts, and about potential situations where a conflict of interest may arise, and shall agree with the client on how to proceed in such situations.
8. Where the Brokerage House is unable to effectively manage an existing/potential conflict of interest, it shall obtain a written statement of acceptance of the risk arising from the conflict of interest situation from the client.
9. In the event of a conflict of interest arising after the conclusion of an agreement with a client which the Brokerage House is unable to prevent, the Brokerage House shall inform the client about the conflict immediately after becoming aware of it. In such case, any further provision of brokerage services shall be conditional on obtaining the client's written consent for the continued provision of the services specified in the agreement.
10. The Brokerage House shall keep a record of services and all identified potential and actual conflicts of interest together with a description of how they are managed.
11. A Covered Person shall inform the Compliance Team of any potential or actual conflict of interest.
12. The Compliance Team shall review this Policy and the rules for managing conflicts of interest at the Brokerage House at least on an annual basis to see if they are up to date and adequate given the scale and type of activities carried out by the Brokerage House.
13. The Compliance Team shall review this Policy more often than stated in item 12 in the case of any change in the legal framework governing the management of conflicts of interest, potential occurrence of a conflict which is likely to result in considerable losses, as well as other circumstances that may affect the process of managing conflicts of interest at the Brokerage House.

As of October 19th 2018