

## CONFLICT OF INTERESTS POLICY

### **I. Purpose of the Policy.**

The purpose of this policy of the company “**One Three Capital S.A.**” (hereinafter the “**Company**”) is to establish internal rules for the prevention of conflicts of interest, in particular in accordance with Article 8 of Regulation (EU) 2020/1503 and Regulation (EU) 2022/2111, with the objective of ensuring:

- (i) that the Company, as a crowdfunding service provider, operates as a neutral intermediary between clients on the crowdfunding platform it manages; and
- (ii) with reasonable confidence, that risks of damage to clients’ interests will be prevented and, where this is not possible, appropriately mitigated.

In laying down the requirements set out in this Policy, due account has been taken of the size and organisation of the Company, as well as the nature, scale and complexity of its business activities.

Responsibility for overseeing the implementation of this Policy lies with the Company’s Compliance Officer.

### **II. Scope of the application**

This Policy applies to the personnel and executives of the Company, its shareholders, the members of the Company’s Board of Directors, as well as any other natural or legal person closely linked to them by a control relationship<sup>1</sup>. The above persons shall hereinafter be referred to as the “**Covered Persons**”.

Pursuant to this Policy, the Company shall take appropriate measures for the prevention, identification, management and disclosure of conflicts of interest between the Company, its shareholders, directors or employees, or any natural or legal person linked to them by a control relationship, and its clients, or between two of its clients.

For the purposes of this Policy, a “**conflict of interest**” means a situation arising in the course of the provision by the Company of crowdfunding services, which may benefit the Company, the Covered Persons or a client and which may give rise to a significant risk of damage to the interests of a client of the Company.

### **III. Identification of Conflicts of Interest & Examples**

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<sup>1</sup> Control relationship” means a relationship between a parent undertaking and a subsidiary undertaking in all cases referred to in paragraph 2 of Article 32 of Law 4308/2014, or a similar relationship between any natural or legal person and an undertaking.

Any subsidiary undertaking of a subsidiary undertaking shall also be considered a subsidiary undertaking of the parent undertaking which is the ultimate parent of those undertakings.

For the purposes of identifying the types of conflicts of interest that arise in the course of providing crowdfunding services and whose existence may adversely affect the interests of a client, the Company shall take into account whether the Company or a Covered Person:

- (a) is likely to make a financial gain or avoid a financial loss at the expense of the client;
- (b) has, in relation to the outcome of a service provided to the client, an interest which is distinct from the client's interest in that outcome;
- (c) has a financial or other incentive to favour the interests of a client or group of clients over the interests of another client.

Indicative examples of conflict of interest situations include:

- ❖ cases where the Company acts on behalf of two or more clients whose interests are competing with each other;
- ❖ the existence of business relationships, direct or indirect links with, or the provision of services to project owners whose financial instruments are offered to clients for crowdfunding purposes;
- ❖ access to material non-public or confidential information relating to clients, which, depending on whether such information is used or withheld by the Company, may affect the quality of the services provided;
- ❖ the possible development of personal relationships between Covered Persons and clients, which could lead Covered Persons to engage in activities outside the Company that may harm the interests of other clients;
- ❖ the prioritised transmission by an employee or executive of the Company of a personal order in relation to the transmission of a corresponding client order concerning the same crowdfunding offer made available through the platform managed by the Company;
- ❖ the giving or receiving of gifts or hospitality to or from clients, which could influence the manner in which clients are treated and the quality of the services provided.

As a preventive measure for the identification of conflict of interest situations, the Company periodically reviews its activities and transactions that may give rise to such situations. For this purpose, the Compliance Officer has drawn up and maintains a list of various situations that may give rise to conflicts of interest and may undermine the interests of the Company's clients. Such situations are classified into the following categories:

- ❖ Conflicts between the interests of the Company or the Covered Persons and the Company's clients;
- ❖ Conflicts between the interests of two clients of the Company.

The list of potential conflict of interest situations is maintained under the responsibility of the Company's Compliance Officer and is communicated, as in force from time to time, to all Covered Persons.

Conflict of interest situations may be identified either by the Compliance Officer, in the context of periodic or ad hoc reviews, or by any Covered Person in the course of performing their duties. In the latter case, the Covered Person shall inform their immediate Supervisor and the Compliance Officer, who shall identify the reported incident on the basis of the list of conflict of interest situations and the above examples. Where the reported conflict of interest situation is not included in the list, the Compliance Officer shall update the list accordingly. Subsequently, the Compliance Officer shall assess the materiality of the reported incident, as well as its causes and its potential consequences.

#### **IV. Safeguards for the Prevention of Potential Conflicts of Interest**

With a view to ensuring the prevention of potential conflicts of interest, the following requirements shall apply:

- 1) The Company shall not have any participation in the crowdfunding offers made available on the crowdfunding platform it manages.
- 2) The Company shall not accept as project owners, in relation to the crowdfunding services provided through the platform it manages, the following persons:
  - (a) shareholders holding 20% or more of the share capital or voting rights of the Company;
  - (b) its directors or employees;
  - (c) any natural or legal person linked to such shareholders, directors or employees by a control relationship.

In this context, major shareholders, members of senior management, employees of the Company, and any other natural or legal person closely linked to them by a control relationship, shall not act as project owners in relation to crowdfunding services offered through the platform managed by the Company.

- 3) The Company shall identify whether any of the Covered Persons has been accepted as an investor in crowdfunding projects made available on the crowdfunding platform it manages. Covered Persons may act as investors in projects offered on the crowdfunding platform managed by the Company under the same terms and conditions applicable to any other investor, without any preferential treatment. In any event, the Company shall ensure that an appropriate level of independence is maintained having regard to:
  - (a) the size and activities of the Company; and
  - (b) the risk of damage to the interests of clients.

#### **4) Dissemination of Information**

The Company shall implement procedures to ensure separate supervision and segregation of the functions of its employees/executives, in order to prevent the simultaneous involvement of an employee/executive in different services or activities, which may give rise to conflicts of interest or may impair the proper management of such conflicts. Furthermore, the Company shall adopt measures to control and prevent the dissemination of confidential or material information relating to clients, project

owners or offers made available on the Company's platform which is not publicly available, in order to prevent conflicts of interest and to avoid insider dealing or market manipulation.

In particular:

- The Functions and Departments of the Company shall be subject to organisational and physical separation, through the implementation of effective information barriers designed to prevent or control the exchange of information ("Chinese Walls"), so that persons engaged in each Function and Department do not have direct access to information relating to the activities of another Function or Department of the Company.
- The Company's IT system shall not permit access to information that is not considered strictly necessary for the performance of a specific task. Consequently, employees shall have access, through the use of specific passwords, only to such information/data as is necessary for the performance of their duties within the Company.
- The Company's Compliance Officer shall prepare and maintain a list of persons who, by virtue of their position within the Company and as specifically defined in the Company's Internal Regulation of Operation, are not subject to the Chinese Walls and the strict need-to-know policy.

5) In the context of matching the interests of prospective investors and project owners for financing through the crowdfunding platform managed by the Company, the receipt and transmission of client orders for crowdfunding purposes shall be carried out on the basis of their chronological order of registration on the Company's platform.

6) The remuneration of the Company's employees and executives consists of a fixed amount constituting their basic salary. Any productivity bonus ("bonus") shall neither be guaranteed nor granted under conditions that could, directly or indirectly, give rise to situations of conflict of interest. Any direct link between the remuneration of a Covered Person principally engaged in one activity and the remuneration of, or revenues generated by, another Covered Person principally engaged in a different activity shall be prohibited where a conflict of interest may arise in relation to those activities.

7) Gifts:

- Covered Persons shall not be permitted to accept gifts of value or gifts in the form of money or financial instruments, irrespective of amount. Low-value promotional gifts, such as office items bearing the logo of the company offering the gift, shall be exempt from this prohibition. Where a Covered Person is not in a position to assess whether the acceptance of a gift is consistent with the Company's Policy, the Covered Person shall seek guidance from the Compliance Officer.

- Gifts may be offered to clients subject to prior approval by the Company's Senior Management. A record of gifts offered to clients as described above shall be maintained by the Compliance Officer. Where a Covered Person is not in a position to assess whether the offering of a gift is consistent with the Company's Policy, the Covered Person shall seek guidance from the Compliance Officer. Low-value promotional gifts,

such as office items bearing the Company's logo, shall be exempt from the prior approval requirement.

8) Any exercise of inappropriate influence by any person over the manner in which a Covered Person provides crowdfunding services shall be prohibited.

## **V. Inducements**

In order to ensure that prospective investors are offered investment opportunities on a neutral basis, the Company and the Covered Persons shall neither pay nor receive any remuneration, discount or non-monetary benefit for directing investor orders to a specific crowdfunding offer made available on the Company's platform or to a specific crowdfunding offer made available on a third-party platform.

## **VI. Publication – Disclosures**

### *Publication*

The Company publishes and keeps up to date on its website, in an easily accessible place for clients, the general nature and sources of conflicts of interest and the measures taken to mitigate them.

### *Disclosures*

The Company discloses to clients the general nature and sources of conflicts of interest and the measures taken to mitigate them, on a durable medium, unless no conflict of interest has been identified in accordance with Article 8(4) of Regulation (EU) 2020/1503, and updates such information where appropriate. The disclosure to clients includes a specific and clear description of the conflicts of interest and the related risks identified in the context of a specific service, taking into account the nature of the clients to whom the disclosure is addressed, in particular their classification as sophisticated or non-sophisticated prospective investors.

The disclosure to clients:

- a) is made on a durable medium<sup>2</sup>; and
- b) includes sufficient detail, taking into account the characteristics of the client, to enable the client to take an informed decision regarding the service in the context of which the conflict of interest arises.

## **VII. Record-Keeping**

The Compliance Officer maintains a register of conflicts of interest, which is updated at regular intervals. Entries in the register are made in chronological order.

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<sup>2</sup> "Durable medium" means any instrument which enables information to be stored in a manner accessible for future reference and for a period of time adequate for the purposes of the information, and which allows the unchanged reproduction of the information stored.

The register includes:

- ✓ conflict of interest cases identified by the Compliance Officer or reported to them by Covered Persons;
- ✓ the assessment of each conflict of interest situation by the Compliance Officer and findings as to whether the situation entails a risk of damage to the client's interests and whether the existing administrative and organisational measures are sufficient to address the situation;
- ✓ any disclosures of conflict of interest situations to clients;
- ✓ the Compliance Officer's periodic reports to the Board of Directors.

The above records are retained by the Compliance Officer for a period of at least five (5) years.

### **VIII. Review and Updating of this Policy.**

The Company's Compliance Officer evaluates and reviews this conflict of interest prevention policy at least annually, submitting a relevant report to the Company's Senior Management and Board of Directors and recommending the adoption of all appropriate measures by the Board to address any deficiencies identified.

This policy and any amendment thereto are approved by the Company's Board of Directors.