CONFLICT OF INTEREST POLICY

SPECTRA GLOBAL LTD

AN INVESTMENT DEALER (FULL-SERVICE DEALER EXCLUDING UNDERWRITING) LICENCE AND GLOBAL BUSINESS COMPANY LICENSED BY THE FSC

1. Introduction

Spectra Global Ltd. ("Spectra Global" or "SGL") is licensed under a Global Business License (GBL) and holds an Investment Dealer License (Full Service Dealer, excluding Underwriting), both issued by the Financial Services Commission (FSC) on 29 June 2023.

As a licensed investment dealer, SGL is obligated to act in the best interests of its clients at all times. This includes the duty to provide full and fair disclosure of all material information, particularly when such information may relate to potential or actual conflicts of interest. A fact is considered "material" if it would be deemed significant by a reasonable investor in the decision-making process.

Managing conflicts of interest is a continuous responsibility. As the scope and structure of the Company’s business evolves, so does the nature of its client relationships and the potential for conflicts.

SGL operates both as:

- An intermediary, facilitating securities transactions on behalf of clients, and
- A principal, trading in securities for its own account with the intention of reselling them to the market.

The Company also offers online trading services for various derivatives and financial instruments on a non-deliverable basis, meaning it does not engage in the physical settlement of the traded instruments or their underlying assets.

As part of its fiduciary obligations, SGL commits to the following client-focused principles:

- Providing investment recommendations appropriate to each client's profile
- Disclosing all material facts, including any conflicts of interest, to clients and prospective clients
- Acting with loyalty, honesty, and good faith
- Avoiding any conduct that may mislead or misinform clients
- Striving to ensure best execution for all client transactions

SGL is firmly committed to upholding the interests of its clients, placing them above all other considerations in every transaction and interaction. The Company believes that its policies and internal controls are adequate to detect, prevent, and mitigate any breach of regulatory requirements or internal standards.

2. Conflict of Interest Policy

SGL acknowledges its fundamental duty of care, loyalty, and integrity in dealing with clients. All employees, officers, and supervised persons must avoid activities or interests that could result in a conflict of interest—whether real or perceived.

A conflict of interest arises when a personal interest compromises or appears to compromise a person’s ability to act objectively and in the best interests of SGL and its clients.

While it is not possible to enumerate every potential conflict, the following examples highlight scenarios that are strictly prohibited under SGL's Code of Ethics:

- Favoring one client over another, such as:
    - Prioritizing large accounts over smaller ones
    - Giving preferential treatment to performance-based accounts
    - Prioritizing accounts where employees hold material personal investments
    - Favoring friends or relatives of employees or other supervised persons

Such behavior represents a clear breach of fiduciary responsibility and undermines the trust-based relationship SGL maintains with its clients.

3. Prohibited Conduct for Access Persons

- Individuals designated as access persons are strictly prohibited from using non-public knowledge of ongoing or proposed client securities transactions for personal gain, whether directly or indirectly. This includes buying or selling securities based on privileged information intended for client dealings.
- Access persons must disclose any significant personal interest—such as beneficial ownership, business involvement, or close personal relationships—with the issuer of a security (or its affiliates) prior to recommending, executing, or considering any transaction involving that security for a client.
    - Such disclosures must be made to the Regulatory Compliance Officer (RCO).
    - If the RCO identifies the interest as a material conflict, the individual must abstain from participating in any related investment decision-making.

4. Role of the Compliance Officer and Dual Functions

As outlined in Section 3.4.1 of the FSC's Anti-Money Laundering and Combatting the Financing of Terrorism Handbook (January 2020, updated September 2022), circumstances at SGL—such as a limited employee headcount—may require the Compliance Officer to take on additional operational roles beyond their regulatory compliance duties.

In such cases, the Company must:

- Identify, document, and manage any conflicts of interest arising from the Compliance Officer's dual responsibilities.
- Ensure that the Compliance Officer remains functionally independent from the Company's core business activities and is not involved in business development or client acquisition.

5. Governance and Conflict Disclosure by Directors and Officers

SGL's directors and officers are expected to uphold the highest standards of integrity and impartiality in all decision-making processes. The following rules apply:

- An Interest Register shall be maintained to record relevant disclosures.
- A director's personal interests, or those of individuals closely associated with them, must never override the Company's interests or those of its clients.

- Directors must take active steps to avoid conflicts of interest, or situations that may reasonably be perceived as such.
- Any actual or potential conflicts must be disclosed in writing to the Board in a timely and transparent manner.
- If a conflict is declared, it must be entered into the Company’s Register of Interests. While the director may participate in discussions, their vote on the matter will be recorded but not counted.
- Directors should carefully consider the implications of such participation for the Company and the Board’s credibility.
- At all times, a director’s primary duty is to the Company, not to any external party or personal affiliation.
- All directors and officers must maintain strict confidentiality regarding internal Company matters. Information acquired in the course of their duties may only be disclosed with Board approval, evaluated on a case-by-case basis.

6. Managing Conflicts of Interest

As SGL engages in multiple regulated activities, it is essential that the Company has robust processes to:

- Identify, monitor, and manage conflicts of interest across all lines of business
- Ensure fair and transparent client treatment, especially when delivering services that may involve overlapping interests or operational roles

The effective management of conflicts is key to upholding client trust, maintaining regulatory compliance, and protecting the integrity of the Company’s operations.

7. Conflict of Interest Management

Conflicts of interest may arise in two primary forms:

- Between the interests of Spectra Global Ltd. (SGL) and its clients, and
- Between the interests of different clients.

SGL is committed to identifying, mitigating, and managing these potential conflicts through the implementation of the following measures:

- Functional Separation ("Chinese Walls"): Clearly defined barriers are established to separate the Company's Management and Advisory functions, minimizing undue influence and protecting objectivity.
- Independent Oversight: Conflict-sensitive decisions are subject to review by independent bodies within the Company to ensure impartiality.
- Transparent Disclosure: Where appropriate, potential conflicts are disclosed to clients in a timely and transparent manner.
- Service Refusal: If a conflict cannot be managed effectively, the Company may decline to offer the service in question.

Each internal Committee is responsible for maintaining a Conflict of Interest Register. Any actual or suspected conflict must be reported immediately to the relevant Committee, which is then required to escalate the matter to the Board of SGL for further action.

From time to time, SGL representatives may engage in personal trading involving the same securities held in client portfolios. In such cases:

- The Regulatory Compliance Officer (RCO) will maintain thorough documentation of any transactions that may pose a perceived or actual conflict.
- Client trades will always be prioritized ahead of personal trades in the same securities to maintain fairness and uphold fiduciary obligations.

8. Gifts and Entertainment Policy

Supervised persons must not accept or offer any gifts, favors, or entertainment that could influence decision-making or create a sense of obligation in any business relationship. All behavior must reflect the Company's commitment to integrity and transparency.

The following rules apply:

- No supervised person may accept or give any gift or service exceeding minimal (de minimis) value from or to any party conducting business with the Company without prior written approval from the RCO.
- De minimis value is defined as:
    - Total gifts from the same source not exceeding USD 250 annually, and
    - Occasional meals, sporting event tickets, or entertainment, provided the host is present and the value is considered reasonable.
- All gifts given or received must be recorded in a Gift & Entertainment Log, signed by both the supervised person and the RCO, and filed accordingly.
- Cash gifts or cash equivalents (e.g., gift cards) are strictly prohibited, whether given to or received from clients, prospects, or business partners.
- Bribes and kickbacks are illegal and strictly forbidden. No employee or representative may offer, solicit, or accept any form of unlawful payment.

6. Independent Audit

To maintain objectivity and comply with regulatory standards, SGL ensures that independent audits of its operations, particularly those related to risk management and AML/CFT programs, are conducted by individuals or firms with no conflicts of interest.

Audits may be carried out by:

- Internal audit professionals, provided they are not involved in designing or managing the AML/CFT framework, or
- External auditors, such as licensed accountants or consultants who are independently regulated by a recognized authority.

In every case, the Company must be able to demonstrate the independence of the audit process to regulators and other stakeholders.