



Xtrade International Ltd

Conflict of Interest Policy

January 2026

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Introduction

Xtrade International Ltd (“**the Company**”) is authorized and regulated by the Financial Services Commission in Belize with License Number 4705379.

This Conflicts of Interest Policy (“**the Policy**”) is provided in accordance with the relevant laws and regulations governing financial services in Belize, including the Financial Services Commission (FSC) requirements. The Company takes all reasonable steps to detect, prevent, and manage existing and potential conflicts of interest.

The Company is committed to act honestly, fairly and professionally and in the best interests of its Clients and to comply, in particular, with the principles set out in the Law when providing investment services and other ancillary services related to such investment services.

The Company has taken all sufficient steps to identify and prevent or manage conflicts of interest, which may arise between the Company, including its directors, managers, employees and any person directly or indirectly linked to the Company and its Clients or between one Client and another that arise in the course of providing any investment services, or combinations. Therefore, this Policy sets out the necessary procedures, controls and practices in place to ensure that any Conflicts of Interest are identified and prevented or adequately managed. If the steps taken by the Company to prevent or manage or mitigate conflicts of interest from negatively affect the interest of its Clients are not sufficient, the Company shall clearly disclose to the Client through durable medium, the general nature and sources of conflicts of interest as well as the risks to the Client and all the remedial actions taken to mitigate those conflicts of interest.

Scope

The Policy applies to all its directors, managers who directly or indirectly may affect the interest of the Clients or potential Clients, employees who directly or indirectly may affect the interest of the Clients or potential Client, persons or services outsourced who directly or indirectly may affect the interest of the Clients or potential Clients and their employees who directly or indirectly may affect the interest of the Clients or potential Clients and Persons or services outsourced who directly or indirectly may affect the interest of the Clients or potential Clients.

Objectives

The Conflicts of Interest policy aims to ensure that the Company's Clients are treated fairly and at the highest level of integrity and that their interests are protected at all times. It also aims to identify conflicts between:

- The Company and a Client
- A Relevant Person and a Client
- Two or more Clients of the Company in the course of providing services to these Clients
- A company's Service Provider and a Client

The Conflicts of Interest Policy applies to Relevant Persons and refers to all transactions/services of the Company's Clients. In this context, a Relevant Person relating to the Company can be:

- (a) a director, partner or equivalent, manager or tied agent of the Company;
- (b) a director, partner or equivalent, or manager of any tied agent of the Company;
- (c) an employee of the Company or of a tied agent of the Company, as well as any other natural

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person whose services are placed at the disposal and under the control of the Company or a tied agent of the Company and who is involved in the provision by the Company of investment services and activities;

Procedures and Controls for Managing Conflicts of Interests

In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures (list is not exhaustive):

- (a) The Company undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate.
- (b) Effective procedures to prevent or control the exchange of information between Relevant Persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more Clients.
- (c) The Company has appointed an independent and objective in house Compliance Officer which is responsible, among others, for the identification, and management of conflicts of interest as well as for the monitoring of the related activities of the Company and Relevant persons. The Compliance Officer reports directly to the Company's Board of Directors.
- (d) The Company has developed, adopted and maintained a framework of rules, policies and controls for the identification and management of conflicts of interest.
- (e) The Company undertakes effective procedures to prevent or control the exchange of information between Related Persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more Clients.
- (f) The Board of Directors of the Company sets out the Company's arrangements to ensure that its compensation arrangement will not give rise to conflicts of interest between the Company, its relevant persons, employees and Clients.
- (g) The separate supervision of Relevant Persons whose principal functions involve providing services to Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company;
- (h) The Company employs rules and organizational arrangements in order to manage conflicts of interest which may arise from the production and/or dissemination of investment research to Clients by the Company.
- (i) The Company establishes rules which are applicable to the relevant persons who are involved in the production and/or dissemination of the investment research and other relevant persons whose responsibilities or business interest may conflict with the interest of the persons to whom the investment research is disseminated.
- (j) The Company maintains separate accounting records between its own assets and those belonging to its clients, to facilitate the protection of clients' assets and prevent their use by the Company or by third parties and minimize the risk of loss or diminution of client asset, or of rights connected to the said assets.

- (k) A policy designed to limit the conflict of interest arising from the giving and receiving of inducements;
- (l) Segregation of duties that may give rise to conflicts of interest if carried on by the same individual;
- (m) Prohibition on officers and employees of the Company having external business interests conflicting with the interests of the Company without the prior approval of the Company's board of directors;
- (n) The Company's organizational structure does not allow any competence relations between the departments having direct contact with the client and the departments remaining in the area of conflict of interests between the Company and clients;
- (o) Staff members are forbidden to accept gifts, promotions, discounts or any other monetary or benefit in kind from Clients or third parties, which may create conflicts of interest.
- (p) Staff members are forbidden to accept gifts, promotions, discounts or any other monetary or benefit in kind from Clients or third parties, which may create conflicts of interest.
- (q) Procedures designed to limit the conflict of interest arising from the giving and receiving of inducements unless designed to enhance the quality of service provided to Clients.
- (aa) Employees are prohibited from accepting gifts or other inducements from any person that cannot be regarded as justifiable in all circumstances.
- (bb) Effective procedures to ensure that the persons that produce marketing communications and/or marketing material comply with all provisions of this Policy in relation to conflicts of interest that may arise from the performance of their duties.
- (cc) Before the publication of marketing communications and/or marketing material, they are being reviewed for the purposes of verifying the accuracy of factual statements or for ensuring that they are in line with the Company's marketing guidelines and requirements.

Specific Identification of Conflict of Interest and Measures for their Management

The Company is constantly conducting an in-depth analysis of its business and organizational arrangements including best execution arrangements, inducement practices, remuneration practices and research/marketing communication procedures, to ensure that all likely conflict of interest situations are identified regardless of materiality. The Company has identified the following circumstances which give rise to a conflict of interest entailing a risk of damage to the interests of one or more Clients, as a result of providing investment services:

Remuneration of staff

The Company in accordance with its governing legislation does not remunerate its employees based on any factors that create conflicts of interest or are not in favor of the best interest of its Clients. The Company's employees are remunerated (fixed and variable) based on Key Performance indicators within their departments, which are approved by the Compliance Function and Board of Directors. In order for the Company to manage the potential conflicts arising out of this practice, it has put in place the below procedures and arrangements regarding the variable remuneration:

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- (a) The variable Remuneration is not provided until a specific period of time has passed. Under this measure, the Company aims to lessen the risk of a short term speculative mindset especially in sales staff. The variable Remuneration practice is structured to align the long term interests of the staff and the direct and continuous best interest of the Clients.
- (b) The Company awards variable Remuneration only when the relevant departments of the Company or/and the third party service providers have conducted their duties according to the regulatory requirements (act clear, fair and not misleading).
- (c) The Company monitors via a variety of methods the Departments and the third party providers that receive variable Remuneration (especially sales staff) in order to ensure whether they are acting on the best interest of their Clients. Company records all calls between the sales and Clients whereas Compliance performs sample checks of the recorded calls and makes a relevant monthly report to the Board of Directors of the Company.
- (d) The Company proceeds in an on-going education of the key functions of the Company in order to update their knowledge and be consistent with the regulatory requirements (act clear, fair and not misleading).

Compliance Function

The Company has established and maintains a permanent and effective compliance function which operates independently, and which has the following responsibilities:

- (a) to monitor and to assess the adequacy and effectiveness of the measures and procedures put in place, and the actions taken to address any deficiencies in the Company's compliance with its obligations under the Law and the Directive
- (b) To advise and assist the relevant persons responsible for carrying out investment services and activities to comply with the Company's obligations under the Law and the Directives and any subsequent regulatory requirements.

In order to enable the compliance function to discharge its responsibilities properly and independently, the Company ensures that, among other, the following related conditions are satisfied:

- (a) Ensure that the relevant persons involved in the compliance function must not be involved in the performance of services or activities monitored by the department.
- (b) Identify any potential conflicts of interest situations, and attempt to resolve it in a timely and efficient manner.
- (c) Ensure that the method of remuneration of the relevant persons involved in the compliance function does not compromise their objectivity and must not be likely to do so.
- (d) Ensure that the performance of multiple functions by the Company's relevant persons does not and is not likely to prevent those persons from discharging any particular function soundly, honestly, and professionally.

Client's Consent

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on himself. Further, the Client consents to and authorizes the Company to deal with the Client in any manner, which the Company considers appropriate, notwithstanding any conflict of interest or the existence of any material interest in a Transaction, without prior reference to the Client. In the event that the Company is unable to deal

with a conflict of interest situation it shall revert to the Client.

Record Keeping

The Company shall maintain and regularly update the Conflicts of Interest register. It shall log all the conflicts of interest that may arise as a result of the provision of investment and ancillary services by or on behalf of the Company and it may entail a risk of damage to the interests of one or more clients.

Reporting

Our employees are always alert for potential conflicts of interest. Any employee that suspects any conflict of interest immediately informs the Board Disclosure of Information.

The Company must adequately consider how to manage all conflicts of interest before resorting to disclosure. This will be a last resort after all appropriate steps have been taken.

If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, the Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients.

The disclosure shall take into account the nature of the client, to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the conflict of interest arises.

The disclosure will:

- (a) be made in durable medium
- (b) clearly state that the organizational and administrative arrangements established by the Company to prevent or manage the conflicts are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the Client will be prevented;
- (c) include a specific description of the conflicts of interest that arise in the provision of investment services and ancillary services;

If a Client decides not to go ahead with the service due to the conflict disclosed, the Company will have no choice but to decline the provision of services if the conflict cannot be effectively managed.

Should you require any further information and/or have any questions about conflicts of interest please apply your request and/or questions to compliance@xtrade.com.