

OANDA EUROPE MARKETS LIMITED ("OEM")
SUMMARY CONFLICTS OF INTEREST POLICY

DECEMBER 2020

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1. **INTRODUCTION**

1.1 This is a summary of the policy we maintain in order to manage conflicts of interest in respect of the duties we owe to our clients.

1.2 We shall regularly monitor compliance and effectiveness of this policy and our procedures for handling conflicts of interest as set out below. This policy must be reviewed and updated periodically (and at least annually).

2. **GENERAL**

2.1 A conflict of interest can arise between (i) the OANDA group companies including OEM ("we" or "the firm") and associates, including the directors, managers, employees, officers and staff of these companies, as well as any person or entity directly or indirectly linked to the firm by control, or any person or entity directly involved in the provision of services to the firm ("relevant persons") and (ii) you as a client. A conflict of interest can also arise between your interests and those of another client of ours. For these purposes, we shall take account of whether the firm or a relevant person, or a person directly or indirectly linked by control to the firm, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:

- (a) the firm or that person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- (b) the firm or that person has 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 distinct from the client's interest in that outcome;
- (c) the firm or that person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- (d) the firm or that person carries on the same business as the client;
- (e) the firm or that person receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monetary or non-monetary benefits or services.

2.2 We are required to establish, maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients. Where this is not possible, as a matter of last resort, we disclose remaining (potential) conflicts of interest.

3. **OUR POLICY**

3.1 We are required to establish, implement and maintain an effective conflicts of interest policy. That policy must (a) identify, with reference to the specific services and activities carried out by us or on our behalf, the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients; and (b) must specify procedures to be followed and measures to be adopted in order to prevent or manage such conflicts. We aim to keep a record of the kinds of activity we carry on in which a relevant conflict could arise or has arisen, and, in doing so we take into account the activities of other companies within the OANDA group.

3.2 We also maintain procedures to manage actual or potential conflicts. The procedures and measures referred to at 3.1 (b) above are designed to ensure that relevant persons engaged in different business activities involving a conflict of interest of the kind specified in paragraph 3.1 (a) carry on those activities at an appropriate level of independence, and to the risk of damage to the interests of clients.

- 3.3 For the purposes of paragraph 3.1 (b), the procedures and measures include:
- (a) segregated functions with clear reporting lines so that inappropriate influence, over the way in which a relevant person carries out the services for which he has been appointed or engaged, is avoided;
 - (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) separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the firm;
 - (d) the removal of any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities;
 - (e) measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities;
 - (f) measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.
 - (g) a remuneration policy detailing the firm's approach to remuneration arrangements (including principles for the payment of fixed and variable remuneration, and management of any conflicts of interest in this respect);
 - (h) measures to ensure that material information is limited to certain categories of staff on a need to know basis.
- 3.4 This also includes procedures covering the operation of information barriers, physical separation of staff, the segregation of duties and responsibilities and the maintenance of a policy of independence which requires our staff, when providing services to a client, to act in the best interests of the client and to disregard any conflicts of interest; and, in some circumstances declining to act for a client or potential client.
- 3.5 We also maintain a conflicts of interest register which records all conflicts of interest which entail a material risk of damage to the interests of one or more clients, and any conflicts of interest which may arise from time to time, and the manner in which the risks relating to those conflicts of interests are mitigated.

4. **DISCLOSURE: GENERAL**

- 4.1 Where our organisational and administrative arrangements to prevent conflicts of interest from adversely affecting the interests of our clients are not sufficient to ensure, with reasonable confidence that risks of damage to a client's interests will be prevented we shall clearly disclose to the client the general nature and/or sources of conflicts and the steps taken to mitigate those risks before carrying on business for the client. The disclosure shall be in sufficient detail to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest arise. The disclosure shall include specific description of the conflicts of interest that arise in the provision of investment and/or ancillary services, taking into account the nature of the client to whom the disclosure is being made.

- 4.2 This is to allow the client to consider whether to ask for more information and whether to engage in or continue with the service; the client is entitled to ask for more details on our (potential) conflicts of interests.

Therefore, if you have any further questions or wish to be provided with more details, please contact us.

- 4.3 Some of the general sources of conflicts that might arise in the provision of our services are explained in our Terms of Business.

5. **GIFTS AND HOSPITALITY**

We do not prohibit our staff from receiving small gifts and minor hospitality from other parties with which we do business with but only where in the opinion of the Board of Directors it is at a level that is not lavish or excessive and only where it will not impair our duty to act in the best interests of our clients or other legal or regulatory obligations.