

An aerial photograph of a vibrant red sand beach. The sand is a deep, rich red, dotted with small patches of green and grey vegetation. The ocean is a deep blue-green, with white foam from the waves crashing onto the shore. The overall scene is bright and colorful, with the red sand being the dominant feature.

26 Degrees Global Markets

# Conflicts of Interest Policy

26 Degrees Global Markets (EU) Ltd

(Regulated by the Cyprus Securities and Exchange Commission)  
CIF License No. 435/23

# 26



## CONFLICTS OF INTEREST POLICY

### 1. Introduction

This summarised Conflicts of Interest Policy ("the Policy") is provided to you (our "Client" or prospective Client) in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 L. 87(I)/2017, as this has been amended from time to time ("the Law"), pursuant to which 26 Degrees Global Markets (EU) Ltd (hereinafter the "Company" or "26 Degrees Global Markets") is required to take all reasonable steps to detect and avoid conflicts of interest.

26 Degrees Global Markets is committed to acting honestly, fairly and professionally and in the best interests of its Clients and to comply, in particular, with the principles set out in the above Law when providing investment services and other ancillary services related to such investment services.

### 2. Purpose

The purpose of this policy is to set out 26 Degrees Global Markets approach in identifying and managing conflicts of interest which may arise during the course of its normal business activities. In addition, this document identifies circumstances which may give rise to a conflict of interest in respect of the duties it owes to its Clients.

26 Degrees Global Markets has taken all sufficient steps to identify and prevent or manage conflicts of interest which may arise between 26 Degrees Global Markets (including its directors, managers, employees and any person directly or indirectly linked to 26 Degrees Global Markets) and its Clients, or between one Client and another, that arise in the course of providing any investment and ancillary services, or combinations thereof, including 26 Degrees Global Markets own remuneration scheme and other incentive structures.

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 26 Degrees Global Markets to prevent, manage or mitigate conflicts of interest from adversely affecting the interests of its Clients are not sufficient, 26 Degrees Global Markets shall in accordance with Section 7 clearly disclose to the Client through durable medium, the general nature and sources of those conflicts of interest as well as the risks to the Client and all the remedial actions taken to mitigate those conflict of interest.

### 3. Scope

The Policy applies to the following persons (hereinafter the "Relevant Persons"):

- (a) Directors
- (b) Managers who directly or indirectly, may affect the interest of Clients or potential Clients
- (c) Employees who directly or indirectly, may affect the interest of Clients or potential Clients
- (d) Persons or services outsourced who directly or indirectly may affect the interest of Clients or potential Clients.

### 4. Identification of Conflicts of Interest

26 Degrees Global Markets hereby identifies and discloses a range of situations and circumstances which may give rise to a conflict of interest and potentially but not necessarily be detrimental to the interests of one or more Clients as a result of its business, organizational arrangements, remuneration practices, best execution arrangements and marketing communication procedures:

For the purposes of identifying the types of conflicts of interest that may arise in the course or as a result of providing investment services, ancillary services, investment activities or otherwise whose existence may damage the interest of a Client, 26 Degrees Global Markets takes into account whether 26 Degrees Global Markets or a relevant person is in any of the following situations:

- (a) 26 Degrees Global Markets or a Relevant Person is likely to make a financial gain, or avoid a financial loss, at the expense of the Client.
- (b) 26 Degrees Global Markets or a Relevant 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) 26 Degrees Global Markets or a Relevant 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 Company or a Relevant Person carries on the same business as the Client.
- (e) The Company 26 Degrees Global Markets or a Relevant 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 monies, goods or services, other than the standard commission or fee for that service.

While it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise, as per the current nature, scale and complexity of 26 Degrees Global Markets business, the following list includes circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as a result of providing investment services:

- (a) 26 Degrees Global Markets may provide services to associates or other Clients of 26 Degrees Global Markets who may have an interest in financial instruments or underlying assets which are in conflict or in competition with the Client's interests.
- (b) 26 Degrees Global Markets may have an interest in maximizing trading volumes in order to increase its commission revenue, which is inconsistent with the Client's personal objective of minimizing transaction costs.
- (c) The Company may receive commissions and/or other inducements from its Liquidity provider for the transmission of Client Orders.
- (d) 26 Degrees Global Markets may have 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.
- (e) 26 Degrees Global Markets may have a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the Client.
- (f) 26 Degrees Global Markets provides a service to a Client and 26 Degrees Global Markets has a material interest in the transaction.
- (g) A transaction is effected in financial instruments in respect of which 26 Degrees Global Markets may benefit from a commission, fee, or non-monetary benefit payable otherwise than by the Client;
- (h) 26 Degrees Global Markets may act as principal for the Client in relation to the transactions.
- (i) 26 Degrees Global Markets may be matching the Client's Order with that of another Client by acting on such other Client's behalf as well as on the Client's behalf.
- (j) 26 Degrees Global Markets may trade its proprietary positions and at the same time has knowledge of Client's future transactions via stop limit orders, as applicable.

It should be noted that the above circumstances which constitute or may give rise to a conflict of interest, are not necessarily detrimental to the interests of Clients.

## 5. Procedures and Controls for Preventing and Managing Conflicts of Interests

In general, the procedures and controls that 26 Degrees Global Markets follows to manage the identified conflicts of interest include, but are not limited to, the following:

- (a) 26 Degrees Global Markets 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 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 otherwise represent different interests that may conflict, including those of 26 Degrees Global Markets.
- (d) 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.
- (e) Measures to prevent or control the simultaneous or sequential involvement of a Relevant Person in separate investment services where such involvement may impair the proper management of conflicts of interest.
- (f) Chinese walls restricting the flow of confidential and inside information within 26 Degrees Global Markets, and physical separation of departments.
- (g) Procedures governing access to electronic data and/or in hard copy data and information.
- (h) Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- (i) Maintenance of a trading policy/Personal Transactions Policy for Relevant Persons.
- (j) Compliance monitoring of 26 Degrees Global Markets systems and controls for preventing, avoiding and managing conflicts of interest to ensure they are maintained and followed and which reports to the Company's Board of Directors.
- (k) Prohibition on Relevant Persons having external business interests conflicting with the interests of 26 Degrees Global Markets and/or engage in any additional occupation without the prior approval of 26 Degrees Global Markets Board of Directors.
- (l) A "need-to-know" policy governing the dissemination of confidential or inside information within the Company.
- (m) Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to 26 Degrees Global Markets Board of Directors.
- (n) Reliance upon "four-eyes" checks in supervising 26 Degrees Global Markets activities.
- (o) Relevant Persons are prohibited from accepting gifts or other inducements and benefits from any person that cannot properly be regarded as justifiable in all circumstances. Any such gift or benefit given, shall be immediately notified to the Compliance department to grant the relevant written approval. Any Relevant Person shall act with the highest standards of integrity to avoid any possible conflicts of interest.
- (p) 26 Degrees Global Markets has intra-group arrangements in place designed to ensure that relevant persons engaged in different business activities to the Company or other entities in the group, carry out those activities at a level of independence appropriate to its department and business and always act honestly, fairly and professional in accordance with the best interests of its clients.

- (q) 26 Degrees Global Markets 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. 26 Degrees Global Markets employees are remunerated based on Key Performance indicators within their departments, which are approved by the Compliance Function and Board of Directors.
- (r) 26 Degrees Global Markets set the below procedures and controls related to its structure/group entities/ outsourced service providers/ Related parties:
  - (i) 26 Degrees Global Markets has in place non-disclosure and confidentiality agreements with all related parties, outsourced service providers or members of the group in relation to Client's personal information;
  - (ii) 26 Degrees Global Markets controls the information communicated between 26 Degrees Global Markets entities, related parties and outsourced service providers to ensure no harm to the Client's interests;
  - (iii) The Compliance Function has in place monitoring procedures for the services provided by related parties and/or group entities and/or outsourced service providers and assess them in terms of conflicts.
  - (iv) Additionally, through the monitoring of transactions, 26 Degrees Global Markets shall ensure that is unlikely to make a financial gain or avoid a financial loss at the expenses of a related party and/or a group entity, or have an interest, relationship or arrangement that is material in relation to a concerned transaction.

## 6. Review and Record Keeping

26 Degrees Global Markets shall assess and periodically review, at least annually, the Conflict of Interest Policy. The Policy shall be updated and maintained by the Compliance Officer and shall ensure that all conflicts of interest are identified and remain relevant, and where adequate arrangements are successfully implemented to continue to prevent or manage the conflicts.

Additionally, 26 Degrees Global Markets shall maintain and regularly update its Conflicts of Interest register. It shall log all conflicts of interest that may arise as a result of the provision of investment and ancillary services by or on behalf of 26 Degrees Global Markets and that may entail a risk of damage to the interests of one or more clients.

## 7. Disclosure of Information

26 Degrees Global Markets may determine that in some circumstances, organisational and administrative controls are insufficient to avoid or manage a potential conflict of interest. In this event, 26 Degrees Global Markets will disclose the conflict of interest to the impacted Client or group of Clients before providing them with further investment and/or ancillary services.

The disclosure must:

- be in a durable medium
- clearly state that the organisational and administrative arrangements established by 26 Degrees Global Markets to prevent or manage the conflict are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the Client will be prevented;
- include a specific description of the conflict of interest arising in the provision of the specified investment and/or ancillary services;
- explain the risks to the Client that arise as a result of the conflict of interest and the steps undertaken to mitigate these risks;
- include sufficient detail, taking into account the nature of the Client, to enable the Client to make an informed decision about continued receipt of the services in the context of that specific conflict of interest.

26 Degrees Global Markets shall ensure that such disclosure is made in a promptly, distinct and clear way to the client and should take place prior or when the financial service is provided, but in any, at a time that allows the client a reasonable time to assess the effect of the conflict.

## 8. Reporting and Training

All conflicts of interest cases or potential conflicts of interest should be reported to the Compliance Department without delay.

26 Degrees Global Markets will ensure to provide internal guidance and training to all staff to raise their awareness of the relevant regulatory requirements, including how to deal with conflicts of interest when they arise.



An aerial photograph of a rugged coastline. The top half of the image shows a vast expanse of orange-red earth or sand, sparsely covered with small, dark green shrubs. A prominent, large white number '26' is superimposed on this upper section. Below the '26', contact information is provided in two columns. The bottom half of the image shows a steep, eroded cliff face with distinct horizontal layers of orange and yellow soil. At the base of the cliff is a narrow, light-colored sandy beach, dotted with dark rocks. The sea is visible in the bottom left corner, with white foam from waves washing onto the shore.

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