

Conflict of Interest Disclosure

This Conflict of Interest Disclosure document has been drafted by Socios Europe Services Limited ("**Socios**"). It explains the general nature and sources of conflicts of interest that may arise when Socios provides crypto-asset services, and the steps that Socios may take to mitigate them. It applies to all clients and prospective clients using our services in the EU/EEA.

Socios forms part of Mediarex Enterprises Limited's group of companies. Certain services may be provided alongside group entities ("**Affiliates**"). Where relevant, this disclosure explains conflicts that may arise due to group relationships.

A conflict of interest is a situation in which the personal, financial, or other interests of Socios, its employees, affiliates, shareholders, or any other related parties may potentially interfere with Socios's ability to act impartially and in the best interests of its clients and stakeholders. A conflict of interest exists when Socios' interests and its obligation to protect the best interests of its clients conflict with one another.

Crypto-asset services provided by Socios

Socios is authorised as a crypto-asset service provider (CASP) under the Markets in Crypto-assets (MiCA) Regulation (EU) 2023/1114 for the provision of the following services:

- Custody and administration of crypto-assets on behalf of clients;
- Exchange of crypto-assets for funds;
- Exchange of crypto-assets for other crypto-assets;
- Placing of crypto-assets;
- Transfer services for crypto-assets;

Potential conflict of interest situations

Conflicts of interest can be actual, potential, or apparent, and take place between:

- Socios and its users;
- Socios and its shareholders or managing directors;
- Socios and its employees;
- Socios' users and any other companies within Socios' group of companies;
- Users themselves.

Information on the management of conflict of interest situations

Employees, members of Socios's management team, Affiliates, and all business partners of Socios act in a lawful, diligent, and honest manner in the interest of Socios's users pursuant to the relevant legal provisions. Socios has implemented measures, internal policies, and procedures appropriate to its size and organisation to prevent, disclose, and manage conflicts of interest. These processes aim to identify conflicts of interest at an early stage, to avoid them whenever possible, or otherwise disclose them to users.

In some instances, conflicts of interest are unavoidable. In this scenario, Socios is committed to informing its users and disclosing the source of such conflicts, allowing users to decide whether to proceed with a transaction despite the conflict of interest.

Conflicts of interest measures, policies, and procedures are reviewed by Socios' Compliance department on an ad hoc basis and in any case not less than once per year. These measures specifically include:

- Board-approved Conflicts of Interest Policy with clear purpose, scope, transparent reporting lines, and proportionate organisational arrangements.
- Systematic identification of conflicts and maintenance of a conflicts register that is regularly updated for situations that may harm client interests.
- Obligation for relevant persons to disclose conflicts in writing; and assessment from the relevant Compliance team that may require mitigation measures.
- Regular training covering conflict identification, disclosure duties, and ethical decision-making.
- Segregation of functions for placing services; information barriers with logged inter-group communications and independent approvals for scheduling and marketing purposes.
- Balanced Key Performance Indicators (KPIs) for employees and documented Remuneration Policy.
- Personal account dealing rules for staff and strict confidentiality/inside information controls aligned with Insider Trading/Market Abuse policies.
- General prohibition of inducements unless they enhance service quality and do not impair client's best interests.
- For placing services, documented pricing methodology, written allocation rules ensuring fair distribution, and no preferential allocations unless explicitly disclosed and justified.
- Disclosure of group relationship, material conflicts between legal entities or between Sonios or any Affiliates and Socios' clients.
- Disciplinary actions up to dismissal for breaches or failure to declare, and commitment to full cooperation with regulatory or other competent authorities.

Disclosure of potential conflicts of interest by Socios

Potential conflict of interest situation in connection with Socios's group of companies

This potential conflict of interest arises between Socios and its users due to Socios operating as a member of a corporate group (including instances where Socios places, promotes, or otherwise supports crypto-assets issued by an intra-group entity). Conflicts are primarily driven by overlapping ownership, shared strategic objectives, and information flows, which may lead to preferential treatment, influence over allocation or timing, and perceived or actual lack of independence. Although Socios applies segregation of functions, information barriers, independent decision-making, and pre/ongoing disclosures, such situations cannot be completely ruled out. Users could face less favourable outcomes, such as sub-optimal pricing, unfair allocations, promotional bias, or reduced transparency.

Potential conflict of interest situation in connection with sponsored visibility, listings, and product prominence

This potential conflict of interest arises between Socios and its users where commercial arrangements with clubs, issuers, or partners (including revenue-share or marketing deals) may affect the prominence, timing, admission, or delisting of products and features. The interdependence between commercial and product decisions can lead to bias in what users see first or most, notwithstanding committee-based decisions and organisational arrangements intended to ensure independence. Such conflicts could result in users being steered toward products that are commercially advantageous to Socios or its partners rather than optimal for users.

Potential conflict of interest situation in connection with affiliate or sponsored liquidity/market-making

This potential conflict of interest arises between Socios and its users where an affiliate or sponsored third party provides liquidity on venues operated or accessed by Socios, creating incentives to favour that activity or entity. Even with operational independence, equal-access principles, and surveillance, the risk of preferential treatment or information advantages cannot be fully eliminated. Users may experience execution conditions that favour related liquidity providers, potentially impacting price or fill quality.

Potential conflict of interest situation in connection with inducements, sponsorships, and third-party benefits

This potential conflict of interest arises where Socios receives or provides fees, commissions, or non-monetary benefits (including sponsored research, events, hospitality, or affiliate marketing), which may influence recommendations, product selection, or messaging. While the policy requires that benefits enhance service quality, be disclosed, recorded, and not bias outcomes, residual risk remains. Users could face biased information or the selection of higher-margin options.

Potential conflict of interest situation in connection with personal account dealings and outside interests of staff

This potential conflict of interest arises where employees, directors, or connected persons hold or trade relevant tokens, participate in sales/airdrops, or maintain outside roles with issuers, validators, or service providers. Despite personal account ceiling rules, documented Insider Trading Policy, restricted lists, blackout windows, and disclosure/recusal processes, such conflicts cannot be entirely excluded. Users could be disadvantaged by trading ahead, inappropriate influence over decisions or opaque relationships affecting independence.

Potential conflict of interest situation in connection with non-public information and information barriers

This potential conflict of interest arises where Socios possesses inside or confidential information (e.g., pipeline listings, issuer negotiations, book-building status, order-flow data) that could be misused. Although information barriers, logging, confidentiality, and insider-list controls are applied as documented within the Insider Trading Policy, inadvertent leakage or misuse cannot be entirely ruled out. Users may suffer from information asymmetries that affect pricing, allocations, or execution.

Potential conflict of interest situation in connection with custody, sub-custody, and staking/delegation (where applicable)

This potential conflict of interest arises where the choice of sub-custodians, wallet structures, validators, or reward-sharing frameworks may align more with Socios's or a partner's commercial interests than with users' best interests. Even with organisational arrangements and independence requirements, such conflicts cannot be fully excluded. Users could experience concentration of dependencies, validator/reward bias, or operational decisions that affect asset safety or net rewards.

Potential conflict of interest situation in connection with outsourcing and critical service providers

This potential conflict of interest arises where third-party vendors (e.g., KYC, custody tech, surveillance, marketing) or group shared-services influence key operational decisions, creating incentives that may not perfectly align with users' interests. Despite governance, SLAs, and oversight, residual risk remains. Users may encounter service pathways or priorities shaped by vendor or group relationships rather than user outcomes.

Potential conflict of interest situation in connection with educational/research content and marketing communications

This potential conflict of interest arises where content about a crypto-asset or service is sponsored, commissioned, or otherwise commercially influenced. Even where relationships are clearly disclosed and materials are made broadly available, the potential for slant or emphasis remains. Users may rely on materials that subtly prioritise the interests of issuers or partners over neutral analysis.

Potential conflict of interest situation in connection with governance, monitoring, escalation, and record-keeping

This potential conflict of interest arises where conflicts are under-identified, under-recorded or not escalated in a timely manner. Even with a Conflict Register, continuous monitoring, quarterly reporting to governance bodies and five-year record retention, control gaps can occur. Users may be impacted by delayed remediation or insufficient audit trails.

Potential conflict of interest situation in connection with client incentives, loyalty schemes, and partner perks

This potential conflict of interest arises where rewards (e.g., tickets, hospitality, merchandise) are tied to specific trading or product engagement, creating pressure to transact. Although inducements are restricted to those that enhance service quality and require disclosure and monitoring, some behavioural bias risk remains. Users may prioritise perks over suitability or cost-effectiveness.