Bitstack

Conflict of Interest Management Policy

April 2025 version

The purpose of this policy is to describe Bitstack's conflict of interest management system, which describes the measures taken to detect, prevent, manage and disclose conflicts of interest that may arise in connection with the provision of services on digital assets by Bitstack

This Policy applies to all Bitstack employees, shareholders, service providers and partners.

It is essential that Bitstack is able to identify potential or actual conflicts of interest and manage them appropriately, including preventing a conflict of interest from adversely affecting a customer's interests.

Definition

Conflicts of interest refers to any situation of interference between a public or private interest which is likely to influence the independent, impartial and objective performance of a function or task. A conflict of interest is a situation in which a person in a position of trust has competing professional or personal interests. These competing interests can make it difficult for them to perform their duties impartially. A conflict of interest may exist even if no unethical or improper act results from it.

Conflicts of interest - Transparency: Bitstack employees must do everything possible to avoid being in a situation of conflict of interest with another employee, with a partner company, customers or shareholders or to avoid conflicts that may arise between them and Bitstack.

1. **Objectives**

Bitstack will take all reasonable steps to prevent or manage conflicts of interest that may adversely affect the interests of the company's customers.

To this end, it shall identify in a register the situations that give rise to or are likely to give rise to a conflict of interest, define the procedure to be followed and the measures to be taken with a view to managing these conflicts and, where applicable, inform its customers, prior to the provision of the service, of the nature or source of the conflict of interest.

2. **Identifying and managing conflicts of interest**

All appropriate steps to identify and prevent or manage conflicts of interest are taken by Bitstack pursuant to this Policy. This Policy is supplemented by a mapping of conflict of interest risks. In determining the appropriate steps to take to identify and manage a conflict of interest, Bitstack will consider the following:

- The level of risk that a conflict of interest may entail for Customers;
- The nature of the conflict of interest in question;
- The nature and range of services or customers affected by the conflict of interest in question.

Any employee may report to the Compliance Director and Risk Management and/or the Manager of the company, one or more situations involving potential conflicts of interest relating to the following topics (non-exhaustive list):

- Remuneration and third-party remuneration of employees;
- Remuneration and third-party remuneration of Bitstack executives and managers;
- Company shareholding;
- Business relationships related to service providers or partners who have close links to a Bitstack employee or manager;
- Benefits in kind and gifts;
- Remuneration of service providers related to a third party activity;
- Bitstack Customers - shareholders;
- Bitstack Customers - employees;
- Bitstack Customers - Bitstack customers;
- Bitstack Customers - partners.

Bitstack has a number of measures in place to manage a Conflict of Interest, including:

- The implementation of organisational measures, controls, policies and procedures designed to prevent conflicts of interest from occurring or to mitigate the risk of harm that could result from them;
- Disclosure of the conflict of interests to relevant parties;
- The cessation of the activity giving rise to the conflict of interest when it cannot be avoided or effectively managed by other means.

In order to prevent conflicts of interest detrimental to customers, Bitstack:

- controls the exchange of information between persons carrying out activities involving a risk of conflict of interest where the exchange of such information may harm the interests of one or more customers;
- separately monitors persons whose main duties involve the performance of activities on behalf of customers or the provision of services to customers whose interests may conflict with each other or with those of Bitstack;
- removes any direct link between, on the one hand, the remuneration paid to employees, delegates, subcontractors or members of the management body of the digital asset service provider mainly engaged in an activity and, on the other hand, the remuneration of different employees, delegates, subcontractors or members of the management body or the income generated by the latter;
- prevents any person from improperly influencing the manner in which digital asset services are provided;
- controls the simultaneous involvement of the same person related to the company in separate digital asset services or activities, where such involvement may adversely affect the proper management of conflicts of interest.

2.1 Remuneration and third-party remuneration of employees

The remuneration of employees is set under the conditions set out in their respective employment contracts. Commissions or bonuses may be paid to employees based on objectives set between employees and management and/ or the line manager.

Employees may hold third-party positions in other companies (directors, mandates, advisory roles, etc.). Employees must inform the Management and the Compliance Director of these other positions in advance in order to obtain formal approval, which will be documented as an appendix to their respective employment contracts.

A form for declaring personal transactions and third-party activities is completed annually by employees and made available to report any change in circumstances.

The Internal Control system oversees and controls the remuneration activities of employees.

2.2 Third-party remuneration of executives and managers

The remuneration of employees is set under the conditions set out in their respective employment contracts. Commissions or bonuses may be paid to employees based on objectives set between executives and management.

Executives may hold third-party positions in other companies (directors, mandates, advisory roles, etc.). Executives must inform the Management of these other positions in advance in order to obtain formal approval, which will be documented as an appendix to their respective employment contracts.

In any event, Bitstack refuses to allow members of the management body to serve as directors of competing DASPs that are not part of the same group.

A form for declaring personal transactions and third-party activities is completed annually by executives and managers and made available to report any change in circumstances.

The Compliance Director's personal transaction and third-party activity reports form will be countersigned by the Manager.

The Internal Control system oversees and controls the remuneration activities of executives.

2.3 Bitstack shareholding

Shareholders, whether legal entities or natural persons, have access to confidential information as Bitstack shareholders. At the same time, these persons may have functions or interests in companies competing with or complementary to Bitstack. Shareholders in a situation of potential conflicts of interest must inform the Compliance Director and the Manager by email as soon as possible so that measures can be taken to limit access to the relevant confidential information or to oppose the position of the shareholder in question.

2.4 Business relationships with service providers or partners with close ties to a Bitstack employee or manager

Bitstack's activity involves business relationships with service providers or partners.

Bitstack continuously implements a formalised system for selecting, evaluating, and monitoring business relationships with its service providers and partners, involving all company employees.

In the event of potential conflicts of interest, the employee concerned must inform the Compliance Director and the Manager by email so that measures are applied as soon as possible to manage this potential conflict of interest.

The Internal Control system oversees and controls the selection and monitoring activities of service providers.

2.5 Benefits in kind and gifts

Bitstack employees and executives participate in regulatory schemes such as PSEE and AML-CFT in order to avoid any conflicts of interest and risk of corruption. Bitstack employees must complete a document entitled "Gifts and Benefits in kind of more than 250 euros" for the Compliance Director, who will issue an opinion and put in place recommendations to manage this conflict of interest and/or this risk of corruption.

2.6 Remuneration of service providers related to a third party activity

Service Providers performing operational activities with Bitstack have the possibility, as service providers, to carry out other service missions in other companies, some of which may be competitors to Bitstack's business. In this case, service providers must inform the manager of Bitstack and the Compliance Director by email as soon as possible so that additional measures can be implemented to manage and limit any potential conflicts of interest.

2.7 Bitstack customers - shareholders and/ or employees -

Bitstack employees and/or shareholders may subscribe to Bitstack's services and products, the regulatory systems and in particular the anti-money laundering and terrorist financing system apply without distinction to customers, shareholders and employees.

To avoid any risk of conflict of interest, the Compliance Director, in their capacity as a Tracfin reporting officer and responsible for overseeing AML/CFT and conflict of interest management systems, is prohibited from subscribing to Bitstack services and products, as are all natural or legal persons with a close relationship to them.

The Internal Control system oversees and controls the transactional activities of employees and shareholders.

2.8 Financial incentive

A financial or other incentive may create a conflict of interest when the payment or receipt of the incentive diverts Bitstack-related persons from their obligations to best serve the interests of customers or compromises their ability to perform their duties and responsibilities objectively and independently.

In order to avoid any potential conflict of interest related to incentives, the DASP will not accept any financial or other incentives for the routing of an order

to another digital asset service provider or other person entering into transactions in such assets.

3. Information for Customers

Where the measures taken by Bitstack, pursuant to this Conflict of Interest Management Policy, are not sufficient to ensure, with reasonable certainty, that the risk of adversely affecting the interests of customers will be avoided, the service provider shall clearly inform them, before acting on their behalf, of the general nature or source of such conflicts of interest and the measures taken to mitigate them, if applicable.

This information is provided in electronic format and includes sufficient details, taking into account the nature of each customer, to allow each of them to make an informed decision on the service in which conflicts of interest arise.

The disclosed information must be accessible to customers at any time and on all devices. When the DASP makes it available on the relevant device, it must also provide a link to the information to be provided on its website.

Bitstack's disclosure of conflicts of interest does not relieve it of the obligation to maintain and enforce effective organisational and administrative arrangements to take all reasonable steps to prevent the conflicts of interest from resulting in a significant risk of harm to customers' interests.

Bitstack publishes information on measures taken to mitigate the risks of conflicts of interest in a visible place on its website.

4. Reporting and archiving

The documents relating to the Conflict of Interest Management system are kept in a dedicated file. All information will be recorded in the Register of Conflicts of Interest, which is maintained by the Compliance Director.

Ongoing monitoring of potential conflicts of interest is carried out by the Compliance Director and the Bitstack Manager.

Half-yearly, the Compliance Director informs the members of the Risk Committee in particular of the proper application of the procedure, the Register of Conflicts of Interest and the recommendations that have been deployed to manage potential conflicts.
The register details the circumstances in which a conflict of interest may arise or has arisen in connection with the activities carried out by the DASP.

The register is reviewed annually or more frequently if a review is warranted due to changes in the activities of the DASP, its customers or the applicable regulatory framework.

5. Refusal to act

If Bitstack considers that it is unable to manage a conflict of interest using any of the methods described above, it may refuse to act on behalf of the customer in question.