



HOTTINGER

CONFLICT OF INTEREST POLICY

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1.1 STATEMENT OF PRINCIPLE

We are committed to carrying out our business in compliance with the highest standards of corporate governance. However, our senior management recognise that conflicts of interest may arise in our business, and this Policy has been adopted to manage these conflicts. Our Policy is governed by our aim to conduct our business in compliance with the highest principles while, at the same time, acknowledging that there should be a procedure to protect us, our members of staff, and our clients from the adverse effects of any possible conflicts of interest.

1.2 OBJECTIVES

As a provider of investment, wealth management, and advisory services to high net worth and institutional clients, Hottinger & Co. Limited (“HottCo”) faces actual and potential conflicts of interest in the ordinary course of business.

HottCo is required to identify and adequately manage conflicts of interest that may entail a material risk of damage to a client’s interests. The Firm must adhere to the Financial Conduct Authority’s (FCA) Conflicts of Interest requirements, as set out in the SYSC 10 section of the FCA Handbook, and to the retained UK MiFIR framework.

The Firm’s policy is to take all reasonable steps to maintain and operate effective organisational, administrative, and procedural arrangements designed to identify and manage relevant conflicts of interest.

Senior management is responsible for ensuring that the Firm’s systems, controls, and procedures are sufficient to identify and manage conflicts appropriately. The Compliance Oversight Officer, supported by the Risk and Compliance functions, assists in the identification, recording, and ongoing monitoring of both actual and potential conflicts of interest across the Firm.

HottCo maintains organisational and administrative arrangements aimed at preventing conflicts of interest from constituting or giving rise to a material risk of damage to the interests of clients or the Firm’s reputation.

Where the Firm considers that its internal arrangements may not be sufficient to manage a particular conflict, HottCo will disclose to clients the general nature and/or specific sources of that conflict before undertaking business on their behalf. Such disclosures will be made in a manner sufficiently detailed to enable clients to make an informed decision about whether to proceed with the service.

1.3 IDENTIFYING A CONFLICT OF INTEREST

Everyone within the Firm plays a role in recognising and managing situations where our interests, or those of our employees, could come into conflict with those of our clients. Employees are expected to remain alert to circumstances that could give rise to a conflict and to raise any potential issues with senior management as soon as they are identified.

Our approach is designed to spot and address conflicts early. When reviewing the potential for conflicts of interest, we consider whether any part of the Firm:

- could benefit financially, or avoid a loss, at a client’s expense;
- has a stake in the outcome of a service or transaction that differs from the client’s own interest;
- might have a reason—financial or otherwise—to prioritise one client or group of clients over another;
- is involved in the same type of business as a client; or
- receives something of value from someone other than the client in connection with a service, other than our usual fees or commissions.

How we identify and deal with conflicts depends on the nature and structure of our business. In assessing and managing these situations, we take into account the size and complexity of the Firm, the different types of clients we serve, and the range of services we provide. We also evaluate the potential impact that any conflict could have on one client, a group of clients, or our entire client base.

Our procedures and oversight processes are in place to ensure that conflicts are recorded, reviewed, and resolved appropriately. Where we cannot completely remove the possibility of a conflict, we will explain the situation clearly to affected clients before proceeding, ensuring that our actions remain transparent, fair, and consistent with our duty to act in the best interests of all clients.

2. MANAGING CONFLICT OF INTEREST

2.1 DISCLOSURE OF CONFLICTS

If the Firm's arrangements are not sufficient to prevent or manage a conflict of interest with reasonable confidence, the Firm will disclose to the affected client:

- The general nature and/or source of the conflict before undertaking any business for that client.
- This ensures the client is aware of potential conflicts and can make an informed decision about proceeding.

2.2 INTERNAL ACTIONS WHEN A CONFLICT ARISES

When a conflict is identified, the Firm will:

- Consult with the Compliance Officer (CO) before taking any action.
- Include appropriate conflict clauses in client agreements, engagement letters, or other relevant contracts.
- Ensure documentation is signed at the start of the client relationship.
- Disclose relationships with companies mentioned in any written research prepared by the Firm.
- Follow internal policies on Personal Account Dealing and, where relevant, apply Chinese Walls to separate information and prevent misuse.

2.3. OVERSIGHT OF CHINESE WALLS

- The Compliance Officer and a designated Senior Manager are jointly responsible for overseeing and monitoring the operation of Chinese Walls (information barriers).
- Senior management will review compliance monitoring to ensure the barriers are functioning effectively and that systems remain current.
- This review extends to new business activities, regulatory changes, and market practice developments.

2.4. SENIOR MANAGEMENT RESPONSIBILITIES

- Senior management maintains overall responsibility for ensuring that conflict management controls are effective.
- They recognise the reputational, legal, and financial risks of poor conflict management.
- They promote a compliance culture by:
 - Raising awareness across all staff;
 - Providing training and guidance; and
 - Ensuring proper monitoring and record keeping are in place.
- The goal is for all employees to understand their role in identifying and managing conflicts, not just management or compliance teams.

2.5 STAFF RESPONSIBILITIES

- Every employee has a duty to report potential or actual conflicts promptly to the Compliance Officer.
- Staff are encouraged to seek guidance early, even if they are unsure whether a situation constitutes a conflict.
- The Compliance Officer will provide advice, and if necessary, escalate the matter to Senior Managers and the Board of Directors.

3. FORMAL CONTROLS AND MONITORING FRAMEWORK

3.1 GOVERNANCE STRUCTURE & MANAGEMENT INFORMATION

- The Firm monitors business data (e.g. spending patterns, introducer activity, vendor relationships) to detect irregularities that may indicate conflicts.
- Reporting lines are structured to prevent undue influence or conflicts between teams.

3.2 CONFLICTS OF INTEREST REGISTER

A central register records all identified or potential conflicts of interest.

Staff must report potential conflicts immediately to the Head of Risk and Compliance. The Head of Risk and Compliance:

Advises on actions to be taken. Records the details, client impact, and resolution steps in the register. The Firm's function heads and the Risk & Compliance Committee review the register regularly.

3.3 CLIENT TAKE-ON AND BUSINESS ACTIVITIES

- The Head of Risk and Compliance reviews each new client relationship and material client changes to identify new conflicts.
- The Client Governance Committee provides an independent assessment of potential conflicts.
- This process ensures that conflicts are managed from the start of every client relationship.

3.4 EMPLOYEES AND REMUNERATION

- The Firm's Personal Account Dealing Policy restricts employee trading that could create conflicts and includes post-trade monitoring.
- The Remuneration Policy ensures:
 - Staff incentives are aligned with clients' best interests;
 - Compensation does not encourage behaviour that increases conflict risk;
 - The Firm, clients, and employees share aligned objectives.