

# HIROSE FINANCIAL UK LTD.

## Conflict of Interest Policy

### Introduction

As part of its regulatory duties and obligations Hirose Financial UK Ltd. ("Hirose UK") is required to take all reasonable steps to identify conflicts of interest that may arise between:

- (a) itself (including its employees, managers or any person directly linked to it by control) and its clients; or
- (b) one client of Hirose UK and another;

that arise or may arise in the course of Hirose UK providing services to its clients.

Hirose UK is committed to acting honestly, fairly and professionally in accordance with the best interests of its clients and to complying with the principles set out in the applicable legislation.

### Purpose

Hirose UK's conflicts of interest policy (the "Policy") aims to ensure that Hirose UK's clients are treated fairly and with the highest level of integrity and that their interests are protected at all times.

### Identification of Conflicts of Interest

In order to identify the types of conflicts of interest that may arise in the course of providing its services, Hirose UK will take into account the following situations where Hirose UK, a relevant person (which includes a director, partner, manager, employee or other person directly involved in the provision of services to Hirose UK) or a person directly linked by control to Hirose UK:

- Is likely to make a financial gain at the expense of the client;
- Is likely to limit or avoid financial loss at the expense of the client;
- Has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- 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 different from the client's interest in that outcome;
- Carries on the same business as the client; or

- 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/remuneration for that service.

### **Potential Conflicts of Interest**

The following situations are some examples of conflicts which may arise when Hirose UK is providing investment services for its clients:

- When Hirose UK executes transactions through its trading platform for its clients, Hirose UK acts as principal in all dealings;
- You may have been introduced to Hirose UK by a third party who receives commission or remuneration from your trades
- Hirose UK may place trades with its wholly owned parent company, Hirose Tuyso Inc.

In the event where more than one client has a similar order in the same market then such orders will be filled on first in first out basis.

### **Hirose UK's Arrangements for Managing Conflicts**

Hirose UK adopts a number of approaches to manage conflicts of interest and control the movement of confidential information; the following is a non-exhaustive list of these measures:

- Procedures to prevent and control the exchange of information between persons at Hirose UK which may harm the interests of one or more clients;
- Controlling the disclosure of client order details of one client to another (other than generic information which is not capable of attribution to any particular client in respect of client trading trends);
- Segregation of duties and supervision for persons engaged in different business activities including procedures for ensuring appropriate communication between business units;
- Controls over remuneration, sources of remuneration and personal account dealing applicable to all staff, and their associates, regardless of seniority;
- External directorship policy, including the requirement for all external directorships and outside business interests to be declared; and
- The provision of training to directors and employees of Hirose UK on conflicts of interest management.

### **Hirose UK's Policy**

Hirose UK recognises, in certain circumstances, conflicts of interest can arise among Hirose UK, its directors, employees and appointed representatives, introducing brokers, relevant persons and all clients. As required by law, Hirose UK implements and maintains an effective conflicts of

interest policy for the purpose of preventing conflicts of interest or potential conflicts of interest from causing a material risk of damage to the interests of clients.

Hirose UK keeps a record of its business activities in order to identify any conflict that might involve a material risk of damage to the interests of its clients. Where Hirose UK identifies an actual or potential conflict of interest, it can take the following steps:

- a. Decline to act.
- b. Accept the conflict of interest but prevent any material abuse and protect its client. In order to do this Hirose UK maintains and operates permanent arrangements that are designed to manage most conflicts of interest once identified.

### **Disclosure**

In the unlikely event that Hirose UK's arrangements to manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interest of a client will be prevented, Hirose UK shall disclose the general nature and sources of conflicts of interest to the client before undertaking business for them.

### **Reviewing the Policy**

Hirose UK reserves the right to review the Policy periodically and, if required, amend it to meet and support its clients' needs and ensure that the Policy is compliant with all application law and regulation.

For more information, please contact [compliance@hiroseuk.com](mailto:compliance@hiroseuk.com)