

Conflict of Interest and Market Abuse Policy

Cardano Development Conflict of Interest and Market Abuse Policy

Updated Date: May 2023

Approved by: Cardano Development Managing Board

Audience: Stichting Cardano Development, Cardano Development, All Cardano Development Companies and Frontier Finance Solutions
Custodian: Senior Operations Manager

1. Introduction

Ensuring that the integrity of decision-making within Cardano Development Group (CD, as defined below) is not compromised by private interests of those working for and on its behalf is a core requirement of CD.

This document sets out CD's Conflicts of Interest and Market Abuse Operating Policy (Policy) which includes minimum standards and controls designed to identify and mitigate the actual or perceived risks that may arise as a result of actual or potential conflicts interest and access to inside information in the course of CD activities. The principles and the practice suggestions in this Policy are not a substitute for any applicable law or regulation, nor are they intended to have any legal effect or to be used by any regulator. The objective is to raise and harmonise standards generally within CD in relation to conflicts of interest and the use and control of inside information.

This policy (Conflict of Interest and Market Abuse Policy) applies to all employees, directors, contractors, and agents ("Personnel") of Cardano Development B.V., Frontier Finance Solutions B.V. and all subsidiaries controlled directly or indirectly by Frontier Finance Solutions B.V. (in this document hereafter collectively referred to as "CD" or the "CD Companies" and each, a "CD Company").

Cardano Development expects the managing boards of all of its affiliates to either

- (a) adopt the policy as stated herein; or
- (b) if required to address a need particular to that affiliate, adopt an alternative policy with substantially similar intent.

2. Definition

2.1 Conflicts of Interest

A conflict of interest is a situation in which a company or person has a competing professional or personal interest to the interests of another company or person. This may include a directly competing financial or non-financial interest, a similar interest of a related party or a personal

relationship, an affiliation with a third-party organization with a competing interest or other elements (list not exhaustive). Such competing interests may be real, apparent or perceived and may be actual or a potential future conflict.

Such a conflict of interest may be an actual conflict, a potential conflict where personal and professional interests could conflict, or where it appears or could be perceived that personal interests may improperly influence professional duties.

2.2 Insider Dealing

Insider dealing arises where a person possesses inside information and uses that information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, financial instruments to which the information relates. The use of inside information by cancelling or amending an order (or a bid relating to the auctioning of emission allowances or products based on emission allowance) concerning a financial instrument to which the inside information relates, whereas the order was placed before the person concerned had access to the inside information, is also deemed to be insider dealing.

2.3 Market Abuse

Market abuse includes engaging or attempting to engage in insider dealing; recommending that another person engage in insider dealing or inducing another person to engage in insider dealing; unlawfully disclosing inside information; or engaging in or attempting to engage in market manipulation.

3. Conflicts of interest

Conflict of interest can arise between:

- A CD Person and a CD Company and/or a Service Provider
- A CD Person/CD Company/Service Provider and a project company or partner
- A CD Person/CD Company/Service Provider and a supplier of goods and services
- Two or more CD Companies/Service Providers
- Two or more project companies and/or partners

Conflicts of interest can arise from a range of issues which include but are not limited to:

- **Personal relationships:** close relationship with a person or people who engage in some way with CD or the organization which we work for
- **Other employment:** Additional, outside employment and external roles such as non-executive directors are often subject to restrictions, depending on the nature of the work carried out and actual or perceived conflicts.
- **Employment interest:** Potential conflicts can arise during recruitment, when staff have additional outside interests and when staff move on to other roles.
- **Gifts and hospitality:** The giving or acceptance of gifts or hospitality to or from, e.g. suppliers, brokers, clients or with whom CD carries on business.
- **Procurement interest:** where individuals have relationships with a company (or its personnel) that has or may bid to provide goods or services.

- **Pecuniary interest:** For example, when an individual holds shares in an entity that could be affected by a project in which they are involved. Even past shareholdings can raise concerns.
- The existence of a conflict of interest may not, in and of itself, be evidence of wrongdoing.

4. Identifying, Mitigating and Managing Conflicts

To meet the objectives of this Policy, CD Companies, Service Providers, and CD Recipients are required to put in practice the measures set below:

4.1 Identifying Conflicts

Procedures that ensure and enable those working for, and on their behalf, to identify and disclose all relevant private interests that potentially conflict with and may improperly influence their professional duties on commencement in office. The procedures should require prompt disclosure of all relevant information about a conflict when circumstances change after an initial disclosure has been made, or when new situations arise, resulting in an emergent conflict of interest. Procedures should require sufficient detail to be provided on the conflicting interest to enable an adequately informed decision to be made about the management of the conflict of interest and place responsibility of the adequacy of the disclosure on the individual. Gifts and hospitality procedures should include guidance on materiality and financial thresholds.

4.2 Avoidance of Conflicts

Where a conflict is identified, seek to organise the CD business activities in a manner which avoids such a conflict. However, it is not possible to avoid/mitigate all conflicts and in such situations, adequate measures must be put in place to effectively manage such conflicts.

4.3 Monitoring Conflicts

Maintain a register of interests for its directors and officers at its main place of business or registered office. Where relevant, this should document measures taken to ensure that an identified conflict of interest has been appropriately mitigated and/or managed.

4.4 Inside Information

Adequate procedures for the use and control of inside information. These should recognise the responsibility to control access to inside information and reduce the risk of misuse. There should be clear responsibility for overseeing controls and procedures in relation to inside information.

4.5 Personal Account Dealing

Personal account dealing policy and procedures which should be made clear to all CD People and those working for and on behalf of the Service Providers and CD Recipients.

4.6 Training and Awareness

All CD People and those working for or on behalf of the Service Providers and CD Recipients should receive training in respect of awareness of conflicts of interest and the risks associated with engaging in market abuse including the use of inside information and applicable laws. Training should also include specific risks applicable to CD and the requirements set out in this Policy including associated guidance and standards as may be issued by CD from time to time.

5. Resolution and Management of Conflicts

The options for resolution and management of actual, potential and perceived conflicts of interest can include one or more of several strategies as appropriate, for example:

- divestment or liquidation of the interest;
- recusal from or the management or limitation of involvement in an affected decision-making process;
- restriction of access for the affected individual to particular information;
- transfer of the individual to duty in a non-conflicting function;
- re-arrangement of the individual's duties and responsibilities;
- assignment of the conflicting interest into a trust which will ensure independent administration of individual's personal interests to prevent conflict with professional duties;
- resignation of the individual from the conflicting private-capacity function; and/or
- disclosure of the conflict of interest to the affected parties.

6. Roles and Responsibilities

The CD Managing Board is responsible for approving this Policy.

Each CD Company shall

- (i) be responsible for ensuring its compliance with this Policy and associated standards and guidance as issued by CD from time to time, and
- (ii) take reasonable steps to ensure that equivalent arrangements are put in place in respect of each Service Provider and CD Recipient (where appropriate) to ensure their compliance with this Policy or another policy consistent with the principles of this Policy. CD People shall be responsible for complying with this Policy and disclosing all interests and relevant conflicts of interest in a timely manner.

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