



Conflicts of Interest Policy

September 2024

UK, EU and Asia

Conflicts of Interest Policy

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1. Introduction

Scope:

UK – MarketAxess Capital Limited, MarketAxess Europe Limited and MarketAxess Post-Trade Limited – authorised and regulated by the Financial Conduct Authority;

EU – MarketAxess NL B.V. and MarketAxess Post-Trade B.V. – supervised and licensed by the Autoriteit Financiële Markten and European Securities and Markets Authority respectively; and

Asia – MarketAxess Singapore Pte. Limited – recognised by the Monetary Authority of Singapore.

Each MarketAxess entity above is a “**Firm**”.

This document is the Firms’ policy to comply with the requirements of their home state regulators in relation to the management of conflicts of interest.

For the purpose of this policy, references to “staff” means employees, officers, directors and agency workers.

Each Firm and its Staff must adhere to the highest standards of honest and ethical conduct. These include, but are not limited to, sensitivity to the existence of a conflict of interest or the appearance of a conflict of interest.

Conflicts of interest can arise in many ways, and all Staff, must be sensitive to those situations in which they are most likely to be present.

A conflict of interest may exist when a Staff member’s personal interest interferes, or appears to interfere, in any way with the interests of the Firm or its customers, or when Staff member otherwise takes actions or has interests that may make it difficult to perform his duties objectively and effectively. Situations may also involve conflicts between the Firms’ own interest and its customers’ interests or between two customers’ interests, or as a result of the Firm's remuneration and other incentive structures.

Conflicts of interest are not always readily apparent and, for that reason, Staff must always be aware of the possibility of such conflicts.

The Firm’s policy requires that customers’ interests are put first and that Staff disregard any other relationship, arrangement, material interest or conflict of interest which may influence any service which the Firm may provide to a customer. Accordingly, where the Firm has a potential conflict of interest with one of its customers, or between two customers, it must pay due regard to the interest of each customer and manage the conflict of interest fairly.

An employee, officer or director of the Firm may have access to information of a confidential or market sensitive nature pertaining to the business of a Firm and the business of its customers (including any proprietary information that they may have supplied as part of using our services). The misuse of such information is not only a serious violation of the Firm’s policy, but may also be a criminal offence, subjecting the individual(s) involved as well as the Firm to severe regulatory and criminal sanctions.

All Staff are further subject to the Conflicts of Interest provisions set out in the Code of Conduct issued by the Firm's group parent undertaking, MarketAxess Holdings Inc. The Code of Conduct is available on MyMax.

2. Definitions

2.1 Conflict of Interest

A conflict of Interest refers to the instance where the interest of Firms' customers may be affected as a result of one of the three following situations of potential conflicting interest between:

- one of the Firms covered by this Policy, and its customer or a customer of any of the Firms;
- a Firm's Staff members and the Firm itself or the interests of its customer/s.
- a customer of a Firm and another customer of the same Firm, or of another Firm.

2.1 Non-public information

Information is non-public unless and until it has been broadly disseminated or made widely available to the general public, such as by means of a press release carried over a major news service, a research report or publication, a public filing made with a regulatory or market authority, materials sent to shareholders or potential investors such as a prospectus, or materials available from public disclosure services.

You should assume that information about pending or contemplated orders; the identity of the customer entering an order; and other information regarding trading activities, positions, the identity of the customers' own clients, or strategies of customers is non-public information.

2.2 Material information

Information is generally regarded as "material" if there is a substantial likelihood that a reasonable investor would consider the information important in deciding whether to purchase, sell or hold a security. It includes information, which if publicly disclosed, is reasonably likely to affect the value of a security. Information may be material even if it relates to speculative or contingent events. Information that is material to a decision to trade a security also is likely to be material to a decision to trade related derivatives.

Examples of material, non-public information:

- Material non-public information can come from the Firm as well as from persons outside the Firm. It may include "tips" received directly or indirectly from insiders, regardless of the business or personal context in which such information was received.

Examples of information that, depending on circumstances, may be material and non-public include, without limitation:

- undisclosed financial information (e.g., company earnings information or estimates, a change in dividend policy, etc.);

- undisclosed operating developments (e.g., new products or natural resource discoveries, changes in business operations or extraordinary management developments);
- undisclosed proposed business activities (e.g., mergers, acquisitions, sales or divestitures of significant assets; and/or
- restructuring and other market sensitive transactions involving a company); and
- pending orders or decisions to purchase or sell securities.

If you are in any doubt as to whether information in your possession is material non-public information, you should immediately direct such questions to the Compliance Department.

3. Preventing Conflicts of Interest

The Firms have defined key principles with which Staff must abide, as well as organisational arrangements to prevent the materialisation of conflicts of interest as described hereafter.

3.1 Loyalty

All Staff owe a duty of undivided and unqualified loyalty to the Firm and may not use their positions improperly to profit personally or to assist others in profiting at the expense of the Firm.

3.2 Policy of Independence

Any proposed personal account dealing by Staff is subject to the UK, EU and Asia Personal Account Dealing Policy available via Okta under the DocTract application. No dealing which could create a conflict of interest between the Staff of the Firm and its customers is permitted.

3.3 Staff Disclosure

Before commencement of employment or providing services to the Firm, Staff and agency workers must disclose all outside business interests including:

- Directorships (including non-executive roles) or partnerships and details of companies in which they have an interest or a holding;
- positions held as an officer of any organisation;
- any outside business or employment activity.

Staff have an ongoing obligation to inform the Compliance Department and the Legal Department if they propose to become involved or to accept an appointment in any of the activities described above.

Agency workers are not necessarily prohibited from having outside interests but are required to disclose it in order to avoid conflicts of interests.

3.4 Business Opportunities

Staff shall not participate in for personal use (or for use by a family member or friend) any business opportunity learned of during the course of serving, using a Firm's property or as a result of such individual's position within a Firm.

To the extent that any Staff Member learns of a business opportunity that is within that Firm's existing or proposed lines of business, that individual should inform the Compliance Department of the business opportunity and refrain from personally pursuing the matter until such time as the Firm decides to forego the business opportunity.

At no time may any Staff member utilise any Firm property, information or position to generate personal gain or engage or participate in any business that directly competes with the Firm.

3.5 Treatment of Confidential Information

All Staff must not disclose material non-public information to someone under circumstances in which it is reasonably foreseeable that such communication is likely to result in its misuse.

Additionally, all communications of non-public information must be conducted so as not to disclose such information to those unauthorised to receive it. For example, employees should avoid such discussions in hallways, lifts, trains, tube, planes, restaurants, and other public places generally. Use of speakerphones should be avoided in circumstances where material non-public information may be overheard by unauthorised persons.

Documents and files that are confidential must be secure in order to minimise the risk of access by unauthorised persons. Confidential documents should be stored in secure file cabinets or other secure locations.

Confidential databases and other confidential information accessible by computer should be maintained in computer files which are password protected or otherwise secure against access by unauthorised persons.

- Staff should at all times act in the best interest of the Firm's customers. This means that all Staff should identify and manage in an appropriate manner any conflicts of interest that may arise either between the Firm and a customer or between customers, or between affiliated group entities.
- Staff may, in the course of the Firm's business become or be made aware of inside information. It is a serious criminal offence to trade on inside information or induce others to do so and employees are directed to the Firm's Personal Account Dealing Policy included in the Firm's Compliance Manual (each available on DocTract).
- Staff must not discuss the business of the Firm or its customers and related third parties with anyone outside that Firm except where necessary for the fulfilment of employment duties.
- All staff, and in particular UK Conduct Rules staff must abide by the UK SMCR Conduct Rules:
 - You must act with integrity.
 - You must act with due skill, care and diligence.

- You must be open and cooperative with the FCA, the PRA and other regulators.
- You must pay due regard to the interests of customers and treat them fairly.
- You must observe proper standards of market conduct.

3.6 Access to information

Where required, Firms maintain segregated systems to ensure the confidentiality of the information and ensure that information collected as part of the business activity of each Firm is not exchanged in a way that may damage customers' interests and that information is only accessible on a "need to know" or "least privilege" basis.

3.7 Intra-group outsourced services

Conflicts may arise where staff are based in one location with obligations to multiple legal entities, governed by service level agreements designed to satisfy local regulatory obligations. Work for a legal entity may be de-prioritised to the detriment of the other, due to a conflicting interest to serve the other entity. Resources should be allocated, defined and measurable, and appropriate corporate governance arrangements should be in place to ensure this is appropriately managed.

3.8 Remuneration

Conflicts may arise where there is a direct link between the remuneration of persons principally engaged in one activity and the remuneration of, or revenues generated by, different persons principally engaged in another, conflicting activity. Such direct links should be removed within the Firm's remuneration processes. Remuneration arrangements for staff members should also not be designed in a manner that results in the unfair treatment of one client over another.

3.9 Working from a remote environment

Conflicts may arise where Staff work remotely and where they share a remote working environment with another person that works for another financial services or technology firm and which might be a competitor, participant or client. Staff are required to disclose such conflicts of interest to the Compliance department.

3.10 Identification of potential situations of conflicts of interest

As a matter of principle, Staff must take all reasonable steps to prevent the materialisation of any conflict of interest and report to their management or the Compliance Department situations where they have identified potential conflicts of interest:

- for each Firm, including its Staff or any person directly or indirectly linked to them by control, and a client of that Firm;
or
- a customer of a Firm and another customer that arises or may arise in the course of that Firm providing its services.

Staff should be aware that contact with another related-company employee, may endanger any Chinese walls or information barriers that have been established to manage confidential information.

3.11 Other arrangements

The framework to prevent conflict of interest also includes:

- In addition to this Policy and the Firms' Code of Conduct, other specific policies regarding remuneration, gifts and entertainment (see Compliance Manual in DocTract, and ABC Policy), market abuse (DocTract), insider trading (MyMax), travel and expenses (MyMax), and personal account dealing (DocTract) that are applicable in respect to managing conflicts of interest and a Whistleblowing Policy and process, to ensure that Staff can report any misconduct, and escalation procedures to the Management;
- Training to employees, emphasising on the importance of abiding to the Firms' Code of Conduct;
- Ongoing monitoring of business activities to ensure that internal controls are adequately defined to prevent the materialisation of any conflict of interest;
- Implementing controls and/or separate supervisory arrangements that oversee individuals on opposite sides of a conflict of interest; and
- Removing direct links between the remuneration of individuals on opposite sides of a conflict of interest.

4. Types of Conflicts of Interest

Potential conflicts of interest may arise in various ways in the course of providing a service where a Firm or Staff member directly or indirectly

- is likely to make a financial gain, or avoid a financial loss, at the expense of the customer;
- has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the customer, which is distinct from the client's interest in that outcome;
- has a financial or other incentive (including as a result of the Firm's remuneration and incentive structure) to favour the interest of another client or group of clients over the interests of the customer;
- carries on the same business as the customer; or
- receives or will receive from a person other than the customer an inducement in relation to a service provided to the customer, in the form of monies, goods, services or benefits other than the standard commission or fee for that service.

The Firm shall maintain an inventory of existing and potential conflicts of interest ("**Conflicts Register**") including information as to the prevention, management and disclosure of such types of conflict. Examples of potential conflicts of interest which may be recorded in the Firm's Conflicts Register include:

- Conflicts between the interests of Staff and the interests of Customers or between the interests of Staff and the interests of the Firms:
 - Staff undertaking business for other clients that may conflict with the interest of existing customers;

- A member of Staff may become aware of confidential, market sensitive or material non-public information as a result of contact with a Firm’s data, customers or other business relationships. Under no circumstances should such information be used for their benefit or that of any others or be communicated to other parties for their potential benefit or gain;
- A member of Staff, or a member of their family, receives improper personal benefits as a result of their position within a Firm;
- Staff incentives to encourage trading activity which would have a bearing on a Staff member’s remuneration.
- Conflict between the interests of the different Firms or between the interests of a Firm and the interests of their respective Customers:
 - Conflicts of interest can arise between the different activities of the Firms, which respectively offer trading activities, publication and reporting activities:
 - This could potentially lead to situations where some customers may use the data reporting or publication services while other customers may solely be interested in purchasing data;
 - In any case, where a conflict arises between the Firm’s commercial interest and an obligation to ensure fair and orderly trading, if relevant for that Firm, that Firm shall favour the fair and orderly trading.
 - Where a conflict arises between a Firm’s commercial interest and the fair treatment of customers, each Firm shall ensure the fair treatment of its customers.

We have not identified a possible conflict between the activities of operating an MTF and providing the service to arrange and/or receive and transmit orders. Orders will be handled only in accordance with specific client instructions. As a result, there is no discretion on the part of the Firm that could give rise to a conflict.

All Staff may utilise the Conflicts Register to help identify any potential conflict of interest to which they may be exposed in the course of their business.

In cases of doubt as to whether one has the authority to disclose or discuss a particular piece of information, the appropriate functional head and the Compliance Department should be consulted. If the appropriate functional head is potentially conflicted, please contact the Compliance Department directly.

If, in the course of the business, the functional head of Business become aware of any situation that they consider as being a potential conflict of interest which is not identified in the Conflicts Register, they are responsible to inform the Compliance department, which will consequently update the Conflicts Register.

5. Disclosure of Conflicts

If a Staff member is not reasonably confident of arrangements made for preventing and managing conflicts, the individual must clearly disclose the general nature and/ or the sources of the conflict of interest to the customer before undertaking business for the customer.

The disclosure must:

- be made in writing or by an electronic communication by the Legal and Compliance Department;
- include sufficient detail, taking into account the nature of the customer, to enable the Customer to take an informed decision with respect to the service in the context of which the conflict of interest arises.

For the avoidance of doubt, it is the general policy of the Firm that it will disclose all relevant potential conflicts to customers prior to conducting business with them. In particular, wherever relevant, the interactions of the Firm and significant personal relationships will be made clear.

The Firm should not rely on disclosure of conflicts to customers as a default position, or as being generally sufficient enough to discharge the Firm's responsibility, to prevent or manage conflicts of interest.

It may be appropriate in certain circumstances to decline to act for or on behalf of a customer or group of customers where the above policies do not allow the Firm to act in the best interests of the relevant customers.

If the circumstances require, it may be appropriate to recuse yourself from the decision making process about resolution or disclosure of the conflict.

6. Remuneration

The Firm has implemented a Remuneration Policy (available on MyMax) and procedures to ensure that it does not remunerate or assess the performance of its Staff in a way that it conflicts with its duty to act in the best interest of its clients. Effectively, the remuneration policy seeks to encourage responsible business conduct, fair treatment of clients and avoiding conflicts of interest in the relationship with MarketAxess' clients. For the avoidance of doubt, the Remuneration Policy applies to members of a Firm's management body to the extent they are remunerated for their role.

Remuneration disclosures for each of the UK and EU firms are available on the MarketAxess website: www.marketaxess.com.

7. Record-keeping and reports

A record of the kinds of service or activity carried out by or on behalf of the Firm in which a conflict of interest entailing a material risk of damage to the interests of one or more customers has arisen or, in the case of an ongoing service or activity, may arise, is kept by the Compliance Department and is regularly updated with the details on the types of situation which occurred, on the basis of the information transmitted to the Compliance department by the business and employees.

In addition, and on an annual basis, reports on identified conflicts are prepared by the Compliance Department and sent to the Board of each Firm to inform on any incidents or materialisation of non-compliance risks.

8. Version Control

Version	Date	Changes/comments	Review conducted by
1	August 2013	N/A	Compliance
2	January 2017	<ul style="list-style-type: none"> • Create one policy for MarketAxess FCA firms. • Include uplift in anticipation of MIFID 2 requirements 	Compliance
3	September 2017	<ul style="list-style-type: none"> • Addition of MarketAxess Singapore Pte. Limited as a relevant Firm. 	Compliance
4	August 2018	<ul style="list-style-type: none"> • Addition of MarketAxess NL B.V. and Trax NL B.V. as relevant Firms 	Compliance
5	August 2019	<ul style="list-style-type: none"> • Minor changes to reflect MarketAxess intranet and Compliance email addresses. 	Compliance
6	August 2020	<ul style="list-style-type: none"> • No changes 	Compliance
7	March 2021	<ul style="list-style-type: none"> • Change of company name for post-trade businesses 	Compliance
8	November 2021	<ul style="list-style-type: none"> • Updates to align definition of Staff 	Legal and Compliance
9	November 2022	<ul style="list-style-type: none"> • Update to reflect ESMA as the supervisor for MAPT NL • Reference to the MKTX Code of Conduct 	Compliance
10	August 2023	<ul style="list-style-type: none"> • Update to section 4 – addition of an example of a conflict linked to remuneration. • Update to section 5 – Disclosure of Conflicts (mere disclosure is not sufficient enough to discharge the Firm of its responsibility to manage or prevent conflicts of interest) • Addition of section 6 – Remuneration • Minor changes 	Legal and Compliance

11	January 2024	<ul style="list-style-type: none"> • Update to reflect RTO service • Update to reflect remuneration and additional conflict scenarios 	Compliance
12	September 2024	<ul style="list-style-type: none"> • Minor changes 	Compliance

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Copies of all Firm compliance and financial crime policies may be found in the MarketAxess intranet.

If you have any questions or require further information please contact the Compliance Department:

- ComplianceEU@marketaxess.com for UK/EU
- ComplianceAsia@marketaxess.com for Asia.