

# Conflicts Of Interest Policy

## Identification, Prevention, Management & Disclosure

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Escrowfy GmbH

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CHE-281.608.494 | VQF SRO Membership Nr. 101009

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## 1. Introduction and Purpose

1.1. Escrowfy GmbH, operating under the Oxen Finance brand (“Oxen”, “we”, “our”), is committed to identifying, preventing, managing, and, where necessary, disclosing conflicts of interest that may arise in the course of providing services to our clients. This Conflicts of Interest Policy (“Policy”) sets out the framework through which we fulfil this commitment.

1.2. Conflicts of interest are inherent in any financial services business. What matters is not the absence of all conflicts—which is neither realistic nor achievable—but rather the existence of robust systems, controls, and governance to ensure that conflicts are identified promptly, managed effectively, and that our clients’ interests are protected at all times.

1.3. This Policy applies to all directors, officers, employees, contractors, agents, and affiliates of Escrowfy GmbH (collectively, “Relevant Persons”), and to all services provided through the Oxen Finance platform.

1.4. This Policy is designed to comply with: The Swiss Code of Obligations (CO), in particular the duty of care and loyalty under Articles 394–398;

VQF SRO regulations and guidance on conflicts of interest and organisational requirements; The EU Markets in Financial Instruments Directive (MiFID II), Articles 16 and 23, and Delegated Regulation (EU) 2017/565, Articles 33–43, where applicable;

The UK FCA’s Principles for Businesses (PRIN 8 – Conflicts of Interest) and Senior Management Arrangements, Systems and Controls Sourcebook (SYSC 10);

The ADGM Financial Services Regulatory Authority (FSRA) General Rulebook (GEN), Chapter 4 on conflicts of interest;

FATF Recommendation 18 on internal controls and compliance;

General principles of good corporate governance and fiduciary duty.

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## 2. What Constitutes a Conflict of Interest?

2.1. A conflict of interest arises where the interests of Escrowfy GmbH, a Relevant Person, or one client conflict with, or have the potential to conflict with, the duty owed to another client, and where this conflict may result in a risk of damage to the interests of that client.

2.2. Conflicts may be actual (currently existing), potential (reasonably foreseeable), or perceived (a reasonable third party might consider a conflict to exist, even if one does not in fact). All three categories are within the scope of this Policy.

2.3. The following non-exhaustive list illustrates the principal categories of conflict that may arise in the context of our business:

| Category                       | Description and Examples                                                                                                                                                                                                                                                                                                             |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company vs. Client             | Escrowfy GmbH has a financial or commercial interest that conflicts with the best interests of a client. Example: earning higher revenue from a particular FX rate or fee structure that is not in the client's best interest; prioritising Escrowfy's own treasury needs over client transaction execution.                         |
| Client vs. Client              | The interests of one client conflict with the interests of another client. Example: two clients competing for limited liquidity in an OTC trade; allocating resources or priority to higher-volume clients at the expense of smaller clients.                                                                                        |
| Employee vs. Client            | A Relevant Person has a personal financial, familial, or other interest that conflicts with their duty to act in the client's interest. Example: an employee with a personal relationship with a client; an employee holding crypto-assets in which a client is transacting.                                                         |
| Employee vs. Company           | A Relevant Person has interests that conflict with their duties to Escrowfy GmbH. Example: an employee using proprietary information for personal trading; an employee accepting gifts or hospitality that could impair objectivity.                                                                                                 |
| Group entity vs. Client        | An affiliated entity within the corporate group (e.g., a related company or entity under common ownership) has interests that conflict with a client's interests. Example: steering clients toward a group entity's services when a third-party option would be more suitable.                                                       |
| Third-party partner vs. Client | A third-party service provider (e.g., banking partner, liquidity provider, introducer) has interests that conflict with the client's interests. Example: an introducer receiving commissions that incentivise inappropriate referrals; a banking partner imposing conditions that disproportionately affect certain client segments. |
| Information asymmetry          | Access to confidential or material non-public information that, if used, could advantage one party at the expense of another. Example: using knowledge of a client's pending large transaction to execute a proprietary or personal trade ahead of it (front-running).                                                               |

## 3. Identification of Conflicts

3.1. We maintain a Conflicts of Interest Register (“Register”) that records all identified actual, potential, and perceived conflicts of interest. The Register is maintained by the Compliance function and is reviewed and updated on a quarterly basis, or immediately when a new conflict is identified.

3.2. The following mechanisms are used to identify conflicts:

Annual conflict mapping exercise conducted by the Compliance function, covering all business lines, revenue streams, client segments, and third-party relationships;

New product and new service assessments, which include a mandatory conflict-of-interest screening before launch;

Third-party onboarding assessments, which evaluate potential conflicts arising from new banking partners, introducers, or service providers;

Staff declarations: all Relevant Persons are required to declare personal interests, outside business activities, and related-party relationships upon joining and annually thereafter;

Ongoing monitoring of transaction patterns, fee structures, and client outcomes by the Compliance function;

Whistleblowing and internal reporting channels, through which Relevant Persons can report suspected conflicts confidentially.

3.3. All Relevant Persons have a duty to report promptly to the Compliance function any situation they believe may give rise to a conflict of interest, whether affecting themselves, a colleague, or the Company.

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## 4. Complaints Handling Procedure

Where a conflict of interest is identified, we apply a hierarchy of measures to address it. The preferred approach is prevention (elimination of the conflict). Where prevention is not feasible, we apply management controls. Where management controls are insufficient, we disclose the conflict to the affected client.

### 4.1 Organisational Controls

Segregation of duties: functions that could give rise to conflicts (e.g., compliance, treasury, client services, sales) are operationally and organisationally separated where practicable;

Information barriers (“Chinese walls”): where confidential information is held in one area of the business, access is restricted to prevent improper use in another area;

Independent compliance oversight: the Compliance function operates independently of revenue-generating business lines and reports directly to the CEO and Board;

Governance and escalation: conflicts that cannot be resolved at the operational level are escalated to the Chief Compliance Officer (CCO) and, if necessary, to the Board of Directors.

## 4.2 Personal Conduct Controls

- Personal account dealing: Relevant Persons must pre-clear any personal transactions in crypto-assets or financial instruments where those transactions could create a conflict with client interests. Front-running, insider dealing, and trading on confidential information are strictly prohibited;
- Gifts and hospitality: Relevant Persons may not accept or offer gifts, entertainment, or hospitality exceeding CHF 200 in value per instance (or CHF 500 cumulative per calendar year per counterparty) without prior written approval from the CCO. All gifts and hospitality must be recorded in the Gifts and Hospitality Register;
- Outside business activities: Relevant Persons must declare and obtain prior approval for any outside directorship, employment, consultancy, or material financial interest that could create a conflict;
- Related-party transactions: any transaction between Escrowfy GmbH and a Relevant Person, or between Escrowfy GmbH and a party related to a Relevant Person, must be disclosed to and approved by the CCO, and conducted at arm's length.

## 4.3 Client-Facing Controls

- Fair execution: where we act as a counterparty to client transactions (e.g., crypto-fiat exchange, OTC trades), we apply fair and transparent pricing. Exchange rates and fees are disclosed to the client prior to execution;
- Best execution: where applicable, we take all sufficient steps to obtain the best possible result for the client, taking into account price, costs, speed, likelihood of execution, and settlement;
- Order priority: client orders are executed in the order received (first-in, first-out) unless a different execution sequence is objectively justified and documented;
- Introducer and referral arrangements: where we pay or receive commissions, fees, or other benefits in connection with client referrals, the arrangement is disclosed to the client and is structured to ensure that the referral is in the client's interest;
- Product suitability: we do not recommend or steer clients toward particular services or products where the recommendation is motivated by Escrowfy's own financial interest rather than the client's needs.

## 4.4 Data and Confidentiality Controls

- Client data segregation: personal and transactional data of one client is not accessible to other clients and is only accessible to Relevant Persons on a need-to-know basis;
  - Access controls: role-based access controls (RBAC) and the principle of least privilege are applied to all systems containing client data, transaction data, or commercially sensitive information;
  - Confidentiality obligations: all Relevant Persons are bound by contractual confidentiality obligations. Breach of confidentiality is treated as a serious disciplinary matter.
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## 5. Disclosure of Conflicts

5.1. Where a conflict of interest cannot be adequately prevented or managed through the controls described in Section 4, we will disclose the conflict to the affected client(s) before proceeding with the relevant service or transaction. 5.2. Disclosure is a measure of last resort, not a substitute for effective conflict management. We will not rely on disclosure alone to address a conflict unless all reasonable prevention and management measures have been considered and found insufficient. 5.3. Where disclosure is required, we will provide the client with:

- A clear description of the nature and source of the conflict;
- The specific risks that the conflict presents to the client;
- The measures we have taken to manage the conflict;
- Sufficient detail to enable the client to make an informed decision about whether to proceed with the service or transaction.

5.4. Disclosures are made in a durable medium (e.g., email or written notice via the Platform) and are retained in the client's file.

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## 6. Specific Conflicts Relevant to Our Business

The following conflicts are inherent in the nature of our business model. We have implemented specific controls for each:

| Conflict                           | Description                                                                                                                                            | Controls Applied                                                                                                                                                              |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Acting as principal / counterparty | When facilitating crypto-fiat exchange or OTC trades, we may act as the counterparty to the client's transaction, earning revenue from the spread.     | Transparent pricing with spread disclosure; no proprietary trading against client flow; execution logs auditable by Compliance                                                |
| Introducer commissions             | We may pay or receive commissions from third parties (introducers, referral partners) for client referrals.                                            | Commission arrangements disclosed to clients; referral incentives structured to avoid unsuitable client onboarding; Compliance review of all introducer agreements            |
| Banking partner selection          | Selection of banking and EMI partners may be influenced by commercial terms (pricing, revenue share) rather than solely by client interest.            | Banking partner selection governed by documented due diligence criteria including regulatory status, service quality, and client impact; annual review of partner performance |
| Multi-entity group                 | Affiliated entities (e.g., entities under common ownership or the Oxen/Escrowfy brand in other jurisdictions) may compete or have diverging interests. | Intra-group transactions at arm's length; governance structures ensure independent decision-making per entity; information barriers where required                            |

|                                   |                                                                                                                                                                                      |                                                                                                                                                                |
|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fee structures                    | Certain fee structures (e.g., percentage-based fees on transactions) may incentivise higher transaction volumes or larger transaction sizes that do not align with client interests. | Fee schedules published and transparent; no hidden charges; Compliance monitoring of fee-driven transaction patterns                                           |
| Employee personal interests       | Employees may hold personal crypto-asset positions, maintain personal banking relationships, or have personal connections to clients.                                                | Personal dealing policy with pre-clearance; annual declarations; holding period restrictions; monitoring of employee transactions                              |
| Compliance and commercial tension | Commercial pressure to onboard clients quickly may conflict with the Compliance function's duty to conduct thorough KYC/KYB and risk assessment.                                     | Compliance function has independent authority to decline or delay onboarding; CCO escalation path to Board; no revenue-based compensation for Compliance staff |

## 7. Governance and Oversight

7.1. The Chief Compliance Officer (CCO) has primary responsibility for the implementation and oversight of this Policy. The CCO maintains the Conflicts of Interest Register, reviews conflict reports, approves management measures, and reports to the Board.

7.2. The Board of Directors has ultimate responsibility for ensuring that the Company's conflicts of interest framework is effective and proportionate. The Board reviews the Register and a summary of conflict-related activity at least annually.

7.3. The CEO is responsible for fostering a culture in which conflicts of interest are identified and reported promptly and without fear of retaliation.

7.4. All Relevant Persons are responsible for complying with this Policy, reporting conflicts promptly, and cooperating with investigations into potential conflicts.

## 8. Training and Awareness

8.1. All Relevant Persons receive training on conflicts of interest as part of their induction and on an annual basis thereafter. Training covers the identification of conflicts, reporting obligations, personal conduct requirements, and the consequences of non-compliance.

8.2. Additional targeted training is provided to individuals in roles that present heightened conflict risk, including client-facing staff, treasury, compliance, and senior management.

8.3. Training records are maintained by the Compliance function and are available for regulatory inspection.

## 9. Whistleblowing and Reporting

9.1. Relevant Persons who become aware of an actual or suspected conflict of interest, or of a breach of this Policy, are encouraged to report it promptly to the CCO or through the Company's confidential whistleblowing

channel at [whistleblowing@oxen.finance](mailto:whistleblowing@oxen.finance).

9.2. Reports made in good faith will be treated confidentially. No Relevant Person will suffer retaliation, disciplinary action, or any adverse consequence as a result of reporting a suspected conflict in good faith.

9.3. Clients who believe that a conflict of interest has adversely affected them are encouraged to raise the matter through our Complaints Handling Policy (OXN-POL-CMP-001) or by contacting [compliance@oxen.finance](mailto:compliance@oxen.finance).

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## 10. Consequences of Non-Compliance

10.1. Failure by a Relevant Person to comply with this Policy, including failure to report a conflict, failure to obtain required approvals, or engaging in conduct that prioritises personal or commercial interests over client interests, may result in:

Formal disciplinary proceedings, up to and including termination of employment or engagement; Clawback of any financial benefit derived from the conflict;

Reporting to relevant regulatory authorities where required by law;

Legal action to recover losses caused to Escrowfy GmbH or its clients.

10.2. Intentional concealment of a conflict of interest is treated as a serious breach of duty and will be dealt with accordingly.

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## 11. Record Keeping

11.1. The Conflicts of Interest Register, staff declarations, gifts and hospitality records, personal dealing records, and all related documentation are retained for a minimum of 10 years, in accordance with Swiss AMLA retention requirements and applicable regulatory obligations.

11.2. Records are stored securely with access restricted to the Compliance function, senior management, and external auditors or regulators upon request.

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## 12. Updates to This Policy

12.1. This Policy is reviewed at least annually by the CCO and approved by the Board. It is also reviewed following any material change to our business model, regulatory requirements, or corporate structure.

12.2. The most current version of this Policy is available at [oxen.finance/conflicts-of-interest](https://oxen.finance/conflicts-of-interest).

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## 13. Contact

For questions about this Policy or to report a potential conflict of interest:

|                |                                                                              |
|----------------|------------------------------------------------------------------------------|
| Compliance     | <a href="mailto:compliance@oxen.finance">compliance@oxen.finance</a>         |
| Whistleblowing | <a href="mailto:whistleblowing@oxen.finance">whistleblowing@oxen.finance</a> |
| Complaints     | <a href="mailto:complaints@oxen.finance">complaints@oxen.finance</a>         |
| Postal Address | Escrowfy GmbH – ComplianceBahnhofstrasse 7, 6300 Zug,<br>Switzerland         |