

# Policy for handling conflicts of interest

Approved by the Board of Directors: 27-05-2025.

## **Chapter 1 Background:**

The policy for handling conflicts of interest aims to ensure that the company relate actively to conflicts of interest and any risk for this cf. § 9 in the declaration of organisational requirements for securities trading and § 95, section 2, no. 2 in the Financial Business Act (Act no. 1155 of 8 June 2021).

According to the declaration of organisational requirements for security trading, Fondsmæglerselskabet Marselis (hereafter: Marselis) must ensure that conflicts of interest are identified, managed, and prevented to safeguard the interests of the company's clients in the best possible way.

## **Chapter 2 Identification of conflicts of interest:**

The risk of conflicts of interest arises both when there may be conflicting interests between Marselis or its employees and its clients, and when there may be conflicting interests between clients themselves.

Conflicts of interest may, for instance, arise in one of the following situations (non-exhaustive list):

1. Marselis or an employee may gain a benefit at the expense of the client:
  - Excessive risk-taking where the employee's remuneration depends on returns and performance
  - Excessive risk-taking where the company may earn performance-based fees
  - Marselis' revenue increases with the volume of transactions (e.g., brokerage fees)
  - Marselis may increase earnings by increasing leverage in investment funds, which results in higher risk
  - Marselis has discretionary mandates as well as "trading and advice on corporate bonds and mortgage bonds." A conflict of interest may arise when employees within these areas have a salary structure in which a bonus is incorporated, thereby creating an incentive to increase the turnover rate.
  - Marselis has investment management agreements in the same area as its trading and advisory services on corporate bonds and mortgage bonds. As an investment manager, the company may obtain insights into a client's behaviour, which could create a conflict of interest when advising other clients in the same market.
  
2. Marselis or an employee may obtain an advantage by prioritising the interests of one client over those of another:
  - Favouring individual clients with whom the company has entered performance-based fee arrangements.
  - Marselis represents a client who is selling a financial instrument that another client wishes to buy.
  
3. Marselis or an employee has a personal interest:
  - Trading, advising or exercising discretionary portfolio management for clients in a security held by the company in its trading book
  - Trading, advising or exercising discretionary portfolio management for clients in a security personally owned by the employee
  - The Chairman of the Board, the Board of Directors or the Executive Board must not be involved in any decisions regarding securities they own or in which they have an interest through a professional role outside Marselis.
  - Marselis is a market maker and holds a position in the securities that the client intends to buy or that Marselis intends to trade on behalf of a client due to an asset management agreement.

## **Chapter 3 Prevention of conflicts of interest:**

Marselis places strong emphasis both on providing advice and serving its clients based on their individual needs and on ensuring that clients are treated equally in similar circumstances.



The company is structured to prevent and mitigate conflicts of interest. Furthermore, clear guidelines have been established for how such conflicts must be handled.

Marselis has implemented the following measures to identify, describe and prevent conflicts of interest:

1. Policies and procedures
  - Marselis has adopted relevant policies to prevent and minimise conflicts of interest, including a Conflict of Interest Policy, Remuneration Policy and Order Execution Policy.
  - A Business Procedure for Conflicts of Interest has been established, which outlines internal processes to identify, mitigate and manage conflicts of interest. The procedure also guides employees on how to act when conflicts arise, including in relation to trading on behalf of clients and the firm's own account.
  - A Business Procedure for Market Abuse ensures that all employees are aware of the importance of handling information responsibly, and that inside information must not be used for investment decisions or shared with other clients.
  - The Board of Directors has, in its guidelines to the executive management, taken steps to minimize conflicts of interest.
  - Employees with trading authority have received a list of securities in which they are not permitted to trade.
  - Analysts cannot own or trade positions in the securities for which they prepare advice.
  - In relation to asset management, Marselis cannot take positions in the trading portfolio, and only back-to-back trades are allowed. Furthermore, the company is based on experience and a broad network, focusing on long-term relationships, which are not compatible with low returns.
  - Marselis must ensure the best execution for all clients in accordance with its order execution policy.
  - Issuing CFDs is only permitted when Marselis can cover the market risk of the underlying asset and cannot be done against the trading portfolio or asset management clients.
2. Organisational Measures:
  - The Board of Directors has issued instructions to the executive management regarding their responsibilities in minimizing conflicts of interest between the company and its clients.
  - Marselis has an independent compliance function that continuously monitors whether the company and its employees comply with applicable legislation.
3. Ongoing Training:
  - Employees receive continuous training on conflicts of interest.
4. Client Information
  - Clients receive comprehensive information about the types of products offered by the company.
  - Marselis ensures that professional investors complete a suitability and appropriateness assessment which helps ensure that the company acts in the best interests of its clients.

#### **Chapter 4 Information on conflicts of interest:**

If the written measures are not sufficient to avoid or manage conflicts of interest in relation to a client, Marselis will inform the client on the conflict of interest before further business activities can be done with the client.

#### **Chapter 5 Governance:**

The management is responsible for implementing this policy and reassure that every employee is familiar with the policy.

#### **Chapter 6: Updates:**

At least once a year, the management must update the policy, which then must be approved by the board of directors.

Date	Change	Description of change
29-03-2023	Update	Annual approval by the board of directors



13-06-2024	Update	Annual update according to internal policies regarding tasks of the board
27-05-2025	Update	Annual update according to internal policies regarding tasks of the board