POLICY
Prevention and Management of Conflicts of Interest

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1 Context and objective

1.1 Regulatory context and objective

The Prevention and Management of Conflicts of Interest (the "Policy") has been established in accordance with the Law of 4 April 1993 as amended on the Financial Sector, MiFID II/MiFIR, MAR and GDPR. It aims to define the mechanisms, criteria and procedures in place to identify, avoid and manage potential and actual Conflicts of Interest, by addressing the following underlying points:

- Define a global approach to be followed in the identification, prevention and management of Conflicts of Interest;
- Determine the rules to be respected by Employees;
- Define the procedures applicable within LuxSE with regard to the identification, prevention and management of Conflicts of Interest;
- Establish mechanisms to enable Employees to systematically declare actual or potential Conflicts of Interest;
- Define the roles, responsibilities and duties with regard to the prevention and management of Conflicts of Interest;
- Establish a non-exhaustive list of situations that may give rise to Conflicts of Interest in the course of business;
- Detail the consequences of non-compliance with the Policy.

1.2 Definitions

In this policy, the masculine and/or feminine is used generically and refers to both men and women. The following definitions apply for the purposes of the Policy:

« **Conflicts of Interest** »

A Conflict of Interest is a situation in which the "personal/own" interests of LuxSE or its subsidiary or one of its representatives, namely Employees and Board members, may be in conflict with or diverge from the interests of a market participant(s) and/or a client or group of clients, and which is therefore likely to have a negative influence on the proper functioning of LuxSE and/or the market and/or to be detrimental to the interest of the client(s).

Conflicts of Interest may also arise if an Employee, or a member of the Board of Directors, and a member of their family or a related person, benefits from their position within LuxSE.

Conflicts of Interest may be material (actually materialised) or potential.

- "**Potential Conflict(s) of Interest**" means the list of possible Conflict(s) of Interest in order to put in place the required mitigation measures
- "**Material Conflict(s) of Interest**" refers to the list of Conflict(s) of Interest that have materialised/been declared

"**Customer and/or Client**" means any person with whom LuxSE has a contractual relationship for the provision of a service by LuxSE in connection with its corporate purpose.

"Employee" means all trainees, external staff, Employees, managers and executives working within the LuxSE.

"**External Counterparty**" means a customer, member, market participant, prospect, shareholder, supplier, service provider or any other existing or future counterparty.

"**Register**" means the register of potential and/or material Conflicts of Interest established and maintained by the Compliance function.

"**LuxSE**" means the Luxembourg Stock Exchange.

1.3 Mandatory nature

Disclosure of Conflicts of Interest is mandatory, see Roles and Responsibilities below for further information as well as the related policies and procedures listed under Scope of application.

Compliance with this Policy by all Employees and Board Members is mandatory.

Failure to comply with this Policy, by an Employee, may result in disciplinary action being taken against the Employee who has violated the provisions of this Policy.

Failure to comply with this Policy, by a Board Member, may result in a disclosure in the Annual Report.

2 Scope of application

The Policy is applicable to the Luxembourg Stock Exchange ("LuxSE") and its "Employees" (as defined above) and Board Members (including the Secretary General to the Board of directors).

The following procedures are designed to implement the Policy in specific cases of potential Conflict(s) of Interest:

- Procedure for personal transactions (for Employees);
- Procedure on gifts and invitations (for Employees);
- Procedure on secondary activities, external mandates and political mandates (for Employees);
- LuxSE's Internal Rules "Règlement d'Ordre Intérieur de LuxSE » ;
- Whistleblowing Policy;
- Remuneration Policy (for Employees);
- Governance Manual (for Board Members).

A reminder of the rules and good practices regarding the prevention and management of Conflicts of Interest and risks of corruption and influence peddling is also included in the Internal Rules.

3 Roles and responsibilities

Employees	- Identify and disclose any potential or actual Conflicts of Interest to your Head of department and the Compliance function. - Collaborate with your Head of department and/or the Compliance function to mitigate or resolve the conflict
Heads of department	- First level of review of a declared Conflict by a LuxSE Employee - Assessment of declarations and informing the Compliance function; - Report to the Compliance function any detected Conflicts of Interest
Compliance function	- Establish and regularly assess the Conflicts of Interest prevention and management framework; - Establish, maintain and update the Conflicts of Interest Register, at least annually and share it with the ExCo; - Analyse the nature, causes and consequences of the Conflicts of Interest and suggest solutions for resolving or mitigating the Conflict; - Escalate to the Executive Committee and the Compliance, Risk and Audit Committee material and unmitigated/unresolved Conflicts of Interest) - Annual report to the Executive Committee including the suitability of the Conflict of Interest prevention and management framework and the Conflicts of Interest Register - Annual training on the prevention and management of Conflicts of Interest; - Advisory role in case of doubt about a situation of material or potential Conflicts of Interest - Collecting and analysing the various linked declarations (secondary activities and external mandates declarations; personal transactions and securities inventory declarations; and Gifts and invitations). See underlying Procedures listed above
Executive Committee	- Review of changes to the Conflicts of Interest Register - Review of the Compliance function's annual report including the status of the Conflicts of Interest prevention and management framework and Conflicts of Interest Register

	- Review of Conflicts reported to the Executive Committee and validation of mitigating and/or preventive measures - Notification to the Board of Directors of the occurrence of a material Conflict - Notification to the Regulator
Board of Directors (represented by the Compliance, Risk and Audit Committee)	- Declare any Conflicts of Interest during the Board meetings or on their own initiative - Review of Conflicts of Interest reported to the Compliance, Risk and Audit Committee ; - Approval of the Compliance function's annual report including the status of the Conflict of Interest prevention and management framework - In case of doubt about a situation likely to create a Conflict of Interest for a Board member, the Board member my consult the Chairman of the Board (in line with the Governance Manual)
Secretary General to the Board of directors	- Obtain annual declarations to be shared with Compliance - Ensure Conflicts of Interest are a standing agenda point

4 Identification and prevention of Conflicts of Interest

4.1 Situations that may give rise to Conflicts of Interest

Situations likely to give rise to Conflicts of Interest include, but are not limited to, the following:

- Private/privileged relationship (relationship with a manager/decision-maker) with a representative of an External Counterparty (Purchase, IT department, supplier, consultant, other service provider);
- Exercise of a secondary activity or external mandate (as defined in the Procedure - Secondary Activities, External Mandates and Political Mandates) likely to generate a Conflict of Interest (resources, market competition, reputational, etc);
- Economic interests held by the Employee in an External Counterparty (e.g. financial holdings, intellectual property rights, etc.) as defined in the Procedure for personal transactions;
- Previous employment likely to create a situation of Conflict of Interest with regard to the Employee's current duties within LuxSE;
- Receiving advantages for oneself or for a close relative (such as gifts and/or invitations as defined in the Procedure - Gifts and Invitations) from an External Counterparty that may influence decision-making;

- Incitement to favour the interests of an External Counterparty for financial reasons or to obtain an advantage of any kind for oneself or for a close relative (e.g. advantage in the form of goods or services);
- Achievement of a financial gain (or -avoidance of a financial loss) to the detriment of a LuxSE Customer;
- Interest in the outcome of the service provided to the Customer which is different from the interest of the Customer itself;
- Shareholders of LuxSE, some of whom may be important business partners, such as Market Members or issuers admitted to listing/trading on LuxSE markets, could face a conflict when making strategical decisions for LuxSE;
- The different listing and trading markets within LuxSE could compete for listings or trading volumes;
- Incitement to share customer information, business data or other knowledge, that should be kept separated, with other departments of LuxSE in view of making a financial gain;

Conflicts of Interest can be the result of i) a situation that persists and needs to be managed on a permanent /structural basis or ii) the occurrence of a single event (e.g. a transaction or the selection of an external service provider) and can be controlled through a single measure. This distinction is taken into account by the Compliance function when determining the mitigation measures to be deployed.

4.2 Measures to prevent Conflicts of Interest

Separation of duties

The organisation of LuxSE is based on the principle of separation/segregation of functions. Roles and responsibilities are assigned in such a way as to avoid incompatibility within the scope of a single person (team leader).

This separation of functions also applies to the internal control functions, which are independent functions and segregated from the commercial functions.

Permanent control framework

The various control functions - Audit, Risk Management and Compliance - regularly assess and verify the robustness of the Conflicts of Interest prevention and management framework.

LuxSE has a permanent and independent Compliance function which ensures that the Conflicts of Interest prevention and management framework is implemented and regularly assessed. The Register is managed and kept up to date by the Compliance function.

Protection of information

Employees are bound by strict confidentiality and professional secrecy with regard to any confidential or privileged information they may have in the course of their duties. Employees

may not disclose such information or use it inappropriately. Employees are regularly reminded and trained on this confidentiality obligation, which forms part of their employment contract.

LuxSE has put in place information barriers using specific measures and procedures (e.g. restricted physical access to the surveillance room and computer room, logical access procedures based on the 'need to know' and 'least privilege' principles, classification of information according to its degree of confidentiality, etc.). These measures and procedures are designed to prevent unauthorised exchanges of information within LuxSE and with external counterparties.

Advantages granted by or in favour of LuxSE

Monetary benefits granted by or in favour of LuxSE (e.g. rebates and/or discounts) are acceptable if:

- The benefit is granted in a transparent, traceable and easily identifiable manner (e.g. The discount granted appears on an invoice);
- The advantage does not prevent LuxSE from acting impartially towards other External Counterparties, and/or Clients and/or does not call into question the proper functioning of the markets operated by LuxSE; and
- The granting of the discount or rebate has been validated in advance in accordance with the applicable procedures

As a matter of principle, LuxSE does not offer non-monetary benefits (benefits in kind). Acceptance by LuxSE of non-monetary benefits (e.g. additional material depending on the order) and provision by LuxSE of non-monetary benefits (e.g.:, gratuity of LGX academy courses or free access to the Datahub etc.) is acceptable if:

- The benefit is part of a standard and documented commercial offer, is not lavish or extravagant in nature and is therefore not likely to call into question or influence LuxSE's impartiality,
- The benefit is part of a standard and documented commercial offer, is not lavish or extravagant in nature and is therefore not likely to call into question or influence the External Counterparty’s impartiality.
- The benefit is validated in advance by Compliance and in accordance with the Purchasing Policy.

Professional ethics and conduct

As mentioned in Chapter 2, the Policy is supplemented by various internal policies and procedures that define mechanisms for preventing and managing Conflicts of Interest in specific cases. In addition, Employees are trained annually on their rights and obligations to ensure that they have a satisfactory understanding of their responsibilities and protection in this area.

- **Remuneration**

A Remuneration Policy is in place and amongst other points requires that all variable remuneration be compatible with sound and effective risk management.

- **Nominations**

The Remuneration and Nomination Committee ensures that the appointment of a member of the management body does not constitute a Conflict of Interest or that the Conflicts of Interest can be mitigated.

- **Listing**

LuxSE has defined specific rules and procedures relating to the admission to listing and/or trading of financial instruments on the markets it operates and to listing on the Official List. These rules and procedures are set out in LuxSE's Internal Regulations (ROI), which are publicly available and for the Regulated Market are also approved by the CSSF. The ROI is published on the LuxSE website and is permanently available to the public.

- **Membership**

LuxSE has defined rules and procedures for the admission of new Members. Some of these rules are also included in the ROI.

- **Trading**

Orders are processed in accordance with the strict rules set out in the Trading Manual and the ROI.

5 Conflicts of Interest management

LuxSE endeavours to resolve or reduce the impact of a potentially conflictual situation by adopting mitigating or preventive measures (if necessary). These measures are discussed with the Executive Committee beforehand.

The measures set out below are not exhaustive and are decided on a case-by-case basis depending on the analysis carried out by the Compliance function and the materiality and the potential impact of the Conflict identified. They are by no means exhaustive and are without prejudice to the specific measures for managing Conflicts of Interest applicable to members of the Board of Directors as detailed in the Governance Manual.

5.1 Registering Conflicts of Interest

The Compliance function establishes and maintains the Register. The Register contains :

- A (non-exhaustive) list of potential Conflicts of Interest, i.e. situations that give rise or may give rise to Conflicts of Interest, together with control and mitigation measures;
- A list of actual Conflicts of Interest, a description of the Conflict, an analysis of the Conflict and its mitigation or resolution.

5.2 Measures to mitigate and/or resolve a Conflicts of Interest

In order to mitigate or resolve Conflicts of Interest, the Compliance function may decide to implement the following measures :

- Assigning activities likely to create Conflicts of Interest to another LuxSE Employee;
- Ask the Employee, in a situation of Conflict of Interest, to cease a conflictual external activity or mandate;
- Require an Employee to abstain from voting or decision-making on a matter likely to give rise to Conflicts of Interest;
- Ensure that transactions with external counterparties are conducted under conditions of normal and regular competition.
- Disclosure and approval of the underlying conflictual situation by the Compliance function, the Executive Committee or the Board of Directors;
- Prohibition on engaging in a business activity or entering into a business transaction;
- Suspension or termination of a contract with a supplier, consultant or other third party;
- Notification to the regulator and possibly to shareholders of the conflict (when the conflict cannot be mitigated).

6 Training

The Compliance function organises an annual training course on the prevention and management of Conflicts of Interest within LuxSE. This training can be included in an overall Compliance training course.

During this training, the Compliance function covers the following aspects:

- Reminder of the legal and regulatory requirements and rules applicable to each LuxSE Employee with regard to the prevention and management of Conflicts of Interest;
- Reminder of the system for preventing and managing Conflicts of Interest in force within LuxSE;
- Reminder of the mechanisms for disclosing Conflicts of Interest within LuxSE, including the Whistleblowing Policy;
- Reminder of the rules governing :
  - o Gifts and invitations;
  - o Secondary activities and external mandates;
  - o Personal transactions.
- Raising awareness of cases of Conflicts of Interest.

This training is aimed at all LuxSE Employees.

7 Data processing and storage

Conflicts of Interest declarations and assessment reports are kept for a period of 5 years after the end of the relationship (unless otherwise required by law).

In application of data protection rights each Employee whose personal data appears in the Register has a right of access to the data concerning them in order to check its accuracy and rectify it if necessary. The Employee may also request that the data concerning themselves be deleted 5 years after the end of the situation that gave rise to the Conflict of Interest (e.g. 5 years after the end of an external mandate).

The Employee concerned may submit a request to the Data Protection Officer (DPO) by following the procedure set out in the Data Protection Policy.

8 Documentary index

The document repository on the prevention of Conflicts of Interest comprises the following documents:

- Procedure for personal transactions including the internal LuxSE Compliance Apps
- Procedure on gifts and invitations including the declaration forms
- Procedure on secondary activities, external mandates and political mandates including the declaration forms
- LuxSE's Internal Rules « Règlement d'Ordre Intérieur de LuxSE »
- Whistleblowing Policy
- Remuneration Policy
- Governance Manual.

9 Special requirements

N/A.

10 Appendix

N/A.