

Renaissance Capital

RENAISSANCE CAPITAL

CONFLICTS OF INTEREST POLICY SUMMARY

Effective 3 January 2018

Last review: 05 May 2021

Introduction

The Conflict of Interest Policy (the “Policy”) is intended to provide clients with information relating to the Conflicts of Interest (“Conflicts”) arrangements that U.K and EU-entities of the Renaissance Capital group of companies (“Renaissance Capital” or the “Firm”) have in place to comply with their obligations under the Markets in Financial Instruments Directive 2014/65/EU of 15 May 2014 (“MIFID II”) (or U.K. equivalent) for the identification, prevention and management of Conflicts. The Policy applies to Renaissance Capital Limited and Renaissance Securities (Cyprus) Limited.

This document provides a summary of the Renaissance Capital Conflicts of Interest Policy, which applies when providing investment and ancillary services to clients.

Renaissance Capital faces actual, potential and perceived Conflicts on a regular basis during the normal course of the Firm’s business activities.

Renaissance Capital must take all appropriate steps to identify and to prevent or manage Conflicts, between the Firm and its clients or between one client and another, that may arise in the course of the Firm providing services.

The aim of the Policy is to ensure that the Firm applies the highest standards of conflicts management and always acts in the client’s best interest.

What are Conflicts of Interest

As a global financial services provider, the Firm may find occasions where the interests of one client may conflict with (i) those of another client; or (ii) the interests of the Firm; or (iii) a Firm employee. Renaissance Capital engages in a number of activities and services where there is a risk the interests of one or more clients could be compromised. These activities include:

- Trading on behalf of clients;
- Trading on own account;
- Providing investment advice (where Renaissance Capital has agreed to provide this service);
- Advising on Mergers & Acquisitions;
- Underwriting and/or placing of securities;
- Publishing investment research.

A potential Conflicts situation may occur in an instance where the Firm finds itself at the center of multiple interests which may oppose each other. Such cases may arise between:

- Client-Firm Conflicts;
- Client-Client Conflicts;
- Employee-Client Conflicts;
- Employee-Firm Conflict;
- Client - Third Party Conflicts related directly or indirectly to Renaissance Capital;
- Firm - Third Party Conflicts related directly or indirectly to Renaissance Capital.

Identification and Management of Conflicts

The Firm has taken steps to ensure that circumstances which could give rise to Conflicts and may pose a material risk of damage to the interests of its clients are identified, managed and documented.

The identification is governed mainly by two core aspects:

- a) Employee obligations and responsibility: It is each employee’s obligation to be alert to actual or potential Conflicts and to escalate them as appropriate.
- b) Conflicts of Interest procedures and controls are managed by the Control Room within the Compliance Department.

The Firm has appropriate internal controls and measures for preventing and managing (actual and perceived) Conflicts. These controls and measures are key to ensuring that potential Conflicts, once identified, are effectively managed and, where necessary, resolved in a timely manner. These include:

- Information Barriers and adopting a “Need to Know Basis” approach to information.
- Maintaining appropriate Chinese Walls and in some cases where it might apply, installing temporary information barriers for specific transactions.
- Independent Review and Oversight.
- Specific controls and restrictions related to: Research, Sales and Trading, Investment Banking, Personal Investments, Outside Business Activities, Gifts and Entertainment, potential Inducements Monitoring, and Order Management Systems.
- Training of employees: that may include face-to-face, computer based training or the issuance of Compliance notices.

Where Conflicts are identified, these are documented in the Firm’s Conflicts Register.

Under MiFID II and the Policy, where the organisational or administrative arrangements of the Firm are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, the Firm will disclose to the client the general nature and/or source of Conflicts including steps taken to mitigate those risks before undertaking business on its behalf. The disclosure will include sufficient details to enable the client to take an informed decision with respect to the service in the context of which the Conflict has arisen.

Conflict of Interests – Allocation Policy

The Firm has also incorporated and implemented an Allocation Policy, which applies to any transaction where Renaissance Capital conducts book building or underwriting activities. The purpose of the Allocation Policy is to ensure that allocations of securities in both primary and secondary issues are managed fairly and any Conflicts arising are managed in accordance with Renaissance Capital’s Conflict of Interest Policy. Further information can be provided upon request.

Contact details for further information

For further information on the Policy or to request the full internal Global Conflicts of Interest Policy, please contact your usual Renaissance Capital contact.