REV.7 - 07.08.2026

POLICY ON THE MANAGEMENT OF CONFLICTS OF INTEREST

1. INTRODUCTION

1.1. This document constitutes the policy (the **Policy**) for the management of conflicts of interest of RIV-Digital S.r.l. (hereinafter also **RIV Digital** or the **Company**) pursuant to Article 72 of Regulation (EU) 2023/1114 (as defined below) and to Delegated Regulation (EU) 2025/1142 (as defined below), and its purpose is to: (i) identify the circumstances which give rise to, or may give rise to, a conflict of interest capable of damaging the interests of one or more clients or of the Company; (ii) describe the procedures and the organisational measures adopted for the prevention, management and mitigation of conflicts; (iii) define the arrangements for the disclosure, recording and monitoring of conflicts. This Policy is coordinated with the other relevant corporate policies, and in particular with the Programme of Operations, the Organisational Structure, the Outsourcing Policy, the Market Abuse Policy and the personnel and remuneration policies.

1.2. The Policy is defined, adopted and implemented under the responsibility of the Board of Directors (hereinafter also the **BoD**) of RIV Digital, pursuant to Article 4(2) of Delegated Regulation (EU) 2025/1142, and is addressed to all corporate bodies and to the personnel of the Company, as well as — within the limits indicated in this Policy — to the external providers involved in the provision of the Services.

1.3. The Policy is assessed and reviewed at least once a year, pursuant to Article 72(4) of Regulation (EU) 2023/1114, as well as upon the occurrence of relevant circumstances requiring its amendment or supplementation, so that the identification of the circumstances which give rise to, or may give rise to, conflicts of interest is kept constantly up to date, including in order to take account of changes in the organisational set-up of the Company and in the services provided, or of developments in the applicable regulatory framework. The adequacy of the Policy is also verified in the light of the concrete arrangements for the provision of the Services, including the operation of the Company as direct counterparty of clients in exchange transactions. This activity is overseen by the Legal & Compliance Function, which is supported by the competent units of the Company.

1.4. Proposed amendments are brought to the attention of the BoD which, following its own assessment, adopts the appropriate measures to remedy any deficiencies identified, pursuant to Article 4(2) of Delegated Regulation (EU) 2025/1142.

1.5. This version of the Policy constitutes a complete revision and consolidation of the previous version and of the supplements provided in the course of the authorisation procedure, also in order to ensure full terminological consistency with the Programme of Operations and with the actual operations of the Company.

2. APPLICABLE REGULATORY FRAMEWORK

2.1. The European Parliament and the Council of the European Union adopted Regulation (EU) 2023/1114 of 31 May 2023 on markets in crypto-assets (hereinafter **MiCAR**), the main objective of which is to provide a clear and uniform legal framework for the offer, distribution and trading of crypto-assets, while at the same time ensuring investor protection and market integrity and stability. For the purposes of this Policy the provisions of Title V, Chapter 2, of MiCAR concerning the obligations of crypto-asset service providers are relevant and, specifically, Article 72 on conflicts of interest.

2.2. Article 72 MiCAR requires crypto-asset service providers, such as RIV Digital, to comply with the following as regards the identification, prevention, management and disclosure of conflicts of interest:

> *"1. Crypto-asset service providers shall implement and maintain effective policies and procedures, taking into account the scale, the nature and range of crypto-asset services provided, to identify, prevent, manage and disclose conflicts of interest between: (a) themselves and: (i) their shareholders or members; (ii) any person directly or indirectly linked to the crypto-asset service providers or to their shareholders or members by control; (iii) members of their management body; (iv) their employees; or (v) their clients; or (b) two or more clients whose mutual interests conflict. 2. Crypto-asset service providers shall disclose in a prominent place on their website to their clients and prospective clients the general nature and sources of conflicts of interest referred to in paragraph 1 and the steps taken to mitigate them. 3. The disclosure referred to in paragraph 2 shall be made in an electronic format and shall include sufficient detail, taking into account the nature of each client, to enable each client to take an informed decision about the crypto-asset service in the context of which the conflicts of interest arise. 4. Crypto-asset service providers shall assess and, at least annually, review their policy on conflicts of interest and shall take all appropriate measures to address any deficiencies in that respect."*

2.3. In implementation of Article 72(5) MiCAR, the European Commission adopted Delegated Regulation (EU) 2025/1142 of 27 February 2025 (hereinafter the **Delegated Regulation**), which specifies: (i) the criteria for identifying conflicts of interest potentially prejudicial to the provider (Article 2) and to clients (Article 3); (ii) the requirements for conflict-of-interest policies and procedures (Article 4); (iii) the requirements concerning remuneration (Article 5) and personal transactions (Article 6); (iv) the details and the methodology for the content of the disclosures to clients and the related record-keeping (Article 7); (v) the supplementary requirements for the placement service (Article 8). This Policy fully incorporates those requirements.

2.4. The following are also relevant: (i) Article 79(2) MiCAR, pursuant to which the rules on conflicts of interest provide for specific and adequate procedures for the conflicts arising from the placing of crypto-assets with the provider's own clients, from the overpricing or underpricing of the price proposed for the placement and from inducements, including non-monetary ones, paid or granted by the offeror; (ii) Article 92 MiCAR, on the prevention and detection of market abuse, to which the separate Market Abuse Policy adopted by the Company is dedicated; (iii) the applicable Guidelines of the European Supervisory Authorities, with which the Company has declared compliance as indicated in the Programme of Operations.

3. DEFINITIONS, SERVICES PROVIDED AND SCOPE OF APPLICATION

3.1. For the purposes of this Policy: (i) **Services** means the crypto-asset services provided by RIV Digital, namely the exchange of crypto-assets for funds and the exchange of crypto-assets for other crypto-assets, referred to in Article 3(1), points (19) and (20), MiCAR, as well as the placing of crypto-assets, referred to in Article 3(1), point (22), MiCAR, as described in the Programme of Operations; (ii) **RIV Platform** and **RIV Wallet** mean, respectively, the technological infrastructure of the Company and the *non-custodial* application through which the Services are provided; (iii) **group** means the group referred to in Article 2, point (11), of Directive 2013/34/EU, as referred to by Article 1, point (3), of the Delegated Regulation; (iv) **remuneration** means any form of payment or other benefit, financial or non-financial, provided directly or indirectly by the Company in connection with the provision of the Services, pursuant to Article 1, point (2), of the Delegated Regulation.

3.2. In the provision of the exchange services the Company deals as direct counterparty with the client (own account), by means of a request-for-quote procedure (*request for quote* – **RFQ**) submitted through RIV Wallet, using a *pricing* engine and a reserve of digital assets and fiat owned by it (the **Reserve**). The quote (Price Quote) is formulated by the *pricing* engine on the basis of a Market Reference Price obtained from several independent sources, with additional components (Spread, Markup and service Fee) subject to predetermined maximum limits, in accordance with the methodology described in the document "Exchange of crypto-assets for funds and for other crypto-assets"; acceptance of the quote by the client triggers the execution of the transaction. On-chain settlement takes place according to automatic, predefined and non-discretionary flows, to the *non-custodial* wallets of clients, without the provision of custody or administration services. The Company does not operate a trading platform within the meaning of Article 3(1), point (18), MiCAR: there is therefore no order book, nor any matching of third-party orders; each exchange transaction is concluded between the client and the Company as direct counterparty, at a fixed price or in accordance with the price determination method published pursuant to Article 77(2) MiCAR.

3.3. The conflicts of interest relevant for the purposes of this Policy are those which may arise between: (A) the Company and (i) its shareholders and the companies belonging to the group; (ii) any person directly or indirectly linked to the Company or to its shareholders; (iii) the members of the Board of Directors; (iv) its employees and collaborators, including consultants, delegates, external providers (including sub-contractors) and the other persons acting on behalf of the Company in the provision of the Services; (v) clients; (B) two or more clients whose mutual interests conflict. The persons referred to in points (A)(i)-(iv) are hereinafter defined as **Relevant Persons**, consistently with the notion of **connected person** referred to in Article 1, point (1), of the Delegated Regulation.

3.4. Conflicts of interest are also assessed with reference to the persons connected with the Relevant Persons, meaning: (i) the spouse or the partner treated as equivalent to a spouse under national law; (ii) dependent children or stepchildren; (iii) any other relative who has shared the same household with the Relevant Person for at least one year preceding the transaction or the assessment concerned, consistently with Article 6(1) of the Delegated Regulation; as well as (iv) the other natural or legal persons having with the Relevant Person personal, professional, political, economic, shareholding or control relationships — existing or occurring in the three years preceding the assessment, pursuant to Article

2(1)(b) of the Delegated Regulation — such as to give rise, directly or indirectly, to a risk of circumvention of the conflict-of-interest safeguards.

3.5. Certain circumstances which may in the abstract constitute a conflict of interest, but which also amount to conduct prohibited by specific provisions of law or regulation, are not dealt with in this Policy: they are governed by the specific procedures adopted by the Company in order to prevent and detect instances of market abuse pursuant to Article 92 MiCAR, without prejudice to the recording in the Register (as defined in Paragraph 12) of those situations which are also relevant as conflicts of interest.

4. General principles

4.1. This Policy contains the description of the circumstances which give rise to, or may give rise to, a conflict of interest capable of damaging the interests of one or more clients, or the interests of the Company, pursuant to Articles 2 and 3 of the Delegated Regulation, with reference to each Service provided and to the activities carried out on behalf of the Company by consultants, delegates and external providers, pursuant to Article 4(4)(a) of the Delegated Regulation.

4.2. The policies and procedures set out in this Policy are formulated in writing and take into account: (i) the scale, the nature and the range of the Services provided and of the other activities carried out by the Company; (ii) the membership of the Company in a group and any circumstance which might give rise to a conflict of interest resulting from the structure and the business activities of the other entities of the group, pursuant to Article 4(1) of the Delegated Regulation.

4.3. The Company does not confine itself to managing conflicts by disclosing them to clients: disclosure constitutes a measure of last resort and is not in itself considered sufficient for the management and mitigation of conflicts, pursuant to Article 7(2) of the Delegated Regulation.

4.4. The potential nature of the conflict is assessed *ex ante*, with no relevance attaching to any *ex post* considerations as to whether the prejudice actually materialised.

4.5. As regards the allocation of roles, functions and reporting lines, this Policy expressly refers to the organisational and management structure of the Company described in the document “Organisational Structure”, pursuant to Article 4(4)(c) of the Delegated Regulation.

5. Identification of conflict situations

5.1. Any advantage, whether direct or indirect, of any nature, material or immaterial, professional, financial or personal, is considered a relevant interest. A relevant economic interest includes, among others, the holding of shares, tokens (including governance tokens), other proprietary or membership rights, debt instruments or contractual arrangements relating to activities governed by MiCAR with persons, bodies or entities having interests conflicting with those of the Company, pursuant to Article 2(3) of the Delegated Regulation.

5.2. For the purposes of identifying the conflicts potentially prejudicial to clients, the Company assesses whether it or a Relevant Person, pursuant to Article 3 of the Delegated Regulation: (a) is likely to make a financial gain, or avoid a financial loss, or receive another benefit at the expense of the client; (b) has an interest in the outcome of the Service provided to the client or of a transaction carried out on the client's behalf which is distinct from the client's interest; (c) has a financial or other incentive to favour the interests of one or more clients over the interests of another client; (d) carries on the same business as the client; (e) receives or may receive from a person other than the client an inducement in relation to the Service provided to the client, in the form of monetary or non-monetary benefits or services.

5.3. For the purposes of identifying the conflicts potentially prejudicial to the Company, the Company identifies the circumstances which may affect, directly or indirectly, the objectivity and impartiality of the Relevant Persons in the performance of their duties, considering at least the situations in which a Relevant Person, pursuant to Article 2(1) and (2) of the Delegated Regulation: (a) has an economic interest in a person, body or entity having interests conflicting with those of the Company; (b) has — or has had in the three years preceding the assessment — a personal, professional or political relationship with a person, body or entity having interests conflicting with those of the Company; (c) performs tasks, activities or responsibilities conflicting with those of the Company, or is subject to the hierarchical supervision of a person entrusted with functions or tasks conflicting with those of the Company. For this purpose relevance attaches, among others, to persons who may make a financial gain or avoid a financial loss at the expense of the Company, who have an interest in the outcome of a Service which is distinct from that of the Company, or who carry on the same business as the Company or are clients, consultants, delegates, external providers or sub-contractors of the Company, where there are demonstrable grounds for considering that a conflict of interest may exist.

5.4. The identification of conflict situations falls within the remit of the Legal & Compliance Function, under the supervision of the officer responsible for the management of conflicts of interest (as defined in Paragraph 8), and is based on: (i) the mapping referred to in Paragraph 9; (ii) the reports of the Relevant Persons, who are required to communicate promptly, through the designated internal reporting channel, any situation which may entail or has entailed a conflict of interest, pursuant to Article 4(6)(a) of the Delegated Regulation; (iii) the evidence resulting from internal controls.

5.5. Where a situation does not fall within the mapping but nevertheless represents a potential conflict situation, the person concerned or becoming aware of it notifies the Legal & Compliance Function, which assesses its scope and, where necessary, updates the mapping. The use of platforms, applications or infrastructure developed by persons belonging to the group is also considered a potential conflict, where this may limit the operational and technical independence of the Company or give rise to improper advantages.

6. ASSESSMENT OF CONFLICT SITUATIONS

6.1. The Legal & Compliance Function provides advice and assistance for the identification of conflict situations and for the definition of appropriate organisational measures for their effective management; it verifies whether the situation is included in the mapping and, if not, assesses whether the actual circumstances are such as to give rise to a conflict, including a merely potential one.

6.2. In assessing such situations, the Legal & Compliance Function takes into account at least: the nature of the conflict; the persons involved; the Service concerned; the potential impact on clients or on the Company; the likelihood of the risk materialising; the adequacy of the existing safeguards; the need for escalation to the competent corporate bodies. The Function oversees the classification of the situation, proposes the management measures and coordinates the monitoring thereof with the support of the competent functions.

6.3. In order to assess the effectiveness of the safeguards, the Legal & Compliance Function applies key risk and performance indicators, including: (i) the number of situations recorded in the Register per year; (ii) the average time taken to resolve the conflicts detected; (iii) the percentage of conflicts closed within 30 days; (iv) any recurrence of *whistleblowing* reports relating to conflict-related matters; (v) the distribution of the price components applied in exchange transactions (Spread, Markup and service Fee) as against the Market Reference Price and the relevant maximum limits, by client category; (vi) the consistency of the fee structure with the fair treatment of clients; (vii) any contractual benefits in relations with issuers or offerors of placed crypto-assets.

6.4. The management of conflicts involves the Legal & Compliance Function as an independent function, with the support of the Risk and ICT Functions for technical and operational aspects, ensuring functional separation from the business and operating units.

7. MANAGEMENT OF THE CONFLICT AND GENERAL SAFEGUARDS

7.1. Where the Legal & Compliance Function detects the existence of a conflict, including a potential one, it identifies the management measures to be adopted and informs the BoD thereof for the appropriate determinations. The Company graduates the number and the type of measures according to the significance of the conflict, in a manner proportionate to the nature, the size and the complexity of the business of the Company as well as to the type and range of the Services provided.

7.2. In accordance with Article 4(6) of the Delegated Regulation, the management processes include at least: (i) measures to report and promptly communicate to the designated internal reporting channel any matter which may entail or has entailed a conflict of interest; (ii) measures to prevent and control the exchange of information between Relevant Persons engaged in activities involving a risk of conflict, where the exchange of such information may harm the interests of one or more clients or affect the discharge of responsibilities towards the Company (information barriers and *need-to-know* principle); (iii) the separate internal supervision of the Relevant Persons whose principal functions involve carrying out activities on behalf of clients whose interests may conflict, or who represent different interests which may conflict, including with those of the Company; (iv) the removal of any direct link between the remuneration of persons principally engaged in one activity and the remuneration of, or the revenues generated by, persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities; (v) measures to ensure that Relevant Persons carrying on external business activities connected with the Company cannot exercise inappropriate influence; (vi) measures to prevent or control the simultaneous or sequential involvement of a Relevant Person in separate Services or activities, where such involvement may impair the proper management of conflicts; (vii) measures to ensure that conflicting activities or transactions are entrusted to different persons (segregation of decision-making processes and of operational responsibilities); (viii) the obligation for each member of the BoD to inform the other members and to abstain from voting on any matter in which he or she has or may have a conflict of interest; (ix) the prohibition for members of the BoD to hold managerial positions in competing crypto-asset service providers outside the group; (x) prior authorisation mechanisms or prohibition of the transaction or activity, abstention obligations for the persons involved in the decision-making processes, escalation mechanisms to the BoD in cases of greater significance, compliance checks by the Legal & Compliance Function, recording of the situations and of the decisions in the Register, continuous monitoring and periodic review.

7.3. The Company ensures that the processes referred to in this Paragraph provide reasonable assurance that the risks of damage to the interests of the Company or of clients are avoided or adequately mitigated.

8. GOVERNANCE AND OFFICER RESPONSIBLE FOR THE MANAGEMENT OF CONFLICTS OF INTEREST

8.1. The BoD is responsible for defining, adopting and implementing this Policy, periodically assesses and reviews its effectiveness and remedies any deficiencies, pursuant to Article 4(2) of the Delegated Regulation.

8.2. In accordance with Article 4(8) of the Delegated Regulation, the Company has appointed as the officer responsible for the identification, prevention, management and disclosure of conflicts of interest (the **COI Officer**) Prof. Massimiliano Marzo, Chair of the Board of Directors and Chief Risk Officer of the Company. The COI Officer has the authority, the autonomy and the resources necessary to perform his tasks adequately and independently, reports directly to the Board of Directors and has full and direct access to all relevant information, including the corporate registers, the contracts with providers, the remuneration structures and the evidence of personal transactions. The further roles held by the COI Officer have been assessed by the BoD as adequate to the scale, the nature and the range of the Services provided and as not such as to compromise independence and objectivity, pursuant to Article 4(8), third subparagraph, of the Delegated Regulation, in view of the organisational position independent of the *business* functions and of the AML function and of the direct reporting line to the Board of Directors.

8.3. The COI Officer: (i) coordinates the process of identification and mapping of conflict situations; (ii) oversees the keeping of the Register; (iii) supervises the effective application of the safeguards provided for in this Policy; (iv) reports periodically to the BoD (at least half-yearly, or upon request) on developments in conflict situations and on the effectiveness of the safeguards; (v) manages escalations and cases of residual conflict that cannot otherwise be mitigated, including for the purposes of disclosure to clients and to the competent Authorities; (vi) supervises the process of prior authorisation of the personal transactions of the Relevant Persons; (vii) coordinates with the AML function and with the person entrusted with third-level checks. In performing his tasks the COI

Officer relies on the operational support of the Legal & Compliance Function, outsourced in *full outsourcing* to Studio LX20 Law Firm S.r.l. Società tra Avvocati, in compliance with the safeguards referred to in Paragraph 9.5.

8.4. Conflict-of-interest safeguard activities are assigned to resources having the abilities, the knowledge and the expertise required by Article 4(8), fourth subparagraph, of the Delegated Regulation. In particular, the personnel entrusted therewith are required to: (i) have proven experience in regulatory compliance applied to financial services and crypto-asset services, with knowledge of MiCAR, of the related delegated acts and of the guidelines of the European supervisory Authorities; (ii) have a thorough understanding of the operational and decision-making dynamics of the Services, including the aspects of price formation, execution and technological infrastructure; (iii) be able to analyse risks and to manage relations with the corporate bodies and with the competent Authorities; (iv) operate with decision-making autonomy, integrity and independence from the operating and business units, including by way of hierarchical and remuneration separation; (v) have access to all relevant information, including the documentary monitoring tools, the Register and the evidence of internal controls.

8.5. The Company ensures that the dedicated resources are adequate to the perimeter of the Services and to developments in the regulatory framework, with an annual verification upon approval of the compliance programme by the BoD, and adopts a continuous training plan — in particular on the Delegated Regulation, on the further technical standards adopted pursuant to MiCAR and on the ESMA and EBA guidelines and on the practice clarifications of the national Authorities — with traceability of the training provided. The replacement or supplementation of resources is subject to prior assessment by the BoD, also in order to ensure continuity of the safeguards.

9. MAPPING OF CONFLICTS OF INTEREST AND SAFEGUARDS ADOPTED

9.1. This section sets out the systematic mapping of the potential or actual conflict-of-interest situations identified by the Company in relation to each Service and to the activities carried out on its behalf by consultants, delegates and external providers, pursuant to Article 4(4)(a) of the Delegated Regulation. The mapping is carried out taking into account the actual operations of RIV Digital, as described in the Programme of Operations, in the Outsourcing Policy and in the technical documentation of the Company, and is organised by homogeneous categories: (i) exchange services as direct counterparty; (ii) placement service; (iii) group relationships; (iv) outsourcing and critical providers; (v) personal transactions (Paragraph 10); (vi) remuneration (Paragraph 11). For each situation the risk scenarios and the organisational, procedural and technical measures adopted are identified, in a manner proportionate to the nature, the scale and the complexity of the business carried on.

9.2. <u>Services of exchange of crypto-assets for funds and of exchange of crypto-assets for other crypto-assets (dealing as direct counterparty through the Reserve).</u>

9.2.1. The Company provides the exchange services acting as direct counterparty of the client, by means of the RFQ procedure, using the Reserve and a *pricing* engine. Dealing as direct counterparty does not constitute a separate service, but is the manner in which the Company provides the exchange services. Given this set-up — in which the interest of the Company in the economic outcome of the transaction structurally coexists with the interest of the client in obtaining fair conditions — the Company has identified the following risk scenarios: (i) application of the price components (Spread, Markup and service Fee) in a non-uniform manner to clients or categories of clients in equivalent situations, in the absence of objective, predetermined and traceable criteria; (ii) use of the Reserve for margin-maximisation purposes, including by positioning the Reserve on the basis of the expected flow of client requests, with potential prejudice to the conditions applied; (iii) discretion as to the timing between the request for a quote, the formulation of the Price Quote and the execution of the transaction following acceptance of the quote, in particular in phases of high volatility, such as to allow the Company to rebalance the Reserve or to hedge (*hedging*) on a priority basis over the execution of the client's transaction; (iv) use of confidential information relating to the quote requests received, to aggregate client flows or to the net position of the Reserve for the purposes of price formation, hedging or management of the Reserve, to the detriment of clients; (v) selection of hedging counterparties and liquidity providers by the Company on the basis of criteria other than objective quality and cost criteria, including by reason of pre-existing economic or personal relationships; (vi) cross-subsidisation between the margins of the exchange business and the other Services, with potential alteration of commercial neutrality; (vii) preferential treatment, not based on objective and non-discriminatory criteria, of high-volume clients.

9.2.2. As safeguards against those scenarios the Company adopts the following measures: (i) a non-discriminatory commercial policy, pursuant to Article 77(1) MiCAR, indicating the type of clients with whom the Company agrees to enter into transactions and the conditions to be met by such clients; (ii) the publication of the fixed price or of the method for determining the price of the crypto-assets offered for exchange, as well as of any applicable limit on the amount to be exchanged, pursuant to Article 77(2) MiCAR; the price determination methodology — based on the Market Reference Price, calculated from several independent sources, and on Spread, Markup and service Fee components subject to predetermined maximum limits — is the one described in the document "Exchange of crypto-assets for funds and for other crypto-assets" and is made known to clients in the pre-contractual documentation; (iii) the execution of transactions at the prices indicated at the time when the exchange order is final, pursuant to Article 77(3) MiCAR, with information to clients on the conditions necessary for the order to be considered final; (iv) the publication of information on the transactions executed, in particular volumes and prices, pursuant to Article 77(4) MiCAR; (v) a parametric and documented *pricing* engine, validated in advance by the Risk Function and by the Legal & Compliance Function, reviewed at least annually, with traceability of any variation of the parameters and of any manual interventions, which are subject to approval and to *ex post* verification; (vi) monitoring, by the Risk Function, of the distribution of the price components applied as against the Market Reference Price and the predetermined maximum limits, with alert thresholds and an escalation procedure; (vii) independent verification, by the Legal & Compliance Function, of the quality of the conditions applied, by sampling transactions and comparing them with prices obtained from independent market sources; (viii) information barriers and functional, physical and logical segregation between the resources dedicated to the management of the Reserve and to hedging, on the one hand, and the client-facing functions, on the other, with differentiated access to IT systems and decoupled remuneration structures; (ix) the prohibition on giving precedence to Reserve-rebalancing or hedging transactions over the execution of client transactions which have become final, and the prohibition on using information on pending quote requests for transactions of the Company which are not functional to the provision of the Service; (x) predefined operating limits on the size and composition of the Reserve, with escalation protocols to the BoD in the event of a breach; (xi) the selection of hedging counterparties and liquidity providers on the basis of objective, documented and periodically reviewed criteria; (xii) periodic *reporting* to the BoD with summary indicators, including: average price components applied by client category; number of deviations from the Market Reference Price and from the maximum limits; execution delays beyond threshold; deviations between actual and theoretical components.

9.2.3. The status of the Company as direct counterparty of the client, the features of the exchange model, the general criteria for price formation and the safeguards adopted are the subject of disclosure in the communication referred to in Paragraph 13 and in the pre-contractual documentation, consistently with Article 72(2) MiCAR and with Article 7(1)(a) of the Delegated Regulation, which requires an indication of the role and of the capacity in which the Company acts in providing the Service.

9.3. <u>Crypto-asset placement service.</u>

9.3.1. In relation to the placement service, the Company has identified — in accordance with Article 79(2) MiCAR and Article 8(1) of the Delegated Regulation — the following risk scenarios: (i) placement of crypto-assets with its own clients, with a potential conflict between the interest of the issuing or offering client and that of the investor clients; (ii) overpricing or underpricing of the price proposed for the placement; in this regard it is specified that, under the operating model of the Company, the offer price is determined exclusively by the issuer or offeror and is indicated in the *white paper* or in the information documentation, without any involvement of the Company in its determination; (iii) inducements, including non-monetary ones, paid or granted by the offeror or by third parties acting on its behalf, capable of influencing the selection of the crypto-assets or the neutrality of communications to clients; (iv) fee structures capable of influencing the selection of the crypto-assets to be placed or the intensity of their promotion; (v) placement of crypto-assets issued by the Company or by persons belonging to its group, pursuant to Article 8(1)(c) of the Delegated Regulation (in this regard reference is also made to Paragraph 9.4); (vi) involvement of the same persons in the provision of services to investor clients and in the decisions on the determination of the price offered to the issuing client or on allocation recommendations.

9.3.2. As safeguards against those scenarios the Company adopts, in accordance with Article 8(2) and (3) of the Delegated Regulation, the following measures: (i) objective and documented criteria for the selection of the crypto-assets to be placed and of the issuers or offerors, with prior verification by the Legal & Compliance Function; (ii) abstention by the Company from any involvement in the determination of the offer price, which is left to the issuer or offeror; should the Company in future be called upon to provide price determination services in relation to an offer, the arrangements referred to in Article 8(2)(a) and (b) of the Delegated Regulation would apply, so as to ensure that such determination does not favour conflicting interests; (iii) the separation of the persons responsible for the provision of services to investor clients — or for the decisions on the inclusion of products in the list of products offered — from the persons directly involved in the decisions on the selection of offers, on the economic conditions agreed with the issuing client or on allocation recommendations, consistently with Article 8(2)(c) and (d) of the Delegated Regulation; (iv) the prior communication to the offeror of the information referred to in Article 79(1) MiCAR and the obtaining of its consent before the placement; (v) abstention from exercising *staking* rights over clients' crypto-assets without the prior consent of the investor client; (vi) a centralised procedure for identifying all placement transactions, including the date on which the Company was informed of potential placement transactions; (vii) prior review of the information materials and marketing communications, with verification of their correctness, clarity and non-misleading character; (viii) transparency safeguards as regards remuneration and benefits, including non-monetary ones, connected with the placement, with recording and, where necessary, disclosure to clients; (ix) the recording of placement campaigns and the traceability of the relevant decisions, including with reference to campaigns having a cross-border dimension; (x) transparency as to the structure of the remuneration for the placement service, paid exclusively by the issuer or offeror — without any charge to subscribers — and broken down into a fixed component and a variable component commensurate with the total value of the subscriptions collected, made known in the information materials and to the client before subscription; (xi) in order to mitigate the conflict connected with the variable component of the remuneration: uniformity of informational and promotional treatment across offers, irrespective of the structure of the consideration received by the Company; independence of the remuneration of the personnel involved from the outcome of the individual offer; recording of each placement initiative in the Register; *ex ante* and *ex post* controls, with periodic *reporting* to the Board of Directors.

9.4. Membership of the group and intra-group relationships.

9.4.1. The Company belongs to a group which includes, among others, the *holding* company, the vehicle acting as the group's proprietary *desk* — which has also notified a *white paper* relating to a crypto-asset within the meaning of MiCAR — and the technology affiliate RIV Technologies FZE, established in a non-EU jurisdiction, which licenses to the Company the *non-custodial* exchange platform, the RIV Wallet application and the *pricing* engine. In this context the Company has identified the following risk scenarios: (i) entering into intra-group relationships without adequate contractual formalisation or without verification of the fairness of the economic conditions; (ii) unauthorised access to, or improper sharing of, information between the Company and other entities of the group; (iii) operational or decision-making influence deriving from the controlling position of the *holding* company or from overlapping roles among group companies; (iv) technological and strategic dependence on the non-EU technology affiliate, with possible overlap between the interest of the intra-group provider and the interest of the shareholders of the Company and potential influence over the economic and operational terms; (v) economic interests of Relevant Persons in group entities, including the holding of tokens — including governance tokens — issued by group entities, pursuant to Article 2(3)(a) of the Delegated Regulation; (vi) admission to the Services, or placement, of crypto-assets issued or offered by persons belonging to the group, with a consequent direct or indirect interest of the Company in the price, the liquidity or the distribution of such crypto-assets.

9.4.2. As safeguards against those scenarios the Company adopts the following measures: (i) formalisation of all intra-group relationships by means of written contracts, on documentable terms consistent with market logic (*arm's length*), with prior approval by the BoD for contracts with group entities, following a preliminary assessment of the fairness of the conditions; (ii) functional and technical segregation between the resources of the Company and those of the other entities of the group, including through access controls and logical separation of IT environments; (iii) prior assessment by the Legal & Compliance Function of any new operational or infrastructural cooperation with group companies, with documentary traceability of the activities carried out jointly; (iv) licence agreements, technical *escrow* and dedicated service levels agreed with the technology affiliate, independent technical audit at least annually on the exchange infrastructure and on operational flows, prior validation by the BoD of every contract with the foreign affiliate and assessment of jurisdictional compatibility, under the supervision of the Legal & Compliance and Risk Functions; (v) where a crypto-asset issued or offered by a person belonging to the group is admitted to the Services or is proposed for placement: application to it of the same objective selection, review and possible exclusion criteria applied to any other crypto-asset; resolution of the BoD with abstention of the members having an interest; separation of the persons involved in the relevant decisions from the client-facing functions; specific disclosure to clients, within the communication referred to in Paragraph 13, as to the nature of the group relationship and the measures adopted; prohibition of preferential promotional or display treatment not based on objective and documented criteria; (vi) continuous monitoring of the conflicts arising from licences, updates, operational support or economic influence connected with the use of technology developed by connected persons, with review at least annually and direct escalation to the BoD in the event of structural conflicts.

9.5. Outsourcing of operational functions.

9.5.1. The Company has identified the following risk scenarios connected with outsourcing: (i) technological or operational dependence on a single critical provider, capable of reducing the bargaining power of the Company and of giving rise to contractual conditions not aligned with the needs of the Company and with the interests of clients; (ii) outsourcing to persons belonging to the same group (in this regard reference is made to Paragraph 9.4); (iii) outsourcing to persons operating in non-EU jurisdictions, with possible difficulties of inspection access, divergences between the obligations of the provider and those of the Company under MiCAR and operational continuity risks; (iv) management of operational or security incidents entrusted to third parties, with possible misalignment with the obligations of the Company as regards detection, notification and remediation; (v) personal or previous relationships between the decision-makers of the *procurement* process and the persons selected, with a risk of preferential treatment not supported by objective criteria.

9.5.2. As safeguards against those scenarios the Company adopts the following measures: (i) a strategy for the diversification of critical providers, with mapping of risk concentration and identification of technologically compatible back-up solutions; (ii) inclusion in outsourcing contracts of audit clauses, technical *escrow*, an exit strategy, measurable service levels and indemnity mechanisms, consistently with the Outsourcing Policy; (iii) prior verification, by the Legal & Compliance and Risk Functions, of the absence of relevant personal relationships between the decision-makers of the *procurement* process and the candidate providers, with a formal declaration by the decision-makers; (iv) independent third-party audits of critical providers, at least annually; (v) inclusion, in the annual report submitted to the BoD by the person responsible for the outsourcing contract, of a section dedicated to conflicts of interest, setting out the situations detected, the safeguards activated and any impact on the service level; (vi) permanent coordination between the Legal & Compliance, ICT and Risk Functions, with direct escalation to the BoD for structural or recurrent conflicts; (vii) sample-based and targeted controls by the Legal & Compliance Function on the truthfulness of the periodic declarations made by the Relevant Persons involved; (viii) recording in the Register of every relevant situation.

9.5.3. With specific reference to the outsourcing of the Legal & Compliance Function, the Company ensures that: (i) the provider periodically certifies the absence of its own conflicts of interest vis-à-vis the Company and its clients; (ii) the verification activities on the management of conflicts directly involving the provider are referred to the COI Officer and, where necessary, to the person entrusted with third-level checks; (iii) the applicable remuneration policies and practices extend, to the extent provided for by Article 5(3)(c) of the Delegated Regulation, to the natural persons directly participating in the provision of services to the Company under the outsourcing agreement.

9.6. <u>Critical providers and external partners.</u>

9.6.1. Risk scenarios: (i) preferential award of contracts to partners with previous links or personal relationships; (ii) economic or operational dependence on a single provider; (iii) limited autonomy in management decisions in the case of a dominant provider.

9.6.2. Safeguards: (i) the obligation of comparison and traceability in *procurement* processes; (ii) assessment of risk concentration; (iii) audit and periodic verification of service conditions and of operational independence; (iv) contractual review in the event of a change in the risk profile of the provider.

9.7. Cross-cutting safeguards.

9.7.1. In addition to the measures specific to each Service, the Company adopts the following cross-cutting safeguards: (i) the obligation for employees and members of the BoD to make an annual declaration as to the absence of personal or professional situations capable of generating relevant conflicts, with sample-based controls on the truthfulness of the declarations; (ii) mandatory and periodic training for all personnel (Paragraph 14); (iii) supervision by the Legal & Compliance Function of all sensitive transactions; (iv) an internal reporting (*whistleblowing*) system, also accessible on an anonymous basis; (v) a remuneration policy compliant with Paragraph 11; (vi) information barriers between the operating areas involved and traceability of relevant intra-group interactions; (vii) rules on personal transactions in accordance with Paragraph 10.

10. PERSONAL TRANSACTIONS OF RELEVANT PERSONS AND CONNECTED PERSONS

10.1. The Company governs in a unitary manner the transactions in crypto-assets which give rise to a position or an exposure in crypto-assets, carried out by or on behalf of a Relevant Person outside the scope of the activities performed in his or her professional capacity, or executed on behalf of: (i) the Relevant Person; (ii) persons with whom the Relevant Person has family ties (as defined in Paragraph 3.4) or close links within the meaning of Article 3(1), point (31), MiCAR; (iii) persons from whom the Relevant Person may obtain a direct or indirect material benefit linked to the outcome of the transaction, other than the payment of fees or commissions for its execution (the **Personal Transactions**), in accordance with Article 6(1) of the Delegated Regulation.

10.2. In particular, Personal Transactions concerning the following are subject to these rules: (i) crypto-assets admitted to the Services; (ii) crypto-assets which are the subject of placement, including merely potential placement, by the Company; (iii) crypto-assets held in the Reserve; (iv) crypto-assets issued or offered by group entities; (v) crypto-assets in relation to which the person has, by reason of his or her role, relevant or confidential information potentially capable of affecting the decisions of the Company or of clients; (vi) the further crypto-assets identified by the Legal & Compliance Function in a dedicated watch list, periodically updated.

10.3. The internal rules provide, in accordance with Article 6(2) of the Delegated Regulation: (i) the obligation to identify or notify the Personal Transaction in advance to the COI Officer, through the Legal & Compliance Function, before any decision is taken on the execution of the transaction and on its terms, indicating the crypto-asset, the countervalue, the counterparty, the purpose and the timing, and with documentation of the transaction; (ii) the taking of decisions relating to such transactions in an objective manner, in the interest of each of the parties, on terms equivalent to those which would have applied between independent parties in the absence of a conflict; (iii) formalised decision-making processes and thresholds, expressed as transaction volume, above which the transaction requires the approval of the Board of Directors; those thresholds are set at EUR 20.000 per individual transaction, EUR 250.000 on a cumulative quarterly basis for the same person and EUR 2.000.000 on a cumulative annual basis (iv) the power of the Legal & Compliance Function to authorise, suspend, make subject to conditions or prohibit the transaction, with written reasons given within a predefined time limit; (v) automatic blackout periods (*blackout period*) on the occasion of corporate, operational or IT events, including the periods preceding and following the admission or exclusion of crypto-assets from the Services, placement campaigns and relevant changes to price formation methodologies; (vi) the absolute prohibition on using confidential or non-public information acquired by reason of one's office for the purposes of personal dealing, on recommending or inducing third parties to carry out transactions on the basis of such information, or on acting through an intermediary in order to circumvent the obligations under this Policy; (vii) the prohibition, for Relevant Persons involved in the management of the Reserve and of hedging, on Personal Transactions in crypto-assets dealt with in the exercise of such functions; (viii) the obligation of periodic disclosure, at least quarterly, of the positions held in crypto-assets and of the wallets attributable to the Relevant Person, as well as the obligation to operate exclusively through wallets and providers declared to the Legal & Compliance Function, which is entitled to request operational statements; (ix) prompt information to the Company of any Personal Transaction carried out; (x) *ex post* monitoring by reconciliation between authorised transactions and executed transactions, with sample-based controls and an annual audit; (xi) predetermined sanctions in the event of breach — formal reprimand, suspension, termination of the relationship, report to the competent Authorities where the conditions are met — graduated according to seriousness; (xii) the recording of every transaction identified or notified, stating the date and time of the transaction, the conditions, the volume, the counterparty and any authorisation or prohibition, pursuant to Article 6(2)(e) of the Delegated Regulation, in a dedicated section of the Register.

10.4. The Legal & Compliance Function assesses Personal Transactions according to objective and documented criteria, taking into account, among others: the nature of the crypto-asset; the role of the person and his or her level of access to internal information; the temporal proximity to client transactions, to placement activities, to changes in the perimeter of admitted crypto-assets or to relevant decisions of the Company; any overlap with Reserve management transactions. Employees and members of the BoD are made aware of the rules applicable to Personal Transactions and of the measures adopted, by means of formal notification and training, with the signing of an acknowledgement declaration.

10.5. The application of the Market Abuse Policy remains unaffected as regards conduct which may be relevant under Article 92 MiCAR.

11. REMUNERATION

11.1. In accordance with Article 5 of the Delegated Regulation, the Company defines and implements remuneration policies and procedures which take into account the interests of all clients, ensuring that remuneration policies and practices: (i) do not create a conflict of interest or an incentive which may induce the persons to whom they apply to favour their own interests or those of the Company to the detriment of a client, or their own interests to the detriment of those of the Company; (ii) adequately mitigate the conflicts which may derive from the allocation of variable remuneration, from the underlying performance indicators and from the risk-alignment mechanisms, including any payment in instruments.

11.2. In particular, the remuneration mechanisms of the Company: (i) exclude any direct link between the remuneration of personnel and the spreads, the markups or the volumes generated by client transactions, as well as incentives linked to the promotion, the sale or the recommendation of specific crypto-assets, including those issued or offered by group entities; (ii) are based on qualitative indicators and collective criteria consistent with sound and prudent management and with the fair treatment of clients; (iii) are subject to monitoring by the Legal & Compliance Function and to periodic review, with corrective action where distortive incentives are present.

11.3. The remuneration policies and procedures referred to in this Paragraph apply, pursuant to Article 5(3) of the Delegated Regulation: (i) to employees and to any other natural person whose services are placed at the disposal and under the control of the Company and who participates in the provision of the Services; (ii) to the members of the BoD; (iii) to the natural persons who participate directly in the provision of services to the Company under outsourcing agreements concerning the provision of the Services.

12. CONFLICTS OF INTEREST REGISTER

12.1. The Legal & Compliance Function, under the supervision of the COI Officer, keeps and updates an electronic register (the **Register**) in which it records all the situations which give rise to actual and potential conflicts of interest, including the Services and the relevant activities, as well as the measures adopted to prevent or manage them, pursuant to Article 7(5) of the Delegated Regulation.

12.2. The Register indicates, for each situation: (i) a sequential number; (ii) the date of detection or notification and the date of recording; (iii) the person who detected the situation, with name and position; (iv) a description of the situation and of its extent, indicating the Services affected; (v) the measures identified or adopted for its management; in the case of a conflict already mapped in this Policy, confirmation of the application of the measures provided for herein; (vi) the determinations taken by the BoD; (vii) any additional measures adopted to ensure the fair treatment of clients, where the initial measures proved inadequate; (viii) the period during which the conflict subsisted and the date of closure; (ix) the communications made to clients in relation to the specific situation, with the date and the means of transmission.

12.3. A dedicated section of the Register holds the evidence relating to Personal Transactions, with the contents referred to in Paragraph 10.3, point (xii).

12.4. Records are retained for a minimum period of 5 (five) years, pursuant to Article 7(5) of the Delegated Regulation. The Register is available to the competent Authorities and to the control bodies whenever requested, and is submitted to the BoD periodically, at least annually.

13. Disclosure to clients and information on the website and on the application

13.1. The Company publishes, in a prominent place on its website, a disclosure addressed to actual and prospective clients on the general nature and the sources of conflicts of interest and on the measures adopted to mitigate them, pursuant to Article 72(2) and (3) MiCAR. The disclosure is made in electronic format and is sufficiently detailed, taking into account the nature of each client, to enable an informed decision on the Service in the context of which the conflict arises.

13.2. In accordance with Article 7(1) of the Delegated Regulation, the disclosure contains a detailed, specific and clear description: (i) of the Services, of the activities and of the circumstances which give rise to or may give rise to conflicts, including the role and the capacity in which the Company acts in providing the Service — in particular its status as direct counterparty of the client in exchange transactions; (ii) of the nature of the conflicts identified; (iii) of the risks identified in relation thereto; (iv) of the measures and steps taken to mitigate them.

13.3. The disclosure is available at all times on the website and in formats usable on any device through which the Service is provided, including the RIV Wallet application; where the disclosure is made on the device, the Company also provides the link to the same disclosure published on the website, pursuant to Article 7(3) of the Delegated Regulation.

13.4. The disclosure is made available in all the languages used by the Company to market its services and to communicate with clients in the Member State concerned, pursuant to Article 7(6) of the Delegated Regulation, and currently in Italian and English.

13.5. The Legal & Compliance Function ensures and verifies that the disclosure is kept constantly up to date, in accordance with Article 7(4) of the Delegated Regulation, including following significant changes to internal policies and procedures. Disclosure to clients is not considered in itself sufficient for the management and mitigation of conflicts of interest, pursuant to Article 7(2) of the Delegated Regulation.

14. Training and internal channels

14.1. The Company establishes effective internal channels to inform employees and members of the BoD of the policies and procedures on conflicts of interest, guarantees them constant access thereto and provides adequate and up-to-date training in that regard, pursuant to Article 4(3) of the Delegated Regulation. Training is mandatory, periodic and traced, and is aimed at promoting awareness of the risks connected with conflicts of interest and a culture of corporate integrity.

15. REVIEW AND UPDATING

15.1. This Policy is assessed and reviewed at least once a year, pursuant to Article 72(4) MiCAR, as well as on the occasion of any relevant change in operations, in the organisational set-up or in the regulatory framework. The review verifies, among other things: (i) the adequacy of the mapping as against the actual operations of the Company; (ii) the effectiveness of the safeguards, also in the light of the indicators referred to in Paragraph 6.3; (iii) the consistency of the Policy with the other corporate policies and with the disclosure published pursuant to Paragraph 13.

15.2. The findings of the review are submitted to the BoD, which adopts all appropriate measures to remedy any deficiencies identified.

* * *