



## Conflict of Interests Policy

### 1. Introduction

#### 1.1. Definitions

<b>Concerned Person</b>	Refers to any of the persons mentioned below: <ul style="list-style-type: none"><li>- Paymium's shareholders or any person directly or indirectly linked to them by control (herein "<b>Shareholders</b>");</li><li>- Paymium's effective managers and employees (herein "<b>Employees</b>");</li><li>- Paymium's Clients (herein "<b>Clients</b>");</li><li>- Paymium's third-party providers ("<b>External Partners</b>").</li></ul>
<b>Client</b>	For the purposes of this document, Clients are defined as follows : <ul style="list-style-type: none"><li>- Existing Clients of Paymium;</li><li>- Potential or prospective Clients (with whom Paymium wishes to establish a contractual relationship for the provision of regulated activities);</li><li>- Former Clients where legal obligations still exist.</li></ul>
<b>Interest</b>	Refers to an advantage or a financial benefit of any kind, whether material or not, professional, commercial, financial or personal. This Interest may be direct (benefit to the Concerned Person) or indirect (benefit to a relative), private (participation in a company), material (remuneration, commission, assets) or moral (voluntary or honorary activity).

#### 1.2. Regulatory framework

The European regulation MiCA requires crypto asset service providers ("**CASPs**") to "*maintain and operate an effective policy to identify, prevent, manage and disclose conflicts of Interest, taking into account the scale, the nature and range of crypto-asset services provided, between themselves and:*

- *Their Shareholders or any person directly or indirectly linked to them by control;*
- *Their managers and Employees;*
- *Their Clients, or between one Client and another Client;*
- *Their external partners.*

*CASPs shall disclose to their Clients and potential Clients the general nature and sources of conflicts of Interests and the steps taken to mitigate them.*

*Crypto-Asset Service Providers shall make such disclosures on their website in a prominent place.*



*Such disclosure shall be made in an electronic format and shall include sufficient detail, taking into account the nature of each Client and to enable each Client to take an informed decision about the service in the context of which the conflicts of Interests arise.*

*CASPs shall assess and at least annually review their policy on conflicts of Interests and take all appropriate measures to address any deficiencies<sup>1</sup>.*

This procedure is aligned with the European Securities and Markets Authority (ESMA) Final Report on draft technical standards specifying certain requirements in relation to conflicts of Interest for crypto-asset service providers under the Markets in Crypto-Assets Regulation (MiCA) (Réf. ESMA35-1872330276-1670).

This procedure is also aligned with the Commission Delegated Regulation (EU) 2025/1142 supplementing Regulation (EU) 2023/1114 of the European Parliament and of the Council with regard to regulatory technical standards specifying the requirements for policies and procedures on conflicts of Interest for crypto-asset service providers and the details and methodology for the content of disclosures on conflicts of Interest (text with EEA relevance).

### **1.3. Scope of the policy**

In the course of its activities, Paymium may be confronted with situations that could potentially generate conflicts of Interests between Paymium and a Concerned Person or between a Client and another Client. This Policy is intended to present the legal framework that Paymium has implemented to prevent, control and manage conflicts of Interest for all its activities:

- *Crypto-Asset Service Provider license:*
  - *Providing custody and administration of crypto-assets on behalf of clients (Article 3(16)(a));*
  - *Operation of a trading platform for crypto-assets (Article 3(16)(b));*
  - *Exchange of crypto-assets for funds within the meaning of MiCA (Article 3(16)(c));*
  - *Exchange of crypto-assets for other crypto-assets (Article 3(16)(d));*
  - *Execution of orders for crypto-assets on behalf of clients (Article 3(16)(e));*
  - *Providing transfer services for crypto-assets on behalf of clients (Article 3(16)(j)).*

This policy aims to ensure that Paymium adheres to good professional practices and conducts its activities in an honest, fair, and professional manner, with due regard for the primacy of its Clients' Interests.

### **1.4. Circumstances that may affect the objectivity and impartiality**

Paymium has identified several circumstances that could directly or indirectly affect the objectivity and impartiality of related parties in the performance of their duties and responsibilities:

- Financial Interests: holding crypto-assets, participation in ICOs, remuneration...;
- Relationships with issuers or partners: decisions influenced by partnerships or financial Interests, capital ties, commercial contracts...;
- Information asymmetry: privileged access to non-public information;
- Unequal treatment of Clients: preferential terms without objective justification;

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<sup>1</sup> [Regulation of the European parliament and of the council on Markets in Crypto-assets](#) ("MiCA"), and amending Directive (EU) 2019/1937, article 65.



- compliance and internal control: compliance teams involved in commercial decisions and their oversight, interference in the reporting of conflicts with management...

## **2. Conflicts of Interests management system**

### **2.1. Overview**

This policy is designed to ensure that Paymium upholds the highest standards of professional conduct, acting with honesty, fairness, and integrity while prioritizing its Clients' Interests above all else. Employees are expected to carry out their duties with honesty, diligence, and loyalty, in full compliance with the ethical principles governing Paymium.

The primacy of Clients' Interests is unequivocal, taking precedence not only over the personal Interests of Employees but also over the Interests of Paymium.

Particular attention is given to treating all Clients equitably, ensuring that no undue advantage is granted to one Client to the detriment of another.

The governing body of Paymium is responsible for defining, adopting and implementing the conflict of Interest policy.

### **2.2. Conflicts of Interest prevention on trading platform**

Paymium operates its trading independently and does not engage in proprietary trading. Paymium does not take positions, execute trades, or hold Interests that could conflict with those of its Clients. Paymium's role is strictly limited to providing a neutral and transparent marketplace for the exchange of crypto-assets.

Paymium is committed to maintaining a fair and transparent market.

To prevent any conflict of Interest that could arise with the listing of a new crypto-asset (incentives for issuers, Employees' personal holdings...), token listing approval follows a dedicated process detailed in the Commercial Policy of Paymium.

Token listings are also subject to approval by the new products and services Committee.

Paymium does not engage in matched principal trading through its own account.

Dedicated Accounts, subject to eligibility (quoting obligations, information barriers, and disclosure of incentives), may be created for market makers in order to provide liquidity on the Marketplace. These types of participants are eligible as Users on the platform.

In order to prevent any conflicts of Interest that may arise from a contract with a market maker, Paymium ensures that several market makers compete on the platform.

### **2.3. Conflicts of Interest prevention with exchange service**

Paymium has identified and mitigated the risks of conflicts of Interest specific to its exchange service, in relation to transactions converting crypto-assets for funds as defined by MiCA or for other crypto-assets.

With regard to partnership with liquidity providers, Paymium applies the procedures described in its Commercial Policy.

Paymium ensures that proprietary positions or inventories are not prioritized over User orders. User orders are executed with priority over any internal rebalancing or risk management needs to avoid conflicts of Interest.

Paymium's rebalancing processes are subject to regular controls to verify compliance with conflict of Interest policies. All rebalancing operations are registered to ensure full traceability and accountability.



Paymium does not redirect User transactions to specific assets or timings to reduce its own exposure or liquidate proprietary holdings.

## 2.4. Identification and detection

Conflicts of Interests are identified mainly at two levels:

- **Concerned Person:** Concerned Person must be aware of the potential risks of conflicts of Interests that may arise in the context of the Paymium's activities. Concerned Persons are required to declare any conflicts of Interest of which they are aware. This includes the conflicts of Interest between Clients;
- **Company:** Paymium's compliance department keeps a register of identified conflicts of Interests and updates it regularly. This department verifies the relevance and accuracy of the register.

### 2.4.1. *Specific case of Shareholders and the supervisory board*

Paymium has put in place strict procedures to identify, prevent and manage situations involving conflicts of Interest relating to Shareholders.

Shareholders sitting on the supervisory board are required to declare their shareholdings using the form provided by the ACPR and/or AMF, in which the thresholds and conditions governing their involvement are clearly defined.

Any change in the number of shares held is systematically notified to Paymium, enabling declarations to be updated immediately and, where necessary, corrective measures to be applied :

- Exclusion from debates and votes on matters relating to their personal Interests;
- Enhanced transparency through a register of conflicts of Interest accessible to regulators;
- If necessary, temporary withdrawal from meetings where matters relating to personal Interests may arise;
- Adjustment of voting rights.

Finally, the members concerned undertake not to use their position to influence decisions in favour of their personal Interests, on pain of disciplinary sanctions or referral to the authorities.

An annual review conducted by the Level 2 Compliance Officer ensures that there is no undue influence. The Board minutes documents any situations that could pose a risk.

### 2.4.2. *Rules of procedure*

Paymium makes sure that the Concerned Persons comply with the rules of good conduct relating to the prevention and management of conflicts of Interests including:

- The prohibition on making use for personal purposes of information or data collected in the performance of their duties towards Paymium;
- The prohibition on allowing third parties to make use of such information or data;
- The prohibition of any extra-professional activity or involvement within the digital assets sector likely to present a risk of conflicts of Interests with Paymium's activities;
- The prohibition to accept any remuneration or benefit offered by External Partners.

The rules of good conduct of Paymium are detailed in the "Code of ethics for Paymium employees" document.



### 2.4.3. Detection criteria

In order to ensure effective management of actual or potential conflicts of Interest, Paymium has identified four criteria for identifying the existence of potential conflicts of Interest:

- Lack of loyalty: where personal or external Interests of an Employee may interfere with the duty of loyalty to Paymium;

*Example*: an Employee develops a competing product or service while still working at Paymium, which could divert resources or Clients from Paymium's business.

*Example*: an Employee endorses or refers Clients to a competitor instead of Paymium, undermining the loyalty owed to Paymium.

- Lack of transparency: where a decision-making process or relationship is concealed or not fully disclosed, leading to a lack of clarity;

*Example*: an Employee chooses an outsourced service provider based on personal relationship and not objective criteria, to the detriment of Paymium or its Clients.

- Lack of independence, neutrality or impartiality;

*Example*: an Employee is offered an incentive from a crypto-asset team to list their crypto-asset on the exchange.

- Disregard for Paymium's Interests: where actions or decisions do not align with the best Interests of Paymium.

*Example*: an Employee employs a Concerned Person for subjective reasons and not for his skills.

These criteria are not cumulative. *Ex: a biased and non-transparent decision (non-disclosure of the relationship of Interest) may be sufficient to establish a conflict of Interest, without it being necessary to demonstrate a lack of loyalty or a decision contrary to Paymium's Interests.*

Based on these criteria, Paymium has listed specific types of risks that may arise in the course of its business, as well as corresponding mitigation measures.

### 2.4.4. Periodic reviews

In addition to the mechanisms and criteria described above, Paymium has implemented annual reviews conducted by the compliance department on a post-facto basis to detect conflicts of Interest independently of any individual disclosure. These reviews cover three areas

- Personal transactions: the compliance department periodically reviews the personal transactions declared by Employees against the thresholds in order to identify any transaction that could indicate a conflict between an Employee's personal Interests and those of Paymium's Clients;
- IT access to sensitive data: the compliance department periodically reviews access logs to sensitive information systems in order to identify any access that cannot be justified by the role and responsibilities of the relevant individual, in particular in situations involving potential information asymmetry;
- Rebalancing operations: the compliance department periodically reviews rebalancing operations carried out in connection with Paymium's exchange service, in order to detect any operation that could suggest a prioritization of Paymium's own Interests over those of its Clients.

The findings of these reviews are documented and consolidated in the conflicts of Interest register. Any significant finding is escalated to the Level 2 compliance officer. The frequency of these reviews



is defined by the compliance department based on transaction volumes and is subject to annual reassessment.

## 2.5. Prevention of potential conflicts of Interests through mitigation measures

Paymium has established procedures to emphasize the primacy of Clients' Interests by preventing the unwarranted dissemination of information, clearly defining applicable ethical standards, and safeguarding the independence of functions that require it.

Paymium has implemented risk mitigation measures. These measures are more or less stringent depending on the overall scoring attributed to each risk category. The Risk Score is based on two factors:

- The likelihood that a risk happens, depending on the number of stakeholders involved; and
- The impact of the risk if it is materialized.

### 2.5.1. Training programs

Paymium's compliance department implements training programs for Employees. The Employees are required to follow these programs and are made aware of the issues related to conflicts of Interests as soon as they take up their position in order to have a common base of knowledge and the professional hindsight necessary to identify these situations.

The training programs include awareness of the legal, financial and reputational risks incurred by Paymium when a conflict of Interests situation arises that affects the Interests of Clients.

These training courses are given over several sessions:

- On the Employee's arrival and during the training session on compliance principles including AML/CFT;
- Annually, during dedicated training sessions;
- In the event of a major change in legislation or if a conflict of Interest within Paymium has been detected. This may concern the entire team or a Concerned Person.

### 2.5.2. Segregation of duties

Paymium takes all appropriate measures to ensure that two departments carrying out different activities and which could cause conflicts of Interests are managed by different managers.

Paymium also undertakes that its Employees do not exercise simultaneously or successively two functions which would be likely to generate conflicts of Interests.

In addition, partitioning is provided for in terms of access to IT systems, and in particular to sensitive data and information. These accesses are described in the "access and authorisation management" policy.

Paymium prevents the exchange of information between relevant individuals engaged in activities involving a risk of conflict of Interest when such exchange could harm the Interests of one or more Clients.

Paymium restricts access to privileged information on a need-to-know basis, allowing only individuals whose roles specifically require such information to perform their job functions.

Paymium implements IT systems access restrictions to manage access to privileged information such as :

- **User permissions management:** regular reviews and updates of user permissions ensure that access levels are current and appropriate for each user's role;



- **Password protection and management:** access to privileged information is secured by requiring unique, strong passwords that are assigned only to authorized users;
- **Data encryption:** privileged information is encrypted both in transit and at rest, making it unreadable without proper decryption keys;
- **Information barrier:** a room for meetings is also dedicated to the exchange of sensitive information. Other details are described in the dedicated section of this policy.

### 2.5.3. *Personal Interests disclosure*

Paymium requires its Employees to disclose if they have a managing position in another company or own another company with a similar activity.

Paymium requires Concerned Persons to declare individual mandates held by them.

Paymium requires Concerned Persons to declare regular relationships with another company offering the same service as Paymium or a third party in charge of the monitoring of Paymium's activity.

The following types of Interests must be disclosed:

- **Ties with another company:**
  - Concerned Persons must disclose any managing, ownership, or advisory roles they hold with other companies, particularly those offering services similar to Paymium's or operating within the crypto-assets financial services sectors;
  - The nature of the relationship (e.g., director, Shareholder, advisor) and the currency of the tie (active, passive, frequency of engagement) must be specified;
  - Any contractual agreements or non-formal collaborations with competitors, industry peers, or third-party firms that monitor Paymium's activities must also be disclosed to ensure transparency.
- **Immediate family members with relevant connection:** Concerned Persons must disclose any immediate family members (spouses, partners, siblings, children, or parents) who hold significant financial stakes, management positions, or advisory roles in companies providing services that compete with or overlap with Paymium's services;
- **Individual mandates:** Any individual mandates or consulting relationships with companies that provide similar services as Paymium must be disclosed. This includes regular, ongoing professional relationships where Concerned Persons interact with or support organizations in areas that could influence Paymium's business.

*Example: regular relationships that include contracted roles, board memberships, partnerships, or consultancy engagements should be declared.*

To facilitate compliance, Paymium provides a Personal Interests / Transactions Disclosure Form. Concerned Persons are required to complete this form upon onboarding, as well as annually, or whenever a new potential conflict of Interest arises.

This form can be signed manually or made available on the Employee's Paymium account during onboarding. It is renewed annually.

### 2.5.4. *Information barriers*

Paymium prevents the exchange of information between relevant individuals engaged in activities involving a risk of conflict of Interest when such exchange could harm the Interests of one or more Clients.



Paymium restricts access to sensitive information on a need-to-know basis, allowing only individuals whose roles specifically require such information to perform their job functions.

Digital and physical measures (known as 'Great Wall' measures) are put in place between all Paymium teams, notably through:

- Offices with locked doors and restricted access;
- Dedicated and encrypted communication channels (information, documents and messages can be encrypted);
- Secure meetings;
- A principle of least privilege and need-to-know, with an exception for members of the Executive Committee, specifically designated as being 'above the Wall'. These members may access confidential information outside their scope of supervision without systematic prior authorisation, subject to compliance with internal confidentiality rules.

#### 2.5.5. Personal transactions disclosure

A personal transaction is considered to be any operation carried out by an Employee outside the framework of his duties on his behalf, on behalf of a person in his family or close circle or on behalf of a person having a direct Interest in the outcome of the transaction other than a fee or commission.

Personal transactions falling within the scope of the personal transactions disclosure should be disclosed to Paymium's compliance department.

#### 2.5.6. *Complaints Management Policy*

Paymium implements a Complaint Management policy. The effectiveness of the policy is ensured by the Compliance team.

To maintain impartiality, the Complaints Management Policy addresses scenarios where conflicts of Interest might arise, including the following examples:

- **Personal relationships:** if an Employee is responsible for handling a complaint involving a family member, close friend, or acquaintance, a potential conflict of Interest exists. In such cases, the Employee must immediately disclose the relationship and recuse themselves from handling the complaint to maintain objectivity.
- **Financial or personal stake:** an Employee may have a personal investment or financial Interest in a third-party vendor or service provider involved in the complaint. If so, this could bias their judgment, requiring them to report the Interest and transfer the case to a neutral party.
- **Prior involvement in the matter:** if an Employee has previously advised or worked with a Client on an issue related to the complaint, there may be a conflict between resolving the issue objectively and defending prior decisions. Such cases should be reassigned to ensure unbiased handling.

The "Code of ethics for Paymium Employees" issued by Paymium takes into account scenarios where conflicts of Interest might arise for its customer support and complaints management staff. This notice includes guidelines on recognizing conflicts and procedures for reporting and addressing them.

#### 2.5.7. *Human Resources Management*

Paymium's employment agreements limit its Employees from having a conflict of Interest in everything related to their work at Paymium, and from receiving compensation from others.



## **2.6. Management of conflicts of Interest**

### *2.6.1. Reporting of conflicts of Interest*

When a conflict of Interests or potential conflicts of Interests is identified by a Concerned Person, it must be reported to the department's manager or Paymium's compliance department as soon as possible.

Employees may disclose potential or actual conflicts of Interests without revealing the personal Interests at stake. The reporting of conflicts of Interests is done in compliance with the legal rules applicable to the protection of privacy, particularly regarding personal data.

When the manager or Paymium's compliance department is notified, it verifies whether the situation presented to it actually constitutes a conflict of Interests. If so, the compliance department takes all appropriate measures to mitigate the risk and completes the register.

### *2.6.2. Monitoring of conflicts of Interests*

Paymium establishes and updates a register of conflicts of Interests. This file is standardized and records all potential or actual conflicts of Interests. Remediation measures are also logged in the register.

The register of conflicts of Interests must be taken into account when updating this policy.

When an Employee reports a conflict of Interests, the compliance department will complete the register and decide on its resolution if appropriate.

As a last option, if the measures taken to resolve or mitigate the conflicts of Interests are not sufficient to ensure, with reasonable certainty, that the risk of harm to the Client's Interests will be avoided, Paymium will inform the Client in a durable medium of the nature and source of the conflicts of Interests prior to any service being provided or transaction subject to conflict.

This information shall be provided to the Client in a clear and understandable manner so that the Client can make an informed decision.

### *2.6.3. Disclosure of online conflicts of Interests*

Paymium undertakes to disclose on its website, in a prominent place, to the Clients and potential clients the general nature and sources of conflicts of Interests, as well as the steps taken to mitigate them.

The disclosure will be made in an electronic format and will include sufficient detail, taking into account the nature of each Client and to enable each Client to take an informed decision about the service in the context of which the conflicts of Interests arise.

Paymium guarantees that the disclosure of conflicts of Interest required of Concerned Persons must be proportionate to respect for privacy and the employer's obligations under employment law.

## **2.7. Controls and sanctions**

Paymium manages potential or actual conflicts of Interests on the basis of a risk management and permanent control system set up for all its activities. This control system makes it possible to take remedial measures and, if necessary, appropriate sanctions.

Paymium annually reviews the personal transactions of Employees referred to in "Personal transactions disclosure" Section of this policy on a declarative basis.

Failure to report an actual or potential conflicts of Interests situation may result in disciplinary action being taken against Employees. The following criteria may be taken into account when imposing a sanction:

- Seriousness of the conflict of Interest;



- Intentionality;
- Consequences for Paymium;
- Employee history;
- Applicable laws and regulations;
- Cooperation with the investigation (if applicable).

Several scales of sanctions can be applied, ranging from the least severe to the most serious, depending on the type of conflict of Interest and its impact on Paymium:

- **Verbal warning:** The conflict of Interest is minor or unintentional;  
*For example, a situation where an Employee has not declared a conflict of Interest without malicious intent, or has not understood the extent of the situation.*
- **Written warning:** The conflict of Interest is more serious, but remains relatively low in terms of consequence;  
*For example, this could be the case of an involuntary omission to declare a link with a business partner.*
- **Temporary suspension:** Moderate conflicts of Interest that have had a direct or potential impact on business decisions, but without overt malice;  
*For example, an Employee who took part in a recruitment or purchasing decision without properly disclosing a personal or financial relationship with a candidate or supplier.*
- **Reduction of responsibilities or change of role:** Serious conflicts of Interest, but without fraudulent intent or intentional direct harm to Paymium;  
*For example, this could involve a manager or director failing to disclose personal links with partners or Clients while taking decisions affecting those parties.*
- **Dismissal with investigation:** Significant conflicts of Interest, which may include behaviour that suggests malice or gross negligence;  
*For example, an Employee accepting gifts or inducements from a supplier in exchange for benefits to the supplier.*
- **Disciplinary dismissal:** Serious conflicts of Interest with malicious intent, such as deliberately manipulating decisions for personal advantage;  
*For example, an Employee who favours a supplier or partner with whom they have a personal financial Interest.*
- **Legal proceedings (if applicable):** In the event of fraud, corruption or other criminal acts related to the conflict of Interest, particularly where Paymium has suffered significant financial damage.  
*For example, if an Employee has taken financial or contractual decisions that have led to losses for Paymium in order to enrich third parties (e.g. corruption, embezzlement).*

### 3. Internal control and update of the policy

Paymium implements a permanent and periodic internal control system.

Paymium assesses and at least annually reviews its policy on conflicts of Interests and takes all appropriate measures to address any deficiencies.

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