



# FT Worldwide Investments Limited

## Policy for the Management of Conflicts of Interest

## **Introduction**

### Background

FT Worldwide Investments Limited (“FTWI” or the “Company” or “we”) is incorporated in Mauritius under the laws of the Republic of Mauritius, having Company No: 172833 GBL. The Company is licenced by the FSC as Category 1 Global Business Licence and an Investment Dealer (Full Service Dealer excluding Underwriting) Licence with licence No: C119023860.

FTWI subject to its Business Companies Act is authorized to provide within specific countries specific investment and ancillary services with regard to specific financial instruments as these are set out in the Firm’s operational license. The primary class of financial instrument that FTWI engages in is Contracts for Difference (“CFDs”) through online trading platforms.

### Scope

This Policy for the Management of Conflicts of Interest (the “Policy”) provides an overview of how the Company seeks to manage potential conflicts of interest that may arise when offering investment services to clients. This Policy does not form part of any legal agreement between FTWI and any client or prospective client.

### Our Business Activities

We consider essential that we identify and manage conflicts of interest as they relate to our investment services we carry out at any time.

The Company’s business relates to enabling primarily retail clients to trade Contracts for Difference (“CFDs”) via our online trading platform CFTrade Pro. We effectively receive, transmit and execute clients’ orders in CFDs.

We act at all times as Principal (counterparty) to the trading of our clients.

Our limited investment research is at the date hereof undertaken by 3<sup>rd</sup> parties and is not addressed to any individual client or his / her investment objectives.

### **Our Commitment for Treating Customers Fairly**

Treating Customers Fairly is central to our corporate culture and ethos.

We have a duty to act honestly, fairly, professionally and in the best interests of our clients when dealing with them. Our framework for Treating Customers Fairly is premised on six key principles as

follows:

- Clients should be confident that treating them fairly is central to our corporate culture and ethos;
- We market products and services to our retail clients having regard to whether they are appropriate for them, based on the targeted clients' knowledge and experience;
- We provide our clients with clear, fair, not misleading and not aggressive information at all times: before, during and after their trading with us;
- We do not offer clients investment advice. We communicate non-client specific market information and "colour" from sources which we reasonably believe, acting diligently, are credible;
- We provide high levels of client service and experience as measured by: best possible prices, speed of execution, quality of our knowledge on client enquiries. We do not promise what we cannot deliver. We are not aggressive or misleading in our dealings with clients and do not permit business or other introducers to be so either;
- We are transparent on the basis that clients deal with us, especially where clients trade with us on a principal-to-principal basis. We advise clients of conflicts and the Over the Counter ("OTC") and non-transferability nature of our CFD product suite.

## **Our Code of Conduct**

The Company has in place a Code of Conduct applicable for all employees of the Group. The Code of Conduct deals with how Conflicts of Interest are managed internally and the processes, procedures adopted by the Group to this end. In relation to conflicts of interest, key points to note from the Code of Conduct indicatively include:

- All employees are bound by the terms of the Code of Conduct
- All employees should at all-time be in full compliance to internal policies and procedures
- Employees are advised through the Code of Conduct how to identify conflicts of interest and how to escalate these to their line management and the Compliance Department
- All employees are bound by professional secrecy. Confidential information is only to be shared if essential for performing their specific duties and responsibilities
- Non-Group related executive or non-executive roles are only possible with prior permission, unless this relates to social causes
- Employees are prohibited from personally trading using the knowledge gained from inside/non-public information
- The ultimate parent company's Gopher Investments regulations on trading (including trading during closed or sensitive periods) and safekeeping of confidential information also apply on the Company's employees fully at all time.

The Legal and Regulatory Framework Under Which This Policy Is Issued and Implemented

This Policy is issued pursuant to, and in compliance with the requirements of Business Companies (Amendment and Consolidation) Act issued by the Saint Vincent and The Grenadines (the “Regulator”).

**FTWI Employee Personal Accounts**

Conflicts of interest are unavoidable in financial institutions such as the Company with a diverse range of activities, including those trading as Principal with their clients. The Company seeks to manage conflicts of interest fairly at all times.

The Company hereby identifies and discloses a range of circumstances which may give rise to a conflict of interest and potentially but not necessarily be detrimental to the interests of one or more clients. Such a conflict of interest may arise if the Company or any person directly or indirectly employed, remunerated or controlled by the Company and its affiliates, or a client, is likely to make a financial gain, or avoid a financial loss, at the expense of a client.

We also map out below, our approach to managing these indicative areas of conflicts of interest:

Circumstances of potential conflict of interest*	Our approach to managing these (indicative actions)
<p>When a client enters into any order to Buy or Sell a Contract for Difference (“CFD”) on our online trading platform CFTrade Pro, the client trades with us as his / her counterparty. We are the principal to each trade that the client enters.</p> <p>This means that:</p> <ul style="list-style-type: none"> <li>•The client may only close each position he trades with us.</li> <li>•The client’s positions are not transferable to any other regulated investment firm. This is a major difference to when clients trade for example in Shares. In such cases, clients can move their holding in Shares to be traded through another investment firm – broker. In CFDs, clients can only trade / close their position with the investment firm – broker they initially opened</li> </ul>	<ul style="list-style-type: none"> <li>•Prices quoted for CFDs are based on the published prices of underlying instruments on the regulated exchanges where such instruments are regularly traded or, with respect to Foreign Exchange, based on the aggregation of prices received from global investment banks and other liquidity providers</li> <li>•We disclose our spreads and charges on our trading platform CFTrade Pro</li> <li>•Our marketing communication is developed on the basis of being fair, clear and not misleading to clients and is issued following approval by the Compliance department.</li> <li>•Execution of client trade is automated through the platform with no human intervention and clients</li> </ul>

<p>their position with.</p> <p>If clients make profits on their trading, we lose. If the clients register losses on their trading, this means we profit.</p>	<p>would not be treated differently, including in terms of pricing and costs.</p>
<p>The settings of the trading platform may be at non-symmetrical parameters. A key area relates to trading slippage. Slippage refers to the difference a client expects to pay for a trade and the actual price at which the trade is executed. Slippage occurs because there is a slight time delay between the client entering the trade and the time the broker receives the order. During this time delay, the price may have changed. Slippage can be much higher in fast-moving, volatile markets. It can either work in favor of or against the client. Conflicts may arise if the application of slippage parameters is not symmetrical. That is the broker enables a higher negative slippage for the client whilst limiting the client's potential profit in positive slippage.</p>	<ul style="list-style-type: none"> <li>•All trading platform parameters are symmetrical.</li> <li>•With Market Execution, we apply a Spread Limitation for each instrument on CFTrade Pro.</li> <li>•A Spread Limitation is an event, determined as a percentage of the underlying instrument's spread, under which the Market order will be rejected.</li> <li>•If the difference of the price that a client requests and the current market price is within the Spread Limitation, the client will always receive the market price. If the difference is more than the Spread Limitation, the client order will be rejected.</li> <li>•Spread Limitations, under our culture and policy of Treating Customers Fairly, always apply symmetrically.</li> <li>•We monitor on an ongoing basis symmetry of our execution arrangements.</li> </ul>
<p>The Company, its employees, 3rd parties acting on behalf of or on the basis of specific agreements with the Company (such as affiliates, websites and social media) may have an interest in maximizing trading volumes in order to increase dealing revenues or their variable remuneration pay. This may be inconsistent with the need for clients to trade prudently or for minimizing clients' transaction costs. FTWI employees may also receive bonuses or other form of variable pay that links to the trading performance of clients.</p>	<ul style="list-style-type: none"> <li>•Employees who receive any form of variable pay (including performance related pay) are subject to vesting periods with malus and claw back provisions.</li> <li>•Awards are structured so as to have regard to long term client satisfaction as opposed to short term Company gains, recognizing that our long-term success is premised on maintaining satisfied clients over the long term.</li> <li>•Any websites, affiliates or other online introducers do not have any role in our assessment of the clients' knowledge and experience for onboarding purposes, such decision to onboard being at the entire discretion of the Company.</li> <li>•Local registrations with regulatory authorities have to be adhered to by affiliates where appropriate.</li> </ul>

<p>Where investment research or market information is provided this does not take account of the circumstances and investment objectives of individual clients. The Company or legal and natural persons affiliated with it may have a position or trade in financial instruments that may be covered by such investment research.</p>	<ul style="list-style-type: none"> <li>•We do not offer any form of investment advice and our disclaimers make this fact explicitly clear. Market research is performed on behalf of the Company by 3rd parties not employees of the Company or the Markets Group to the trading generated from our clients.</li> <li>•Other than being a principal to clients’ trading or hedging for the market risk emanating for this trading, neither the Company or its holding company or affiliates trade in any form of financial instrument for the purpose of short-term financial gains</li> </ul>
<p>Employees or business associates may have a personal holding in a security of a company and where such employees or business associates are involved in executing clients’ orders, and – in breach of internal policy – encourage or push the client to trade in such a security.</p>	<ul style="list-style-type: none"> <li>•Our Code of Conduct states clearly that we do not engage in investment advice and the consequences for any breach of this requirement.</li> <li>•We monitor client communications to ensure that our staff do not engage in any form of investment advice.</li> <li>•Other indicative points as set out in the Code of Conduct extracts of which are set out above.</li> </ul>
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Other internal conflicts stemming from the different nature of Investment services available to clients.	<ul style="list-style-type: none"> <li>•Necessary digital and audit trails remain available at all times to the Compliance function. Points of risk are subject to the 'Compliance Monitoring Program' according to our Risk Assessment and Risk-Based Approach.</li> </ul>

*\*Note that the above are indicative areas of potential conflicts of interest.*

## **Disclosure Of Conflicts of Interest**

In the case where the measures put in place are not sufficient to avoid or manage a conflict of interest relating to a client, the Company will disclose the conflict of interest before undertaking further business with the client.

## **Enforcement And Review**

Adherence to this policy is mandatory for all employees, representatives and associates of the Company to the extent applicable to them. Adherence shall be monitored on an ongoing basis and in case of breaches repercussions may be applied.