Registered office: 3, Boulevard Royal L-2449 Luxembourg
R.C.S. Luxembourg: Section B, number 221.009

Conflict of Interest Policy

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Performed by:	AFFM SA – Compliance Function

I. Definitions

The Investment Fund Manager (IFM) and Investment Fund related definitions

- "**AFFM**" means AFFM SA
- "**AIF**" means Alternative Investment Fund
- "**AIFM**" means Alternative Investment Fund Manager
- "**AIFMD**" means the Alternative Investment Fund Managers Directive
- "**Applicable Regulation**" means the Luxembourg laws, regulations and CSSF Circulars listed in the Regulatory Framework section of the Policy, collectively referred to as "Applicable Regulation"
- "**AuM**" means assets under management
- "**Board**" means Board of Directors of AFFM
- "**Board Members**" means the Members of the Board of Directors of AFFM SA
- "**Common Fund**" means an investment fund which is not in corporate form (i.e. not a legal entity) – an FCP
- "**Company**" means AFFM SA
- "**Conducting Officers**" means the members of Senior Management
- "**CSSF**" means Commission for the Supervision of the Financial Sector (*Commission de Surveillance du Secteur Financier*), the competent authority for the supervision of the financial sector in Luxembourg
- "**Employee**" means employee (a member of staff) or secondee

- “**Executive Committee**” means the committee composed of the members of Senior Management of AFFM
- **“FCP”** means a common fund (*fonds commun de placement)*
- “**Fund**” means UCI – see UCI
- “**Fund Board**” means the Members of the Board of Directors of the Fund
- “**Fund Board Members**” means the Members of the Board of the Fund
- “**IFM**” means Investment Fund Manager
- “**Internal Control Functions**” collectively refers to:
    - The Permanent Risk Management Function (“**PRMF**”)
    - The Compliance Function
    - The Internal Audit Function
- “**Investment Company**” means an investment fund in corporate form (e.g. a SICAV)
- **“Investment Fund**” means UCI – see UCI
- **“Investment Manager**” means Alken Asset Management Ltd. acting as the investment manager for the Funds based on the contractual delegation from the Company
- “**Central Admin**” means FundPartner Solutions (Europe) SA acting as central administrator for the Funds based on the contractual delegation from the Company.
- **“Policy”** means the current policy or procedure
- “**Professionals**” means employee (a member of staff) or secondee, Board member or Senior Manager
- **“RAIF”** means Reserved Alternative Investment Fund
- **“RMP”** means Risk Management Process
- “**Senior Management**” means the means the persons who effectively conduct the business of the IFM on a day-to-day basis
- “**SICAV**” means investment company with variable capital
- “**Sub-fund**” is a compartment of a Fund
- “**The Funds**” means all the Funds managed by AFFM – i.e. all the UCITS and/or AIFs
- “**UCI**” means Undertaking for Collective Investment – i.e. a UCITS or an AIF
- “**UCITS**” means Undertaking for Collective Investment in Transferable Securities subject to Part I of the 2010 Law
- “**UCITS Management Company**” means an IFM authorised to manage a UCITS

Policy specific definitions

- **Client** means existing clients, potential client, past client where fiduciary or other duties remain in place. Client includes the Funds and the Investors to whom the Company provides a service, as well as all third parties being delegates / providing services to the Company.
- **COIR** means the Conflict of Interest Register where all identified Company conflicts of interests are listed.
- **Conflicts of Interest** means any situations that may arise in the provision of ancillary services, and whose existence may damage the interests of a Client, the Fund and/or the Company.
- **Inducement** means a fee, commission or non-monetary benefit paid or provided to or by a third party or a person acting on behalf of a third party in relation to the provision of an investment or ancillary service, except for proper fees which enable or are necessary for the provision of investment or ancillary services (audit fees, settlement and exchange fees, legal fees etc.).
- **Relevant Person** means a manager, Employee of the Company, as well as any other person whose services are placed at the disposal and under control of the Company. It may also be a person who is directly or in some instances remotely involved (connected) in the provision of investment services to the Company.
- **Sustainability risk** means an environmental, social or governance event, or condition that, if it occurs, could cause a negative material impact on the value of the Fund's assets.

II. Legal background and purpose

In accordance with article 111 of the 2010 Law and articles 18 to 22 of CSSF Regulation 10-04, section 5.5.7 of CSSF Circular 18/698 and Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector and associated implementing regulation ("SFDR"), the Company has been structured in such a way to minimize the risk of the Funds', Investors' and Clients' (hereafter collectively referred as "Stakeholders") interests being prejudiced by conflicts of interest.

The Company implemented procedures and adopted the Policy described hereinafter in order to prevent, identify and adequately manage any potential conflict of interest that may arise. In case of possible conflicts of interests, the Company ensures at any time the safeguard of Stakeholders' interests.

Taking into consideration that the Company is providing a wide range of financial services, it is expected that in the normal course of its business and operations, several potential conflicts of interests may arise, either on a one-off basis or potentially on a more recurring basis.

If these specific situations are likely to cause damage to the Stakeholders' interests, the Company will ensure that systems, controls and procedures are adequate to identify, manage and disclose such conflicts of interest, in accordance with the applicable regulatory framework and in its Stakeholders' best interests.

Accordingly, the Company will always act honestly, fairly, with due skill care and diligence in the best interests of the Stakeholders.

The purpose of this Policy is to set out the terms according to which the Company will:

- identify situations where potential conflicts of interests may arise, entailing a material risk of damage to the Stakeholders' interests.
- establish appropriate procedures, mechanisms, and systems to manage those conflicts.
- maintain procedures and systems designed to prevent actual damage to the Stakeholders' interests through any identified conflicts.
- maintain records of such conflicts of interest (including potential conflicts of interests).

III. Governance and responsibilities

The Chief Compliance Officer has been appointed as responsible for the Policy with the quality of Conflict-of-Interest Manager, under the supervision of the Conducting Officers and the Board and the support of the Compliance Function.

As regards the activities delegated to the Investment Manager, the latter is an investment firm, incorporated in England and Wales, authorized by the FCA, the UK Financial Conduct Authority, which implements its own *MIFID compliance manual* which includes a policy for the management of conflict of interests. The compliance of the manual with the provision applicable to the Company is regularly reviewed by the Compliance Function and the update version of the Investment Manager manual is available in the Company records.

Concerning the Central Admin and the Custodian, both the entities are based in Luxembourg and subject to the supervision of the CSSF and belong to the *Pictet Group*, which has a Code of Conduct Manual and relevant policies in place which are signed by all Employees that provide services to the Company, the Investment Manager, and the Fund.

The Conflict-of-Interest Manager performs controls and reviews the conflicts of interest procedures and policies in place at the Company and relevant external parties. Any potential or identified conflict of interest will be carefully analysed. In case of a proven conflict of interest, the Conflict-of-Interest Manager will call a meeting of the Conducting Persons, which will decide how to manage the conflict of interest on a case-by-case basis, considering the protection of the Clients' interests. Decisions taken are recorded in the minutes of the Conducting Officers meetings and are reported to the Board.

IV. Scope and description of the services provided by the Company

Scope

Conflicts of interest must be identified and prevented or managed so that Clients are treated fairly. All Directors, SICAV Directors, Employees and Relevant Persons, including non-permanent staff working on behalf of the Company, providing investment or investment related services or performing other investment activities are subject to this Policy.

It is the responsibility of Conflict-of-Interest Manager to ensure that this Policy is known and conformed to within the respective area of responsibility.

The Company has taken a holistic approach in the identification of the potential conflicts of interests, considering the structure and business activities of all Relevant Persons and entities involved. Accordingly, the Company maintains and operates an effective organizational structure to address the identification and management of actual and potential conflicts of interests. The Conflict of Interests Manager is responsible in the development and implementation of the Policy, the reporting and for the supervision of compliance with this Policy.

Services provided by the Company

The Company offers several investment options to Investors, mainly focusing on equity and equity-related securities issued by companies headquartered in Europe but also securities in any type of private or public and or listed company and derivatives.

V. Compliance requirements regarding conflicts of interests

When joining the Company, Employees are required, as part of their compliance training, to take notice of the update version of this Policy and are expected to protect Stakeholders' interest.

The Company Employees shall not use confidential information that they have obtained during their employment, for their own benefit.

The Company Employees have a duty to notify the Conflict of Interests Manager, of any irregularity they observe or that they suspect with regards to this Policy.

On monthly basis, the Employees are requested to confirm whether they detect or not any potential conflict of interest during their activity; the same confirmation is requested quarterly to Directors. Moreover, Employees, Directors and SICAV Directors are required on yearly basis to confirm their respective entries within the Conflict-of-Interest Register of the Company, as explained in the following sections.

Any control to be done on / statement to be collected from the Chief Compliance Officer as part of the present Policy is entrusted to the joint responsibility of the CPs.

1. Identification of conflict of interests

For the purpose of identifying conflict of interests, the Company considers by way of minimum criteria the question of whether the Company or a Relevant Person, or a person directly or indirectly linked (connected) by way of control to the Company, is in any of the following situations, whether as a result of providing collective portfolio management activities or otherwise:

- the Company or that person is likely to make a financial gain, or avoid a financial loss, at the expense of the Stakeholders.
- the Company or that person has an interest in the outcome of a service, or an activity provided to the Fund or another Stakeholder or of a transaction carried out on behalf of the Fund or another Stakeholder, which is distinct from the Funds' interest in that outcome.
- the Company or that person has a financial or other incentive to favour the interest of another Stakeholder or group of Stakeholders over the interests of the Funds.
- the Company or that person carries on the same activities for the Funds and for another Stakeholder or Stakeholders which are not investment Funds.

- the Company or that person receives or will receive from a person other than the Funds an Inducement in relation to collective portfolio management activities provided to the Funds, in the form of monies, goods or services, other than the standard commission or fee for that service.

Also, when identifying conflicts of interests, the Company considers the following:

- the interests of the Company, including those deriving from its belonging to a group or from the performance of services and activities, the interests of the Stakeholders and the duty of the Company towards the latter.
- The interests of two or more managed Funds.

2. Classification of conflicts of interests

Conflicts of interests which can potentially take place at the Company can be classified as follows:

a) Conflicts involving several Stakeholders

For example, when the Company, in offering its services to two *Stakeholders*, might favour one of them by giving priority treatment to its transactions.

b) Conflicts involving the Company, the Investment Manager and its Clients

For example, when the Company offers a service which would be more profitable for the Investment Manager, disregarding the Stakeholders' best interests.

3. Independence in the management of conflicts of interests

The Company developed procedures and arrangements to guarantee that Relevant Persons engaged in several activities where a risk of conflict of interest exists, exercise their duties with an appropriate level of independence, considering the size and the activities of the Company, and ensuring that the Stakeholders' best interests always remains safe. These procedures are described hereafter.

a) Information barriers

The Company has put in place adequate procedures in order to prevent or control the exchange of information between Relevant Persons engaged in portfolio management activities, where the exchange of information between these persons can negatively impact the interests of one or several Clients.

The Company has established so called “Chinese walls” which are designed to restrict the access to certain privileged information between lines of business of the Company, or between the Company and any other counterparty. For example, it is not permitted to communicate material non-public information to any Relevant Person outside the relevant team working on a particular transaction except to Relevant Persons with a legitimate need of this information, without prior approval of the Conflict of Interests Manager.

As a rule, physical separation (including a restriction on access to buildings) and information confidentiality are achieved through an authorization process that limits access to persons engaged for the exercise of their professional duty.

b) Separate supervision of the Relevant Persons

The Company has developed clear and segregated reporting lines, to keep the independence of each function to the highest standards. The supervision of Relevant Persons whose principal functions involve carrying out collective portfolio management activities on behalf of or providing services to Stakeholders whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company is covered in the personal account dealing rules.

The Company and the Investment Manager have implemented rules related to personal account dealing, which aims to minimize the risk that the Company Employees and/or the Investment Manager use their positions improperly.

c) Remuneration policy

Direct links between the remuneration of Relevant Persons principally engaged in one activity and the remuneration of, or revenues generated by, different Relevant Persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities have been removed.

For instance, control functions such as the supervision of delegated support functions (back office including Fund accounting, transfer agency, support services from the Company etc.) do not have a remuneration which is directly linked to the performance of the Funds under management.

The Remuneration of the Permanent Risk Management Function is also independent of the performance of the Funds as stated in the Risk Management Process of the Company.

d) Inappropriate influence

The Company and the Investment Manager have adopted certain measures to prevent or limit any person from exercising inappropriate influence over the way in which a Relevant Person carries out collective portfolio management activities.

The segregation operated at the level of the service lines, and the reporting lines within each business segment enable the Company Employees to take decisions with the required level of autonomy. Nevertheless, it remains the responsibility of each Employee to ensure that he retains the required level of independence when dealing with current or potential Clients and avoid any inappropriate influence in the course of his duties.

e) Relevant Persons involved in multiple activities

The Conflict of Interests Manager is ensuring as part of the review of potential conflicts of interests that the persons involved in multiple collective portfolio management activities are always monitored. the Investment Manager developed some measures to control the simultaneous or sequential involvement of a Relevant Person in separate collective portfolio management activities where such involvement may impair the proper management of conflicts of interest.

Relevant Persons engaged in different business activities involving potential conflicts should carry on those activities independently of one another. A monitoring of these situations is performed by the Conflict of Interests Manager to ensure that the required level of independence is appropriate.

4. Potential conflicts of interest and mitigation policies

Potential conflicts of interest may arise:

a) During the valuation of assets

Any potential conflict of interest arising during the valuation of assets of the UCITS is covered by the internal procedures of the Pictet Group (independent from the Company and the Funds), which are themselves subject to Pictet Group’s internal audit controls. Any potential conflict of interest arising during the valuation of assets of the AIF is mitigated at the Company level as the Risk Function and the Investment Manager are not involved in the decision making for valuation matters.

b) During trading decisions and operations

Those conflicts of interest are covered by the Investment Manager's internal conflicts of interest policies and shall be disclosed to the Board.

c) During other operations

Those conflicts of interest are covered by the Company's and the Investment Manager's internal conflicts of interest policies and shall be disclosed to the Board.

d) Resulting from ties with third parties

Ties between third parties and the Funds or its service providers may exist and may trigger potential conflicts of interest related to investment or financing decisions. Those conflicts of interest are covered by the Company's and the Investment Manager's internal conflicts of interest policies and shall be disclosed to the Board.

e) During the exercise of voting rights

The Company assumes the responsibility for making investment decisions that are in the best interests of its Clients. As the Management Company of the Funds, the Company may exercise as beneficial owner its voting rights where authorized by Funds, or in the collective interests of Investors in the Funds, to vote in respect of the shares/units for which the Funds are legal owners. For example, the Company may face conflicts of interest when voting against management of a company who is a client, or whose pension scheme or senior management are clients of the Company. Related conflicts of interests, including such deriving from ESG related voting, are mitigated as defined in the Company's Proxy Voting and Shareholder Engagement Policy.

f) In relation to Board's and SICAV Board's resolutions

In line with the articles of incorporation of the Company and the Fund, in the event that a Director or SICAV Director has, directly or indirectly, a financial interest opposite to the interest of the Company (or the SICAV, as appropriate) in any transaction that is submitted to the approval of the Board / SICAV Board, such Director / SICAV Director shall make known to the Board / SICAV Board such opposite interest at that meeting and shall cause a record of his/her statement to be included in the minutes of the meeting. As appropriate, the Director / SICAV Director may not take part in the deliberations relating to that transaction, may not vote on the resolutions relating to that transaction and may not count towards the quorum (if any). The transaction and the Director / SICAV Director's interest therein shall be reported to the following general meetings.

This paragraph does not apply to resolutions of the Board / SICAV Board concerning transactions made in the ordinary course of business of the Company, which are entered into on arm's length terms. Also, a Director / SICAV Director who also serves as director, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business shall not, solely by reason of such affiliation with such other Company or firm, be held as having an interest conflicting with the interest of the Company for the purpose of this Policy.

g) In relation to the integration of sustainability risk

The Company assumes the responsibility that the delegated asset manager takes investment decisions that are in the best interests of the Company's Clients. In its monitoring, the Company considers inter alia sustainability risks and defines limits for each strategy. Company is exposed to the inherent conflict of interest between selling to the profitable and growing market for sustainable funds and providing accurate information to end-investors: it exists indeed the possibility to obtain a financial gain or avoid a financial loss by increasing the sustainability risks of the Funds arising greenwashing in processes, systems and controls in the framework of environmental (E), social (S) or governance (G) risks (collectively, "ESG"). To mitigate this risk, the Company's remuneration policy integrates sustainability risks and contains general provisions aimed at avoiding conflicts of interest in the management of sustainability risks.

h) Other Situations

Any other situation with contradicting objectives which could harm the Funds, the Investors, any Stakeholder, or the Company itself.

5. Management, record keeping and disclosure of (potential) conflicts of interests

a) Identified potential conflicts of interests

The Company keeps and regularly updates a register (the Conflict-of-Interest Register – "***COIR***") with all the conflicts of interests' situations and the types of collective portfolio management activities undertaken by or on behalf of the Company in which a conflict of interest entailing a material risk of damage to the interests of the Funds or other Stakeholders could have arisen. The COIR covers the following information:

- a description of the conflict of interest (whether potential or actual).
- the identification of the Stakeholder or Relevant person concerned by the conflict of interest.
- the date on which the conflict of interest occurred was discovered.
- the potential and proven impacts of the conflict of interest.
- a description of the solutions envisaged, and the measures adopted.
- where applicable, the Investors' / Stakeholders' information procedures.

Moreover, the COIR includes a list of all current counterparties, with respect to whom any conflict of interest shall be disclosed: when a new counterparty is onboarded, its identity is disclosed to all Directors, SICAV Directors, Conducting Officers and Employees to ensure they can update, if needed, their disclosure in the COIR: the implemented mitigation processes and preventing measures are described for each entry.

b) Measures in place to address potential conflicts of interests as they arise

The Company and the Investment Manager have implemented the necessary organizational arrangements to deal with situations when a sudden potential conflict of interests would be identified. Indeed, situations where the current arrangements would not be sufficient to ensure, with reasonable confidence, that risk of damage to the interests of the Funds or the Investors will be prevented may arise.

In these circumstances, the Conflict of Interests Manager will report these situations to the Board, who will take the decisions on how to manage the situation.

c) Disclosure of conflict of interests and Client notification

In situation where material or potential conflicts of interests couldn't be avoided, the Board is promptly informed for them to take any necessary actions and decision to ensure that in any case the Company and/or any Relevant Person acted in the best interests of the Funds.

Accordingly, the Company reports these situations to Investors on request together with a written confirmation and gives reasons for its decision. It is the priority of the Company to give a clear and detailed disclosure of the conflict of interest, to ensure that the Stakeholder makes an informed decision regarding the service or product offered.

All relevant details are summarized and recorded in the COIR.

Any situations where the organisational or administrative arrangements made by the Company to manage COI have not been sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Funds or the Investors will be prevented will be brought to the attention of the Investors via an appropriate durable medium, e.g., the website of the Company or the annual report of the Funds. The Company will at the same time indicate to the Investors the reasons for its decision in relation to these arrangements.

6. Inducements

The Company and the Investment Manager adopted measures to evaluate the acceptability of Inducements in relation to the activities of investment management and administration to the Funds.

The Company only pays or accepts the following Inducements:

a) a fee, commission or non-monetary benefit paid or provided to or by the Funds or a Relevant Person on behalf of the Funds.

b) a fee, commission or non-monetary benefit paid or provided to or by a third party or a person acting on behalf of a third party, if not contrary to the applicable regulations and where the following conditions are satisfied:

> (i) the payment of the fee or commission, or the provision of the non-monetary benefit must be designed to enhance the quality of the relevant service and not impair compliance with the Company’s duty to act in the best interests of the Funds.
>
> (ii) the existence and nature of the third-party fee, commission or benefit, must be clearly disclosed to the Funds in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant service.
>
> (iii) in case the Company assesses that such fee, commission or benefit results in a notable increase of the costs and expenses supported by the Funds or may lead to a conflict between the Company's interests and the Funds' interests as part of a situation or event occurred outside of the usual course of business, the amount of the third party

fee, commission or benefit, or, where the amount cannot be ascertained, the method of calculating that amount, will be disclosed to the Funds in a manner that is comprehensive, accurate and understandable.

c) proper fees which enable or are necessary for the provision of the relevant service, including custody costs, settlement and exchange fees, regulatory levies or legal fees, and which, by their nature, cannot give rise to conflicts with the Company's duties to act honestly, fairly and professionally in accordance with the best interests of the Funds.

If the Company offers or accepts Inducements (in accordance with the above requirements), the Company also discloses the essential terms of the arrangements.

Please refer to the Gifts and Inducements Policy of the Investment Manager for the detailed rules on the Investment Manager Level.

VI. Conclusion

The Company has taken all reasonable care to ensure that the conflict of interest policy and procedures described in this document are adequate to identify, monitor and manage any potential conflict of interest which the Funds are or may be exposed to, taking into account the structure of the Funds and the nature and scale of the Funds' investment policy, as well as to minimize the risk that possible conflicts of interest between the Funds and the Managers or any person directly or indirectly linked to the Funds, could adversely affect the interests of the Investors.

The Company hereby approves the conflict-of-interest policy and confirms that the procedures described in this document comply with article 111 of the 17 December 2010 Luxembourg Law concerning undertakings for collective investment, articles 18 to 22 of CSSF Regulation 10-04 and Section 5.5.7 of CSSF Circular 18/698.

The Company has taken all reasonable care to ensure that the information contained in this document is, to the best of its knowledge and belief, in accordance with the facts and does not omit anything material to such information. The Board of the Company has been provided with a copy for review and approval.

VII. Policy owner, approval process and update frequency

As anticipated, the Chief Compliance Officer was appointed as owner of the Policy in the quality of Conflict-of-Interest Manager, being responsible, with the support of the Conducting Officers and the Board and the Compliance Function, for any update or amendments to the Policy.

Review and update frequency of the Policy is every 1 year.

The Policy needs the formal approval of the Board.

The Policy needs the formal acknowledgement of the Employees.

Moreover, in case of relevant events making the Policy inadequate for the intended purposes, the owner oversees performing a review and/or any amendment might be needed.

Finally, the Policy enters into force on the date of its approval and replaces any former policy or internal document governing the matter subject to the Policy.